

Senate Armed Services Committee
Advance Policy Questions for Michael J. McCord
Nominee to be Under Secretary of Defense (Comptroller)

Duties and Qualifications

10 U.S.C. 135

Section 135 of title 10, U.S. Code, as implemented in Department of Defense Directive (DODD) 5118.03, prescribes the duties and powers of the Under Secretary of Defense (Comptroller) (USD(C)). Among such duties, the Under Secretary serves as the Department of Defense (DOD) Chief Financial Officer (CFO) for purposes of sections 901-903 of title 31, U.S. Code, and performs the duties assigned in section 2222 of title 10.

Q1. In your view, what are the duties and powers of the Under Secretary most critical to the national defense at this time?

The duties and functions of the Under Secretary of Defense (Comptroller) are described in Section 135 of title 10 and in Section 902 of the Chief Financial Officer (CFO) Act. It includes supporting the Secretary of Defense by advising on all financial management matters; overseeing the financial management activities of the Department to include establishing and supervising the execution of policies; developing and maintaining integrated agency accounting and financial management systems; supervising and directing the preparation of budget estimates of the Department of Defense; monitoring the financial execution of the budget including the approval of reprogramming requests for submission to the Congress; overseeing the preparation and submission of financial statements, and supporting the recruitment and training of the financial management workforce.

The most critical duties to the national defense at this time are preparing the budget to ensure the Department has the resources to accomplish its mission and using the financial statement audits to drive improvements in the Department's financial management activities, systems and reports.

Q2. What do you believe are the most important duties and responsibilities of the CFO?

By designating the USD (Comptroller) as the CFO of the Department of Defense this specifically incorporates the responsibilities identified in the CFO Act. I included those responsibilities in my description of the duties and functions of the Comptroller because they are interconnected. However, to the extent that some see the term Comptroller as primarily relating to the budget, the addition of the title CFO highlights and emphasizes the responsibilities for accounting, financial systems, and internal controls. I believe that a major responsibility of the CFO over the next several years is to support the audits of

the services and defense agencies and to develop, implement and oversee an effective process of fixing issues identified during the audit.

Q3. If confirmed, what specific additional duties might you expect the Secretary of Defense to prescribe for you, particularly in light of the lines of effort set forth in the 2018 National Defense Strategy (NDS)?

If confirmed, I expect the Secretary of Defense would require me to provide him expert and timely advice on all issues related to the budgetary and financial management of the Department. I also expect he would want me to ensure the men and women serving the Department of Defense would have the resources they need to support the President's National Defense Strategy. Finally, I believe the Secretary would expect the Comptroller and all senior DoD leaders to collaborate across their areas of specific statutory responsibility to provide him our best advice and to make the Department as effective as possible.

Q4. If confirmed, specifically what would you do to ensure that your tenure as USD(C) fulfills the fundamental requirement for civilian control of the Armed Forces embedded in the U.S. Constitution and other laws?

I believe in the bedrock American principle of civilian control of the military. That civilian control is central to the stability of our democracy. If confirmed, I will ensure this tenet is at the forefront of any internal or interagency interactions, and in engagements with the U.S. Congress. Although resources are obligated by both military and civilian personnel across the Department, the requirement for a Senate-confirmed Comptroller of the Department, and of the assistant secretaries for financial management of the military departments, ensures that the ultimate control of and responsibility for the expenditure of DoD resources rests with civilian leaders accountable to the President, the Secretary, and the Congress.

Q5. If confirmed, what duties and responsibilities would you assign to the Deputy Under Secretary of Defense for Comptroller?

If confirmed, I would partner with the Deputy Under Secretary of Defense for Comptroller to ensure that the duties required of our office are met. The Deputy Comptroller should be capable at any time of carrying out the responsibilities of the Comptroller if necessary. Duties assigned to the Deputy, which would be determined based on her/his experience and skills, could include developing or overseeing plans for remediation of issues identified during the financial audit, or leadership of some management or performance improvement functions that may be newly assigned to the Comptroller organization. Finally, the Deputy might be assigned leadership of specific emerging projects that I cannot predict at this time, similar to my role in managing the Department's Recovery Act programs when I served as Deputy Comptroller.

Q6. If confirmed, what innovative ideas would you consider providing to the Secretary of Defense to enhance the efficiency and performance of the Office of the

Under Secretary of Defense (Comptroller) and the two Defense Agencies under the authority, direction, and control of the Under Secretary?

I believe building and leading high performing teams requires excellent communication and transparency. If confirmed, I will emphasize these characteristics and will look for opportunities to improve the overall efficiency and performance of the Comptroller team to ensure we are as effective as possible. I would also look for opportunities to expand the progress and power of data analytics that the office has made in recent years.

Qualifications

Section 135 further provides that the USD(C) shall be appointed from among persons who have significant budget, financial management, or audit experience in complex organizations.

Q7. What significant experience and education do you possess in the domains of budget, financial management, and/or the audit of complex organizations?

I believe that my previous experience from 2009 to 2017 as the Under Secretary of Defense (Comptroller) and Principal Deputy Under Secretary of Defense (Comptroller) demonstrates my qualification for this position. I am intimately familiar with the budgetary and financial issues that pertain to the Department.

I also served for 24 years in the legislative branch, including for 21 years as a Professional Staff member of the Senate Armed Services Committee overseeing the DoD budget and providing expert analysis on issues such as funding overseas contingency operations, the fiscal impact of legislation, reprogramming of funds to meet emerging needs, questions of fiscal law and financial management, the analysis of alternative courses of action with respect to specific programs, and knowledge of the federal budget process.

Q8. In particular, what leadership and management experience do you possess that you would apply to your service as USD(C) if confirmed?

I believe my previous leadership and management experience serving as the Under Secretary of Defense (Comptroller) and Principal Deputy Under Secretary of Defense (Comptroller) will allow me to once again be successful in this role.

Q9. Do you believe that there are any steps that you need to take to enhance your ability to perform the duties and execute the powers of the USD(C)?

Although I have previously served as the Under Secretary of Defense (Comptroller), the vast breadth of the Department's programs and policies require me to constantly enhance my expertise as they relate to the Department's budget and financial management issues.

Relationships

Q10. Describe the relationship you would foster, if confirmed as the USD(C), with the Director, Cost Assessment and Program Evaluation, particularly in light of the independence and direct reporting relationships and responsibilities accorded to the Director in law.

If confirmed, I will coordinate and work closely with the Director for Cost, Assessment and Program Evaluation in providing advice, assessments, and options to the Secretary or Deputy Secretary. CAPE, Comptroller, and Policy have always been strong partners in the Planning, Programming, Budgeting, and Execution process and I do not expect that to change.

Q11. If confirmed, on what projects would you expect to collaborate with the Director?

If confirmed, I will work with the Director to ensure that a robust and successful program/budget review is conducted and that our programs are aligned with and managed in accordance with the Secretary and Deputy Secretary's guidance. I would, if confirmed, also expect to explore opportunities to improve the quality and consistency of our data for budget and cost accounting purposes, and, in concert with other senior leaders under the direction of the Deputy Secretary, to develop a plan to re-engineer the management and performance improvement functions that were formerly assigned to the Chief Management Officer.

Q12. Describe the relationships you would foster, if confirmed as the USD(C), with the Military Department Assistant Secretaries for Financial Management and the Military Department and Fourth Estate Budget Directors.

If confirmed, I will work very closely with the Assistant Secretaries for Financial Management of the military departments and the Fourth Estate Budget Directors in the development and execution of budgetary matters, fiscal policy, and initiatives of the President and the Secretary of Defense. During my previous tenure as Comptroller, it was my practice to meet at least once each week with the Assistant Secretaries for Financial Management of the military departments to synchronize our efforts, and it would be my plan to continue that partnership if confirmed.

Q13. On what projects would you expect to collaborate with these officials?

If confirmed, I plan to work closely with the Assistant Secretaries and Fourth Estate Budget Directors in contributing to the successful development and implementation of effective DoD policies and programs and management of the defense budget, to include development of the budget, execution reviews and reprogramming requests, management of our internal controls and financial audit efforts, and programs for the development of the financial management workforce.

Q14. Describe the relationship you would foster, if confirmed as the USD(C), with the Director of the Office of Management and Budget.

If confirmed, I will, in coordination where appropriate with the Secretary and Deputy Secretary, work very closely with the Director and Deputy Director of the Office of Management and Budget, and with the Program Associate Director for National Security, and foster a relationship of cooperation and transparency.

Q15. If confirmed, on what projects would you expect to collaborate with the Director?

If confirmed, I will interact with the Office of Management and Budget on the preparation and execution of the Department's budgets, on reprogramming requests, on legislative requests, on the financial audit, and the advancement of both the Administration's and the Department's management priorities. I will work with the Director to assess the Department's topline requirements and ensure that the President's national security priorities are appropriately reflected in the annual budget request.

Q16. If confirmed, what actions would you take to develop and sustain an open, transparent, and productive relationship between Congress—the Senate Armed Services and Senate Appropriations Committees, in particular—and the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) and the Defense Agencies subject to your authority, direction, and control?

If confirmed, I will commit to working with the Armed Services and Appropriations committees to resolve any matter relating to the authorization or appropriation of the Department's funding. I will continue to respect the prerogatives of the Department's oversight committees, and will work closely with the committees, through open and honest communication, to achieve a consensus necessary to meet our defense needs.

Major Challenges and Priorities

Q17. What are the most significant challenges you would face if confirmed as Under Secretary of Defense (Comptroller)?

The USD (Comptroller) faces a number of ongoing challenges. The first is developing defense budgets that are consistent with the Department's mission of protecting the vital interests of the United States. The second challenge is the audit. The Department must use the audit to drive effective corrective action plans. The audit will provide a baseline of the current financial management status, and it will take time and consistent attention to implement the corrective actions necessary to achieve a clean opinion. The third challenge is to continue to improve the effectiveness and efficiency of the Department. The fourth challenge is to continue workforce development. The Department's success with the budget, the audit and implementing reforms depends in large part on the skill set and experience of the DoD financial management workforce.

Q18. If confirmed, specifically what management actions would you take, and in what order of priority, to address each of these challenges?

If confirmed, I will work closely with the Secretary and Deputy Secretary and other leaders across the Department and within the OUSD (Comptroller) to tackle these challenges head on. For the budget I would use the PPBE process as a means to develop and justify a defense budget that supports the President's and the Secretary's vision. For the audit I would begin by reviewing the status of existing DoD efforts to assess key leverage points that could be used to accelerate the process. On defense reform, I would look for ways to continue and expand the reform effort through the Comptroller organization. Developing and sustaining a professional financial management workforce is the foundation for meeting each of these challenges. DoD has a strong program already in place and I would look to build on that existing program.

2018 National Defense Strategy (NDS)

The 2018 NDS outlines that the United States faces a rising China, an aggressive Russia, and the continued threat from rogue regimes and global terrorism.

Q19. Are the programs and resources required to generate the capabilities necessary to implement the NDS properly prioritized in the DOD the budget?

I have not yet been able to review the Fiscal Year (FY) 2022 budget. If confirmed, I will work with the Secretary and Deputy Secretary to ensure all programs and resources are properly prioritized to support the President's strategy and manage advanced and persistent threats.

Q20. Are there areas in which the budget is not aligned with the NDS?

I have not yet been able to review the Fiscal Year (FY) 2022 budget. If confirmed, I will work to ensure the alignment of the budget with the President's strategy and any new strategic guidance documents produced by the Administration.

Q21. If confirmed, how would you realign or refocus DOD programs and funding, if at all?

It is my understanding that the Department is preparing to initiate a National Defense Strategy review to ensure DoD's strategic priorities are properly aligned to the President's interim National Security Strategic Guidance. If confirmed, I intend to play an active role in the review and implementation of any necessary realignment of DoD resources.

Q22. Are we properly resourcing those capabilities that have been established since the release of the 2018 NDS (e.g., U.S. Space Force)?

I have not yet been able to review the Fiscal Year (FY) 2022 budget. If confirmed, I will work with the Secretary and Deputy Secretary to ensure proper resourcing of the capabilities that will determine our military and national security advantage in the future.

Q23. If confirmed, what revisions or adjustments would you recommend to the Secretary of Defense regarding DOD's resourcing and implementation of the 2018 NDS?

If confirmed, I intend to play an active role in the review and recommendation of any necessary resource revisions or adjustments required to implement the President's strategy.

In its 2018 report, the National Defense Strategy Commission recommended that Congress increase the base defense budget at an average rate of three to five percent above inflation through the Future Years Defense Program (FYDP).

Q24. Do you believe that 3-5% real budgetary growth through the FYDP is required to implement the 2018 NDS effectively? Please explain your answer.

As the commission stated, that resource level was illustrative of what was needed for the 2018 NDS. Secretary Austin is required by law to update that strategy in the coming months. If confirmed, my goal will be to use the resources available to the Department wisely to realize the strategic aims of the Department as identified in Secretary Austin's review and ensure the nation has the military technologies and capabilities to compete and win. Under any resourcing level, the Department must balance readiness, force structure, and modernization while pursuing savings through critical reviews of ongoing missions and activities, and the phasing out of systems and approaches developed for an earlier era.

Q25. Under the funding levels specified in the President's budget request for Fiscal Year (FY) 2022, does DOD have adequate resources to implement the 2018 NDS and other national defense priorities? Please explain your answer.

I believe budgets should match resources to strategic national priorities and must strive to maximize our capabilities. At the same time, budgets for any agency, including DoD, are subject to fiscal realities. If confirmed, I will work with the Secretary and Deputy Secretary to set priorities and make hard choices to deter conflict and strengthen our competitive military edge. While I have not seen the specifics of the FY 2022 budget, which has not yet been released, I believe the Department should be able to carry out its missions with a properly balanced program at the announced funding level.

Q26. What types of resource shortfalls are likely to hamper DOD's execution of the 2018 NDS and other national defense priorities, in your view?

There will always be fiscal constraints largely brought on by unforeseen events, such as the COVID-19 pandemic. Given the scope of the challenges we face, Congress and the Department will need to work together to make some hard choices.

Q27. In your opinion, in what areas of the implementation of the 2018 NDS is the Department taking the most risk in terms of resources allocated?

If confirmed, I will work with other senior DoD leaders to review the allocation of resources to help the Secretary ensure that resources are matched to strategic national priorities and will work with Congress to identify and mitigate risk.

Q28. If confirmed, by what standards would you measure the adequacy of DOD funding going forward?

If confirmed, I would measure the adequacy of the Department's funding by our ability to defend this nation – to execute our chosen strategy, maintain the nation's technological edge, preserve the health of the joint force, and provide options to the President that support his foreign policy and national defense goals.

Post-Budget Control Act and the Overseas Contingency Operations (OCO) Account

The FY 2022 budget request will be the first to be unconstrained by the statutory caps of the Budget Control Act (BCA) of 2011. The use of the Overseas Contingency Operations (OCO) account has been debated for several years, primarily because OCO dollars were exempt from the caps of the BCA and some charged that DOD was using OCO as a “slush fund” for base budget requirements.

Q29. What are your views about the use of the OCO account in the Department of Defense's annual budgeting?

It is imperative that adequate resources are available to support U.S. troops deployed to combat or combat support locations around the world. The Overseas Contingency Operations (OCO) budget has been a useful tool for the Department of Defense, and the Congress, to provide this critical funding in a transparent manner.

Q30. Should DOD continue to use the OCO account?

It is my understanding, based on the Office of Management and Budget (OMB) Summary of the President's Discretionary Funding Request, dated April 9, 2021, that the Administration intends to discontinue requests for Overseas Contingency Operations (OCO) as a separate funding category. I believe that this is appropriate, assuming an appropriate transfer of funding for enduring programs into the base budget. With the drawdown in troops from Afghanistan, the vast majority of remaining efforts will be enduring requirements and should fold into the base budget for better long-term planning.

Q31. If DOD continues to use the OCO account, will you commit, if confirmed, to update the guidelines regarding the budget items that may be covered by OCO, in accordance with section 1524 of the National Defense Authorization Act (NDAA) for FY 2018?

It is my understanding, based on the Office of Management and Budget (OMB) Summary of the President's Discretionary Funding Request, dated April 9, 2021, that the Administration intends to discontinue requests for Overseas Contingency Operations (OCO) as a separate funding category. If confirmed, however, I would look forward to working with the congressional defense oversight committees and the OMB to support discussions on funding criteria for current or future contingencies.

Q32. How should the Department seek to account for its supplemental or emergency budgetary needs and how should the Department identify and account for conflict-related funding?

It is important that the Department of Defense (DoD) retain some budget flexibility to deal with unforeseen or emergent needs, especially given the uncertainty of world events. If confirmed, I will work with the Office of Management and Budget to ensure that we have adequate funding tools to support U.S. troops and DoD missions worldwide. Ultimately the Department can only address such needs with the support of Congress.

Q33. In addition to passing spending bills on time, what more can Congress do, in your view, to afford DOD the resource stability and flexibility it needs?

Beyond the significant budgetary challenges that repeated and lengthy continuing resolutions create for the Department, timely congressional review and approval of reprogramming requests and funding notifications is critical to the Department's operations. In addition, it is important that the Congress provides an adequate level of general transfer authority, especially with the elimination of the OCO account and the likely elimination of the special transfer authority. This transfer authority provides critical budget flexibility to deal with emergent needs without requiring additional resources.

Section 222a of title 10, U.S. Code, provides that not later than 10 days after the President's submission of the defense budget to Congress, each Service Chief and Combatant Commander must submit to the congressional defense committees a report that lists his or her unfunded priorities, including military construction projects.

Q34. If confirmed, would you support the Service Chiefs and Combatant Commanders in providing their unfunded priorities lists to Congress in a timely manner?

Yes, I would support the submission of unfunded priorities lists as required by law.

Q35. If confirmed, would you ensure adherence to the restrictions placed upon the National Guard unfunded priorities list as specified in Section 1006 of the NDAA for FY 2021?

Yes, I would recommend the Chief of the National Guard Bureau follow the law.

Anti-deficiency Act

The USD(C) is charged to maintain effective control and accountability over the use of all financial resources of the Department. Such responsibilities necessarily include ensuring DOD-wide compliance with the laws and regulations governing the obligation and expenditure of federal funds. On April 27, 2020, the Government Accountability Office (GAO) submitted to the Senate its compilation of Anti-deficiency Act (ADA) reports submitted by federal agencies for FY 2019. The ADA prohibits federal agencies from obligating or expending federal funds in advance or in excess of an appropriation, and from accepting voluntary services. The GAO report for FY 2019 comprised nine reports of ADA violations, four of which derived from DOD.

Q36. What is your level of confidence that DOD has in place the policies and procedures to ensure the identification of all potential ADA violations?

I am confident that DoD has robust policies and procedures to ensure the defense agencies and military departments can detect potential ADA violations, however I believe all processes can benefit from ongoing reviews.

Q37. What are your ideas for better preventing ADA violations from occurring in DOD and for identifying, and correcting them sooner?

If confirmed, I will ensure the Department includes a full understanding of the requirements of the ADA as a focus area during annual reviews and financial manager training, with an emphasis on promptly and accurately recording obligations.

10 U.S.C. 2222 – Improvement and integration of performance and financial information

Earlier this year, GAO again designated DOD’s business systems modernization program and DOD Financial Management operations as “high risk.”

Q38. If confirmed, what specific steps would you take to improve financial management systems so that GAO can remove them from the “high risk” category during your term in office?

If confirmed, I will prioritize efforts focused on streamlining and simplifying our IT environment. By consolidating systems into a modern IT environment supported by streamlined processes, the Department will reduce hours spent on manual processes and rework, better visibility to funds execution, and have the ability to accurately portray its

financial position. I have not yet been able to review the latest state of the Department's financial management systems but, if confirmed, I will take the necessary steps to review and improve them.

DOD still lacks consistent financial data elements and definitions that would enable it to accurately compile data across the Department and compare costs across different programs and organizations. Critical information on program performance is maintained in one-off local systems that do not feed into the Department's official records.

Q39. If confirmed, what actions would you take to establish a common, enterprise-wide "dictionary" of financial data elements and their definitions to be applied across DOD?

If confirmed, I will promote the use and refinement of the Standard Financial Information structure (SFIS) across the Department. SFIS is intended to standardize financial reporting and enable revenues and expenses to be reported by programs that align with major goals, rather than basing reporting only on appropriation categories.

Q40. If confirmed, what actions would you take or direct to link financial data and information to performance monitoring and measurement mechanisms, so as to enable improved decision making about the Department's programs and investments?

If confirmed, I will promote the use of SFIS as a key enabler of linking financial data with performance monitoring, encourage the components to manage their balance sheet as one of their key metrics, and expand the use of data analytics.

Q41. If confirmed, what actions would you take to ensure that, as appropriate, timely access to all financial datasets is provided to all components of the DOD?

Ensuring that timely access to all financial datasets is provided to all Components of the DoD will be one of the primary benefits of our system standardization and consolidation initiatives. If confirmed, I will review what actions, if any may be necessary to support these efforts.

Q42. In your view, what specific actions are required to implement consistent accounting approaches across DOD, with a view to enabling the assignment of "whole of Department" costs to programs and organizations, and to setting accurate prices for reimbursable activities?

If confirmed, I will encourage Components to directly trace and report the full costs of outputs wherever feasible and practical. This will require Components to improve their ability to account for interdepartmental costs and transactions. A shift toward automation in reconciliations will be necessary as opposed to tedious and resource-intensive manual reconciliations.

Audit and Financial Management

2020 was the 30th anniversary of the passage of the Chief Financial Officer's Act, which mandated that federal agencies complete financial audits. DOD is the only federal agency unable to complete a financial audit in accordance with the law, despite having invested billions of dollars over the past decades to do so. In FY 2020, DOD completed a comprehensive audit and received a Disclaimer of Opinion.

Q43. In your view, how, if at all, do the audit and its remediation activities support the 2018 NDS?

The audit and its remediation activities highlight and validate areas for improvement in DoD's internal controls and processes. As the DoD remediates audit findings and improves its overall financial management processes and information, decision makers will have better access to reliable and timely information. If confirmed, I will work with senior leaders in the DoD to use one source of financial data for both financial statement preparation and investment decision making. This will emphasize the importance of reliable financial information and will directly link performance and financial management.

Q44. What challenges are unique to conducting an audit of DOD?

The size and complexity of DoD affects the timeliness in which we are able to get to a clean audit opinion. DoD is larger, in terms of assets and resources, than any organization which has gotten a clean audit opinion. The Department's mix of classified and unclassified transactions and multiplicity of "feeder" systems that contain information auditors need to verify have also been challenges.

Q45. If confirmed, how do you plan to overcome those challenges to ensure that the Department continues to make demonstrable progress towards a clean audit opinion?

If confirmed, I look forward to working to use the notices of findings and recommendations (NFRs) to target, track and hold the appropriate individuals accountable for the timely implementation of corrective action plans. I will direct my leadership team to track and analyze audit findings by Component, as they are issued, and to closely monitor metrics to quantify our progress and assess remaining levels of effort to receive a positive opinion.

Q46. How would you characterize the progress made since the change in strategy to begin audits despite the Department not being audit-ready?

I believe the progress being made is encouraging. However, we still have a lot of work to do collectively as a Department. If confirmed, I will ensure the Department continues to

undergo full financial statement audits and uses auditor feedback to identify areas that need corrective actions or further audit remediation work.

Q47. In what year do you expect the Department as a whole to receive a modified audit opinion?

At this point, I can't say, but if confirmed, I will ensure the Department has actionable and achievable plans in place to keep making progress toward an audit opinion.

Q48. In what year do you expect the Department as a whole to receive an unmodified audit opinion?

If confirmed, I will be committed to this process and work to implement practical and pragmatic corrective action plans for the financial management and operations of the Department. The changes required are complex and we fully expect that progress will steadily continue.

Q49. What metrics should the Congress be tracking to monitor the continuous progress of the Department towards achieving an unmodified audit opinion?

Congress can track the following metrics to monitor progress toward DoD achieving an unmodified opinion:

- Resolution or downgrade of prior year material weaknesses.
- Closure of notices of findings and recommendations (NFRs) identified as contributing to material weaknesses.
- Composition of NFRs by Component in regards to new versus reissued.
- Status of Component audit opinion progression on a year-over-year basis

Q50. If confirmed, would you direct the Military Services, Defense Agencies, and Field Activities to develop their own individual schedules for achieving a clean audit for their own organizations and metrics to track their progress towards that goal?

Each reporting entity under standalone audit with a disclaimer audit opinion is maintaining an audit roadmap. Each audit roadmap details corrective action completion dates by fiscal year and financial statement line item or audit focus area. If confirmed, I will continue to utilize these roadmaps to track progress by Component toward significant milestones and hold the appropriate individuals accountable for the achievement of these milestones in a timely manner.

Q51. If so, what would you do to ensure compliance with your directive?

If confirmed, I will look forward to working with the Military Service Secretaries and Component leadership to review audit finding metrics and progress toward the development, implementation and auditor validation of closure of these findings

Q52. In your view, what incentives need to be in place to ensure senior leaders in each DOD Component—not only the financial management community—are fully invested and engaged in the process of achieving a clean audit opinion?

It would be very valuable to have a range of tools and incentives in place to build and sustain senior leadership support and accountability for achieving a clean audit opinion. I am not aware of all the tools currently in use in the Department or how effective they are. Should I be confirmed, I would make it a priority to examine these options and provide my recommendations to the Committee. Having senior executive performance plans depend in part on audit efforts has been one such tool that should be reviewed.

Q53. Are those incentives currently in place in the Department?

I am not aware of all the tools currently available to the Department or how effective they are. Should I be confirmed, I would make it a priority to examine these options and provide my recommendations to the Committee.

Q54. What disincentives or structural impediments, if any, preclude or hamper such senior leader engagement, in your view, and what can be done to eliminate such impediments?

I am not currently aware of any specific structural impediments. However, senior leaders in the Department always have many competing priorities for their time and attention, and as with any large, complex organization, there is always the risk of certain capabilities or solutions becoming siloed, but I believe our financial reporting, property and IT functional councils will continue to play an effective role in encouraging cross-cutting solutions and breaking down organizational silos. If confirmed, I will look to eliminate any impediments to senior leader engagement.

Q55. Specifically, what measures should be used to hold senior leaders accountable if they do not meet statutory deadlines for DOD auditability?

Audit metrics intended to track audit opinion progression can be used to hold senior personnel accountable in future performance evaluations. I think you can and should expect to see significant progress toward addressing and resolving audit findings from previous years.

USD(C) leads the ADVANA (Advanced Analytics) effort for the entire Department of Defense. This effort, begun in support of the audit, has made significant progress in moving the Department toward modern data management practices.

Q56. What do you view as the main challenges and opportunities in moving toward improved usage of data in decision-making?

Among the data challenges that the Department needs to address is the fact that the Department has old systems that make it difficult to access data of good quality in a

timely manner, and the DoD has a ways to go in cultivating a data culture that attracts the right skills. If confirmed, I will be working with the DoD CIO, CDO, and other senior leaders to implement the DoD Data Strategy in order address these challenges. It is my understanding that the Department is making progress and I look forward to engaging directly to help build on that progress.

Q57. How do you view the relationship between USD(C) and the DOD Chief Data Officer in managing ADVANA?

As I understand it, the roles of the CDO and USD(C) are complementary and critical to implementing the DoD Data Strategy. Both offices share a clear focus on improving the Department's use of data to drive better decisions and outcomes. The CDO provides the strategy, policy, and guidance for data management practices. The USD(C) is the primary lead for the financial statement audit, and the Department has seen success in using the audit as a lever for operationalizing good enterprise data management. If confirmed, I will make it a priority to ensure we are leveraging both the USD(C) and CDO's skills and missions to promote the use of data and analytics across the Department.

Some commentators have asserted that efforts to achieve a clean audit opinion on DOD financial statements may be not be the best use of limited resources in a time of constrained budgets.

Q58. Do you agree with this assertion? Please explain your answer.

The value of the audit is not so much in DoD being able to say it has a clean audit opinion, but in the audit recommendations that bring insight into how the Department can improve its operations. The audit can improve the Department's operations on many levels – in the form of more reliable information for decision-making, improved inventory management, and cybersecurity. With time, I expect that the value and contributions that flow from the audit will grow.

The Planning, Programming, Budgeting, and Execution (PPBE) Process

In 1961, then-Secretary of Defense Robert McNamara created the framework of the current PPBE process. As the core decision making process by which DOD decides how and on what it spends its money, the PPBE process operates to connect strategic objectives with resources. The USD(C) is charged to administer and provide analysis for the budgeting and execution phases of DOD's PPBE process, as well as to make recommendations on matters relating to the planning and programming phases of the PPBE process.

Q59. Do you believe the current PPBE process is adequately connected to implementation of the 2018 NDS?

PPBE, if implemented as envisioned, allows for a strategy driven and structured approach to ultimately building a budget that aligns with the Department's strategy. If confirmed, I will ensure OUSDC continually emphasizes and assesses NDS alignment throughout the PPBE interactions.

Q60. In your view, do the DOD Components (particularly OSD) have the human and automated analytic decision support capability and capacity to facilitate informed strategic decision making in a relevant timeframe?

DoD has a very experienced, dedicated workforce capable of facilitating informed strategic decision making. If confirmed, I will make it a priority to ensure we are leveraging both the skills and missions to promote the use of data and analytics to improve and accelerate the decision making process across the Department.

Q61. Do you believe that the PPBE process accords too much weight to Military Service priorities, rather than to Departmental priorities?

I believe PPBE allows for an appropriate balance of all stakeholder views. If confirmed, I will work to ensure the future joint requirements are assessed and considered for funding.

Q62. In your view, are Combatant Commanders' priorities adequately reflected in the PPBE process?

Combatant Commanders, in general, do not control resources in the PPBE process the way the military services do, so their roles are significantly different. That said, all parties have a voice and the opportunity to participate, and Combatant Commander priorities are afforded ample opportunity to influence the Service and Department-level PPBE development process.

Q63. If confirmed, what changes would you make, if any, to the PPBE process to improve both resourcing decisions within DOD and information flow about those decisions to the Congress?

If confirmed, I will work in partnership with the Deputy Secretary and other Department leaders to ensure that the PPBE process aligns resources to the defense strategy. This includes identifying analytically-informed strategic choices about the size and shape of the future force. Communication with Congress is critical to ensuring our nation's defense needs are met. If confirmed, I will review the Department's communication process on budgetary decisions with the intent to ensure information flow to the Congress is both timely and effective.

Q64. In your view, is there value in the Department, the Congress, or an independent commission conducting a holistic review and reform of the PPBE process? Please explain your answer.

The PPBE process provides an effective, neutral, and open framework to allow the leadership of the Department to make well-informed choices about resource allocation in support of the Department's strategic priorities. I am committed to ensuring this process works effectively and, if confirmed, will seek to make any necessary adjustments to meet the nation's defense needs. I would look forward, if confirmed, to working with the congressional defense committees or others to review the PPBE process for potential improvements.

Some commentators have observed that in matters related to the realignment of strategic objectives with resources via the PPBE process, DOD's size, structure, and culture favor the "status quo."

Q65. Do you agree with this assessment? Please explain your answer.

In my experience, the PPBE process demands rigor in program decisions, which may require time to accomplish. However, over time the Department can shift resources toward strategic ends. The Department must also closely work with Congress to gain support for the proposed strategic shifts in resources. Any tendency to favor the status quo is, in my view, not specific to or a direct result of the PPBE process.

Q66. Can the PPBE cycle iterate fast enough to respond to changes in strategic or programmatic direction, in your view? Please explain your answer.

I believe the PPBE process is flexible enough to react to changing strategic or programmatic direction. Leadership priorities and attention are essential to full implementation of strategic direction. I also believe it's important to have a rigorous assessment of options and analytic underpinning for strategic shifts. The PPBE process is only the internal portion of the larger federal budget process and any analysis of the speed or efficacy of our budget process should, in my view, look at all parts of the budget process.

Q67. In your view, is the PPBE process flexible enough to enable DOD to make programmatic changes within the annual budget cycle?

Yes, the PPBE process is flexible enough to react to urgent programmatic changes within the budget cycle. However, the greater the change being contemplated, the more of a challenge implementing that change will be, in both the internal (PPBE) and congressional review phases of the budget process.

Q68. In your view, would DOD benefit, particularly in relation to implementation of the NDS, if the obligation availability of Operation and Maintenance funds were changed? Please explain your answer.

Yes, I think extending the availability of some portion of Operation and Maintenance funds would provide additional flexibility to deal with emergent requirements at the start of a new fiscal year as well as the loss of funds resulting from operational changes late in

a fiscal year. In addition, this may help in eliminating the “use it or lose it” mind set and result in better decisions by financial managers throughout the year.

Q69. Given the frequency of continuing resolutions, at least for some part of each fiscal year, would DOD benefit from the authority to “carryover” some percentage of Operation and Maintenance funds from year to year?

Yes, it’s my understanding that some domestic agencies have authority to keep up to 50 percent of unobligated Operation and Maintenance balances available for an additional fiscal year, and this would certainly be beneficial to the DoD.

Q70. Are there other flexibilities of this sort for other appropriations that you would recommend?

Flexibility would also be useful for portions of the military personnel appropriations such as permanent change of station (PCS) moves, which peak in the last quarter of the fiscal year (summer months) and are frequently impacted by unforeseen operational changes. Some similar carryover authority might also be beneficial with respect to the costs of reserve component drill costs, which can sometimes be difficult to predict precisely. If confirmed, I look forward to discussing recommended flexibilities with the Defense Committees.

Nearly a decade ago, Congress changed the Department of Veterans Affairs health care budget to comprise both regular current-year and advance appropriations.

Q71. In your view, would DOD benefit in moving to a similar system for at least some portion of the defense budget?

If confirmed, I would want to consult with appropriate financial managers in the Department of Veterans Affairs to learn their assessment of the impact of this change. If VA can show clear advantages, then DoD might well benefit in moving to a similar system for the Defense Health Program portion of the budget.

Q72. If so, which portion(s) of the budget would be best suited to such an approach, and why?

The Defense Health Program budget is the best suited to such an approach. Much like the VA health appropriation, DoD produces health care through organic clinics and hospitals as well as the private sector health care network. Health care demand can vary widely from year-to-year and allocating single year discretionary funding for health care often places significant risk on non-health defense priorities to ensure DoD can continue to deliver care. Use of “advanced appropriations” similar to the VA process that estimates health care requirements for the following two fiscal years, would allow DoD to spread the risk for health care delivery across multiple fiscal years while more efficiently using resources for both health and non-health defense priorities.

The DOD Financial Management Workforce

The USD(C) is charged to provide guidance and oversight of the recruiting, retention, training, and professional development of the DOD financial management workforce.

Q73. If confirmed, how would you assess the quality of the DOD financial management workforce?

It is hard to know from outside the organization. However, should I be confirmed, I will be uniquely positioned to assess the quality of the DoD financial management workforce by evaluating improvements in auditability and associated processes since I last held the position, and by evaluating the status of the Department's financial management workforce development program, which should now be at an appropriate level of maturity to judge its efficacy. Reviewing such metrics, audit results, and major program improvements will provide a sense of overall capability.

Q74. How can the DOD financial management workforce best be developed?

It is important to maintain an agile and responsive DoD financial management workforce capable of meeting tomorrow's mission. If confirmed, I hope to accomplish this with regular requirement scans and workforce health assessments to identify capability and skill gaps, as well as to stay ahead of emergent workforce trends. Ensuring access to the right tools and resources (to include training, professional development, networking and collaboration) will better enable the DoD FM workforce to fill capability gaps and reach individual and organization goals.

Q75. What role can exchange programs with industry or partnerships with educational institutions play in developing the DOD financial management workforce?

I believe that exchange programs with industry or partnerships with educational institutions can play a beneficial role in developing the DOD financial management workforce. Exposure to industry and academic institutions increases innovation, thought leadership, and collaboration, allowing DoD participants to test new concepts/approaches and return to DoD as improved critical thinkers and innovative problem solvers.

Q76. Is the DOD financial management workforce properly sized, in your view?

I cannot say at this point, however, if confirmed, I will be uniquely positioned to assess the size of the DoD financial management workforce and determine if there are any efficiencies to be gained through automation and process improvements.

Q77. Does the DOD financial management workforce have the appropriate capabilities, and are those capabilities properly distributed, in your view?

If confirmed, I will assess whether the financial management workforce has the appropriate capabilities, and work with the Assistant Secretaries for Financial Management of the military departments to ensure that those capabilities are distributed properly in order to meet mission requirements. I believe ongoing evaluation will be necessary to identify emergent trends and deficiencies.

Q78. What else would you do, if confirmed, to improve the capacity and capability of the DOD financial management workforce?

If confirmed, I will assess the capacity and capability of the DoD financial management workforce and of its workforce development programs. I will look for any lessons learned during the pandemic and review current processes and available technology to identify efficiencies to be gained through automation.

Q79. Do you believe the OUSD(C) and the DOD financial management workforce have the capability and capacity to assume the additional duties assigned to them by then-Deputy Secretary of Defense Norquist after the statutory dissolution of the Chief Management Officer? Please explain your answer.

I understand Deputy Secretary Hicks has begun or will soon begin a review of those initial decisions and assess the best placement of all OCMO functions. If confirmed, I will be prepared to participate in those deliberations. Depending on which, if any, of such management functions were assigned to the Comptroller organization, I believe additional personnel with different skill sets, such as program management rather than budget analysis backgrounds, might need to be hired or transferred to the Comptroller organization.

When you were last serving as the USD(C), the Department created a new professional certification process for the DOD financial management workforce.

Q80. In your judgement, how does the financial management certification program improve the Department's ability to produce a professional and capable financial management workforce?

In my judgement, the DoD Financial Management Certification Program improves the Department's ability to produce a professional and capable financial management (FM) workforce by ensuring the proficiency baseline necessary to maintain a competent and ready FM workforce, and establishes a framework to guide DoD FM professional development. It provides a consistent, disciplined approach to ensure appropriate training in key areas such as DoD audit and remediation, fiscal law, and ethics.

Q81. What performance metrics associated with the financial management certification program demonstrate the program's effectiveness and utility?

As I understand it, the Department has metrics in place to measure the percentage of the financial management (FM) workforce who are compliant in their certification and continuing education and that metric is part of the Department's annual performance

plan. If confirmed, I will review the current performance indicators and determine if there are initiatives we can pursue to increase the utility of the program.

Q82. How does the DOD financial management certification compare to other government financial management credentials (e.g., Certified Defense Financial Manager)?

The mission of the FM Certification Program is to develop and maintain a competent FM workforce with the baseline knowledge, skills, abilities, and behaviors necessary to successfully perform FM occupational functions. DoD's internal program was intended to complement, not replace or displace, the CDFM program. If confirmed, I would review the degree to which these programs overlap or complement each other.

Defense Agencies

The USD(C) is charged to ensure the effectiveness, efficiency, economy, and performance of the Defense Agencies subject to the Under Secretary's authority, direction, and control, and is accountable to the Secretary of Defense for the mission performance of such agencies.

Defense Contract Audit Agency (DCAA)

Q83. What have been some of the successes (especially in terms of savings to DOD and the taxpayer) from the work of DCAA?

DCAA's role in the financial oversight of government contracts is critical to ensure the Department and the Nation get the best value for every dollar spent on defense contracting. Its work benefits our men and women in uniform, as well as the American taxpayer. I believe DCAA provides examples of the savings to the taxpayers and other achievements in their annual report.

Q84. If confirmed, what steps would you take to improve DCAA's ability to execute its designated missions?

DCAA's primary function is to conduct contract audits and related financial services. If confirmed, I will support DCAA's efforts to execute its designated missions, including increasing collaboration with customers and industry, as well as efforts to provide value added information through comprehensive analysis of their individual audits. The timeliness of DCAA's contract audits would also be an area I would review if confirmed.

Q85. If confirmed, what new investments in technology, training, and workforce would you recommend to improve the effectiveness and efficiency of DCAA?

If confirmed, I will encourage and support any on-going DCAA technology, training and workforce initiatives that will help improve auditor efficiency and effectiveness.

DFAS

The Defense Finance and Accounting Service (DFAS) was established to consolidate finance and accounting functions previously performed by the Military Services.

Q86. In your view, does DFAS continue to add value to DOD-wide financial management and accounting systems and processes? Please explain your answer.

DoD established DFAS in 1991 to consolidate, standardize, and integrate finance and accounting functions within the DoD to create efficiencies. I believe they have a solid history of adding value to DoD-wide financial management and continue to envision, lead and add value.

Q87. If confirmed, what steps would you take to improve DFAS's ability to execute its designated missions?

If confirmed, I would enable an environment in which DFAS could continue to drive standardization across the Department. I will review DFAS's ongoing work with the components to address the issues that drive the need for manual input and error correction at the functional source. Standardization in the data delivered to DFAS is recognized as a critical component of the Department's ability to automate its financial reporting and improve its audit position.

Q88. If confirmed, what new investments in technology, training, and workforce would you recommend to improve the effectiveness and efficiency of DFAS?

If confirmed, I would work with DFAS leadership, and consult with DFAS customers across the Department, in order to review what opportunities to improve the effectiveness and efficiency of DFAS are in line with the NDS and possible within fiscal constraints and competing priorities. Amplified use of data analytics and technology tools such as robotics and artificial intelligence to increase automation of transaction processing and the delivery of business insights are some potential areas to consider to effectively manage the Department's resources.

Working Capital Funds

More than two decades ago, DOD created several working capital funds as part of an effort to streamline defense business processes.

Q89. What do you perceive to be the value of working capital funds?

Working capital funds (WCFs), especially when used in concert with policies that provide DoD customers with the full cost of goods or services provided by WCF activities, help facilitate a cost-conscious culture, imparting a corporate view across the department, enabling a more efficient optimization of limited resources. They act as a “shock absorber” to minimize the impact of demand and cost variations to the customers, allowing for price stability in the year of execution. WCFs allow for purchase of supply items in advance of customer need, enabling supply activities to have the right parts on the shelf in the right quantities when the customers need them. They are easily scalable to changes in the DoD’s operating requirements. They allow for economies of scale, spreading overhead costs over the entire customer base.

Q90. If confirmed, would you consider any reforms to, or expansion of, existing working capital funds?

Yes, if confirmed, I will work with my team, DoD leadership, OMB, and Congress to determine if any reforms to or expansion of working capital funds would benefit the Secretary’s and the Administration’s priorities.

Q91. Are there other defense business operations that would benefit from the creation of a new working capital fund to promote operational efficiency or cost savings?

Yes, if confirmed, I will work with my team, DoD leadership, OMB, and Congress to determine if any business areas not already in the WCF regime would benefit from the value proposition stated previously.

Reprogramming

Q92. If confirmed, do you commit to follow the well-established precedent to wait for “4-way” congressional approval before transferring funds between appropriations accounts or reprogramming funding above the threshold established in enacted appropriations bills?

Yes.

Q93. What is your view of the efficacy of the current transfer and reprogramming process?

Throughout my previous service with the Department, the Department used reprogramming actions to address the highest priority emerging requirements, and no prior approval reprogramming action was implemented unless and until all of the congressional defense committees approved the Department’s request. In my view, this

well-established process, although sometimes lengthy in certain cases, met the needs of the Department and the Congress. If confirmed, I will scrupulously ensure that the Department abides by its longstanding agreements with the congressional defense committees, which are designed to preserve Congress' oversight of the appropriations process and the Department's financial management.

Q94. Do the dollar thresholds associated with the reprogramming process remain appropriate in the current day? Please explain your answer.

Over the years, Congress has reduced the Below Threshold Reprogramming (BTR) amount thresholds for some appropriation accounts. This has restricted the Department's flexibility and has increased the volume of Above Threshold Reprogramming (ATR) actions that are submitted to the Congress for their prior approval. If confirmed, I will review this topic with the staff and then come back to the Congress if I believe any changes are warranted. I believe some changes are probably warranted.

Q95. In your view, how might the reprogramming process be improved to meet DOD's need for flexibility, while maintaining trust and transparency with Congress?

If confirmed, I will review the current process and provide any recommendations.

Management Headquarters Activities (MHA) Report

On June 20, 2019, the Department submitted the report required by section 931 of the NDAA for FY 2019, certifying the average percentage of amounts authorized to be appropriated during the 10 fiscal years ending with FY 2018 that have been expended on certain Management Headquarters Activities (MHA) across the Department. Additionally, the committee has learned that as a result of MHA cuts, the Army, for example, elected to eliminate roughly one third of their personnel who oversaw the Military Housing Privatization Initiative.

Q96. Are you aware of other examples of mission impacts that have occurred because of the MHA reductions? If so, please describe them.

As the details of cuts affecting Major DoD Headquarters Activities (MHA) are part of the program and budget reviews, I am not privy to specifics. If confirmed, I will review past reductions against ongoing operational needs and address specific impacts, as appropriate and with coordination and collaboration with DoD Component heads.

Q97. Civilian control of the military is directly tied to the health and robustness of DOD's civilian professionals, especially those in the Office of the Secretary of Defense. Are you aware of any resource shortfalls for positions or capability within the Office of the Secretary of Defense over the last few years?

I have heard anecdotal references to the reductions against OSD—to comply with Section 346(b) of the National Defense Authorization Act for Fiscal Year 2016 (the "25% cut" to

headquarters baselines)—having a significant impact on the health and robustness of the civilian headquarters support to the Secretary of Defense. While efficiency reductions should be considered, mandatory or arbitrary reduction targets can create disruptive capability shortfalls in both lower and higher priority functions. If confirmed, I would work closely with the other OSD Principal Staff Assistants and DoD Component heads to ensure that the civilian support to the Secretary of Defense is sufficiently resourced and provides the right balance of positions and capability within OSD.

Acquisition Reform

Congress has enacted significant reform of the defense acquisition enterprise, to include establishing and expanding authorities related to special acquisition pathways and the use of streamlined acquisition methodologies.

Q98. If confirmed, what changes would you make to DOD financial management regulations to afford financial management, comptroller, and acquisition personnel the flexibility required to support novel acquisition approaches?

I believe that acquisition reform is critical to our success. In many cases, the budget process is neutral with respect to what type of contracting vehicle or process is used. However, if confirmed, I will work with the Under Secretary for Acquisition and Sustainment and other key stakeholders to ensure the financial management regulations are updated to enable any specific permissions or flexibilities afforded the Department and to look for opportunities to look for additional innovations or improvements.

Q99. If confirmed, what changes would you make to DOD financial management regulations to afford financial management, comptroller, and acquisition personnel the flexibility required to apply resources to take advantage of emerging technologies and responding to emerging threats in a timely fashion?

I believe that timely acquisition is critical to implementing the NDS. If confirmed, I will work with the Under Secretary for Acquisition and Sustainment and other key stakeholders to ensure the financial management regulations and acquisition workforce training enable the Department to effectively implement any specific permissions or flexibilities afforded the Department to take advantage of emerging technologies and emerging threats.

Q100. In your view, to what extent have recent acquisition reforms have been successful and achieved better outcomes?

I am not in a position to provide a detailed impact analysis at this time, but I believe reforms such as the Middle Tier Acquisition, the Software Acquisition Pathway, and the Software and Digital Technology Programs Pilot have great potential. If confirmed, I would like to continue these efforts for two to three more years and then assess the outcomes and determine best practices moving forward. There is always more that can be done. Just as technology advances, so must our acquisition of that technology.

Q101. Do you see the need for additional changes in legislation? If so, provide examples.

If confirmed, I look forward to working with Department leadership and Congress in order to identify any legislative changes that would allow the Department to pursue and develop emerging technologies.

Personnel Costs

Military personnel costs continue to grow rapidly and comprise an increasing share of the DOD budget. A large portion of the military compensation package consists of in-kind benefits—health care, housing, tax-free shopping in military exchanges, taxpayer subsidized commissaries—that complement competitive salaries and a generous military retirement benefit.

Q102. In your view, how can DOD manage and better plan for this growth?

The Department must continually strive to assess personnel costs in all forms and determine the most efficient ways to deliver a competitive compensation package that enables DoD to attract and retain the All-Volunteer Force.

Q103. Should the DOD's personnel costs grow at the rate of inflation?

The topline for the defense budget, and personnel budgets within the topline, should depend, not on an arbitrary inflation factor, but on the Department's mission, the appropriate force structure to achieve that mission and the competitive compensation package required to recruit and retain the force size and quality needed.

Q104. Do you believe the Employment Cost Index (ECI) is the most appropriate metric to assess inflation for the purpose to determining military pay increases?

Yes, I believe ECI is the right metric to ensure military basic pay remains competitive and keeps pace with private sector wage growth. However, compensation levels (of which basic pay is only one component) must be continually reviewed and adjustments to an annual basic pay raise at percentages other than the ECI metric could sometimes be warranted.

Q105. The most recent Quadrennial Review of Military Compensation (QRMC) endorsed a further study and a pilot program for a time-in-grade based military pay table. In your judgment, would a time-in-grade pay table potentially help reduce long-term military personnel cost growth?

It is my understanding that a time-in-grade pay table does potentially have some advantages including: incentivizing higher performance than a time-in-service pay table; providing stronger retention incentives more efficiently; and attracting lateral entrants to the DoD workforce. However, the major disadvantage of the time-in-grade pay table seems to be that the transition would involve a cost to the Department of Defense, and it would be disruptive to a significant fraction of the force. Estimates from the 13th QRMC indicate that just under one-third of the active force would experience a basic pay reduction in the transition to a time-in-grade pay table (especially among officers with significant prior enlisted service), with an average reduction in basic pay of 6.0 percent among those who would experience a pay reduction. If confirmed I will consult with the Under Secretary of Defense for Personnel and Readiness to understand the Department's assessment of the recommendation and whether or not the disadvantages of a time-in-grade pay table (even a pilot program) outweigh the potential advantages.

Q106. The QRMC also recommended refraining from “providing target pay raises at this time.” How should the DOD and Congress determine whether military pay raises are necessary?

OUSD Personnel and Readiness and the Services continually assess recruiting and retention challenges, as well as other force management factors such as assignments, promotions, skill and grade mix, etc., to determine if compensation levels need to be adjusted to maintain DoD's competitive compensation package.

Sexual Harassment

In responding to the 2018 DOD Civilian Employee Workplace and Gender Relations survey, approximately 17.7 percent of female and 5.8 percent of male DOD employees indicated that they had experienced sexual harassment and/or gender discrimination by “someone at work” in the 12 months prior to completing the survey.

Q107. If confirmed, what actions would you take were you to receive or otherwise become aware of a complaint of sexual harassment or discrimination from an employee of the OUSD(C)?

If confirmed, the action I would take upon receiving or becoming aware of a sexual harassment or discrimination complaint is to immediately conduct an independent inquiry into the matter, in coordination with the HR and EEO office. I would take these matters seriously, enforce accountability, leverage opportunities to train and educate leaders and the staff, and reiterate my stance against inappropriate behavior that has no place in the workplace or anywhere else. I would also ensure OUSDC has workplace policies and practices that promote respect, civility, and inclusion for all.

Congressional Oversight

In order to exercise legislative and oversight responsibilities, it is important that this committee, its subcommittees, and other appropriate committees of Congress receive timely testimony, briefings, reports, records—including documents and electronic communications, and other information from the executive branch.

Q108. Do you agree, without qualification, if confirmed, and on request, to appear and testify before this committee, its subcommittees, and other appropriate committees of Congress? Please answer with a simple yes or no.

Yes.

Q109. Do you agree, without qualification, if confirmed, to provide this committee, its subcommittees, other appropriate committees of Congress, and their respective staffs such witnesses and briefers, briefings, reports, records—including documents and electronic communications, and other information, as may be requested of you, and to do so in a timely manner? Please answer with a simple yes or no.

Yes.

Q110. Do you agree, without qualification, if confirmed, to consult with this committee, its subcommittees, other appropriate committees of Congress, and their respective staffs, regarding your basis for any delay or denial in providing testimony, briefings, reports, records—including documents and electronic communications, and other information requested of you? Please answer with a simple yes or no.

Yes.

Q111. Do you agree, without qualification, if confirmed, to keep this committee, its subcommittees, other appropriate committees of Congress, and their respective staffs apprised of new information that materially impacts the accuracy of testimony, briefings, reports, records—including documents and electronic communications, and other information you or your organization previously provided? Please answer with a simple yes or no.

Yes.

Q112. Do you agree, without qualification, if confirmed, and on request, to provide this committee and its subcommittees with records and other information within their oversight jurisdiction, even absent a formal Committee request? Please answer with a simple yes or no.

Yes.

Q113. Do you agree, without qualification, if confirmed, to respond timely to letters to, and/or inquiries and other requests of you or your organization from individual Senators who are members of this committee? Please answer with a simple yes or no.

Yes.

Q114. Do you agree, without qualification, if confirmed, to ensure that you and other members of your organization protect from retaliation any military member, federal employee, or contractor employee who testifies before, or communicates with this committee, its subcommittees, and any other appropriate committee of Congress? Please answer with a simple yes or no.

Yes.