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NOMINATION OF NANI A. COLORETTI

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

ON

THE NOMINATION OF NANI A. COLORETTI TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

APRIL 8, 2014

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NOMINATION OF NANI A. COLORETTI TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TUESDAY, APRIL 8, 2014

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 10:05 a.m., in room SD–538, Dirksen Senate Office Building, Hon. Tim Johnson, Chairman of the Committee, presiding.

OPENING STATEMENT OF CHAIRMAN TIM JOHNSON

Chairman JOHNSON. I gavel this hearing to order to order.

Today we consider the nomination of Ms. Nani Coloretti to be Deputy Secretary of the U.S. Department of Housing and Urban Development. The HUD Deputy Secretary is a critical component of the agency's management team, overseeing the budget for HUD's programs that provide affordable rental housing, community development, opportunities, and an opportunity for all credit-worthy families to achieve the dream of home ownership. I believe Ms. Coloretti has the skills and experience necessary to take on this role.

The nominee is currently the Assistant Secretary for Management at the U.S. Department of the Treasury. Prior to joining Treasury, she held positions at the San Francisco Mayor's office; the San Francisco Department of Children, Youth, and Their Families; and the U.S. Office of Management and Budget. She is also a recipient of the National Public Service Award, the Public Policy and International Affairs Achievement Award, and the Federal 100 Award.

I believe Ms. Coloretti is an excellent choice to serve as the HUD Deputy Secretary and I hope that we can move quickly on her nomination. I now turn to Ranking Member Crapo for his opening statement.

STATEMENT OF SENATOR MIKE CRAPO

Senator CRAPO. Thank you, Mr. Chairman, and welcome, Ms. Coloretti. Ms. Coloretti has been nominated to be the Deputy Secretary of the Department of Housing and Urban Development. If confirmed, this would make her the second-most senior official at HUD, and according to HUD, this position would manage the Department's day-to-day operations, the annual operating budget, and the agency's 8,900 employees.

In Ms. Coloretti's current role at Treasury, she advises the Secretary of Treasury on the development and execution of Treasury's budget and strategic plans, as well as the internal management of the Department and its bureaus. Prior to this, she served as the Acting Assistant Secretary for Management and also the Deputy Assistant Secretary for Management and Budget.

As such, it would seem that Ms. Coloretti possesses the necessary background to be successful at this role at HUD. Given this, what I would like most to hear from Ms. Coloretti this morning is, if confirmed, how she expects her management style to impact not only the inward operations of HUD, but also HUD's outward facing interactions with stakeholders, affected persons, and Congress.

I commend HUD for its work with Congress, especially as it pertains to our efforts on housing finance reform. Secretary Donovan and senior members of his staff have spent countless hours with the Chairman, myself, and our staffs working toward solutions that we can all support.

Likewise, I commend the Secretary and his staff on their outreach to this body and advocacy of each of us, ending the status quo and moving forward with this legislation. It will certainly take efforts of all of us to successfully implement the needed changes in this area.

Ms. Coloretti, what I hope you will be able to do, if you are confirmed to this position, is to spread that spirit of cooperation throughout all the employees and departments of the agency. During our questioning, I look forward to you discussing some examples of where you have had the opportunity to be a positive influence in that respect.

Thank you again for appearing before the Committee today and I look forward to hearing more from you. And I thank you, Mr. Chairman, for holding this hearing.

Chairman JOHNSON. Thank you, Senator Crapo. Senator Warren will know introduce Ms. Coloretti. Senator Warren.

STATEMENT OF SENATOR ELIZABETH WARREN

Senator WARREN. Thank you, Mr. Chairman. I am delighted today to welcome Nani Coloretti to the Banking Committee. Before my time in the Senate, I had an opportunity to work at the Treasury Department to set up the new Consumer Financial Protection Bureau. By the time I arrived, Nani had already been hard at work with a team of Treasury employees putting together the pieces for what would eventually become the Consumer Bureau.

I had the chance to work closely with Nani at the time and I got to know her as someone with vision, with persistence, warmth, dedication, and perhaps most of all, as an operational whiz. Nani is someone who can take on any challenge, no matter how big, how complicated, or how difficult, and we had a number of challenges for her to take on.

Nani is dedicated to Government service and her background working for the Treasury Department, the city of San Francisco, and the Office of Management and Budget is broad and deep. I am very pleased to see Nani nominated for this new role and she has my strong, heartfelt support for it. HUD will be lucky to have her.

Chairman JOHNSON. Thank you, Senator Warren. We will now swear in Ms. Coloretti. Please rise and raise your right hand.

Do you swear or affirm that the testimony that you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Ms. COLORETTI. I do.

Chairman JOHNSON. Do you agree to appear and testify before any duly constituted Committee of the Senate?

Ms. COLORETTI. I do.

Chairman JOHNSON. Please be seated. Your full written statement will be made part of the record. Before you begin your statement, I invite you to introduce your family and friends in attendance.

Ms. COLORETTI. Thank you so much. Chairman Johnson, Ranking Member Crapo, Senator Warren, and distinguished Members of the Committee, it is a great privilege to be here, and I just wanted to take a minute to introduce my husband of over 15 years, David Goldstein, who I met many years ago at UC–Berkeley School of Public Policy, and he is a teacher and an education policy consultant and shares a commitment to public service, and has also been just a fantastic supportive partner during my years of service.

We are also proud of our son, our 12-year-old son, Kaleo Goldstein-Coloretti, who is a committed student and athlete, but he also composes his own songs, volunteers at the public library, and reminds both of us to always look on the bright side.

I am joined here by several colleagues from Treasury and friends and colleagues from HUD and from other parts of my life. So welcome to the very sympathetic audience that I have here.

Chairman JOHNSON. Ms. Coloretti, please begin.

Ms. COLORETTI. Sure, thanks.

STATEMENT OF NANI A. COLORETTI, TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Ms. COLORETTI. I come from a family with a tradition of community service and one that represents the best of what our country has to offer. My grandparents on both sides of my family were immigrants from three different countries, the Phillippines, Italy, and Spain, and they all came to America in search of a better life. My Filipino grandfather was first a minister and later a community organizer to address the working conditions for Filipino workers in Hawai'i's sugar cane fields, and my grandmother was one of the first in a long tradition of Filipino nurses.

My mother, one of six children, was also a nurse and later became a preschool teacher. The tradition of service was reinforced by my parents' decision to raise their five children in the beautiful State of Hawai'i. Because Hawai'i is a set of islands with a diverse population, it is there that I learned how to listen, how to celebrate differences, and to make space for others. These values of community involvement and inclusion directly contribute to my values and my passion for public service today.

I bring over 20 years of experience in budget, finance, economic and program analysis, and implementation skills, as well as over 15 years managing and leading teams to accomplish better out-

comes. Much of my experience has helped deliver better value for the public by grounding public organizations in a strong operational context. My work spans the public and private sectors, and I have contributed to improving outcomes and increasing efficiency at the local, State, and Federal Government levels.

My Federal service started just after graduate school when I arrived in Washington, DC, to join the Office of Management and Budget as a Presidential management intern. At that job, I got helpful exposure to Federal budgeting and performance management, and also learned how to ask the right questions, and seek ways to invest even while reducing the budget.

I left as Congress passed the Balanced Budget Act of 1997 while creating the State Children's Health Insurance Program. A few years later, I began a 10-year stint at the City and County of San Francisco. While there, I helped manage a small department called the Department of Children, Youth, and Their Families, and later went on to serve Mayor Gavin Newsom as his Deputy Policy Director and then as his Budget Director.

At the Department, I led teams that helped children and youth by partnering with other agencies across the city, the private sector, and public foundations. For example, we expanded and enhanced high quality early child care and education and after-school options by grounding our analysis in data, consulting with the community, and rethinking how to best use public funding streams, ultimately adding 3,000 more high quality child care spaces over a number of years.

At the Office of Mayor Gavin Newsom, I led cross-cutting teams to implement universal health care coverage and a citywide wellness initiative, to addition to balancing three citywide budgets.

At Treasury, I have been fortunate to work for Secretaries Geithner and Lew and they have both supported efforts to modernize Treasury systems and structures, even in a time of diminishing resources. This effort has largely been aided by a data-driven approach to decision making. Over the last 4 years, I helped Treasury create and sustain an analytical approach to management through quarterly performance reviews run by the Deputy Secretary of Treasury and my position, the Assistant Secretary for Management.

Through this effort, we have provided visibility into Treasury's operations for decision making and accountability, which has yielded over $1 billion of savings and has also allowed the Department to better complete the merger of two its bureaus, and also meet some of its priority goals, such as processing over 95 percent of payments electronically instead of on paper.

To create a culture of continuous improvement at Treasury, I focused on operational effectiveness and Government performance and governance by applying lean principles developed in the private sector to dozens of process-improving projects. This work has yielded improvements such as data reporting efforts that now span hours instead of days.

I have also set up a governance structure to review all of our IT investments, providing a forum to track cross-cutting efforts across bureaus, such as the closure and consolidation of 18 data centers over the last 4 years.

All of this work continues to help Treasury structure itself for the future. The role of the Deputy Secretary is to be the chief operating officer, and if confirmed, I will work under the Secretary's direction to manage the day-to-day operations at HUD. I will build on the legacy of those who came before me and did impressive work, including continuing the transformation of HUD's human resources and financial management systems.

I am humbled and honored by the nomination and grateful to the President and Secretary Donovan for asking me to serve the country in this capacity. If confirmed, I will apply my experience, energy, values, and passion to build upon the great work that is already happening and further improve the effectiveness of HUD. Thank you for allowing me to appear before you today and I will answer any questions that you have.

Chairman JOHNSON. Thank you for your testimony. As we begin questions, will the clerk please put 5 minutes on the clock for each Member?

Ms. Coloretti, what would your priorities be for HUD as Deputy Secretary?

Ms. COLORETTI. Thank you for that question, Senator. HUD has recently released, in their strategic plan for FY14 to 2018, a list of top management priorities at the agency. My priorities would be developed using this as a guide post and in consultation with the Secretary, but the efforts include things like transforming their procurement system, grants management, and human capital management.

If confirmed, I would also support efforts to address HUD's recent financial audit and significant deficiencies.

Chairman JOHNSON. The Deputy Secretary of HUD has traditionally acted as chief operating officer. If confirmed, do you see yourself playing this role at HUD, and how has your experience prepared you for this?

Ms. COLORETTI. Thank you for that question. If confirmed, I would continue to be the chief operating officer at HUD, and my experience at Treasury really helps guide this. Right now I manage all operational areas of Treasury, including Finance and Budget, Procurement, Information Systems, and Human Resources, and it is from this role that I actually work with all the bureaus to drive efficiency, accountability, transparency, and improvements at Treasury. So I think that that experience would serve me well at HUD.

Chairman JOHNSON. HUD plays an important role in helping American Indian tribes meet their best needs for safe, high quality housing. Are you familiar with the housing needs in Indian Country? If confirmed, do you commit to working with me to address these housing needs and engaging in consultation with tribes?

Ms. COLORETTI. Thank you for the question. I have not had the opportunity to work on the Native American issues in the past. However, I know these issues are very important, critically important. If confirmed, I will learn more about these programs and work with you and your staff to ensure that they are effectively implemented.

Chairman JOHNSON. In the past, HUD has had issues with its audits. What steps would you take, as the Deputy Secretary, to improve HUD's audits?

Ms. COLORETTI. Thank you for that question. It is an excellent question. So first, I would need to learn more about their material weaknesses and significant deficiencies in the audit. My understanding is that they have been there for a few years. My understanding is also that they have some ideas to transform some of their core financial systems. So that is the first place I would look.

And then I would identify a set of milestones to implement—but really, this would be done in partnership with a chief financial officer who I am hoping will one day be confirmed as well so that I could get someone to help partner with me on that work.

Chairman JOHNSON. Oftentimes, local governments work with HUD as grantees and partners in housing and community development efforts. In your experience in the San Francisco Municipal Government, did you work at all with HUD? How would your experience working in a local government inform your decisions as Deputy Secretary of HUD?

Ms. COLORETTI. Thank you for that question. As Budget Director in San Francisco, I got visibility into all of the funding streams, into the city and county, and my understanding is that HUD was very helpful in helping San Francisco implement its Housing First strategy. And part of the reason for that is because of the McKinney-Vento grant program and other programs that were allowed to leverage with local dollars to address some of the Housing First needs to house—to provide supportive housing to San Franciscans.

So I have had a great visibility into the good work that HUD is able to do on the ground. Although I did not work with HUD directly at San Francisco, I know that it is a good partner for local communities and can really make a difference.

Chairman JOHNSON. What are some best practices you have learned in your Government experience that you would apply to the Deputy Secretary role at HUD?

Ms. COLORETTI. One of the key best practices, both that I have learned at the local government and also have applied at Treasury is something I mentioned in my opening statement, which is really a relentless focus on quarterly reviews to basically track a number of management and operational metrics and milestones.

That helps both bring visibility to leadership from—in Treasury, we are organized by bureaus, so from the bureaus, but also provides a forum to troubleshoot around why a particular issue, and let us just say it would be a material weakness in an audit, is either gaining traction or not gaining traction.

That practice is fairly rigorous, but it does yield results when you focus on outcomes and you focus on those metrics. So I would hope to bring that to HUD, and I understand they do quarterly reviews as well. I think I would be able to bring some of the management suite of metrics that we use at Treasury. It might help HUD, if helpful, if confirmed.

Chairman JOHNSON. Senator Crapo.

Senator CRAPO. Thank you very much, Mr. Chairman. And, Nani, you may not be surprised, but I want to talk about GSE reform. As I indicated in my opening statement, I really appreciate

Secretary Donovan's efforts in this regard, and the assistance that we have received from HUD in putting together the legislation that the Chairman and I have recently put out, the expertise and, frankly, the assistance in working through a number of the issues has been invaluable.

My main question to you is just to elicit from you your feelings about how important you feel it is that we move ahead on this legislation right now, and why—assuming you agree that we need to move forward on this legislation expeditiously, why you feel that is necessary.

Ms. COLORETTI. Senator, thank you for that question. It is an excellent question. I am aware of the ongoing bipartisan housing reform work, housing finance reform work that this Committee is doing. I am not currently involved in it in my current position at Treasury. However, I am supportive of the substantive reform efforts that this Committee is doing and the ongoing process.

And if confirmed, I would be happy to both engage with you and the Secretary, obviously, and see if I can be helpful in any way to this effort.

Senator CRAPO. Thank you. I hope that we can get you confirmed soon so that you can get very heavily engaged in that effort. We really need that assistance. I also want to talk with you a little bit about FHA. Recently, some groups have put pressure on FHA to lower insurance fees, despite FHA's insurance fund still operating below the minimum capital ratio that is required by statute to maintain.

Given that this insurance fund is the only protection that taxpayers have in preventing another bailout of FHA, it would seem to me that it is important that FHA maintain its legal obligations and rebuild the insurance fund. Do you agree that the FHA insurance fund must regain its statutory minimum obligations before entertaining the idea of any reductions in the revenue that it collects to insure against those losses?

Ms. COLORETTI. Senator, I thank you for that question. I am not aware of this issue in the detail that you mention, but I am generally supportive of FHA solvency. I would note that the President's budget says that FHA would actually not need another appropriation in the coming year. However, if confirmed, I intend to learn more about it so we can have a more in-depth conversation and see if we can work together to get FHA on solid footing.

Senator CRAPO. All right. Thank you. I would encourage you to pay close attention to this issue because we do not want to have the budget of the United States kicking in again and having yet again another bailout of FHA, and I think that its solvency needs to be managed very carefully. So I appreciate your attention to that.

I also want to talk to you about transparency in general. I ask this question in this context: If confirmed, you will manage the day-to-day operations at HUD. And as such, your management provides you with the opportunity to instill the importance of transparency and cooperation by HUD with HUD stakeholders, with Congress, and others, frankly.

I recently asked a previous HUD nominee a series of questions related to actions that were brought by HUD, and specifically, I

asked if he believed that a Federal agency should at least share the analysis that it uses to bring an action with the entity being accused. Not only did the nominee decline to indicate support for this basic level of transparency, but he did not appear to directly answer any part of my question.

If confirmed, will you work to instill upon those you manage a culture that fosters more open communication, both with stakeholders with whom HUD deals, and with Congress?

Ms. COLORETTI. Senator, thank you for that question. First, if I could mention, I do sit on the Government Accountability Transparency Board, which is comprised of a few departments and several IGs, and we work together to bring transparency to Federal financial and procurement data. So I am very supportive of the concept that more transparency is a good thing.

I am not aware, in any detail, of the issue that you raise, but certainly if confirmed, I would work with you and your staff to understand more about it, have a more in-depth conversation, and see how I could be helpful.

Senator CRAPO. Thank you very much.

Chairman JOHNSON. Senator Warren.

Senator WARREN. Thank you, Mr. Chairman. The advantage to being the junior Member on the Committee is that I get to follow the good and detailed questions of the Chairman and the Ranking Member.

As I noted in my introductory remarks, you have been managing and overseeing Governmental agencies for over two decades, starting at the Office of Management and Budget, and then at various positions in local government in San Francisco, and finally as Acting Assistant Secretary for Management at the Treasury Department.

So you have a lot of experience managing bureaucracies, large and small. And what I would like to ask you to do is just spend a minute reflecting on what lessons you have learned from this range of management experiences.

Ms. COLORETTI. Sure. Thank you for that question, Senator. One thing that I have learned is that—this is going to sound like a cliche, but it is very important to have the best people and to have them in the right places and to support them, because—and you know this. As you go higher up in an organization, you are doing your work through people.

And so, you are a facilitator of the very best work that that agency, that group, that team can bring. And that requires really just understanding your team and being able to deploy them in the right way and supporting them when they do their work.

The second thing that I know you also are aware of is, it is important to understand how to work with the different systems that support an agency, and I think this is what I can bring to HUD. In other words, how does the procurement system work and can you make it better? Can you make that process work better? Does the financial system do what it needs you to do?

These are sort of the wiring and piping of any organization, but they really can help programs and policies succeed if they are both understanding the mission and the outcomes that are hoped for and supporting them adequately.

Senator WARREN. That is very helpful. Thank you. Can you just give me some insight from your perspective about the special challenges you think you will face at HUD or the special opportunities or, let us say, both? Maybe that is even better.

Ms. COLORETTI. Let us call them opportunities.

Senator WARREN. OK. Good.

Ms. COLORETTI. Thank you for that question, Senator. Like many Federal agencies, HUD has a fantastic set of very committed civil servants working very hard every day to do what looks to be a very difficult portfolio, but important to communities and to this country. And also like many agencies, some of its deepest challenges are in its operating systems.

And so, HUD itself has identified these in their strategic plan that they just released and you do see some of it in their audit. Some of their biggest challenges are really around their human capital, both systems and processes and their grants management and financial management, and those are some of the things I hope I can help HUD improve.

Senator WARREN. Excellent. As I said in my opening statement, you have my wholehearted support, and if you are confirmed to this position, I hope that we will be able to work together to help advance HUD's very important mission. Thank you very much. Thank you, Mr. Chairman.

Chairman JOHNSON. Thank you, Ms. Coloretti, for your testimony and for your willingness to serve our Nation.

I ask all Members to submit questions for the record by COB this Friday, April 11. Ms. Coloretti, I will ask you to please submit your answers to the written questions as soon as possible so that we can move your nomination forward in a timely manner. This hearing is adjourned.

[Whereupon, at 10:31 a.m., the hearing was adjourned.]

[Prepared statements and biographical sketch of nominee supplied for the record follow:]

PREPARED STATEMENT OF NANI A. COLORETTI

TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

APRIL 8, 2014

Chairman Johnson, Ranking Member Crapo, and distinguished Members of the Committee, it is a great privilege to appear before you as President Obama's nominee to be Deputy Secretary of the Department of Housing and Urban Development. Before I begin, I would like to introduce my husband of over 15 years, David Goldstein, who I met many years ago at UC Berkeley's school of public policy. As a teacher and education policy consultant, he shares a commitment to public service, and he has been a fantastic, supportive partner during my years of Government service and private sector work. We are both very proud of our 12-year-old son, Kaleo Goldstein-Coloretti, who is a committed student and athlete but he also composes songs, volunteers at the public library, and reminds both of us to always look on the bright side.

I come from a family with a tradition of community service and one that represents the best of what our country has to offer. My grandparents on both sides of my family emigrated here from three different countries: the Philippines, Italy, and Spain, and all came to America in search of a better life. My Filipino grandfather was a minister and later became a community organizer to address working conditions for Filipinos in Hawai'i's sugar cane fields. My grandmother was one of the first in a long tradition of Filipino nurses. My mother, one of six children, and was also a nurse and later, a preschool teacher. This tradition of service was reinforced by my parents' decision to raise their five children in the beautiful State of Hawai'i. Because Hawai'i is a set of islands with a diverse population, it is there that I learned how to listen, celebrate differences, and to make space for others. These values of community involvement and inclusion directly contribute to my passion for public service today.

I bring over 20 years of experience in budget, finance, economic and program analysis, and implementation skills, as well as over 15 years managing and leading teams to accomplish multiple outcomes. Much of my experience has helped deliver better value for the public by grounding public organizations and programs in a strong operational context. My work spans the public and private sectors, and I have contributed to improving outcomes and increasing efficiency at the State, local, and Federal Government levels.

My Federal service started just after graduate school, when I arrived in Washington, DC, right out of graduate school to join the Office of Management and Budget as a Presidential Management Intern. At that job, I got helpful exposure to the Federal budgeting and performance management framework and learned how to ask the right questions and seek ways to invest even while reducing the budget. I left as Congress passed the Balanced Budget Act of 1997 while creating the State Children's Health Insurance Program.

A few years later I began a 10-year stint at the City and County of San Francisco. While there, I helped manage a small department and later went on to serve Mayor Gavin Newsom as his deputy policy director and then as his budget director. At the Department of Children, Youth and Their Families, I led teams that helped children and young people by partnering with other agencies across the city, the private sector, and public foundations. For example, we expanded and enhanced high quality early care and education and after school options by grounding our analysis in data and rethinking how best to use public funding streams, ultimately adding 3,000 more high quality child care spaces.

At the Office of Mayor Gavin Newsom, I led cross-cutting teams to implement universal health care coverage and a citywide wellness initiative. As budget director for San Francisco, I balanced three consecutive budgets, the last year being the most difficult since we faced a $575 million shortfall—initially about half of the city's discretionary budget. I balanced the budget that year by working with the legislative branch to prioritize core city services, working with the unions, and managing the city's revenue effectively.

At Treasury, I have been fortunate to work for two great Secretaries and they have both supported efforts to modernize Treasury's systems and structures even in a time of diminishing resources. This effort has largely been aided by a data-driven approach to decision making. Over the last 4 years, I helped Treasury create and sustain an analytical approach to operations and management through quarterly performance reviews, run by the Deputy Secretary of Treasury and my position, the Assistant Secretary for Management. Through this effort, we have provided visibility into Treasury operations for decision making and accountability, which has

yielded over $1 billion dollars in budget savings, allowed the department to better complete the merger of two bureaus (saving $96 million over 10 years), and allowed Treasury to more successfully achieve its priority goals, such as processing over 95 percent of payment transactions electronically instead of on paper.

To create a culture of continuous improvement at Treasury, I have focused on operational effectiveness and governance. I helped create a new Treasury Operations Excellence team, which has successfully applied lean principles developed in the private sector to improve performance at Treasury. This work encompassed dozens of process improvement outcomes—ranging from an eightfold efficiency gain in processing visitor access requests to the Main Treasury building to improvements in data reporting efforts that now span hours instead of days. This work has saved Treasury money and staff time while engendering a culture of continual improvement. I have also set up a governance structure to review all IT investments, providing a forum to track cross-cutting efforts across bureaus, such as the closure and consolidation of 18 data centers over the last 4 years. Treasury continues to achieve clean audit opinions with no new material weaknesses since fiscal year 2009, which is an accomplishment that I am proud of considering the complexity and breadth of Treasury's programs and financial systems. All of this work continues to help Treasury structure itself for the future.

The role of the Deputy Secretary is to be the Chief Operating Officer, and if confirmed, I will work under the Secretary's direction to manage the day-to-day operations at HUD. I will build on the legacy of those who came before me and did impressive work, including beginning the transformation of HUD's human resources and financial management systems.

I am humbled and honored by the nomination and grateful to the President and Secretary Donovan for asking me to serve the country in this capacity. If confirmed, I will apply my experience, energy, values and passion to build upon the great work that is already happening and further improve the effectiveness of HUD.

I thank you for allowing me to appear before you today and will answer any questions you have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Coloretti (Last) Nani (First) (Other)

Position to which nominated: Deputy Secretary, US Department of Housing and Urban Development

Date of nomination: March 10, 2014

Date of birth: 07 (Day) March (Month) 1969 (Year) Place of birth: San Francisco, CA

Marital Status: Married **Full name of spouse:** David Sol Goldstein

Name and ages of children: Kaleo Goldstein-Coloretti, 12

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Pennsylvania	8/87 - 5/91	B.A. Economics & Communications	May 1991
UC Berkeley Goldman School of Public Policy	8/92 - 5/94	Master's in Public Policy	May 1994

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.

- *Sphinx Senior Society*, Scribe, 1990-91. *Woodrow Wilson Fellow*, 1992 – 1993.
- *Presidential Management Intern*, 1994. *Government Finance Officer's Association Distinguished Budget Presentation Award*, Fiscal Years 2007, 2008 and 2009
- *Public Policy and International Affairs (PPIA) Achievement Award*, July 2011. *National Public Service Award*, 2012.
- *Federal 100 Award Winner*, 2014.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization Office held (if any) Dates

- Bradley Hills Elementary School Parent-Teacher Association, Treasurer, 2012
- Next Generation Leaders, Annie E. Casey Foundation; Member 2008
- Community Network for Youth Development; Board Treasurer, 2003-2006
- First 5 San Francisco Commission; County Commissioner, 2003 - 2004
- Lyon-Martin Women's Health Services; Treasurer, 2000-2002
- Goldman School of Public Policy Alumni Association; Treasurer, 2000 - 2002
- Cal Alumni Association; Designated member, 2001 – 2002

- University of Pennsylvania Secondary School Committee, Alumni interviewer, 1999-2008
- University of Pennsylvania, Sphinx Senior Society, Scribe 1990-91

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

U.S. DEPARTMENT OF THE TREASURY
•Dates: September 2009 – present
•Location: Washington, D.C.
•Positions:
oAssistant Secretary for Management, November 2012 – present
oActing Assistant Secretary for Management, April 2012 - November 2012
oDeputy Assistant Secretary for Management and Budget, September 2009 - April 2012

OFFICE OF MAYOR GAVIN NEWSOM
•Dates: August 2005 – September 2009
•Location: San Francisco, CA
•Positions:
oBudget Director, December 2006 – August 2009
oPolicy Director, October – December, 2006
oDeputy Policy Director, August 2005 – September 2006

DEPARTMENT OF CHILDREN, YOUTH, AND THEIR FAMILIES
•Dates: May 1999 – August 2005
•Location: San Francisco, CA
•Position: Director of Policy, Planning and Budget

LAW AND ECONOMICS CONSULTING GROUP (LECG, INC.)
•Dates: August 1997 – April 1999
•Location: Emeryville, CA
•Position: Public Policy Group Coordinator / Consultant

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET (OMB)
•Dates: August 1994 – August 1997
•Location: Washington, D.C.
•Position: Health Financing Branch Budget Examiner

U.S. SENATE, OFFICE OF SENATOR BOB GRAHAM
•Dates: June 1996 – September 1996
•Location: Washington, D.C.
•Position: Health Fellow (Presidential Management Intern Rotation)

CRATE AND BARREL
•Dates: October – December 1994 (estimated)
•Location: Washington, D.C.
•Position: Retail Seasonal Worker

SURVEY RESEARCH CENTER, UC Berkeley
•Dates: June 1994 – August 1994

•Location: Berkeley, CA
•Position: Researcher

UNIVERSITY OF CALIFORNIA, BERKELEY
•Dates: January 1993 – May 1993; August 1993– May 1994 (estimated)
•Location: Berkeley, CA
•Position: Graduate Student Instructor/Researcher (Library Assistant; TA)

DEPARTMENT OF PUBLIC SAFETY (State of Hawaii)
•Dates: July 1991 – August 1992
•Location: Honolulu, HI
•Position: Budget Analyst

HONOLULU CLUB LOUNGE
•Dates: June 1992 – August 1992; during holiday December 1992 (estimated, various dates)
•Location: Honolulu, HI
•Position: Server

CAFE ASIA
•Dates: June 1991 – August 1992
•Location: Honolulu, HI
•Position: Server

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

U.S. DEPARTMENT OF THE TREASURY
•Dates: September 2009 – present
•Location: Washington, D.C.
Positions:
- o Assistant Secretary for Management, November 2012 – present
- o Acting Assistant Secretary for Management, April 2012 - November 2012
- o Deputy Assistant Secretary for Management and Budget, September 2009 - April 2012

GOVERMENT ACCOUNTABILITY TRANSPARENCY BOARD (GATB)
Member, September 2012 to present

OFFICE OF MAYOR GAVIN NEWSOM
•Dates: August 2005 – September 2009
•Location: San Francisco, CA
Positions:
- o Budget Director, December 2006 – August 2009
- o Policy Director, October – December, 2006
- o Deputy Policy Director, August 2005 – September 2006

DEPARTMENT OF CHILDREN, YOUTH, AND THEIR FAMILIES
•Dates: May 1999 – August 2005

•Location: San Francisco, CA
Position: Director of Policy, Planning and Budget

FIRST FIVE SAN FRANCISCO COMMISSION
Dates: 2003-2004
Location: San Francisco
Position: County Commissioner

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET (OMB)
•Dates: August 1994 – August 1997
•Location: Washington, D.C.
Position: Health Financing Branch Budget Examiner

U.S. SENATE, OFFICE OF SENATOR BOB GRAHAM
•Dates: June 1996 – September 1996
•Location: Washington, D.C.
Position: Health Fellow (Presidential Management Intern Rotation)

DEPARTMENT OF PUBLIC SAFETY (State of Hawaii)
•Dates: July 1991 – August 1992
•Location: Honolulu, HI
Position: Budget Analyst

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

I have done my best to identify titles, publishers and dates of books, articles, reports or other published materials, including a thorough review of personal files and searches of publicly available electronic databases. Despite my searches, there may be other materials I have been unable to identify, find or remember. I have located the following:

Shah, Tajel & Nani Coloretti (Spring 2004), Using Technology to Link Evaluation and Funding: San Francisco's Contract Management System, The Evaluation Exchange, Harvard Family Research Project, Harvard Graduate School of Education Volume X Number 1

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

None

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

None

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Yes.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

None.

3. Has anybody made you a commitment to a job after you leave government?

No.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the office of Government Ethics and the Department of Housing and Urban Development's Designated Agency Ethics Official (DAEO) to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's DAEO and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the office of Government Ethics and the Department of Housing and Urban Development's Designated Agency Ethics Official (DAEO) to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's DAEO and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the office of Government Ethics and the Department of Housing and Urban Development's Designated Agency Ethics Official (DAEO) to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's DAEO and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

In connection with the nomination process, I have consulted with the office of Government Ethics and the Department of Housing and Urban Development's Designated Agency Ethics Official (DAEO) to identify potential conflicts of interest. Any potential

conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's DAEO and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None.

Qualification Statement

My qualifications to serve as the Deputy Secretary for the U.S. Department of Housing and Urban Development are based on my experience in budget, program, management and other areas; my commitment to make government work more effectively and efficiently; and my leadership skills. Initially, I bring over 20 years of experience in budget, finance, economic and program analysis, and implementation skills, as well as over 15 years managing and leading teams to accomplish multiple outcomes. Much of my experience has helped government officials implement programs better by grounding them in a strong operational context. My work spans the public and private sectors, and I have contributed to improving outcomes at the State, Local and Federal government levels.

Most recently, as Assistant Secretary of Management at the Department of Treasury, I am leading teams that work to improve performance management, budget and finance, and improve information technology, human resources, and procurement. My work helps the Secretary of the Treasury to gain visibility into Treasury's operations and effectiveness.

Prior to this position, I served for 2 1/2 years as Treasury's Deputy Assistant Secretary for Management and Budget, where I helped create Treasury's quarterly performance review process, which features data-driven decision making to manage Treasury bureaus. This model was codified by the GPRA Modernization Act.

In addition, I have a strong desire to make government work more effectively and efficiently in order to deliver the best services and outcomes to the public.

For example, at Treasury, I created the first Treasury Shared Services Council, comprised of deputy leadership from all Treasury bureaus and Treasury headquarters. This council seeks greater economies of scale and service delivery for back-office operations (for example: IT, human resources, financial services, data analytics, and procurement) for all Treasury bureaus, and where possible, multiple government departments. Although this group is new, it has been leveraging multiple work streams to gain better results across bureaus in areas like strategic sourcing, human resources, space management and enterprise approaches to information technology.

In San Francisco, I led cross-cutting teams at the Mayor's office to improve health outcomes by implementing a citywide wellness initiative. I also led interagency efforts to improve outcomes for children, youth and their families across a number of areas, including youth employment and development, universal pre-school and place-based efforts that involved community feedback and input.

Finally, in San Francisco, I was able to balance the annual budget over three successive years, bringing together conflicting interests across public stakeholders and elected officials in order to gain agreement on a common outcome. In the final year that I was there, I led the effort to close an estimated $575 million shortfall for FY 2009-2010, almost 50% of San Francisco's discretionary general fund budget.

I am honored to have been nominated and appreciate the Committee's consideration of my nomination.