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Subcommittee on Cybersecurity, Information Technology, and Government Innovation

Hearing on “Getting Nowhere: DOD’s Failure to Replace the Defense Travel System”

July 26, 2023

I want to begin by applauding President Biden's historic nomination of Admiral Lisa Franchetti to serve as Chief of Naval Operations, the highest-ranking officer of the United States Navy. Admiral Franchetti has a tremendous amount of experience at sea and ashore, including numerous high-level policy and administrative positions. If confirmed, Admiral Franchetti would be the first woman to be a Pentagon service chief and the first female member of the Joint Chiefs of Staff.

Unfortunately, Republican Senator Tommy Tuberville is creating a national security vulnerability by actively obstructing all pending promotions for generals and admirals in the U.S. Armed Forces to limit women service members' access to reproductive health care. The Senator's blockade is affecting more than 250 leaders waiting for promotion and their families, including Admiral Franchetti. The Pentagon rightly implemented new policies to effectively acknowledge the reality of the military's evolving makeup. But Senate Republicans have shamelessly hijacked the nomination process, and threatened our country's national security, to forward their far-right agenda.

According to the Secretary of Defense, Lloyd Austin, “This indefinite hold harms America’s national security and hinders the Pentagon’s normal operations. The United States military relies on the deep experience and strategic expertise of our senior military leaders. The longer that this hold persists, the greater the risk the U.S. military runs in every theatre, every domain, and every Service.”

Furthermore, just two weeks ago, Republicans voted almost unanimously to pass an amendment in the NDAA that unequivocally limits servicemembers' access to abortion services.

It is particularly disingenuous for Republicans to demand that military leadership fix the recruitment crisis while simultaneously trying to force the Pentagon to enforce draconian policies that attack women's reproductive autonomy, deny medical care for transgender troops, and eliminate Diversity, Equity, and Inclusion initiatives specifically created to improve recruitment, cohesive teamwork, and Total Force readiness. To quote the former Senior Advisor to the Secretary of Defense, Bishop Garrison, “When the military gets recruits from diverse backgrounds, there will be more innovative thought, more innovative solutions to incredibly complex and complicated problems that are facing the national security apparatus today.”

And a lack of innovative thought is exactly why DOD has failed to replace its antiquated and much-maligned travel management system.

In 2017, the Department began the effort to replace its legacy travel system, which has been plagued by high levels of improper payments. Eventually, DOD selected Concur Technologies to develop a prototype of a new travel management system.

Based on the information available to us, it appears that the initial prototype and trial phase of DOD's new travel system showed promise. In fact, in 2021, after the prototype was, "deemed successful," DOD awarded Concur a seven-year, sole-source contract to implement a commercial software-as-a-service program known as MyTravel.

Last fall, the Under Secretary of Defense for Personnel and Readiness issued a memorandum mandating the use of the new system, but at the last minute, DOD pulled back. A few weeks ago, DOD rescinded the memo mandating use of MyTravel and cancelled the contract for the build-out of the system.

In short, DOD hired a contractor who delivered a functional product. But because the individual military Services failed to uphold the commitments, they had previously made to alter their financial management infrastructure, the new tool remained incompatible with their current systems.

It is unbelievable that DOD continues to use the financial management infrastructure that was criticized in a Full Committee hearing earlier this month, and which contains more than 400 unique financial management systems, operating across 10,000 disaggregated data management systems and 4,700 data warehouses.

While auditability is a good priority, DOD's focus on compliance with legal auditing requirements does not address the issues caused by antiquated IT. Until IT systems are modernized and consolidated, passing an audit will not just be difficult, but close to impossible.

And if we pan back, we also see DOD has a history of resistance against basic oversight despite being given a litany of exemptions from fundamental management requirements.

For example, we appreciate Mr. John Sherman coming to our Subcommittee last year to testify on Federal Information Technology Acquisition Reform Act (FITARA), a law I helped author, to improve agencies' management of IT resources and drive best practices. However, it is concerning that DOD is exempted from certain provisions within the law and is still only achieving a C on the FITARA Scorecard.

As a reminder, these grades are not scarlet letters, but I do hope they emphasize the need for agencies to take IT modernization seriously and implement the necessary changes to improve their systems. Furthermore, DOD must meet its mission to protect national security without sacrificing common-sense good governance practices. DOD must justify the exemptions they want to retain through demonstrated responsible outcomes.

DOD spends billions and billions of taxpayer dollars annually—for which they need to account. This fundamental activity—the basics of clean bookkeeping—will not happen unless DOD can first meet integral good governance management standards that lay the building blocks for serving this nation effectively. Among these fundamentals is replacing ineffective legacy IT systems with modern, more nimble systems that concurrently reduce fraud and enhance customer service.

Congress must get this nearly decade-long effort to modernize DOD's travel system back on track to address the agency's hundreds of millions of dollars of improper payments or continue to risk military readiness.

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