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STATE DEPARTMENT REAUTHORIZATION: ENSURING EFFECTIVE U.S. DIPLOMACY WITHIN A RESPONSIBLE BUDGET

HEARING

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

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STATE DEPARTMENT REAUTHORIZATION: ENSURING EFFECTIVE U.S. DIPLOMACY WITHIN A RESPONSIBLE BUDGET

WEDNESDAY, APRIL 22, 2015

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 9:30 a.m., in room SD-419, Dirksen Senate Office Building, Hon. Bob Corker (chairman of the committee) presiding.

Present: Senator Corker, Flake, Gardner, Perdue, Cardin, Menendez, Shaheen, Coons, Murphy, Kaine, and Markey.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. We will bring the meeting to order.

David, thanks for stepping in for me for a second. I was rushing over from an off-campus meeting, and I want to welcome those here. I know we will have others joining us.

Heather, we thank you for being here.

So thank you, Deputy Secretary Higginbottom, for your continued service to our country and for your testimony today.

State Department operations have not been authorized since 2003, which means the Department's authorities are old and its budget has not been thoroughly reviewed in 13 years. One of our top priorities in this committee is to restore regular committee consideration of a State Department authorization bill, reviving a process that will help the Department become more efficient and effective within a sustainable budget.

The purpose of this hearing is to discuss some of the opportunities involved in reauthorizing State Department operations for the first time in over a decade. I think this can be a collaborative process. Certainly, it has begun that way. And I thank you for the productive discussions the Department has been having with our staff.

As we build toward a bill that I hope will achieve bipartisan consensus, we have been studying the State Department's budget, considering its request for new authorities, and examining ways to make existing programs more effective and efficient. We found many great stories about the work the Department is doing around the world to advance the United States' interests.

We have also found many instances where we will be able to work constructively together to enhance ongoing Department efforts.

The State Department's fiscal year 2016 budget request for operations is 11 percent higher than last year, which brings into question some of the issues we are dealing with relative to fiscal discipline and the reality of budget caps.

A significant part of that inflated request is due to the increasing financial burden of U.N. peacekeeping. The United States contributes more than any other permanent members of the U.N. Security Council, all of them combined. And our share is still going up. Coupled with an increase in peacekeeping missions around the world, this will only place added pressure on other priorities.

But most of our focus has been on where we might achieve efficiencies in the nuts and bolts operations of the State Department. One of the potential inefficiencies we found is a proliferation of special envoys and representatives. This administration seems to keep increasing its reliance on these "specials," which duplicates the effort within the Bureau, dilutes the contribution of State's career staff, and circumvents Senate confirmation and oversight of senior leaders.

Foreign Service special pay and allowances should also be reviewed.

Rightsizing represents another opportunity for more efficient diplomacy.

I hope you will address these issues in your testimony, as well as the following: what you hope to achieve through the second Quadrennial Diplomacy and Development Review; what you are doing to foster more rigorous program evaluation across the Department; and whether you think economic diplomacy gets the emphasis that it deserves.

Again, thank you for being here. I look forward to our distinguished ranking member's comments and, certainly, your testimony.

**OPENING STATEMENT OF HON. BENJAMIN L. CARDIN,
U.S. SENATOR FROM MARYLAND**

Senator CARDIN. Mr. Chairman, first, thank you for convening this hearing. I agree with you. One of the most fundamental responsibilities of this committee is to give guidance on our foreign policy to our diplomats and to our development professionals. And when we do not pass an authorization bill, we are not carrying that out the way we should. So I thank you very much for convening this hearing as we look at the possibility of reauthorizing the Department of State.

American diplomats and development professionals are the best examples of talented people that are on the frontline for America. They face serious security and political challenges.

So we can help. The way Congress can help and demonstrate our commitment to their critical missions is to provide our diplomats and development agencies with the guidance, resources, and authorities they need to protect and extend U.S. interests and values around the world.

So that means we should pass an authorization bill. Give them the guidance they need. I believe the Department of State has been hamstrung for too long by the lack of authorizing legislation.

In the absence of authorizing legislation, the Department of State has been forced to make some of these important reforms through administrative action. Administrative action can bring about change, but it does not give that long-term predictability that is so important. It can change in 4 years with the next administration. It at times presents challenges for morale. It presents challenges in the relationship with Congress. It would be much better if Congress would pass an authorization bill.

So I look forward to evaluating the success of the reforms that have been instituted administratively, including the results of the first Quadrennial Diplomacy and Development Review, and now, as you are starting your second, what your goals are in the second review.

Mr. Chairman, as you point out, there are many other issues that are involved here that we really need to take a look at, as we look at authorizing legislation, including embassy and Diplomatic Security; workforce diversity, an issue that we have been concerned about; overseas comparability pay for those who serve in our embassies; U.N. reform is an area I know is of interest; how the human rights portfolio is being handled under the J family of bureaus; the use of special envoys has been an issue, there have been a growing number, and that can cause some real friction within the Department of State; and how we use Foreign Service officers versus civilian service and political appointments.

I think these are all issues of legitimate concern to this committee, and I look forward to starting that debate with the Deputy Secretary of state.

The CHAIRMAN. Thank you, Senator Cardin.

I want to also thank Senator Menendez who helped begin this process before and, certainly, the role that David Perdue and Tim Kaine are playing to make sure that this moves along in an orderly way in the subcommittee process.

But, Deputy Secretary of State for Management and Resources, the Honorable Heather Higginbottom, will now present. We thank you for being here. We look forward to your testimony and the questions that you will answer afterward.

STATEMENT OF HON. HEATHER HIGGINBOTTOM, DEPUTY SECRETARY OF STATE FOR MANAGEMENT AND RESOURCES, U.S. DEPARTMENT OF STATE, WASHINGTON, DC

Ms. HIGGINBOTTOM. Thank you, Chairman Corker, Ranking Member Cardin, distinguished members of the committee, thank you for the opportunity to testify today regarding the Department of State authorization bill.

As you said, Mr. Chairman, it has been over a decade since the Department of State last had an authorization bill and the world has grown more complex in the years since.

From countering Russian pressure in Europe, to placing economic diplomacy at the front of our global agenda, to combating ISIL alongside our coalition partners, we face myriad challenges and opportunities that impact our national security and our economic prosperity.

To effectively meet these challenges, our diplomacy must be more agile, more effective, and more modern. In the coming weeks, the

Department will release the second Quadrennial Diplomacy and Development Review, which will define a streamlined set of cost-cutting policy goals and the internal reforms needed to maintain America's global leadership.

This is a key step to allowing us to work better, smarter, and more safely and efficiently. But we cannot take these steps alone. We look to Congress as a partner in this effort.

A State Department authorization bill would provide key authorities so that we can engage on a range of challenges to our national security and economic prosperity that are before us.

We have proposed a set of authorities to the committee that fall into the following three areas: improving the safety and security of U.S. citizens and facilities overseas, making the most efficient use of our resources, and securing and retaining a talented workforce. I will just highlight a few priorities.

To enhance security, we are seeking authorities to help our Diplomatic Security officers protect soft targets overseas and support their ability to investigate and prosecute visa and passport fraud cases.

We have also asked for authority to hire local guards by awarding contracts to the best value firms and not just the lowest bids, a critical authority for ensuring the best possible security profile at our missions overseas.

We have requested authorities to add flexibility to our fee-funded consular functions. Through slight increases in certain border crossing fees and adjusted passport and visa surcharges, the Department can increase the quality of its global consular and passport services and devote additional resources to combating all types of visa fraud.

We have requested authority to pay our peacekeeping dues at the assessed rate through the contributions for international peacekeeping activities account, which will allow us to better shape and reform peacekeeping operations to deliver maximum impact.

Finally, we are seeking key personnel authorities to enable the Department to retain a talented workforce. Our top priority is to secure full overseas comparability pay to ensure that our officers do not face a pay cut when they serve overseas.

Mr. Chairman, the committee posed specific questions in its invitation to me, a few of which I will address now and more, of course, in your questions.

Your letter raised the need for more rigorous program evaluation across the Department. I fully agree. Earlier this year, I issued a revised evaluation policy that will improve how we assess the breadth of programs and initiatives undertaken by the Department, and I believe we can and should do more to build on these efforts.

Your letter also asked for an update on United Nations reform and financial burden-sharing. We firmly believe that emerging countries must pay their fair share of United Nations' budgets. We expect to see assessment rates for larger developing countries continue to increase as scales are revised. We are also working to advance reforms to the scales methodology to better reflect changes to the global economy and ensure that wealthier developing countries shoulder a fair burden.

And your letter raised the issue of whether economic diplomacy receives enough attention at the Department. This is a critical issue. The 2015 QDDR will make economic diplomacy a key focus, and it will make recommendations to ensure the competitiveness of U.S. businesses abroad and job growth back home.

Mr. Chairman, a strong authorization bill will put the State Department on the best possible footing as we aggressively pursue the security and prosperity of the American people.

Thank you, and I look forward to answering your questions.

[The prepared statement of Ms. Higginbottom follows:]

PREPARED STATEMENT OF DEPUTY SECRETARY HEATHER HIGGINBOTTOM

Chairman Corker, Ranking Member Cardin, and distinguished members of the Senate Foreign Relations Committee, thank you for the opportunity to testify today regarding a Department of State authorization bill.

Mr. Chairman, I appreciated the opportunity to meet with you earlier this year to discuss the importance of passing an authorization bill and the Department's priorities. I also had an excellent discussion with Senator Perdue last week and I look forward to working with the whole committee on State authorization.

As he has said to this committee, Secretary Kerry strongly supports moving a Department of State authorization bill. As chairman, Secretary Kerry wrote a State authorization bill and recognizes that a bill that provides a strong foundation for State Department operations that reflects key Department and congressional priorities will help ensure that U.S. diplomacy is effective and efficient.

The last Department of State authorization bill was enacted in 2002 and the world has grown more complex in the years since. From countering Russian aggression and coercion in Europe, to placing economic diplomacy at the forefront of our global agenda, to combating ISIL alongside our coalition partners—we face an intricate global tableau of challenges and opportunities that directly impacts both our national security and our economic prosperity.

To effectively meet these challenges, our diplomacy must be more agile, more effective, and more modern. We are working hard to position ourselves to do just that.

In the coming weeks, the Department will release the second Quadrennial Diplomacy and Development Review (QDDR). The QDDR is an important tool that allows us to look strategically—beyond the day-to-day global challenges—at the emerging issues we are confronting. It also allows us to look critically at both State Department and USAID operations and ask how we can work better, smarter, safer, and more efficiently. The 2015 QDDR will be a focused effort that defines a streamlined set of crosscutting policy goals and the internal reforms needed to maintain America's global diplomatic leadership.

We are taking steps across the board to better position ourselves to meet the challenges of the 21st century, but we cannot take these steps alone. We look to Congress as a partner in this effort.

A State Department authorization bill would provide key authorities so that we can engage as effectively as we can on the multitude of global challenges before us. We have proposed to the committee a set of authorities that will enhance our ability to better manage our resources, facilitate the Department's programs, and protect our personnel.

We have requested authorities within three overarching themes: First, we need authorities that will allow us to improve the safety and security of U.S. citizens, government employees, and facilities overseas; second, we need authorities to make the most efficient use of our resources; and, third, we need authorities to strengthen and retain a talented work force.

IMPROVE THE SAFETY AND SECURITY OF U.S. CITIZENS, GOVERNMENT EMPLOYEES,
AND FACILITIES OVERSEAS

The Department is seeking several important authorities to undertake the best protective measures available for our diplomats, citizens, and embassies abroad.

First and foremost, we are requesting authorities to enhance security for soft targets overseas, such as school buses, and the authority to hire local guards by awarding contracts to the best value firms and not just to the lowest bids.

We are also seeking administrative subpoena authority for the Bureau of Diplomatic Security (DS). DS does not currently possess administrative subpoena author-

ity, which erodes its ability to investigate threats and combat visa and passport fraud. Not only would this authority greatly assist DS in investigating and preventing threat cases, it would allow DS to conduct much more efficient investigations of the nearly 3,000 cases of passport and visa fraud it receives annually.

We have also requested authority to secure greater privileges and immunities for U.S. Government personnel serving at our consular posts, including those from agencies such as the Department of Homeland Security, Department of Defense, and Department of Justice. The best way to do so is on the basis of reciprocity. We seek the statutory authority for the Secretary of State to afford diplomatic privileges and immunities to foreign consular employees present in the United States on a reciprocal basis so that we can obtain the necessary immunities for U.S. personnel abroad that are more favorable than those set forth in the Vienna Convention on Consular Relations.

Finally, we believe it is imperative to ensure that U.S. consular officers are notified of, and given access to, U.S. citizens when they are detained abroad. The best way to assure that our citizens abroad receive the strongest protections possible is by ensuring compliance with our own obligations relating to consular notification and access for foreigners detained in the United States.

MAKE THE MOST EFFICIENT USE OF OUR RESOURCES

The Department and USAID have asked for a total of \$50.3 billion in discretionary funding for FY 2016. At roughly 1 percent of the Federal budget, this is a critical investment in the security and prosperity of the American people. We take seriously our responsibility to be good stewards of taxpayer dollars and there are practical steps that Congress can take to help us in this effort.

First, we need authorities to provide greater flexibility to support fee-funded consular functions. Specifically, we seek authorities to slightly increase some border crossing fees, expand our use of fraud prevention and detection fees, and expand existing passport and visa surcharges. The FY 2016 budget also requests the authority to deposit consular fees into a new stand-alone Treasury account in order to make financial reporting of these fees more accessible to stakeholders. In taking these steps, the Department can increase the quality of its global consular service to the American people, devote additional resources to combating all types of visa fraud, and maintain high customer service standards for U.S. citizens who request a passport.

We are also seeking to streamline how we meet existing congressional requirements for regular reports on key foreign policy issues. The Department remains committed to providing the most up-to-date information to Congress through its various reporting requirements. We would like to work with Congress to refine these requirements in order to maximize the Department's efficiency in producing these reports. We have requested a mechanism to sunset reports older than 3 years and to repeal a number of reports that we have identified as obsolete, but which continue to absorb scarce Department resources.

Finally, we are seeking authorities that would ensure our continued leadership in international organizations and international peacekeeping, which would enable the United States to continue to lead from within those organizations. We have requested authority to pay our peacekeeping dues at the assessed rate through the Contributions to International Peacekeeping Activities (CIPA) account, which will allow us to more effectively shape and to reform peacekeeping operations to deliver maximum impact and avoid potentially accruing new arrears at the U.N.

STRENGTHEN AND RETAIN A TALENTED WORKFORCE

Secretary Kerry is committed to ensuring that the State Department retains the most talented employees in the Foreign and Civil Service. To do so, we are seeking a number of key personnel authorities, including enhanced benefits for employees serving at dangerous posts.

Our top priority is to secure Overseas Comparability Pay (OCP) authority. Due to inequities in the Foreign Service pay schedule, Foreign Service officers deployed overseas have absorbed cuts to their basic pay compared to their domestic counterparts. In 2009, the Department started a three-phased initiative to correct this imbalance and, working with Congress, we have obtained temporary support for the first two phases.

This issue directly impacts our ability to retain top-flight talent. The 2012 Federal Employee Viewpoint Survey (FEVS) found that more than 60 percent of officers said the elimination of OCP would deter them from bidding on overseas assignments, and that more than 50 percent said they would either seriously or somewhat consider leaving the Foreign Service if OCP were eliminated.

In a job market where the Department competes with major international businesses and other Federal agencies for a highly skilled labor pool, we cannot expect to employ the most talented employees if we maintain an inequity in our compensation structure. We believe it is critical to offer our overseas employees the same basic pay as their domestic colleagues. The best way to fix this disparity would be to continue the authority enacted in the FY 2009 supplemental appropriations act to implement Overseas Comparability Pay.

We have obtained extensions of other personnel benefits, such as waivers of dual compensation limitations for reemployed annuitants and premium pay cap waivers, through annual appropriations legislation or in the National Defense Authorization Act. However, these authorities are temporary, limited in scope, and have often focused only on Afghanistan, Pakistan, and Iraq. We are seeking longer term authorities for these benefits and we would like to broaden them to support our workforce in other high risk, high threat locations.

Mr. Chairman, the committee posed several specific questions in its invitation to me, some of which I will address briefly here.

Your letter raised the need for more rigorous program evaluation across the Department. In January of this year, I issued a revised evaluation policy that will improve how we assess the breadth of activities undertaken by the Department. Bureaus are now required to conduct at least one evaluation per year and those with a large number of programs and projects will be expected to conduct more. The updated policy also emphasizes the use of evaluation findings to improve programs, make budget recommendations, and better inform policy.

Your letter also asked for an update on United Nations reform and financial burden-sharing. We firmly believe that emerging countries must pay their fair share of United Nations budgets, as they have an increasing stake in ensuring the U.N.'s success in addressing global challenges. We expect to see assessment rates for larger developing countries continue to increase as scales are revised. We are also working to advance reforms to the scales methodology to better reflect changes to the global economy and ensure that wealthier developing countries shoulder a fair burden of the U.N.'s expenses.

And your letter raised the issue of whether economic diplomacy receives enough attention at the Department. This is a critical issue. The 2015 QDDR will make economic diplomacy a key focus, and it will make recommendations to ensure the competitiveness of U.S. businesses abroad and job growth back home. This issue has been a priority for Secretary Kerry from day one.

Mr. Chairman, a strong State Department authorization bill will put the Department of State on the strongest possible footing as we aggressively pursue the security and prosperity of the American people. Along with Secretary Kerry, I look forward to working with you on this important endeavor.

Thank you and I am happy to answer your questions.

The CHAIRMAN. We appreciate the testimony. Give us a sense of how the absence of an enacted authorization has impacted the operations of State.

Ms. HIGGINBOTTOM. Thank you, Mr. Chairman.

In the absence of an authorization, we have many authorities. We have submitted to the committee about 60, many of which are noncontroversial but would really improve the efficiency and effectiveness of our operations.

We have pursued through the appropriations process authorities here and there. But that is temporary. It makes it very difficult to plan. And there are key things as it relates to some of our personnel as well as security that we really need to have in an authorization on a permanent or long-term way.

So the inability to plan, the inability to use our resources most efficiently, is the biggest vulnerability we see without an authorization bill.

The CHAIRMAN. So you are working with an administration, a Democratic administration, as a professional, and what you are saying is that this is not a partisan issue. Not having an authorization impedes your ability to carry out our national interests around the world. Is that what you are saying?

Ms. HIGGINBOTTOM. Absolutely. As I am sure you know, Secretary Kerry, as chairman of this committee, wrote authorization bills for the same reasons that this committee is addressing it now. It will make our Department and our national security efforts better and stronger.

The CHAIRMAN. Let me ask you a question. U.N. peacekeeping assessments on the United States are approaching 30 percent, despite being capped at 25 percent in U.S. law. Do the other permanent four Security Council members have a responsibility to share this burden with the United States at present?

Ms. HIGGINBOTTOM. Absolutely. As you know, Mr. Chairman, there are a key set of countries that take full responsibility and greater responsibility for peacekeeping. We have worked very, very closely with the U.N., both on its general reform program as well as cost efficiencies and savings in the peacekeeping programs.

These peacekeeping missions are really important and in important places, but we have been doing everything we can to reduce those costs. In fact, the price per peacekeeper has been reduced by \$18 since 2009, in large part due to our efforts, and we are going to continue that effort.

The CHAIRMAN. Let me ask you this. Why are we contributing above U.S. law?

Ms. HIGGINBOTTOM. Mr. Chairman, one of the authorities that we are requesting is to increase the cap, which is now at 27 percent, I believe, to the assessed rate of 28 percent. We need authority to do that.

And the assessment has gone up because the assessment is made as a result of our percentage of global GDP and then some offsets from developing countries that do not pay their amount, that cannot pay their amount as part of the system.

So what we need to do is continue to undertake our efforts to have the peacekeeping missions be cost-efficient and effective, and ensure that other countries are paying their fair share. That is the set of tools and expectations we take to the negotiations on the scale assessments in New York.

The CHAIRMAN. But right now, China and Russia are not paying their fair share, right? And they are permanent members of the U.N. Security Council. They have the ability, for instance, to decide things like the Iran deal, it seems. They have a very special status. And yet currently, if you look at their GDPs, they are really not doing that. Is that correct?

Ms. HIGGINBOTTOM. This is a major priority for us. In the last negotiation, both China's and Russia's U.N. budget assessment was increased by 50 percent. We think that is the right direction, and we have to do more.

The CHAIRMAN. And they are actually paying that?

Ms. HIGGINBOTTOM. They are paying 50 percent more than they were before, and we think that is the right direction, and we need to do more to ensure that those countries, like China and Russia, are paying their fair share.

The CHAIRMAN. So I am a huge supporter of our Foreign Service officers. I am amazed at much of what they do. And the fact is, in many cases, they are in very, very dangerous places, carrying out

our Nation's interests, in some cases in expeditionary kind of situations.

They receive an assortment of special pays, including overseas comparability pay, cost-of-living adjustments, hardship pay, danger pay, priority staffing, post incentives, separation pay, and education and housing allowances. Since FSOs already receive significant extra compensation while abroad, why are you advocating that we pay them as if they were in Washington?

Ms. HIGGINBOTTOM. Mr. Chairman, just to delineate between the two types of pay, overseas comparability pay is intended to ensure that Foreign Service officers when they serve overseas do not receive a cut in their basic pay. The allowances and differentials that you reference are really about service in a particular country.

So a cost-of-living adjustment, for example, is based on a basket of goods and an assessment in a country about what it will cost for our Foreign Service officers to buy basic goods. Hardship pay is just that, places where there is significant risk of disease, pollution, et cetera. Danger pay is for those Foreign Service officers who, as you say, serve in some very, very dangerous places.

Such just to separate the two, the overseas comparability pay is about ensuring that when an officer leaves Washington, they are not looking at a 16-percent pay cut or greater, if we were to take all of OCP provisions away. If they were, for example, to go to a quite dangerous place and receive danger pay and perhaps a COLA and so forth, and they didn't receive OCP, they would essentially be making the same amount. It really wouldn't provide that incentive.

So we think both are important. Those allowances and differentials are reviewed regularly to ensure that they are pegged at the right level. And that is something we would be happy to follow up with you on.

The CHAIRMAN. I think we need to. Most of the diplomatic posts worldwide have a cost-of-living adjustment when the vast majority of them have cheaper local prices than Washington. I am just curious.

I know we will talk privately. And I cannot tell whether this is something you have to advocate for publicly and really do not care that much about privately or not. But it just seems to me that it is odd that you would have both D.C. locality pay and a cost-of-living adjustment. I do look forward to talking to you about that.

Again, I am significantly supportive of what our Foreign Service officers do.

With that, I will turn to the ranking member.

Thank you. I know we will have a number of questions to follow up. And I again want to thank Senator Perdue and Senator Kaine for their efforts at the subcommittee level.

Senator CARDIN. Thank you, Mr. Chairman.

Just to follow up on the overseas comparability pay issue, I strongly support that. Two tranches have been included in your budget. The third has not.

Following up on Senator Corker's point, I understand you have not included that because it is not authorized, but it seems to me that you could have submitted it with authorization. So how high of a priority is this? I hope it is a high priority.

Ms. HIGGINBOTTOM. It is absolutely a top priority, as I said in my testimony. We did not put it in our fiscal year 2016 request. We are pursuing the authorization. However, if we are provided the authorization or the ability to provide the third tranche, we would pursue reprogramming, in consultation of course with Congress, to do that. We believe we have sufficient resources to address it, if we were to receive it in this fiscal year.

Senator CARDIN. I thank you for that clarification. I hope we can work together to get that authorized. I think it is an important point.

Let me just turn to the J family bureaus for one moment. The first Quadrennial Diplomacy and Development Review created two undersecretaries, one for human rights, one for economics. I want to talk a little bit about the human rights for one moment.

It certainly put a focus on it, but there is a concern it also could have stovepiped the concerns rather than having all of the Departments working together to advance the goals of human rights. What steps have you taken to make sure that human rights are prioritized through all the functions of the Department of State?

Ms. HIGGINBOTTOM. Thank you, Senator.

We really take our guidance and direction from the Secretary on this. As he has said multiple times, human rights are part of our bilateral engagement across the world. It is really U.S. leadership that has in many, many places put these issues on the map.

We face this tension around specific issues and our regional bureaus in many fronts. It is really important that we have good integration across the organization and at posts of these priorities. So that is the directive that is given, to do that.

We have a very strong assistant secretary who deals with human rights issues. He is consistently identifying priority countries and working with those assistant secretaries and with those teams to highlight where we can make progress. He does his own travel, as does the Under Secretary, to those places, to advance those issues in coordination and collaboration with the regional bureaus and posts.

So it is really the direction from the top that is important and then the continued followup that is critical. This is an area we always, I think, can do better on in ensuring that we have coordination and collaboration. It has to be about leadership, and it has to be about commitment to the issues.

Senator CARDIN. I would hope that, as we move forward in considering authorization, that you will have some specific recommendations in regard to both baskets, the economic basket and the human rights basket that came out of the review, as to how we can give statutory strength to that commitment within the entire Department.

Ms. HIGGINBOTTOM. Thank you, Senator. I think when you see the second Quadrennial Diplomacy and Development Review shortly, we are paying close attention to those issues and how internally we can better integrate and highlight both on human rights and on economic diplomacy.

Senator CARDIN. Thank you.

Let me turn to international organizations for one moment. The Chair mentioned the United Nations and reforms within the

United Nations. There is always concern about the United Nations. I am a strong supporter of our participation in the United Nations, let me make that clear. But there are concerns about how it functions.

We saw during the Israeli-Palestinian conflict that UNRWA facilities were used by Hamas to hide rockets. These types of concerns are obviously counter to the mission of the United Nations.

What type of accountability, considering our significant participation, do we have to make sure that the United Nations is more efficient and focused on its principal missions?

Ms. HIGGINBOTTOM. Thank you, Senator.

We acknowledge the U.N. system is not perfect. That is why we have been so focused on the reform agenda in this administration. We think it is essential to dealing with the many global challenges we are facing, but that we must bring our leverage, the fact that we make a significant contribution to the system, to increase transparency and accountability.

There are several specific reform agenda items that we have pressed. One is transparency of the evaluation and audit functions. We are working with them right now to strengthen whistleblower protections. Due to some of the work we have done with them, they have saved over \$100 million in recovered funds that were improperly disbursed. It is our belief that our focus and attention on these issues is critical to ensuring that this agenda is undertaken at the U.N.

So we continue this focus, and we will continue bringing it forward. We have also been successful in supporting an independent audit advisory committee, which systematically looks at these issues. So this is a focus we will continue going forward.

Senator CARDIN. A lot of times, other regional organizations that we belong to get lumped into one discussion, and they are all quite different. I am very familiar with the OSCE, having been the chair of the Helsinki Commission here in the last Congress. And I think we all recognize the importance of the OSCE in regards to the ongoing problems between Ukraine and Russia. The OSCE is a model organization, as far as the ability to have a consequential impact for stability in Europe and Central Asia.

The OAS is not quite as visible in its help in dealing with some of the regional problems in our own hemisphere, even though it is headquartered right here in Washington.

So what review is being done of the regional organizations, so that we take the best practices where they are working and try to improve the other organizations we belong to, and make substantial contributions, so that they can be more effective in carrying out U.S. goals?

Ms. HIGGINBOTTOM. Thank you, Senator.

Our Bureau of International Organizations is very focused on this question. I actually was able to attend the last meeting of the OAS. A big part of the conversation there was about how we strengthen that organization. A lot of it was informed by best practices in other regional or multilateral organizations.

So how it works bureaucratically at the State Department is that our Bureau that focuses exclusively on international organizations works closely with the regional bureau that has the principal diplo-

matic engagement role. In a lot of places it is about political will, it is about aligning support, it is about bilateral engagement behind these reform efforts.

So I think some of that is going on in a productive way, particularly in the OAS.

Senator CARDIN. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Perdue.

Senator PERDUE. Thank you, Mr. Chairman. And thank you, ranking member, Senator Cardin.

I want to thank both of you for your leadership last week. Senator Cardin, in very difficult circumstances stepping in. But I want to thank people on both sides of the aisle.

Last week, I think we had a milestone of bipartisanship. As a new member, I am very encouraged. I think today is another example of an opportunity we have to do the right thing and put partisanship aside and help the State Department through this reauthorization.

Madam Secretary, thank you for your forbearance and for your initiative in reaching out to the committee and helping us understand some of the issues.

For the record, I want it to be noted that Secretary Higginbottom has been very forthright in private meetings and has helped us prepare for today's hearing.

I also would like to thank Senator Kaine for his leadership. He and I cochaired this subcommittee yesterday, and we had a lot of good information with the inspector general. I would like to follow up on two observations I think that came out of that, Madam Secretary.

I think there were two issues that were brought up before the committee yesterday. One was IT independence of the Inspector General Office and other was right of first refusal for a look at accusations or evidence around misconduct within the organization.

I am anxious to get to the operational issues, because you are the COO of a \$50 billion operation. With my background, you and I have had great conversations, and I would like to have more for the record.

But today, I would like you to focus on this IT issue with me just a minute. It looks like there are thousands of administrators who work for State who might or might not have access to independent investigations, as well as, it looked to me like yesterday, when we asked the question if there was a breach in the State system, the IG wouldn't necessarily know it immediately.

Mr. Linick actually testified yesterday that the State network has actually been attacked and that it affected the Office of the Inspector General. He also told us it took over 6 months to get an agreement with Diplomatic Security. Going forward, they will notify the OIG when they go on their IT network.

That is a memo of understanding, as I understand it. And with the change of administration, that may or may not be continued into the next administration.

Would you comment on this IT independence issue and also right of first refusal, as well as this potential breach issue?

Ms. HIGGINBOTTOM. Yes. Thank you, Senator. And I have enjoyed our conversations and look forward to continuing them.

I meet, as you know, with the IG every week. We discuss issues like the ones you just raised. We worked through the issue of trying to get an MOU so that there was notification of any entry onto the system.

Just recently, the IG has brought to my attention, as well as to Secretary's, the request for a separate IT system. We are looking at that very carefully. We are seeking to understand how it would work. They need to have, as he testified yesterday, some access to the system they currently have, the architecture. We have to make sure our system is as secure as it possibly can be.

We are attacked every day, thousands of times a day. So those are difficult issues, but we are looking at that now and examining it.

It is also important that we understand the cost.

Senator PERDUE. I am sorry to interrupt. Have you actually had a breach that you can talk about?

Ms. HIGGINBOTTOM. I can tell you, Senator, that we have been breached. This has been reported. Any further details of that, I would be happy to discuss in a different setting.

So we continue to work through that, and I look forward to making progress on understanding how it would work and what it would cost.

With respect to the right of first refusal, this is an issue that, as you know, Secretary Kerry appointed the IG, a confirmed IG, which is important. He has been looking at a variety of different functions to understand how this office is set up. This is an issue he has brought to our attention.

I have some information that we are analyzing to understand how it would affect statutory authorities we have, for example, in reporting civil rights violations and other things.

So we are continuing to talk and understand what this will take, and I have confidence that we are going to be able to work through it.

Senator PERDUE. Thank you.

Let me echo the chairman's comments earlier about Foreign Service professionals. I just returned from a trip to Afghanistan and Iraq. I have to tell you my observations are that these men and women are the best and brightest. They are working in very tough situations. They deserve our highest support, and they are doing a fantastic job right now. So I am honored to be an American and have these people supporting us out there.

Yesterday, in testimony, the inspector general highlighted the three purposes or missions, if you will, and if these are incorrect, I would love you to add to them. Being the COO of the State Department, it is your job basically to make sure these missions are fulfilled operationally.

One is to improve the protection of people. These are the Foreign Service professionals, as well as here at home. The second is management of contracts, spending of money, procurement, and grants. And then the security of sensitive information. You have spoken to the third one. Would you speak to the other two, and then talk about the operational difficulties you have seen in the first year

and what conclusions you are coming to in terms of improving effectiveness?

Ms. HIGGINBOTTOM. Thank you, Senator.

The safety and security of our personnel and facilities is of critical importance. It starts with the Secretary and it is, certainly, my responsibility as well.

Since the tragic events in Benghazi, we have done a full-scale review of our security posture, processes, et cetera. That is a major focus of my time. I meet every week with our Diplomatic Security Assistant Secretary. We are in weekly meetings on all of these issues, overseeing ARB implementation, et cetera. It is a major part of my responsibility and the Department's responsibility. I can go into more detail about that.

With respect to contracts and grants, we really appreciate that the IG has created this new tool or mechanism to highlight where he sees big weaknesses. In this case, he has highlighted IT security contracts and grants. We received nine specific recommendations that we have moved forward with.

It is this role, a robust IG role, that Secretary Kerry wanted to have in appointing a confirmed IG. So we appreciate this collaboration.

But it is not just implementing those recommendations, which we have done. It is the continued attention and focus on it. When Steve and I meet, when inspector general and I meet, we talk about these things regularly.

Senator PERDUE. Well, I have to say, for the record, he said the same thing. He highlights these two areas. But we have all had auditors in past lives, and his role is beyond that. His role is to be a partner of yours. I applaud you for looking at it that way.

Mr. Chairman, that is all I have now. Thank you.

The CHAIRMAN. Thank you. I am glad we have someone who has run major operations to work with this.

With that, Senator Murphy.

Senator MURPHY. Thank you very much, Mr. Chairman.

Thank you, Madam Secretary, for being with us today.

Let me add my compliments to Senator Perdue's, with respect to the men and women who are serving. As danger and chaos spread around the world, there are very few places in which you can be working for the State Department and feel totally safe and secure. So I think we are all in awe of the great work they do.

I know we are talking about the confines of your budget allocation and what you get to do within that budget allocation, but just lend a bit of perspective here, in 1950, when the United States was helping to rebuild Europe, win friends, and try to marginalize our enemies, we were spending at that point about 3 percent of our total GDP on foreign aid. Today, that number is about 0.1 percent, 0.2 percent of overall GDP. That is a 94-percent reduction in the amount of money that we are spending to try to win friends and influence enemies and adversaries around the world with respect to our State Department budget.

I do not know that the effectiveness of that programming has decreased by 94 percent during that time. At the same time, today, our DOD budget is about 10 times that of our State Department

budget. I do not know that the tools in our military budget are 10 times as effective as the tools that you have.

So I hope that, over time, we will get to have a conversation about whether the allocation that we are giving the State Department today, given the kind of threats that we face, is sufficient.

But given that we are stuck where we are, I wanted to ask you about flexibility today. Just two quick examples.

As we have some modicum of success in pushing al-Shabaab out of some of its safe havens in Somalia, they are moving. For instance, they are moving into Kenya, something that we might not have thought of a year or two ago.

In the Middle East, the World Food Programme ran out of money at the end of last year, all of a sudden threatening to be unable to feed thousands of refugees who were going to probably turn to extremist groups like ISIS, if they did not get fed to the World Food Programme, examples of where the State Department needs to move money when circumstances change.

Can you speak a little bit about your ability to move money within your budget and what we could do in the context of an authorization to un earmark some of these dollars that probably are counterproductive the way that they are programmed today?

Ms. HIGGINBOTTOM. Thank you, Senator, both to you and Senator Perdue for the kind words about the Foreign Service officers. It means a great deal to them to hear that.

So there are so many complex challenges that we are dealing with. As we budget, we cannot anticipate all of them.

We budget a year in advance. We work with Congress. We get appropriated resources. And then an emerging crisis happens and we need flexibility to be able respond to it. We work through a consultative process to try to do that, but that is a limited ability to move funds around.

We have some provisions in our appropriations that allow us to move a certain percentage of funding, but it is very often insufficient to meet what a need is, and it is extremely challenging.

Just in terms of the overall allocation question, obviously, this is a difficult time in terms of the overall top-line budget number. And when we look at how the appropriations process might shape up for next year, for example, if we see cuts to the extent that they are being proposed, there are so many aspects of our operations and assistance that would be dramatically impacted, whether it is humanitarian or some of the anti-ISIL work that we are doing.

So it is top of mind to us, but the flexibility is really critical. We are grateful for the flexibility we do have, but we need additional flexibility to really be able to respond and prevent things from becoming worse crises than they have been, which is one of the reasons you hear Secretary Carter or other Defense Department officials supporting our budget request, because they see it as an investment that protects crises from growing and becoming more of their problems.

Senator MURPHY. An example of where you might want to shift resources into is public diplomacy. We have seen the militarization of information from ISIS, from the regime in Moscow. And we are stuck with a pretty antiquated way of getting our message out.

The Broadcasting Board of Governors is getting better, but as we heard yesterday, they are a work in progress.

Can you talk to us a little bit about, as you are preparing this strategic review, as you are asking for money, how you see the ability of the State Department to reform public diplomacy counter-propaganda campaigns, given the fact that our adversaries are plussing-up these accounts, buying out press outlets, in the case of Russia, in its periphery in a way that we could have never anticipated, or would have been hard to anticipate, just a few years ago?

Ms. HIGGINBOTTOM. Yes, thank you. It is a really important priority, Senator, for the Secretary, for the Under Secretary of Public Diplomacy, who has been working very hard with countries around the world to counter the ISIL messaging, in particular. But we are doing it sort of out of hide, where we can find resources to support it.

What we need to do is modernize the way in which we engage our public diplomacy efforts, and we are doing that. But we do not want to take that away from our traditional exchanges in other programs.

So we are being as innovative as we can be, and we are collaborating with partners around the world. But to really be able to be at the scale we should be, we need a much bigger investment there.

We do some metrics, of course, to see how our countermessaging is going, and we can see some progress. But it is not commensurate with what we are dealing with.

Senator MURPHY. I would just make the pitch to my colleagues that the numbers we are talking about are actually not extraordinary. This is not billions of dollars. This is tens or hundreds of millions of dollars that are necessary, in order to try to have some capacity to match what countries like Russia are doing in and around the region. It is a pretty, I would say, reasonable investment.

Mr. Chairman, to you and Senator Cardin and Senator Menendez, thank you very much for making this a priority. I know that the reauthorization has not happened for a long time because it is not easy, because it is tough, because it puts us in a position of having some debates that are sometimes uncomfortable. But what I think what a lot of us love about this committee is that through your leadership and Senator Menendez and now Senator Cardin, the relevance of this committee has fundamentally changed and our ability to do a reauthorization I think is part of a trendline that is really, really positive when we talk about reasserting Congress' role in being a coequal branch with the administration on setting foreign policy. So thank you very much for this hearing.

The CHAIRMAN. Well, thank you.

And if I could take personal privilege for a moment, you know, it is only a few issues where we have had significant disagreements. And I think if we can build off an authorization that does not have many of those issues in it, and do those things that we agree upon, I mean, let's do this in a bipartisan way, we can give Heather and the Department the flexibilities they need, the strength they need, we can build from that the next year.

So I thank you very much for your comment.

Senator Gardner.

Senator GARDNER. Thank you, Mr. Chairman. And thank you to the Deputy Secretary for being here this morning.

A couple comments I heard this morning that I want to echo as well. Senator Perdue, myself, several other Members, traveled with Leader McConnell to the Middle East, engaging in a series of conversations with leaders. But also the Foreign Service officers that we met were incredible professionals, very, very well-informed, helping us come up to speed on a number of issues.

It brings to light the reality that they face each and every day when we come back to work here and see on the news a bombing in Erbil with the consulate staff right there that we had just met with in Erbil just last week. So thank you for the work that they do.

To Chairman Corker and the ranking member, I think it is nice to see a series of articles that are being written today, yesterday, Hill publications, off-Hill publications, about some of the thawing of dysfunction in Washington, DC. Each that story talks about how we are starting to chip away at the dysfunction of Washington leads with the work that this committee is doing, or at least includes a mention of the work this committee is doing. So it is nice to see. I hope that sort of erosion of dysfunction in Washington, DC, continues. So thanks for the work you are doing.

This is an important hearing. It is important because America has a responsibility to maintain its leadership role around the world and to continue responsibly investing in our foreign assistance and diplomacy programs.

As chairman of the East Asia and Pacific Subcommittee, I am particularly concerned with sustained funding and oversight for this vitally important region. The East Asia-Pacific region is comprised of 35 countries, a third of the world's population, and some of the world's most dynamic economies, including a rising China.

We must ensure that our policies in the region strengthen existing friendships and build new partnerships that will be crucial and critical to U.S. national security for generations to come.

At the heart of the President's Asia pivot, or the rebalance policy, is a shared belief that despite the crises of the day, our long-term strategic interests lie in the Asia-Pacific region. This is why it is crucially important that we conclude the landmark Transpacific Partnership, TPP, and increase our security presence and our security partnership in the region to reassure our allies that the United States is here to stay.

I am not convinced that the State Department funding priorities adequately reflect the intent of the rebalance policy. The administration is investing \$846 million in this budget to support the rebalance policy, which is an 8-percent increase from 2014. However, if you consider the broader funding picture in the fiscal year 2016 foreign operations request, the EAP ranks dead last of any region at 4 percent of the total. I believe that we need to do better.

The questions we need to consistently be asking are, does U.S. assistance help our partners in the region to address pressing security challenges, such as countering China's destabilizing activities in the South China Sea or effectively responding to North Korea's continuing provocations? Are we building trade capacities in the region to enhance opportunities for U.S. exporters? Are we helping to

promote democratic governance, enhance the rule of law, and improve human rights?

That is why I was proud to offer an amendment with Senator Cardin, Senator Menendez, to the budget resolution, which passed unanimously, which sought independent oversight of our spending to support this important policy.

Last year, this committee offered a report titled “Rebalancing the Rebalance,” outlining some of the successes and shortcomings of the administration’s policy. In particular, the report stated, “The administration can improve the effectiveness and sustainability of the rebalance policy by increasing civilian engagement, strengthening diplomatic partnerships, and empowering U.S. businesses.”

Do you believe the fiscal year 2016 budget adequately reflects President Obama’s stated goal to significantly increase our commitment to the Asia-Pacific region?

Ms. HIGGINBOTTOM. Thank you very much, Senator.

The fiscal year 2016 budget as a whole reflects what we think is a reasonable request to fund our programs, operations, and foreign assistance. I think it is fair to say on behalf of the Secretary, we would like to have more than even what we were able to request in the President’s budget. We understand the budget constraints and the conversation that is happening here and with the administration about overall discretionary funding levels. In fact, our request is above the Budget Control Act levels, which currently, the budget committees have written bills to and appropriations committees will look at.

So overall, we would like to have more resources for the Asia-Pacific region, absolutely, and many other places as well. We are trying to manage the best we can in a tough environment. And the fact that, given overall our budget request is about level, finding an 8-percent increase over the previous year’s request means we are doing less of other things. And we are trying to prioritize.

Senator GARDNER. So with an answer in mind, do you believe the State Department has acted on the committee’s recommendations outlined in the report that I cited?

Ms. HIGGINBOTTOM. I have not reviewed that report, Senator. I will be happy to follow up with you and provide some additional information.

Senator GARDNER. That would be great. Thank you.

[The written response to Senator Gardner’s questions follows:]

Ms. Higginbottom. We agree that it is important to continue to implement a carefully coordinated and comprehensive strategy for the U.S. Rebalance to the Asia-Pacific region. We have implemented many of the recommendations in the report and are continuing to assess others within the context of budget and operational constraints and administration priorities.

Over the last 6 years, our Rebalance to the Asia-Pacific has established a “new normal” of coordinated and intensified engagement in the region. We are committed to extensive collaboration with Asian allies and partners on important global issues and sustained engagement by the President, Secretary Kerry, and other Cabinet and senior officials.

The State Department and USAID’s \$1.4 billion FY 2016 budget request for East Asia and the Pacific demonstrates that our focus goes beyond just words: we are dedicating more diplomatic, economic, military, public diplomacy, and assistance resources to the region in a way that is commensurate with the truly comprehensive nature of our engagement. This funding allows us to maintain a robust presence as a preeminent trade and investment partner, security guarantor, and supporter of democracy and good governance throughout the region.

We are also making progress on other goals cited in the report. Our public diplomacy efforts are carefully coordinated to support the multidimensional nature of the rebalance to advance mutual understanding, support regional public diplomacy priorities, and foster deeper people-to-people ties. For example, we have launched new initiatives such as the Young South East Asian Leadership Initiative to strengthen partnerships by building the leadership capabilities of youth in the region.

We are also working to complete the Trans-Pacific Partnership (TPP) agreement to tap into the economic dynamism of the East Asia-Pacific region. The most important thing we can do for our economic relationship with East Asia is to complete the TPP agreement—which also is critical to the future of our economy as it becomes increasingly linked to the region.

In addition, we've made significant progress in enhancing cooperation with China as we encourage Beijing to become a responsible actor on the world stage. Last November, President Obama and President Xi took a historic step forward by jointly announcing our respective climate change targets, where China announced a cap on greenhouse emissions over the next two decades. We are also working with our ASEAN partners to promote regional security and economic integration. We are now seeing ASEAN take stands on issues of global importance such as ISIL, Ebola, climate change, and the launch of the ASEAN Economic Community later this year will be an important milestone for integration.

U.S. Government agencies regularly coordinate their efforts concerning strategy implementation and strategic outreach in the Asia-Pacific region, and we strive to create a unified voice and align diplomacy, development, and defense objectives under a comprehensive Asia-Pacific rebalance strategy. This includes an active and regularized interagency joint planning and strategy review process, which will soon enter its fourth year.

At the agency level, in 2013 the Department of State and USAID completed a joint, multiyear planning and budgeting process for the Asia-Pacific region that links strategy with resources, and supports program activity with strengthened management guidelines and evaluation oversight. Specifically, in close coordination with international partners and other U.S. Government agencies, the Department of State and USAID have established an integrated diplomacy and development strategy in support of the following regional goals: Deepen Security Ties and Alliances; Increase Economic Growth and Trade; Strengthen Partnerships with China and Emerging Partners; Shape an Effective Regional Architecture; and Supporting Sustainable Development, Democracy, and Human Rights.

And what initiatives is the State Department pursuing in the new year, the fiscal year 2016 budget, to further our engagement and build partnerships in the EAP region?

Ms. HIGGINBOTTOM. I just want to highlight the Transpacific Partnership, because that is, in our view, the most critical part of our policy and our approach, and obviously an issue that is being addressed up here right now. And that is critical.

There are several other initiatives. We have been investing in Burma. We have been looking at the opportunities in Vietnam. There is a whole series of initiatives we are trying to open markets and strengthen growing economies. And we will continue to have that focus going forward.

Senator GARDNER. I had a great conversation with a series of Asia policy experts last night, a long conversation about the importance of the United States presence in the region, the continued willingness of U.S. policy leaders, policymakers to show up, to be a part of discussions.

With the changeover in elections every 2 years, every 6 years, new people coming to the table, it is important that we continue to show up and to show the region that we are committed to delivering our partnerships.

The committee report that I mentioned also stated that the fiscal year 2015 budget request for EAP diplomatic engagement is the second to last of all six regional bureaus, or 8 percent of the total,

despite the region's 35 countries accounting for nearly a third of both the world's population and GDP.

Furthermore, EAP Bureau funding has decreased nearly 12 percent since its 2011 peak.

So just a question that you may have to get back to me on, and I am running out of time, compared to last 5 years, how has our diplomatic and trade engagement expanded? How many new Foreign Affairs officers and trade promotion officials have we added to the region?

Ms. HIGGINBOTTOM. I would be happy to follow up with you. I do not have that data today. But we will to that.

Senator GARDNER. That would be great. The numbers I cited from 2015, I would be curious about how they are reflected in the 2016 request as well.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Menendez.

Senator MENENDEZ. Thank you, Mr. Chairman.

I appreciate you continuing to move in this direction. I think this is one of the most critical elements that the committee can pursue. It is a serious undertaking, and one that ultimately is I think primal in terms of what the committee's effort should be to help the State Department achieve its goals.

I want to echo the statements made about our Foreign Service officers. I think they are the unsung heroes of national security and national interest promotion for our country. Recognizing them is incredibly important, which is why I want to come to my first question.

When you were here before the committee about a year and half ago as a nominee, I raised questions with you about our diversity in the Foreign Service and in the senior Foreign Service.

To be honest with you, a year and a half later, I do not see anything much better, which is disappointing. I do not see any real effort to have the Foreign Service reflect the face of America, which I think is incredibly important, in terms of promoting the essence of America abroad, in addition to its ideas and ideals.

I heard from several groups about the impact of assignment restrictions and preclusion programs that appear to disparately impact Hispanic, African-American, and other ethnic groups.

So what can you tell me today that is better significantly in any way than it was a year and half ago?

Ms. HIGGINBOTTOM. Thank you, Senator.

What I can tell you is what I have done since I was last before this committee on this question. When I was confirmed, one of the very first things I did was ask for a comprehensive review of what steps we have taken, what the data looks like, and what tools we have that have resulted in the improvements we have seen in the diversity of the Foreign Service and civil service.

That was a very data-driven and very exhaustive review that really showed that the biggest impact we have had was with the changes in the exam procedures that Secretary Rice initiated several years ago, and that has had the greatest impact.

The second greatest impact has been the Pickering and Rangel fellow programs. Those are programs that we think are vitally im-

portant, and we can see and track how people are coming in, and their racial——

Senator MENENDEZ. Those have existed for some time.

Ms. HIGGINBOTTOM. They have. And we are looking at how people learn about them, how they apply, how they come in. Those are really important.

The places where I think we have room for improvement and we are making improvements just with our existing resources, first, we have some paid advertising for recruiting. I am not convinced that that is necessarily moving the needle in terms of who is applying, and we are looking at that closely to see how we might change that. And the second is our diplomats in residence program, which is a very important program in which we have diplomats at universities doing recruiting. I met with all of them when they were in Washington recently to talk about how their strategic plans needed to be more closely aligned with what our diversity priorities are.

I am working closely with our newly confirmed director general, Ambassador Chacon, who you know, on this question. And it is really, really important.

So I cannot point to a specific number today, Senator, but I can tell you it has our attention and our focus. But the thing that is even more important in my mind right now than recruitment is ensuring that we are really focused on retention of the diverse Foreign Service officers we do have, so that we can see them in the senior levels as they come through the system.

Senator MENENDEZ. Well, let me just say that I appreciate your answer, but nothing that you have said there is different than what was happening before. Nothing.

So if nothing changes in terms of how you approach it, nothing will change in terms of the results.

The State Department has one of the worst records of diversity of all the Federal agencies. And it is of all the places, in my mind, one of the most critical ones to be able to pursue this. So I am disappointed that a year and a half later, I basically heard your answer be replicating what has already taken place.

So it seems to me that unless at the very top there is a clear message throughout the Department that diversity is important, and that part of the judgment standards that will be held against those who are in management positions is how well you are doing in this regard, that is not going to change.

I hope you are going to look at assignment restrictions and preclusion program, because that only exacerbates the problem.

If you are going to have a quadrennial review, I just hope you also have some element in there about how you going to change what is an issue that I have been working on since my days in the House of Representatives. It is not just this administration. It goes back several. But it has not moved the needle forward, and it has not promoted our interest.

So disappointed. I hope you can do a lot better the next time you are here.

Let me ask you, in a different context, economic statecraft, I started an initiative where what I would like to see, and I am wondering whether you have any focus in this regard, not in the just traditional economic statecraft, but how do you create a whole-of-

government approach to helping American businesses promote their products and services abroad?

For me, I look at our agencies as they exist right now, and we have a lot of great agencies, but they are all working out there on their own spheres, from OPEC, Ex-Im, TDA, Foreign Commercial Service. But there is no whole-of-government approach, unlike other countries, that powerfully promote business interests abroad in terms of products and services, which at the end of the day mean jobs here at home, which is my major focus and why it is important.

And some of our ambassadors simply, to be very honest with you, do not see economic statecraft as something that is very important in their portfolio. Of course, depending on the country you are signed to, there may be major bilateral issues, but that does not mean you cannot promote economic statecraft as part for that.

I consistently hear from American businesses, both here at home and as I travel abroad, that they compete against other companies from other countries in the world in which their countries are actually very much engaged in pursuing helping them achieve market success.

So can you give me any sense of whether the quadrennial review is going to include something along those lines? Or separately, are you doing something along those lines?

Ms. HIGGINBOTTOM. Sure, Senator. Just one point of clarification, we are taking steps on diversity. We were scheduled to have seen you a little while ago with Director Chacon. We can go into more detail, and I want to continue that conversation.

On the economic diplomacy front, as I alluded to in my testimony, we will have economic recommendations, specific economic diplomacy recommendations in the second QDDR. I would also note that at post, under the chief of mission authority, Foreign Commercial Service econ officers we have there are tasked with doing that work and coordinating.

What we want to do is ensure that the priority on this is elevated across the Department, across all of our posts. Both Secretary Clinton and Secretary Kerry have been very focused on that. We have some concrete ways and thoughts about how to do that.

We also hear from many businesses that find great allies in our embassies in doing that.

So part of it I think is connecting. We set up a new system called the bid system that transparently shows from a post where there is an opportunity for a business investment and allows businesses to look at it. It is divided by sector. You can export the data in different formats. So we are looking for different tools to improve that, and we will have some concrete recommendations in the QDDR.

Senator MENENDEZ. I look forward to seeing it.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Flake.

Senator FLAKE. Thank you, Mr. Chairman.

Thank you for the testimony. Let me talk about OCO, Overseas Contingency Operation funding. As you know, the Budget Control Act, there are spending caps on international affairs, but that which the President and Congress designate as Overseas Contin-

gency Operations are not subject to that budget cap. There is no definition of OCO in statute, and the State Department began requesting OCO funding in 2012 and has requested some ever since. As we know, that just adds to what is in the base budget.

I am just trying to get a sense of where we are going here. Secretary Kerry, answering questions that I asked, wrote back saying these were for extraordinary circumstances, unforeseen, but we keep requesting it.

The State Department, when it first requested, it was just for Iraq and Afghanistan. And then Pakistan was added, then Syria, now Jordan, Ukraine. I am just wondering where it stops here.

Can you give me a sense of how long we are going to use this device and have spending that is not subject to budget caps?

Ms. HIGGINBOTTOM. Thank you, Senator, for the question.

OCO, as you stated, was created to deal with extraordinary costs in the frontline states. As I am sure you know, traditionally, when the State Department has confronted an emerging crisis or an unbudgeted emerging problem, Congress has turned to supplementals or provided additional appropriations. It has been many years, with the exception of Ebola last year. It is not regular order now to have supplementals.

OCO has been an important way for us to address extraordinary costs. We are still in an extraordinary period of time with respect to Iraq and Afghanistan. And there have been emerging crises that we have had to turn to OCO, the crisis in Syria and Jordan, obviously as an outgrowth of that.

One step that we have taken in the fiscal year 2016 President's budget is to ensure we are going through a process to migrate what are truly base costs into the base, and that is a DOD responsibility as well as a State Department responsibility, and be able to only ask for or request and fund things that are temporary, unforeseen, or truly extraordinary in OCO.

So in terms of the length or period of time, it can be a different budget mechanism. On the domestic side we have in the Budget Control Act created a disaster cap. You do not know when a disaster will happen. You know you need resources. There is a regular way to do it, and it is part of the Budget Control Act that is envisioned under the caps. We could entertain another mechanism to do this.

But what is not possible is to not be able to respond to emerging crises that we have a shared belief we should be engaged in. So I think with respect to OCO and the path forward, we are moving in a good direction to ensure the base costs are regularized, but I think there is a larger issue about how, in the absence of regular supplemental appropriation bills, what budget mechanism we can use to address emerging crises.

Senator FLAKE. Well, I am just wondering, when we are using OCO funds for the operation of embassies in some of these areas, do we foresee having embassies in perpetuity in Afghanistan and Iraq?

Ms. HIGGINBOTTOM. Senator, those—excuse me.

Senator FLAKE. If so, how can we say that these are extraordinary or unforeseen expenses?

Ms. HIGGINBOTTOM. Regularized operations of embassies should be funded in our base appropriations.

In Afghanistan, we are moving to a civilian-led presence. We have to assume a lot of responsibilities that the military provided before. Paying for those, setting up a trauma unit, providing additional security, those are not ongoing. They are operational costs, and we have turned to OCO to fund those.

The same with the sum of the airlift capacity we have there.

But we do not see that as an ongoing cost that we would fund forever in OCO.

Senator FLAKE. But we feel the need to put it in there now, though?

Ms. HIGGINBOTTOM. That is correct. And our goal is to move truly base costs to base, and operational expenses that are truly unique and one-time, that OCO is the appropriate place to fund them—security upgrades, as I mentioned, the trauma unit, other things like that.

Senator FLAKE. Well, the concern here, obviously, is that we simply supplant and free up money in the base budget for things that may not be the priority.

I mean, let's face it, by definition, the State Department is going to be dealing with unforeseen circumstances. There are always those and I would suggest that we better find a way to way to deal with that in the base or the enduring budget, rather than going to OCO.

I mean, like I said, we have only started with the State Department. It was first just the DOD. Now it is State Department, just for the past couple years. I see that as a growing trend, and it is a dangerous one to have so many lines off-budget.

Let me just say, for those of us who are concerned that we are simply supplanting or freeing up money in the base budget, there are programs that have received some criticism, like the Art in Embassies program. Now, some of them are small issues, but then there are bigger ones as well. \$1 million for a sculpture, one granite sculpture for the Embassy in London that turned out to be too heavy for the Embassy itself.

Who is in charge of that program? What office at State?

Ms. HIGGINBOTTOM. The Office of Overseas Building Operations is in charge of that program.

Senator FLAKE. Is that program ongoing? Is this an ongoing program or is this, the Art in Embassy program?

Ms. HIGGINBOTTOM. The Arts in Embassy program?

Senator FLAKE. Yes.

Ms. HIGGINBOTTOM. Yes, that is an ongoing program. The Arts in Embassy program receives donated art, largely. The OBO part of our budget, the Overseas Building Operations, provides resources to outfit our embassies. I would be happy to follow up with additional information.

Senator FLAKE. I would like that, because these amounts that I am hearing are taxpayer funding, \$400,000 for a sculpture of an albino camel staring in the eye of a needle in Pakistan. I mean, sometimes it does not pass the laugh test.

Ms. HIGGINBOTTOM. I would be happy to follow up with you.

Senator FLAKE. Really, when we are putting amounts off-budget, and continuing and growing OCO accounts, and we have in the base budget some of these programs, to justify that to our constituents, the taxpayers, is a bit tough.

I am all for art. We need beautiful embassies overseas. It is our face around the world, and that is fine. But I would suggest that some of these programs need to be brought a little under control.

So I appreciate it. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. If I could, would you certify that of all of the OCO moneys you are spending, not a single penny of that is for ongoing operations? Is that what I just heard you say?

Ms. HIGGINBOTTOM. Our requested OCO, there is a distinction between how our funding is appropriated. When we are requesting OCO, we are making every effort to request funding for extraordinary or temporary costs.

The CHAIRMAN. I know you are making efforts. I am just asking—I want to move on to the next Senator. I am just asking, would you certify to us that every penny of OCO funding is only for these contingency operations and not a single penny of that is for the kinds of things that would be ongoing operations.

Ms. HIGGINBOTTOM. That is subjective of what are—

The CHAIRMAN. So the answer is probably no to that. Is that correct?

Ms. HIGGINBOTTOM. We have several years of OCO funding and several billions of dollars. I do not want to certify anything before this committee without being certain of it.

Senator Flake has just written me a letter to look at our fiscal year 2013 OCO allocations, which we are doing analysis on now, and we are happy to provide that to be able to go into that detail.

The CHAIRMAN. I look forward to you pursuing that.

Senator Kaine?

Senator KAINE. Thank you, Mr. Chairman.

And thanks, Madam Secretary, for this.

You will be glad to know that your independent IG yesterday assigned his priorities in the same way you did and put security of State Department personnel and our operations as the first priority.

Senator King and I were in Beirut, Lebanon, in February 2014 and visited a memorial on the Embassy compound to all those State Department officials who lost their lives. Most Americans remember the Marine barracks bombing and the loss of lives of military personnel in Lebanon during the 1980s, but they are not aware of how many State Department and other U.S. allied governmental employees lost their lives as well. So that is the appropriate area.

I want to focus on two parts of the Benghazi recommendations dealing with security. The IG testified yesterday that there is a study forthcoming that will look at all the ARB recommendations after Benghazi and give a progress report, and that that might be done within the next couple months.

But two, in particular, that I want to talk about are embassy security training and then local guard contracting and vetting.

Embassy security training is encompassed by ARB 17, Benghazi ARB 17. The State Department started a study in 2009 to look at a facility that could be used for training folks, especially for high-threat posts. Seventy sites were examined.

In the summer 2012, before I came into the Senate, the State Department made a determination that the best site for this was at Fort Pickett in Virginia. That was in the summer of 2012.

Within a very few months after that decision was made and announced publicly, the attack occurred in Benghazi. The ARB recommendation 17 suggested that this facility and this training needed to be done. The State Department said yes, and we are responding to that by moving forward with the center at Ford Pickett.

In connection with Secretary Kerry's confirmation hearings and his first status hearing before the committee, I asked if that was the State Department's intent. He told me it was.

The OMB in the spring of 2013 sort of put a yearlong hiatus on the project, to reanalyze the multiyear effort the State Department had underway to determine the need for the facility. During that time, the State Department chief security witness Greg Starr testified before this committee that this was important to do and do promptly because lives were obviously at stake.

In April 2014, the administration, the State Department and OMB together, decided for a second time that this was, in fact, a priority and needed to be done to meet our priority number one, keeping our personnel safe.

The President's 2016 budget has funds proposed in it for this mission—7 years after the search began for the facility and the need was identified, more than 3 years after the decision was announced, nearly 3 years after Benghazi occurred and the ARB recommendations indicated that this was necessary.

I just want to make sure that the State Department—this has been going for a very long time—that the State Department is still moving forward with this plan to try to keep our personnel safe by providing them the training that they need.

Ms. HIGGINBOTTOM. Yes, Senator. We are. We are really eager to move forward with the construction of the FASTC site at Fort Pickett. We want to train all of our foreign affairs personnel going to post in this important training. And we are concluding the environmental impact statement right now and hope to be able to break ground later this spring and get going. It is critically important. It is keeping our personnel safe.

And while the ARB recommended that we have this site and that we have this training, and that we train everyone going to high-risk posts, we believe we need to train the entire foreign affairs community to be prepared, because we are in such a complex threat environment.

Senator KAINE. I mean, it would be wonderful, as much of a tragedy as Benghazi was, it would be wonderful to think we would not face more. But we have had to evacuate two embassies since Benghazi, our Embassy in Libya, obviously, in 2014, and more recently in 2015 already the Embassy in Yemen. That is a big deal, and it demonstrates the security challenges that are not getting easier. They are getting harder.

The second issue, which is sort of subject to multiple ARB recommendations, deals with security at the embassies themselves, especially in high-threat posts. We use Marine security guards. We use State Department security personnel. But there is also a practice of using host government security and relying on them, or locally contracted security.

An OIG report in June 2014 analyzed whether local guard vetting processes were being followed. They chose six security contractors in high-threat areas, and the OIG concluded that not one of the six was fully performing vetting procedures on local folks who were hired.

Obviously, if you read the ARB report, the analysis of the Benghazi incident, the local security was very problematic in the midst of that horrible thing. They were engaged in a pay dispute with the State Department and some of them were kind of on a work slowdown, and that might have contributed to some of the challenges.

Talk to us about what the State Department is doing with respect to the vetting of local security, how you are choosing when to use them as opposed to using U.S. security assets. And then when you do choose to use them, what is being done to make sure they are appropriately vetted?

Ms. HIGGINBOTTOM. Thank you, Senator, very much for the question.

The security profile of a particular post is determined by the regional security officer on the ground, by the chief of mission, by the Bureau of Diplomatic Security. And it is a combination of both our personnel, often a local guard force, depending on the threat environment.

We always engage the host country, and most places have good cooperation, to provide protection. That is critical and part of how we rate whether a post is high-risk.

We contract for local guard forces all around the world, and it is really important. The provision we are requesting in this authorization to contract with the best value, as opposed to the lowest cost, it assures that we are getting the right type of guards to supplement and complement our security.

The IG report was important, highlighting some weaknesses that we have had in the vetting of those guards, some guards in some places. Part of that is the responsibility of our regional security officers at post. Part of it was the problem of the contractors, the companies themselves.

So we have taken those recommendations and are improving on them. But we do feel as though authority that would allow us to work with different contractors could also just this issue.

In some places, the vetting, there are insufficient records and information. We are going to face that in certain environments around the world. There are not as good of recordkeeping systems in some countries we are operating in. That is just something we have to work through and do the best job we can. But we feel like this authority could make a big difference.

Senator KAINE. I really hope, as part of the reauthorization, the additional authorities to make sure that these locally hired security

are to be trusted, I hope we provide authorities to the State Department they need.

Thank you to the witness.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. And I want to thank you again, and Senator Perdue, and our Deputy Secretary for creating the kind of environment that I hope will cause us to be successful. You all work very well together, and it is deeply appreciated.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

And I thank you and Senator Cardin and Senator Menendez for this effort to reauthorize the State Department. I also serve, as several of us do, on the Armed Services Committee. I think this past year, for the 51st year in a row, we passed an authorization for the Department of Defense. Wouldn't it be nice if we could count on every year passing an authorization for the State Department. And I hope that this will be the start of that effort.

Now, one of the most positive statements about the direction of dealing with diplomacy and global affairs I thought occurred early in the administration when Secretary Gates and Secretary Clinton talked about the importance of rebalancing resources and emphasis between Defense and State, and the importance of diplomacy in helping to avoid conflicts in places.

So I do think that was an important initiative. I think it is one we need to continue.

One of the things that struck me as Senator Murphy was asking about ways to engage in public diplomacy, to improve the communications as we are seeking to respond to terrorist and other efforts around the world, as Senator Kaine was talking about the need to train personnel for security threats, is that those are places where we are doing a lot on the defense side and we need to do a lot and we are on the diplomatic side.

But how are you working together to address those kinds of joint challenges that the country faces that we should be dealing with in a coordinated way?

Ms. HIGGINBOTTOM. Thank you very much, Senator.

Recently, Secretary Carter came to the State Department to address our chiefs of mission, when they were here for a conference. And he spoke for quite some time about his observation of how the relationship over the course of his career has changed between State and the Defense Department, and to the current moment, where we really are coordinating and collaborating in so many places.

I think about the work we are doing a partnership in different places in Africa, some of the security training and support that we are providing. There are certain authorities that the Department of Defense has that we have concurrence on, the Secretary of State has concurrence on, to ensure our diplomatic objectives and our Defense Department objectives are aligned and coordinated. I think that is critically important.

And Secretary Gates and Secretary Clinton really laid a foundation of partnership that we are seeking to build upon, both on the resources side as well as on the authorities and the work that we are carrying out.

So there is a whole host of examples where we are working very well together.

The President proposed the counterterrorism partnership fund last year. We have requested it in our budget. Part of that is State Department. Most of it is the Defense Department. But again, it is working together to say, what are the civilian capabilities that the State Department is best suited to lead on in partnership with the core functions of DOD?

I think the leadership of both of our agencies in this administration is really committed to that principle.

Senator SHAHEEN. That is encouraging to hear. It sort of raises the question in my mind, and I support the efforts to address security of our embassy personnel because I share the belief that all of us here have that they are doing tremendous work under very difficult circumstances often, but it makes me wonder if we really need a whole new facility to do that training, or if we do not have existing facilities someplace where we are doing similar training, where we could modify that to accommodate the needs of the State Department.

Ms. HIGGINBOTTOM. Senator, the Department undertook a review, as Senator Kaine said, of many different sites. One option that has been discussed is the law enforcement training facility in Georgia. Our combined assessment found that we would need to build or augment 90 percent of the capabilities the State Department needs for its unique training, which is not in law enforcement in nature, to do that. And having both the capability and the synergies in this region, to get not just Foreign Service officers but everyone going to post—that includes the intel community, the Defense Department, and others—to go through this training.

So we looked at many different places. I should say, the administration looked at many different places and came to the conclusion that this was the right answer.

And we feel strongly that we need to train people. Security is a shared responsibility. And we have to equip everyone with the tools and resources and training to be safe at post.

Senator SHAHEEN. Well, I, certainly, agree with that.

Let me ask, the inspector general reported that over the past 6 years, that contracts worth a total of more than \$6 billion were found to have incomplete records. In some cases, files were missing. That increases the risk of fraud and waste and abuse. The IG identified contract management as a key challenge facing the Department. I know that the Department has agreed with that.

So what do you need in order to be able to improve your contract management and actually comply with what the inspector general was recommending?

Ms. HIGGINBOTTOM. Thank you, Senator. The State Department's amount of grants and contracts increased a lot with our investments in Iraq and Afghanistan. One of the things that we really appreciated in the IG's review is that, in that growth, we needed to ensure our systems were sort of up to the task of managing that amount of money, and his office has pointed out several ways in which we need to do that.

I think that getting qualified people in contract oversight positions and having those responsibilities is always a struggle. In Washington, there is a lot of competition for those roles.

Senator SHAHEEN. Do you have the positions approved to allow you to do that? If you could hire qualified people, do you have the positions to hire them into?

Ms. HIGGINBOTTOM. We have added people. We have added positions to do that. I think we could do more with additional people and additional resources. But that was one of the recommendations, and we have aligned resources there.

Finding qualified people is important. We have great people, but finding more to fill those positions. And training and a real understanding of the responsibility is something that we have the capability to do but we need resources to further develop.

Senator SHAHEEN. Well, certainly, I hope that you will be successful at that. We have a lot of people come through office—I bet everybody on this committee does—who want to work for the State Department, who are very idealistic about the role of the United States in the world and the difference we can make. It seems to me we have a great pool, and if we can encourage them to think about their training in a way that would allow them to come to work for the Department, that would be very important.

So thank you very much.

The CHAIRMAN. Thank you.

I know we have a vote that is getting ready to kick off here in a second.

Do especially either of our subcommittee leaders have any additional questions?

Senator PERDUE. I am sorry, Mr. Chairman. I just have one very brief. I think you can answer this very quickly. I know we have to go vote.

We learned another Washington acronym yesterday, ARB, Accountability Review Board. Would you comment on the report that over the last 17 years, actually, we have had 12 of these ARBs and some 40 percent of the recommendations are repeat? I know many of these were not on your watch.

I do not want to go through a litany of those 40, but in your time there, what can you tell us about what you are doing now to follow up? I know that these are backward-looking, and I know the IG and you are forward-looking and are more concerned about that. But are there lessons we can learn from these?

Ms. HIGGINBOTTOM. Senator, in terms of the forward-looking and backward-looking, one principal responsibility I have is oversight of ARB implementation of recommendations, not just for the Benghazi ARB, which obviously has been the most recent, but those going back further.

It is true that there are topics that are repeated in terms of ARB recommendations, but the security environment and the circumstances also change. So increasing the number of Diplomatic Security agents, for example, is a repeated recommendation. It is not that the numbers didn't increase. It is that an additional recommendation to add—we have nearly doubled the number of Diplomatic Security agents.

So some of these we might think of as showing up again not because we didn't implement them, but because the circumstances require it.

In other cases, we need sustained implementation and oversight. That is why the Deputy Secretary is focused on this. Secretary Clinton asked my predecessor to focus on it. I have assumed that responsibility and will going forward.

So some is, circumstances that have changed, and some is about leadership and oversight.

Senator PERDUE. Thank you. I also have questions about special administrative positions, but I will submit that in writing for the written testimony.

Thank you, Mr. Chairman.

The CHAIRMAN. Go ahead.

Senator SHAHEEN. This is not really a question. I just want to commend the State Department for your work to improve the special immigrant visa program and to address the remaining long line of Afghans and Iraqis, although that program is almost finished, who are still waiting to get into this country, who have risked their own lives to help our men and women on the ground in those countries during the conflicts.

It is a very important program, and I certainly applaud the State Department for your efforts.

Ms. HIGGINBOTTOM. Thank you, Senator. Thank you for your support in helping us get the number of visas that we need to meet that demand. We have made a lot of procedural improvements, and we are continuing it. We just made another one recently, and we owe it to people to administer this program well. We appreciate your attention to it, because it has helped be better at our responsibilities.

The CHAIRMAN. If I could ask, and Senator Cardin may have a question too, since the bell has not quite gotten off, I spent most of my life in the private sector and we tried to build our companies and their capacity. And one of the greatest things was seeing people thrive and then educate their families in unique ways, and all of those kinds of things.

I see these special envoys that get created. And, of course, there is no confirmation for most of those, unless they are legislatively created, and very few of them are. What effect does it have on the culture of the organization, when you have professionals who have been there for years, who have responsibilities over certain areas, and then all of a sudden wafted in out of the blue is some special envoy that is created that has a special status? What effect does that have over time on the organization itself, when people themselves have trained to have those kinds of responsibilities themselves?

Ms. HIGGINBOTTOM. Well, the role of those special envoys is to supplement the work that we are doing on a regular basis. Many of them are to meet specific, discrete issues or missions.

The special envoy for building the ISIL coalition, for example, has a very specific mission. He is working closely with our Near Eastern Affairs Bureau. But he is going out and getting support around the globe for the coalition efforts.

When Secretary Kerry came into the State Department, he asked us to do a review of special envoys and special offices and understand what was a critical mission that still existed, where we could reintegrate into the bureaus those functions. And we did that. We have taken some functions and normalized them. He has asked us to do a regular review of that.

So we just established one over last summer for Ebola response. Now that the disease is in a different place, we have regularized that back into the bureaucracy.

So they do play an important role, and I think it is important that, at Secretary Kerry's direction, we are regularly reviewing them to ensure the mission and mandate are still relevant.

The CHAIRMAN. Do you have anything you want to add before closing?

Senator CARDIN. I see Senator Markey is here, so I would yield to Senator Markey.

But let me just say, what Senator Menendez said on diversity, there are a lot of us who are very concerned, and we would very much appreciate you keeping us informed as to how you are making progress in using current tools and looking at new tools to improve diversity.

Ms. HIGGINBOTTOM. Absolutely. We will do that, Senator.

The CHAIRMAN. Excuse me. Senator Markey.

Senator MARKEY. Thank you, Mr. Chairman. Thank you for your good work.

The African continent is home to incredibly challenging statistics: 9 U.N. peacekeeping operations; 14.9 million people affected by conflict, violence, and human rights abuses. But at the same time, there are incredible signs of progress on the horizon.

The number of mobile phone subscriptions in sub-Saharan Africa is predicted to rise to 930 million people with cell phones by 2019, up from 635 million right now.

In 2015, sub-Saharan Africa GDP is expected to grow at 4.5 percent, making it the fastest growing economic zone in the world, outpacing Asia, which is 4.3 percent growth this year.

But you cannot work in a continent like Africa on a shoestring budget or with insufficient personnel and expect to see positive results. I have been made aware of a recent study conducted by the State Department that reveals some important and concerning facts about the Africa Bureau's resource level.

The Africa Bureau completes more assignments than any other Bureau. Its staffing level is the second lowest of all the regional bureaus, but has the second-highest resource requirement for program implementation and policy initiatives. This means that they are doing a whole lot more work than most bureaus, but with far fewer personnel.

For example, there are 159 domestic personnel slots for the Africa Bureau compared to Europe's 306.

So in order to meet those many demands, from critical elections to emerging crises, the Africa Bureau relies extensively on temporary movement of personnel from one position to another. For a continent with so many crises and opportunities, this staffing pattern prevents genuine preparedness to handle challenges as they arise.

Can you tell me about the Department's plans to review and translate the findings of this report into genuine staffing and structural improvements for the Africa Bureau's resources?

Ms. HIGGINBOTTOM. Thank you, Senator, for the question.

We commend Assistant Secretary Thomas-Greenfield for undertaking this review of her Bureau. The workload that they are facing, the numerous crises they are dealing with, they had a lot to deal with last year with the Africa Leaders summit, not to mention the various global challenges that we are dealing with in the region.

I have met with the Assistant Secretary, as has the Under Secretary for Management, and we are working through the requests to see how they can be addressed. Obviously, we are in a tight budget environment, and we have to look to see how we can align resources.

Just yesterday, in fact, Secretary Kerry invited Assistant Secretary Thomas-Greenfield to present her findings to the entire senior leadership of the Department, both to show as an example of how we should be looking at our operations and empowering our assistant secretaries to do that analysis, but also to be clear what types of burdens the Bureau is facing.

So we are taking it very seriously, and we are working through those requests.

Senator MARKEY. Okay, great.

In 2011, the State Department expanded its existing Office of the Under Secretary for Economic, Energy and Agricultural Affairs and replaced it with an Office for the Under Secretary for Economic Growth, Energy and Environment. Part of this effort was meant to promote and prioritize State's role in economic policy development overseas. But the inclusion of environmental and energy issues placed more responsibility in one sole office over the State Department's separate but related work in the three areas.

I applaud any effort to prioritize the environmental and economic issues in our diplomacy. However, I am concerned that another administration, one less concerned about issues like renewable energy and a clean environment, could easily sweep away any policy progress made by having an Under Secretary devoted to economic growth, energy and the environment.

In order to demonstrate our country's enduring commitment to these important issues, should we seek to codify the creation of an Under Secretary for Economic Growth, Energy and the Environment?

Ms. HIGGINBOTTOM. Thank you, Senator. The creation of the Under Secretary and the emphasis on environmental issues is really important. Our Bureau of Environmental Science works on a variety of issues across the globe and the region. I think that what you would see, regardless of administration, is if there are critical environmental issues affecting the countries we are engaged with, whether they are mitigating impacts of climate change or others, our diplomats and our Foreign Service officers are focused on helping countries address those. I do not think that will change.

The system that we have established, the Under Secretariat and the Bureaus, have expertise and focus on that. While political lead-

ership, of course, changes as administrations change, not necessarily the experts who are there carrying out that work.

Senator MARKEY. Thank you.

Finally, in reviewing available funding for Africa that addresses good governance, it appears that since fiscal year 2011 to fiscal year 2015, there has been more than a 50-percent drop in available funds that deal with issues of good governance.

These funds are used for crucial activities surrounding, amongst other things, election preparation. These funds were pivotal in U.S. support to the recent successful Nigerian elections.

We hear often that the United States prioritizes the promotion of democracy and governance, yet the funds available for this critical pursuit are shrinking steadily.

So could you explain how the United States can continue to claim we are prioritizing democracy and governance but have 50 percent less resources that we are going to dedicate to that effort?

Ms. HIGGINBOTTOM. Senator, we are very focused on working with Congress to try to receive as high a level as possible to support those efforts. We think they are critically important. They address many priorities we have, particularly on the African Continent.

There are issues that we are working through to ensure that there are flexible resources to meet those needs. It is a big priority.

Because we do not have as much as we would like right now, I have actually started a group in my office working with our budget folks and some of the regional bureaus to figure out how we can leverage the dollars we do have to go even further, partnering with organizations and with other efforts. So we are trying to take the resources we do have and leverage them and have them go further. But ultimately, we would like to see a higher level appropriated in those accounts.

Senator MARKEY. Okay, and thank you for all of your efforts.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Deputy Secretary, we thank you for your testimony today. You acquitted yourself very well, as always. And we appreciate the way you are working with all of our offices toward a good end.

I have no further questions. I think we have a vote.

Again, we look forward to working closely with you.

The record will be open through the close of business Thursday for people who want to ask additional questions. We would just ask that you and your staff answer those promptly.

And we look forward to a successful authorization. Thank you again for being here.

Ms. HIGGINBOTTOM. We will do that.

The CHAIRMAN. Without objection, and with the committee's approval, we are adjourned.

[Whereupon, at 11:02 a.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

RESPONSES OF DEPUTY SECRETARY HEATHER HIGGINBOTTOM TO QUESTIONS SUBMITTED BY SENATOR BOB CORKER

Question. Foreign Service officers receive an assortment of special pays, including overseas comparability pay, cost of living adjustments, hardship pay, danger pay, priority staffing post incentives, separation pay, and education and housing allowances.

- ◆ Has State completed a comprehensive review recently to ensure that each allowance is achieving the intended purpose, such as addressing staffing gaps, and set at reasonable levels?
- ◆ How much does the Department spend on these allowances annually?
- ◆ Does State have an estimate for what percentage of total compensation is comprised of allowances for its employees serving overseas?

Answer. Allowances and supplemental compensation are available to all U.S. Government employees serving overseas, and rates are determined by the location and difficulty of the posting. The State Department regularly reviews the levels of allowances and recruitment and retention incentives to confirm that they are fair and equitable. We review data submitted from posts abroad, generally every 2 years, to ensure that the allowances are set at the appropriate levels. In addition, the impact of exchange rates on the cost of living allowance is adjusted every 2 weeks. These reviews are based on survey data received from each post, as well as information about each location which is available both generally and from other U.S. Government agencies. We develop and coordinate policies, regulations, standards, and procedures to administer the government-wide allowances and recruitment and retention incentives under the Department of State Standardized Regulations (DSSR).

Hardship Differential and COLA achieve their intended purposes under Title 5 U.S.C., which is to assist U.S. Government civilian employees at foreign locations where conditions of environment differ substantially from those in the continental United States or are significantly more costly than in Washington, DC. The Danger Pay allowance is intended to compensate employees for the serious conditions specified in 5 U.S.C. The Department recently completed an extensive review of the processes which determine the rates of both Danger Pay and Hardship Differentials, and we are currently implementing updates and other changes to ensure they continue to achieve their intended purpose.

The Bureau of Human Resources conducted a survey in 2015 to learn more about the incentives that compel employees to serve at Priority Staffing Posts (PSPs)—Iraq, Afghanistan, Pakistan, Libya, and Yemen. The survey, a followup to a 2010 study of hardship incentives, covered both monetary and nonmonetary incentives. While respondents indicated that multiple R&R breaks, linked assignments, and early handshake incentives were part of their decisionmaking process, monetary incentives were two of the top three drivers for those who had served at a PSP, with Danger Pay being the most influential incentive.

In FY 2014, the Department spent approximately \$268 million for recruitment and retention incentives and allowances to support the presence of Department personnel overseas. This amount includes: Post Allowance (COLA), Post Differential, Danger Pay, Special Differential, Language Incentive Pay (LIP), Other Premium Pay Not Otherwise Classified (NOC), Physicians Comparability Allowance (PCA), Service Needs Differential (SND), and Separate Maintenance Allowances (SMA). Please note that not all are paid at all posts, nor are all available to all categories of employees. In addition to these amounts, \$17,845,000 was reimbursed as part of Living Quarters Allowance (LQA). LQA is currently approved in full or in part at the following posts: all posts in Canada; Bern, Switzerland; Valletta, Malta; Quito, Ecuador; Geneva, Switzerland; and Guatemala City, Guatemala. Housing in other locations is supported by Department-paid residential leases or Government-owned housing. For FY 2014, \$150,791,000 was spent through the Dependent Education Allowance to provide U.S.-comparable primary and secondary education for eligible employee dependents overseas. In CY 2014, the Department paid \$152,945,000 in Overseas Comparability Pay (OCP).

Excluding Dependent Education Allowances, Living Quarters Allowances, and OCP, the overseas recruitment and retention incentives and allowances listed above comprise approximately 15 percent of total compensation ¹ on an annual basis.

Question. Advocates of full Overseas Comparability Pay argue that its absence could affect diplomatic readiness by increased Foreign Service officer attrition and recruitment challenges.

- ♦ What evidence can you provide to support this claim, particularly given that applications to the Foreign Service are at record levels and the Foreign Service has significantly lower attrition rates than Federal Government civilians?

Answer. Overseas Comparability Pay (OCP) is intended to ensure that employees worldwide start at a comparable salary baseline. OCP (just like domestic locality pay) is part of each USG employee's base pay. Overseas service (required for the FS) without OCP would not only have an immediate impact on an employee's take-home pay (resulting in an immediate pay cut of just over 16 percent of their base pay and a similar amount on all allowances calculated on base pay), but also follow them into retirement via reduced contributions to their Thrift Savings Plan, which is intended to be an integral and significant part of employees' retirement package.

We compete with other U.S. agencies, international business and finance, international organizations, and nongovernment organizations for new candidates for the Foreign Service, and for retention of existing FS professionals. We all draw from the same limited pool of highly qualified candidates interested in careers overseas who are willing to endure sometimes difficult and dangerous conditions as well as separation from family and friends. The competition can be intense. When non-USG entities, particularly international business and finance, can quickly adjust pay and benefits to attract and retain top talent, it becomes even more difficult to remain competitive.

Some elements of the Department of Defense and other agencies have received full overseas comparability pay (currently 24 percent) since 2003.

We are extremely proud of our ability to recruit and retain a highly qualified workforce at the Department of State. However, two recent surveys indicate this picture would change if OCP were to be eliminated or not fully implemented.

The first, conducted in 2012 by the Department of State in response to a 2011 GAO report, indicated that:

- More than one-third of officers would consider employment outside the Foreign Service if the Department cannot deliver the final tranche of OCP.
- More than half of Foreign Service personnel would be less likely to bid on overseas assignments in the total absence of OCP.

The second, the 2012 Federal Employee Viewpoint Survey, indicated that for more than 60 percent of officers the elimination of OCP would deter them from bidding on overseas assignments.

Question. It is my understanding that State's retention issues with regard to millennials is due to a variety of factors, including structural issues, but that compensation is not one of them.

Answer. There is insufficient data currently available to determine whether attrition among millennials in the Foreign Service is an issue. Given that employees join the Foreign Service at the average age of 31, millennials are just beginning to join the Foreign Service workforce in significant numbers. The majority of millennials are likely to be in entry level positions, where attrition remained under 2 percent in 2014.

As the average age for a Civil Service employee is over 40, millennials compose a minority of Civil Service employees. Attrition levels in the Civil Service over the past 5 years averaged 6.7 percent. A more extensive analysis of who leaves the State Department and why is planned as part of an ongoing expansion of our attrition analysis tool. We closely monitor overall attrition, and the Department-wide exit surveys that we will implement later this year will give us more specific information on why employees leave State's workforce.

Question. Defense Secretary Carter has recently announced a major effort to modernize the inflexible and antiquated manpower structure of the military. What is the State Department doing to overhaul the structure of the Foreign and Civil Services to attract and retain the current and next generation?

¹ Total compensation consists of basic pay, including locality pay, regular premium pay, Government contributions, as well as the recruitment and retention incentives and allowances listed above.

Answer. Improving recruitment and our work environment is part of our mission to attract and retain the best of the current and next generation. The Partnership for Public Service named the State Department the third-best-large agency to work for. State has ranked within the top five agencies for the past 3 years and in the top ten for 10 years. Forbes and Statistica.com just named the Department one of America's Best Employers for 2015, based on a survey of 20,000 American workers at large U.S. companies, government agencies, and nonprofit institutions; we were the only federal agency in the top 50.

To promote retention, we offer comprehensive and in-depth long-term career guidance and counseling to all Foreign Service personnel throughout their career. We are continually expanding the guidance, counseling, and development opportunities for our Civil Service employees through our Office of Civil Service Human Resource Management, Career Development Division. We offer a range of work-life programs, a student-loan repayment program, opportunities for both Civil Service and Foreign Service employees to rotate into different jobs, and opportunities for Civil Service employees to serve overseas with Foreign Service colleagues on excursion tours.

We monitor attrition closely and are expanding our attrition reporting tool in coming months. Foreign Service (FS) attrition averages about 4 percent per year, with the majority leaving due to retirement. The highest attrition rates are at the more senior levels as officers and specialists alike reach mandatory age retirement or the expiration of time-in-service rules associated with the up-or-out system, though both can happen at any grade. Civil Service attrition rates are somewhat higher than the Foreign Service, averaging between 6 and 7 percent per year. Neither FS nor CS attrition rates are out of line with the Federal Government average of 5.9 percent (2004–12 GAO data).

We have developed, and are now implementing, a variety of standardized electronic exit surveys to improve the information we have about the reasons employees leave our workforce. This information will be used to isolate and address any retention problem areas and assist in recruiting efforts. Our existing monitoring of employee departures, and what we are told in letters of resignation, indicate that the majority leaving the Foreign Service do so for family and health reasons.

Question. State has the authority to direct the placement of Foreign Service officers. However, State does not use this authority, and instead induces Foreign Service officers to choose difficult-to-fill posts with an array of incentives.

- ◆ What is the opportunity cost of the significant investment of resources necessary to maintain a full presence in challenging locations?
- ◆ Have you considered directing Foreign Service officers to fill hard-to-fill posts, particularly in frontline states?

Answer. The Department constantly evaluates our presence around the world. Some of the most challenging locations in which we are present are also areas of critical national security interest. The Department's incentives to encourage volunteers to serve in these areas represent important investments to ensure that the Department is able to maintain the necessary presence to best support our national security. We are prepared to use directed assignments when they are needed. We have thus far relied on volunteers to staff our critical needs posts, including our Priority Staffing Posts (PSPs) of Iraq, Afghanistan, Pakistan, Libya, and Yemen, and have not needed to resort to directed assignments. In the small number of hard to fill positions, we have been able to fill those slots largely with volunteers. Our Service Recognition Packages, which include a mix of monetary and non-monetary incentives, together with a desire to serve, are sufficient recruitment tools. In our most difficult posts, our experience has shown that volunteers are more resilient and better able to perform successfully.

Question. In your testimony you stated that, "Foreign Service officers deployed overseas have absorbed cuts to their basic pay compared to their domestic counterparts." When FSOs are assigned to Washington DC, they must pay for their housing expenses out of their basic pay. However, when FSOs are assigned overseas, they either have government-provided housing or are given a living quarters allowance.

- ◆ How do you justify the need for paying FSOs at the Washington, DC rate, when housing is provided?

Answer. Overseas Comparability Pay (OCP) is designed to ensure that Foreign Service personnel are compensated for their labor overseas at the same rate as they are compensated for their labor in Washington, DC, like their DOD and other agency colleagues. The provision of housing overseas, whether provided by the USG or by a Living Quarters Allowance (LQA) is an entirely separate issue. The Living Quarters Allowance (LQA), or the provision of government housing while overseas, ensures that all U.S. Government employees have housing that meets American

safety, health, and security standards. Such housing can, in many of the world's cities, be priced far beyond the reach of a federal employee's salary.

Allowances are not a zero sum equation. Instead, each type of allowance is set up to compensate for a specific type of hardship or inequity. Some posts have several allowances because several types of hardships or inequities intersect there.

Question. Much attention has been given to training of peacekeeping troops to prevent peacekeeper misconduct, particularly as it relates to sexual exploitation and abuse, but significant problems persist.

♦ What aspects of this problem are the most challenging and what steps are we taking at the United Nations to address this problem?

Answer. The United States is a leading and long-standing proponent of efforts to prevent and investigate misconduct by U.N. peacekeepers, in particular sexual misconduct, and is a strong supporter of the U.N.'s efforts to implement fully its policy of zero tolerance of sexual exploitation and abuse (SEA) by any U.N. personnel.

Outraged in 2002 by allegations of widespread abuses by U.N. peacekeepers in West Africa, the United States and other U.N. member states demanded action. The United States took the lead in negotiations in the Security Council and General Assembly on measures to address such abuses, including a revision to the Model Memorandum of Understanding with troop and police contributing countries (TCC/PCCs), creation of a Victim's Assistance Strategy to provide medical and legal help to persons alleging SEA while the allegations are being investigated, and updated procedures to address allegations of misconduct levied against civilian U.N. peacekeepers.

Other measures adopted at U.S. initiative or with our strong backing include: implementing training for all personnel on standards of conduct; establishing conduct and discipline teams in missions to publicize procedures to local populations and conduct initial investigations; and, placing restrictions on personnel use of local facilities, such as bars, where necessary. The work requirements for U.N. leaders in peacekeeping missions now include responsibility for enforcing the zero-tolerance policy.

The United States also pressed for published statistics, and continues to press for expanded information. Despite the increasing demands on U.N. peacekeepers and a near doubling in the number of peacekeepers, it is encouraging to note a downward trend in allegations of SEA over the last 10 years since the U.N.'s procedures and regulations were put in place.

The Department continues to work with our partners at the United Nations to initiate a firm prohibition on payments to governments for troops sent home for misconduct, including for sexual exploitation and abuse.

Nevertheless, challenges remain. We would like to see more followup, particularly with victims and the local community, on actions taken against perpetrators. Unfortunately, the U.N. cannot compel member states to report on actions taken. To this end, we are also pressing TCCs and PCCs to take action when their personnel are repatriated, supporting the Conduct and Discipline Unit and Office of Internal Oversight, providing resources where needed to address gaps in their ability to oversee or investigate, and encouraging U.S. Embassies and NGOs to report on allegations of incidents involving U.N. personnel. We are also working with the Secretariat to ensure that measures are in place and properly implemented to address allegations of misconduct against civilian personnel.

Finally, supporting the capacity of the U.N. itself to address this issue is important to long-term success. The U.N.'s Conduct and Discipline Unit (CDU) in the Department of Field Support is responsible for overseeing policy and regulations on misconduct. They have a small, very dedicated staff. The Department of State is funding an entry-level position in CDU, filled by a talented young American, to help with this essential work.

Question. U.N. peacekeeping missions are transitioning away from their original purpose of maintaining peace during a political transition to a more offensive nature, including with the use of special teams of offensive forces. With a veto on the Security Council, the United States is responsible for such missions and their consequences.

♦ Should the U.N. be entering into conflicts when there is not yet a peace to keep and, if so, under what circumstances?

♦ Are you concerned that such offensive operations may compromise the perception of U.N. neutrality?

Answer. Historically, many U.N. peacekeeping missions have been deployed to facilitate implementation of peace agreements and neutrally monitor borders and disputed territories. An increase in intrastate war—often brutal and directly affect-

ing civilians—has contributed to an increasingly complex international environment over time. The Security Council has responded, where appropriate, by mandating U.N. peacekeepers to deploy into situations where conflict is not fully resolved in order to help create the security conditions needed for a political process to take place. The United States supports the use of peacekeeping in this way, as it is an investment in a larger process to bolster legitimate governmental and nonstate actors and to address underlying drivers of conflict. U.N. peacekeeping in and of itself is not a solution to war, but it can help to create an environment more conducive to a burgeoning peace process. When there is no burgeoning peace process, or when a more robust military engagement is appropriate, we have supported, on a case-by-case basis, U.N.-mandated peace enforcement operations conducted by regional organizations, including the African Union.

In facing new challenges and more complex environments, the U.N. also has struggled to remain neutral and effective. After a thorough review of U.N. peace operations, the Report of the Panel on United Nations Peace Operations (“The Brahimi Report”) concluded that impartiality, rather than neutrality, remains a bedrock principle of U.N. peacekeeping. The report proposed that impartiality means that a peacekeeping mission must adhere “to the principles of the [U.N.] Charter and to the objectives of a mandate that is rooted in those Charter principles”—or, in other words, a mission should not, for example, ignore clear violations of a peace agreement by any party. A mission may use force at the tactical level if acting in self-defense, in defense of civilians under threat of physical violence, and in defense of the mandate. In certain volatile situations, such as in Mali, the eastern Democratic Republic of the Congo, or the Central African Republic, U.N. peacekeeping missions have engaged in well-analyzed, preemptive offensive operations to prevent violence against civilians under threat of physical violence. The United States supports language in peacekeeping mandates specifying that missions engaged in operations offensive in nature should mitigate risks to civilians and take into account any potential humanitarian implications.

Question. How does the State Department ensure that it maintains the right international footprint? Wouldn’t a zero-based assessment similar to the military’s Base Realignment and Closure process save a lot of money by determining a more efficient footprint?

♦ Have you considered ways to empower the Rightsizing Office? Could a State Authorization be helpful in this area?

Answer. The Department recently has taken significant steps to revamp its rightsizing framework precisely for the purpose of affirming an optimal balance in the USG’s overseas footprint. That framework aims to utilize existing strategic planning documents prepared by the missions themselves, and validated by Department bureaus and other USG agency headquarters, to analyze and align as closely as possible the staffing required to achieve our foreign policy objectives. It includes greater emphasis on the security environment of our overseas missions and the significant costs associated with sustaining American employees abroad.

Recognizing that chiefs of mission are Presidentially authorized to determine the staffing levels at their missions, we also have more closely integrated mission strategic objectives, security, and fiscal costs into the revised National Security Decision Directive 38 (NSDD-38) cable that we send to post whenever an agency seeks a change in its staffing level at that mission. We do not hesitate to recommend that a chief of mission disapprove an agency’s staffing request when the justification does not appear to align with the mission’s strategic vision and plans. The Department often recommends that the chief of mission offset any position increases by identifying and seeking to abolish other positions that contribute less to the goals being sought. The Department believes that this process offers a more realistic perspective on our needed engagement than the resources and time that would be required to undertake a zero-based approach to rightsizing the USG presence abroad.

The Office of Rightsizing, through P.L. 108-447, is already empowered to engage the interagency, and its revised framework promises to extend the rightsizing mandate in ways that have not always been practiced in the past. For example, the Department is engaging agencies earlier in the process of rightsizing an overseas mission. We seek to include other agencies on rightsizing team visits to larger, complicated posts when a site visit is particularly compelling.

The Department appreciates Congress’ support and looks forward to working with the committee on an authorization bill.

Question. Since the beginning of this administration, the number of Schedule B hires at the State Department has more than doubled. Schedule B hires are in-

tended to be used for temporary subject matter experts. They are not intended to circumvent normal hiring procedures.

- ◆ Please explain the recent large increase and what the Department has done to ensure that it is properly using Schedule B hiring authority.

Answer. The Department has four specific OPM authorities for Schedule B hiring:

- Nonpermanent senior-level positions to serve as Science and Technology Advisors to the Secretary.
- Positions on the household staff of the President's Guest House, and Blair and Blair-Lee Houses.
- Technical experts in the area of arms control, nonproliferation, and verification and compliance, limited to 10 percent of FTEs allocated to the Department in support of arms control. The Department is under its authorized cap. This authority can only be exercised by the Secretary or the Under Secretary for Arms Control.
- Scientific, professional, and technical positions at grades 12 through 15 that can be utilized Department-wide. These positions must be filled by persons with special qualifications in foreign policy matters. Total employment cannot exceed 4 years and are subject to approval by the Director General of Foreign Service and Director of Human Resources prior to appointing.

The Department carefully reviews all Schedule B appointments to ensure they are in line with appropriate authorities. Our authorities for the first three are capped at one Senior Science and Technology Officer, 17 Blair House employees and limited to 10 percent of FTEs in the T Bureau. The overall number of Schedule B appointments with foreign affairs/technical expertise varies with mission requirements. It is currently less than it was even 1 year ago.

Question. We all agree that our ambassadors should possess the top professional qualifications. I understand the American Foreign Service Association has provided Guidelines, which build on the Foreign Service Act, that are being used to draft the Certificates of Demonstrated Competence.

- ◆ Are these the appropriate guidelines and how are they used?

Answer. Identifying strong and experienced leaders to serve as ambassadors is critical to achieving our foreign policy objectives and ensuring the safe, effective management of our missions. Under the Foreign Service Act of 1980, Certificates of Competency must be presented to the Senate Foreign Relations Committee for each candidate nominated by the President to serve as a bilateral Ambassador overseas and for the candidates for Ambassador to some international organizations. The Department welcomes AFSA's efforts to produce guidelines for selection of chiefs of mission.

Career candidates for chief of mission are expected to demonstrate a wide range of qualities and experience, including:

- Demonstrated competency in leadership, management, and public diplomacy;
- Ability to articulate and coordinate U.S. foreign policy, to promote democracy and rule of law, and to practice economic statecraft;
- Effective interagency experience;
- Skill in outreach to foreign publics, i.e., beyond governments;
- Openness to innovation and constructive change;
- Willingness and ability to take smart programmatic risks to advance U.S. interests;
- Outstanding interpersonal skills; and
- Broad professional experience.

Question. CSO has been heavily criticized in what are now multiple inspector general reports, including in a recent "compliance followup review," which found that the Department "has made progress, but not resolved fundamental issues involving the Bureau's mission, the extent of its overlap with other bureaus and interagency partners, and staff size and organization."

- ◆ What is the mission of CSO, why is it necessary, and what is the Department doing to implement the recommendations of the inspector general to ensure it is not duplicating the work of other bureaus and agencies?

Answer. The Bureau of Conflict and Stabilization Operations (CSO)'s mission is to advance the Department of State's understanding of how to anticipate, prevent, and respond to violent conflict through high-quality analysis and planning; ongoing monitoring, evaluation, and learning; and targeted in-country efforts that inform U.S. policymaking. This mission statement was approved by the Under Secretary for Civilian Security, Democracy, and Human Rights (J) and submitted to the Office of the Inspector General (OIG) as part of our response to their recommendations.

As one of seven bureaus and offices reporting to the Under Secretary for Civilian Security, Democracy, and Human Rights, CSO works within the State Department's broader umbrella of civilian security, diplomacy, and programming. The Bureau works to improve the Department's understanding of conflict and ability to act effectively, developing and employing a full range of tools to effectively anticipate, prevent, and respond to conflict-related risks; sets Department-wide priorities for conflict policy and programs; and launches focused operations to address these priorities on the ground.

In support of the State Department's lead foreign policy role, CSO works hand in hand with regional bureaus and embassies to help plan for contingencies, identify priorities, and make strategic choices to counter destabilizing political violence. CSO monitors the impact of conflict-focused efforts, particularly around State's diplomatic, security, and political roles, in order to inform decision-making, capture lessons, and contribute to effective U.S. Government action in these conflict environments. Similarly, CSO undertakes evaluations to build the Department's body of knowledge of what does and does not work in developing political and security solutions to potential conflict.

Finally, the Bureau works to improve approaches within State for combating the most extreme forms of violence, including mass atrocities against civilians and violence caused by extremism. In support of the President's Atrocities Prevention Board (APB), the Bureau serves as State's Secretariat and works with the inter-agency, regional bureaus, and embassies on earlier identification of countries vulnerable to mass violence, better diagnoses of causes, and better alignment of policies and programs to address the risk of atrocities. This work brings needed resources, expertise, and policy attention to policymakers and embassies in at-risk countries.

With respect to violent extremism, CSO is conducting research and analysis on the factors associated with violent extremism, including what makes communities more vulnerable to its appeal and how local resiliencies against violent extremism can be strengthened. Our aim is to help the Department identify areas that are vulnerable to the spread of violent extremism and then design and deploy context-specific diplomatic and programmatic tools to try to prevent the spread of violent extremism into new areas. We are also taking a lead role in advancing the Countering Violent Extremism (CVE) Summit, promoting research into local drivers of violent extremism and effective responses to build an evidence base for future U.S. Government CVE programming and to encourage more effective CVE approaches by international partners.

To avoid duplication with comparable roles played by other bureaus and agencies such as USAID/Office of Transition Initiatives (OTI) for USAID-specific programs and development policy, CSO works closely with USAID to share analysis, undertake joint State-USAID assessments and plans, and ensure effective division of labor in focused efforts to support embassies in conflict zones.

CSO is undergoing a reorganization, with an anticipated completion date of mid-summer 2015. As part of this reorganization, CSO is developing a new structure to better reflect and integrate bureau priorities. The goal is to ensure that CSO has both regional and functional offices with conflict analysis, planning, programming, and learning expertise more deeply embedded in everything we do. CSO is also taking this opportunity to look closely at our staffing numbers and structure, identifying where there are unmet needs or gaps, and looking for ways to create additional Foreign Service billets.

RESPONSES OF DEPUTY SECRETARY HEATHER HIGGINBOTTOM TO QUESTIONS
SUBMITTED BY SENATOR BENJAMIN L. CARDIN

Question. Under Secretary for Management "Span of Control" Concerns: Several groups, including the Benghazi Review Board, have raised the concern that the Under Secretary for Management has "span of control" issues and oversees some of the counterbalancing functions within the organization (such as budget and procurement) that can create conflicts of interest.

- ◆ What reforms might you recommend Congress consider regarding the M family of bureaus when reauthorizing the State Department to address these concerns?

Answer. With the current organization of the Management Under Secretariat, we do not believe there are either span of control issues or potential conflicts of interest.

The Management Under Secretariat, or "M family" is comprised of nine bureaus and seven smaller offices that all provide support services and the operating platform for the rest of the Department, as well staff from several dozen other U.S. Government agencies who are assigned to our overseas posts. Services include con-

tracting assistance, embassy construction, financial, medical, training, human resources, information technology, security, and other support. The M family of bureaus and offices work closely together to provide seamless support.

- The Bureaus of Diplomatic Security (DS) and Overseas Buildings Operations (OBO) collaborate on security standards for new embassy construction and renovations.
- The Office of Medical Services (MED) works with the Bureau of Human Resources (HR) on the medical clearance process to determine availability of staff to serve abroad in a variety of environmental conditions. MED provides medical support staff to DS's Mobile Security Deployment teams.
- The Department's training facility, the Foreign Service Institute, works closely with HR on the Department's training needs, particularly foreign language skills related to language-designated positions, mandatory leadership training, and onboarding programs for all new hires.
- The Bureau of Consular Affairs (CA), a global service enterprise, is mandated with protecting U.S. citizens and facilitating legitimate travel in support of U.S. economic and security interests. CA works collaboratively with multiple bureaus through its Border Security Program to achieve its mission. For example, CA works together with DS both domestically and overseas to protect the integrity of the world's most valuable travel documents—U.S. visas and passports. CA coordinates closely with OBO to ensure capital investments meet the needs of the Department's staff and customers. HR and CA work together to ensure that staffing models are flexible and responsive to changing workloads. CA and the Budget and Planning Office collaborate to ensure the integrity, transparency, and accountability of our revenue collections and funding streams.
- During the Department's hiring process managed by HR, the security background checks for all Department hires are performed by DS.
- The Bureau of Administration (A) utilizes the Integrated Logistics Management System (ILMS), to operate our global supply chain for over 41,000 users worldwide at 285 posts and over 100 domestic sites. The A Bureau is working with the Chief Information Officer (CIO) to improve data accuracy and streamline logistics business functions across the Department, supporting procurement, transportation, warehouse, diplomatic pouch and mail, and asset management activities.
- Many M bureaus work closely with the Bureau of the Comptroller and Global Financial Services (CGFS) center: HR works with CGFS on payroll for over 72,000 American and locally employed staff; and CGFS works with all other M family offices on accounting for and disbursing U.S. obligations in multiple currencies.
- The CIO and DS each undertake complementary elements of the Department's cyber security program.

Keeping these service bureaus in one family allows us to set coordinated priorities and resolve issues that could adversely affect our platform; splitting these bureaus would be counterproductive. The Department appreciates Congress' interest in management issues and looks forward to working with the committee on an authorization bill, including authorities that we are seeking to facilitate increased efficient and effective operations of several M family bureaus.

Question. FSO Training Capacity: How would you rate our current ability to train the new and current FSOs for the challenges presented in the current foreign policy arena?

Answer. Secretary Kerry is determined to set our diplomats up for success, so they can help ensure America's success. He has made training and education for our workforce a top priority and has driven innovation in several critical areas, including content, methodology, and accessibility of our training programs. While we are proud of our preparation of our foreign affairs corps, there is always more that can be done.

In a resource constrained environment, the most prudent investment we can make is in our people. The Department of State recruits some of the best talent our country has to offer. We are committed to doing everything possible to hone and cultivate the skills of our people so they are ready to handle the challenges of our diplomacy, today and into the future.

- The Foreign Service Institute is now engaged in an intensive effort to modernize both the content and the pedagogy of its training.
- FSI has revamped and lengthened flagship programs, such as A-100 orientation for new FSOs, Area Studies, and the Ambassadorial Seminar.

- FSI has dramatically expanded virtual training, with live mentored language training, avatar-based training, on-demand DVC training, mixed media leadership training, and regular webinars.
- FSI has developed a new immersive and interactive language training program for Diplomatic Security Agents called “ALERT.” This task-based, intensive program produces “street ready” agents in 12 weeks.
- FSI has developed new training programs covering diplomacy in high threat posts, leadership and authority in groups, and the need to innovate in the face of emerging global trends.

Since 2010, enrollments at FSI have increased 56 percent while appropriated funding has decreased 28 percent. In 2015, FSI will support almost 180,000 enrollments, with courses ranging from 2 days to 2 years (for long-term training in super hard languages). To ensure that American diplomats remain among the best in the world, FSI will maintain its quality at the very highest standards.

Question. Special Envoys: In your view, what is the role of Special Envoys in the Department? Do they fill a critical void? Where have we seen major progress on an issue as a result of a Special Envoy?

Answer. Special Envoys fill temporary positions created to address critical foreign policy needs. Some urgent efforts require high-level representatives to coordinate immediate and cohesive responses across the government and with foreign governments, like the Special Presidential Envoy for the Global Coalition Against ISIL. Other positions are created for occasional events and filled by people who generally work full-time in other positions. For example, our Special Representative to the Organization of Eastern Caribbean States is a role filled by our Ambassador to Barbados when meetings of the Organization of Eastern Caribbean States occur. We regularly evaluate the number of Special Envoys. The ad hoc nature that makes these positions useful for accomplishing specific and limited foreign policy goals means that the number changes often. At the moment, we have 45 Special Envoys, Ambassadors at Large, Special Advisors, Special Coordinators, and other related senior officials. Sixteen of these are Special Envoys. These numbers have and will continue to vary widely, particularly in what is generally acknowledged as the most complex foreign policy environment in recent memory.

Special Envoys do not duplicate the work of our long-standing organizational system; they complement existing staffing and leadership, offering unique expertise and perspective to mission critical programs and initiatives. An example would include the Ebola Response Coordinator, a position created to respond to a sudden crisis, but whose work now has been reintegrated into standing State Department offices. During the time the position existed, the Ebola Response Coordinator helped greatly to harmonize our efforts to aid countries stricken by the Ebola virus.

Question. Anti-Discrimination Efforts: Generally, there has been a growth in intolerance and discrimination in Europe that negatively impacts our security, economic, and human rights interests in the region, exemplified by the recent Paris and Copenhagen tragedies. A department-wide foreign policy strategy on antidiscrimination and inclusion is needed to bring additional Department resources to address the escalation in hate crimes and discrimination we are seeing in Europe and elsewhere in the world.

- ♦ a. What assurances can you provide that a department-wide antidiscrimination and social inclusion strategy is placed on the U.S. foreign policy agenda to complement the existing human rights foreign policy strategies for vulnerable groups, and that special emphasis be placed on implementation of this strategy in Europe in response to the recent Paris and Copenhagen tragedies?
- ♦ b. Can you provide a report summarizing all of the special initiatives the State Department has for vulnerable communities including personnel and office?
- ♦ c. While there may be special efforts for engagement with, and protection of, Women and Girls, LGBT, Youth, Disabled, Muslim, Jewish, Religious communities generally, what efforts are there, if any, that focus on racial and ethnic minorities, such as Roma and migrants?
- ♦ d. Given the Paris and Copenhagen tragedies, what immediate plans are there to assist Jewish communities with security beyond the countering violent extremism efforts?

Answer. The U.S. Department of State emphasizes the promotion and protection of human rights and fundamental freedoms for all individuals regardless of their race, ethnicity, national origin, religious belief, sexual orientation or gender identity. We support initiatives in an array of multilateral institutions and advance this foreign policy objective in our bilateral diplomacy and public diplomacy programs.

The United States takes seriously the need to protect and defend vulnerable communities, and the Department provides some reporting on efforts made to assist vulnerable persons in the annual Advancing Freedom and Democracy Report. We can provide your staff with further details on these initiatives and the staff who carry them out at your convenience.

The United States has been at the forefront of efforts in the OSCE to condemn and combat all forms of intolerance and discrimination and hate crimes, including against persons belonging to religious, ethnic and racial minorities, persons with disabilities, LGBTI individuals and members of other vulnerable groups. We strongly support the work of the High Commissioner on National Minorities (HCNM), the Office for Democratic Institutions and Human Rights' (ODIHR's) Hate Crimes Unit, the Chairperson's Three Tolerance Representatives, and the Contact Point on Roma and Sinti Issues. We have worked with ODIHR to strengthen its efforts to ensure that the rights and needs of persons with disabilities are more systematically taken into account in elections planning and processes. In all of these endeavors, we have worked in partnership with, and have greatly benefited, from the counsel and ideas of the members of the Commission on Security and Cooperation in Europe and its expert staff.

Combating discrimination against the Roma, Europe's largest and most marginalized minority, is a priority human rights issue for the State Department in Europe. U.S. embassies across Europe engage with Romani communities and work to empower Romani civil society to better advocate for their individual human rights and push back against discrimination and stereotypes. The State Department speaks out publicly against anti-Roma discrimination, rhetoric, and violence and presses our European partner governments to systematically address the socio-political exclusion of the Romani community. Embassies place particular attention on school desegregation, preventing extremist violence targeting Romani communities, and ending discrimination in employment, housing, and health care. Our embassies have leveraged public diplomacy initiatives to unite the Romani community and combat xenophobia.

Fighting anti-Semitism is supported at the highest levels. Our leaders—including President Obama, Vice President Biden, Secretary of State Kerry, U.N. Ambassador Power and OSCE Ambassador Baer—have spoken out and worked with our allies to condemn and combat anti-Semitism worldwide. One of the most effective tools we have been using to push back against anti-Semitism is the engagement of our embassies and consulates overseas.

On numerous occasions over the past year, behind-the-scenes efforts by our posts have helped enhance security for Jewish communities in concrete ways. Our ambassadors and diplomats have brought religious leaders together to fight anti-Semitism and other forms of religious hatred, and have reached out to reassure Jewish communities that fighting anti-Semitism is not only an issue of concern to Jewish communities but an issue of human rights that the United States will never ignore.

The U.S. Department of State is committed to combating intolerance and xenophobia and bureaus and posts integrate these issues into their daily work. For example, every regional bureau has dedicated staff focused on crosscutting regional issues, including intolerance and discrimination toward minority groups and vulnerable populations. These offices work closely with policy leads in the Bureau of Democracy, Human Rights and Labor, which also includes the Ambassador at Large for International Religious Freedom, the Special Advisor for International Disability Rights, the Special Envoy for the Human Rights of LGBTI Persons, and the Special Representative for International Labor Rights; the Office of Global Women's Issues; the Office of Religion and Global Affairs, which includes the Special Representative for Religion and Global Affairs, the Special Envoy to Monitor and Combat Anti-Semitism, the Special Representative to Muslim Communities, and the Special Envoy to the Organization of Islamic Cooperation; and the Special Adviser for Global Youth Issues; the Bureau of Population, Refugees and Migration; the Bureau of International Organization Affairs; and, the Office to Combat and Monitor Trafficking in Persons. Together these offices and bureaus work with country desk officers and diplomats at our embassies to develop and implement policies and programs to combat hate and fear of the other and to protect and assist the vulnerable.

Finally, some regional bureaus have developed specialized units designed to call attention to racial and ethnic inequality, racism, and other forms of discrimination, and to integrate those efforts into broader bilateral policy efforts and budgetary decisions. For example the Bureau of Western Hemisphere Affairs' Race, Ethnicity, and Social Inclusion Unit (WHA/RESIU), established in 2010 with support from Congress was institutionalized in WHA's Office of Policy, Planning, and Coordination (PPC) in September, 2012. RESIU was created to coordinate the Action Plans on Racial and Ethnic Equality with Colombia and Brazil and related initiatives in

the region. Since its creation, RESIU has facilitated WHA partnerships with civil society, private sector and the governments of Brazil, Colombia to advance equity in access to education and justice, and to engage on issues such as environmental justice, racial disparities in health, and economic opportunities for indigenous and African descendent groups. RESIU coordinated WHA efforts with Posts to commemorate the 2011 International Year for People of African Descent and is coordinating Department efforts in the Western Hemisphere to commemorate the International Decade for People of African Descent. WHA is the first regional bureau to design a strategy to support the rights of lesbian, gay, bisexual, and transgender (LGBT) persons, and the Bureau has also been at the forefront of the promotion of gender rights.

Question. Conflict and Stabilization Operations: The concept of a State Department capability to conduct conflict and stabilization activities and operations has evolved significantly in recent years; the Department's efforts in this area are currently led by the Bureau of Conflict and Stabilization Operations (CSO). After a troubling inspector general report in 2014, CSO has undergone restructuring and notes it will focus on atrocities and conflict prevention activities going forward.

- ♦ a. What is the State Department's vision for the appropriate role of the State Department in managing conflict, from prevention to post-conflict stabilization?
- ♦ b. How are State Department's actions overseeing stabilization programs substantially different from and not duplicative with the activities of USAID and USAID/OTI in particular?

Answer. The State Department's approach to conflict involves addressing the most damaging forms of violence around the world. As laid out in the 2010 Quadrennial Diplomacy and Development Review (QDDR) and reinforced in the most recent QDDR, State has adopted crisis and conflict prevention and resolution; the promotion of sustainable, responsible, and effective security and governance in fragile states; and fostering security and reconstruction in the aftermath of conflict as a central national security objective and as a core mission for the Department. This mission requires that State (and USAID) work to reduce or eliminate short, medium, and long-term threats to American security and to help create opportunities for governments and their citizens to address domestic challenge themselves. It also determined that State would lead operations in response to political and security crises and conflicts. These efforts are not limited to acute crises but may include persistent conflict and instability. As the Department's lead bureau for advancing the Department of State's understanding of how to anticipate, prevent, and respond to violent conflict, CSO uses analysis and planning; monitoring, evaluation, and learning; and targeted, in-country efforts to inform U.S. Government policymaking. Working with the Department's regional bureaus and missions as well as interagency and international partners, CSO emphasizes conflict prevention, focusing on three priority themes: preventing and responding to mass atrocities, preventing violent extremism, and political violence.

As one of seven bureaus and offices reporting to the Under Secretary for Civilian Security, Democracy, and Human Rights, CSO works within the State Department's broader umbrella of civilian security diplomacy and programming. To avoid duplication with comparable roles played by USAID's Office of Transition Initiatives (OTI) for USAID-specific programs and development policy, CSO works closely with USAID to share analysis, undertake joint State-USAID assessments and plans, and ensure effective division of labor in focused efforts to support embassies in conflict zones.

Question. Implementation of PSD-10: President Obama released the PSD-10 in 2011. PSD-10 mandated the establishment of early warning systems.

- ♦ a. What elements of the directive have been implemented? What has yet to be implemented?
- ♦ b. What early warning systems to mitigate potential mass atrocities are in place at the State Department and across the agencies?

Answer. Since the release of PSD-10, the Department of State is honing its ability to effectively prevent, mitigate, and respond to mass atrocities. A number of elements of the directive have been implemented, foremost the establishment of the interagency Atrocities Prevention Board (APB). Since the Board first convened in April 2012, it has helped oversee several lines of effort, including:

- The Intelligence Community's work on the first National Intelligence Estimate on the Global Risk of Mass Atrocities, which was completed in 2013.
- The State Department systematically conducts Department-wide reviews of at-risk countries, identifies policy and programmatic opportunities, and makes recommendations to the APB. Where possible, the Department—working with

other agencies on the Board—has identified resources and technical expertise to assist embassies in implementing the recommendations.

- Thanks to bipartisan legislation signed by the President in 2013, which led to the expansion of the War Crimes Rewards Program, the State Department has increased authority to offer financial rewards for information leading to the arrest or conviction of persons indicted by international criminal tribunals for atrocities.
- State Department and USAID developed an atrocity assessment framework tool for decisionmakers and field officers to analyze and understand the atrocity risk factors and dynamics that could lead to atrocities. State added new training modules to existing curricula and has built a library of atrocities prevention resources; the library includes a compilation of best practices, a list of U.S. Government-wide training opportunities, information on the 2013–2014 pilot program in Burundi, and a consolidated list of tools to aid embassy staff facing an emerging atrocity threat.
- The APB is supporting the refinement and expansion of training opportunities on atrocity prevention for U.S. Government personnel. In line with PSD–10 commitments, USAID recently completed a new online training, which will be required for all USAID technical officers working in high-risk countries, as well as a field guidance manual. The State Department is adding a diplomacy-focused module to this training platform and companion materials to elevate sensitivity to atrocities risks and effective response strategies.
- Through the development of an analytical framework, lessons-learned reviews can now be systematically conducted following any significant mass atrocity prevention or response. There have been ongoing efforts in a number of early warning countries and we are working on a case study on Central African Republic.
- USAID launched a technology challenge to identify innovative uses of technology in the service of atrocity prevention and a new online training platform.

Elements that are ongoing priorities include:

- ♦ State and USAID are developing programs aimed at capacity-building in countries that have endured mass atrocities to bring perpetrators to justice in their own courts.
- ♦ Addressing atrocity prevention and response activities in the State Department's strategic planning processes, with appropriate emphasis given to countries deemed priorities by the Board.

To identify emerging risks, the APB relies upon a range of resources to identify countries at different levels of risk and assess opportunities for impact. The National Intelligence Estimate on the Global Risk of Mass Atrocities (and Prospects for International Response), completed in 2013, provides a rigorous analytical framework that is helping the Board anticipate and prepare for mass atrocities in the coming years. The monthly APB meeting provides an interagency forum for discussing at-risk countries, and the Board is able to share concerns and raise awareness through appropriate channels of government. Outside the U.S. Government, the Board now conducts quarterly meetings with the NGOs and engages them to raise awareness and generate international exposure for abuses that are tied to potential triggers for mass atrocities.

Question. Safe from the Start Initiative: The Bureau of Population, Refugees and Migration leadership committed to implementing the Safe from Start initiative and other gender-based violence prevention efforts in its programming. And, yet, huge GBV-related problems persist in PRM-funded programs at the POC sites in South Sudan and in camps in and across Africa and the Middle East.

- ♦ What specific steps is PRM taking to address this escalating problem in South Sudan but also across Africa and the Middle East?

Answer. The Bureau of Population, Refugees, and Migration is committed to helping to address the global pandemic of gender-based violence (GBV) in humanitarian emergencies. We understand how high the stakes are for women and girls—these issues can be a matter of life and death and are always life-altering. Addressing GBV is a challenge given its pervasiveness, particularly in complex humanitarian emergencies. Despite increased financial and political momentum, not enough progress has been made to address GBV from the earliest stages of emergencies. The United States assumed leadership of the Call to Action on Protection from Gender-based Violence in Emergencies (launched by the U.K. in 2013). The United States is working with leading humanitarians—including concerned states, donor governments, nongovernmental organizations, and international organizations—to formulate a set of priorities that can serve as a roadmap for moving the humanitarian community forward. This will include establishing clear milestones and indi-

cators to promote accountability and measure the progress of GBV programs. The roadmap is expected to be launched this fall. The ultimate goal of the Call to Action is to reduce the prevalence of GBV, as well as to respond to the needs of survivors.

U.S. commitments to the Call to Action includes programming for Safe from the Start. Under Safe from the Start, we seek to build the capacity of aid workers to better prevent and respond to gender-based violence (GBV) at the very onset of humanitarian emergencies, including in response to the situation in South Sudan. PRM has supported work undertaken by UNHCR, for example, through funding to train UNHCR staff on GBV prevention and response. We also fund deployments of Senior Protection GBV Officers for up to 6 months to countries in need of expert support. To date, UNHCR Protection Officers have been deployed to Erbil, Iraq; Gambella, Ethiopia; Batouri, Cameroon; Cairo, Egypt; Kabul, Afghanistan; and Adjoumani, Uganda. These positions have helped to supplement UNHCR country office staff and partners to conduct assessments and ensure that GBV programs are established from the outset. In response to the South Sudan situation, through Safe from the Start, PRM is supporting several UNHCR efforts in Uganda: the deployment of a Senior GBV Protection Officer; population-based research examining the impact of UNHCR's child protection system on the well-being of South Sudanese refugee children and adolescents; and a number of community-based protection activities designed to prevent GBV, including installation of solar lights, community sensitization, establishment of community watch groups, and training of Ugandan law enforcement. In South Sudan, PRM funding supports UNHCR's efforts to prevent and respond to GBV among internally displaced populations, including in the Protection of Civilian (POC) sites—particularly in the clinical management of rape and other life-saving activities; training of health care providers; strengthening referral systems; and awareness-raising within communities.

PRM has supported ICRC's work on addressing sexual violence through its new 3-year institutional Strategy on Sexual Violence, which is at an initial stage of implementation in South Sudan. Three assessments were completed in 2013 and 2014. Based on these assessments, ICRC will develop a response to sexual violence in the country, in collaboration with the South Sudanese authorities. Current ICRC sexual violence activities in South Sudan include sensitization and training of midwives and traditional birth attendants (TBAs), medical treatment for survivors of sexual violence in ICRC-supported health care structures, and efforts to prevent sexual violence for example through locating latrines in safe areas and separation of men and women in food distribution lines to ensure that women are receiving adequate food rations. An ICRC psychosocial expert has also recently been deployed to Nairobi to strengthen ICRC's response to sexual violence in the region. ICRC also trains state and nonstate armed actors on international humanitarian law (IHL) and international human rights law (IHRL) in South Sudan, and has specific sessions on conflict-related sexual violence.

PRM is also supporting discreet NGO projects through Safe from the Start in response to current emergencies in Ethiopia (South Sudanese refugees), Chad (for Central African refugees and Chadian returnees), Lebanon and Iraq (Syrian refugees), and Uganda (South Sudanese refugees). This year, PRM plans to continue support for NGO, UNHCR, and ICRC efforts, as well as begin funding UNFPA and IOM to build their capacity to prevent and respond to GBV.

PRM's goal is to ensure that women and girls are never needlessly at risk in emergencies and that survivors receive appropriate care—not as an afterthought, but as standard practice. Making this happen will require a long-term commitment from not just the United States, but all concerned.

Question. Fortress Embassies: Many have used the term “fortress Embassy” to describe our current diplomatic posture in challenging locales. We want to be sure we do everything we can to protect our diplomats and their families while balancing their own desire—and our Nation's need—to “get out among the communities” and discuss issues, understand concerns, and affect global opinions. To undertake diplomacy, staff—beyond the Ambassador—must be able to get outside the walls.

- ◆ What changes would you recommend to ensure we strike the correct balance in protection of our diplomats and development professionals while also enabling them to do their job on behalf of the American people?

Answer. We have made several significant security policy improvements over the past few years, to protect our staff while allowing them to operate in higher threat environments. The Department instituted two new Department policies: the High Threat Post Review Board and the Vital Presence Validation Process. Through the Vital Presence Validation Process (VP2), the Department is able to weigh our national security interests and policy priorities against evolving security threats. The Department is able to manage risk by balancing threats, applying appropriate

mitigating measures, and implementing quality security programs so that the Department can carry out our national security interests.

One of the core components of the Department's risk management plan for high risk posts is the High Threat Post Review Board, which is chaired by the Assistant Secretary of Diplomatic Security. The Board quantitatively and rigorously assesses the threat environment to identify posts around the world that are high threat, high risk. This is not a static process and as emergent conditions change, for better or worse, at any post worldwide, designations will shift and posts may be added or deleted from the high-threat, high-risk designation.

Carrying out American foreign policy requires first-hand engagement beyond our secure facilities and enabling our diplomats to move safely "outside the wire." Our security is based on a systematic approach using concentric rings of security consisting of host government resources combined with strong physical security programs in addition to chief of mission security personnel and assets. In order to protect our people and our missions, we constantly assess our security posture to reflect rapidly changing environments and potential threats they may present.

The Department has been taking a number of measures, in some cases at an extraordinary level to provide the protection necessary for these movements to go forward including:

- Well trained, supervised, and armed security professionals experienced in providing protective security in harsh, nonpermissive environments;
- Fielding highly advanced armored vehicles combined with continuing research to meet constantly evolving terrorist tactics, techniques and procedures;
- Sophisticated and secure communications, electronic countermeasures, and sophisticated tracking devices; and
- Integrating strong and timely tactical intelligence into planning for moves.

The Department continues to bolster security at certain high-threat, high-risk posts by enhancing the professional capabilities of host nation security forces assigned to directly respond to emergencies at our diplomatic facilities overseas through the Special Program for Embassy Augmentation and Response (SPEAR).

We must also acknowledge the inherent risk of carrying out diplomacy in certain places. For that reason, and after a careful assessment of the threat and all available intelligence and information, recommending that moves be limited or suspended at a particular location will always remain one of the Department's options to exercise when necessary.

We remain committed to ensuring the safe and effective conduct of foreign policy.

Question. Foreign Service participation in risk-reward decisions: It is part of AFSA's job, as the sole bargaining unit for the Foreign Service, to participate in decisions that affect the safety, and financial and general well-being of their members. For that reason, AFSA has requested that their post representatives participate in the Emergency Action Committees at each post. This would allow the AFSA post representative—an employee with a top secret security clearance—to represent the concerns of rank and file employees that may not percolate up through an Embassy's hierarchical structure. AFSA's participation is an employee safeguard that ensures proper procedures are being followed.

- ♦ Can the AFSA Post Representative be included in EAC as part of the Department's new proposed risk-reward system (the Vital Presence Validation Process) or the role of the Emergency Action Committee?

Answer. The Department values AFSA's views on ways we can better serve Foreign Service (FS) employees and their families, but, based on AFSA's role as the employee association to enhance the professionalism of the FS and as a bargaining agent, it is inappropriate for AFSA representatives to play a role in the Vital Presence Validation Process (VP2) or in the Emergency Action Committee (EAC).

First, under 22 U.S. code §2651a, the Secretary of State is responsible for administering, coordinating, and directing the Foreign Service of the United States and the personnel of the Department of State. Further, under the Diplomatic Security Act, it is the responsibility of the Secretary to develop and implement security policies and programs at all U.S. Government missions abroad (other than those subject to the control of a U.S. military commander). The Assistant Secretary for Diplomatic Security assists the Secretary in formulating security programs worldwide and continuously monitoring the threat situation in dangerous locations.

The Vital Presence Validation Process (VP2) and the Emergency Action Committee (EAC) are distinct processes that serve different purposes. VP2 is first and foremost a policy process, while the decisions taken at Emergency Action Committee meetings are action items.

VP2 was designed to support strategic decisionmaking regarding the overarching diplomatic presence in high-threat, high-risk (HTHR) locations. For each HTHR post, we conduct a policy analysis outlining core national interests, risks, risk mitigation options, and resource constraints in order to determine whether it is in the United States best interest to continue or restart operations. We do not address the conditions of work, recruitment, or other tactical or operational issues. A VP2 analysis articulates that the Department has developed a defined, attainable, and prioritized mission based on U.S. national interests; undertaken an assessment of the risk and resources needed to mitigate risk to the maximum extent possible; explicitly accepted those risks that cannot be mitigated; developed recommended conditions for the U.S. Government presence in this location, including an identification of residual risk and highlighting any gaps; weighed the needs of U.S. policy against the risks facing U.S. personnel; and considered whether adjustments to the U.S. presence must be made. Determining how and where the U.S. conducts diplomacy and development overseas, must continue to be decided at the highest levels of the Department and administration.

A post's EAC is a group of subject-matter experts appointed by the chief of mission, and is generally comprised of section heads and all U.S. agencies represented at post. An EAC is charged with preparing for and responding to threats, emergencies, and other crises at post or against other U.S. interests. The Department's Foreign Affairs Handbook policy states that certain programs, such as a post's security policies, are inappropriate for AFSA post representatives to discuss and thus may not be raised.

However, no policy is made in a vacuum. The VP2 policy process is driven by informational input and recommendations from career Foreign and Civil Service and other employees at HTHR posts, as well as in Washington, as a part of their official position duties. Likewise, an EAC is made up of career employees. The officials involved all have in common their concern for the safety and security of their colleagues who serve abroad, as well as a policy and operational responsibility to objectively weigh the perils of operating in high-risk environments with our national security needs as a nation.

The State Department has a proud tradition of sheltering and respecting policy disagreements through official channels. Should employees disagree with policy decisions related to a VP2 analysis or an EAC operational decision, employees may raise concerns via the Dissent Channel, as they could with any other policy challenge.

Question. Assignments rules and management of language workforce: OIG and GAO have previously found fault with the State Department's management of its language workforce. AFSA also drew attention to these systemic issues in its Section 326 report on the "State of the Foreign Service Workforce" that the Department submitted to Congress.

- ♦ How is State Department working to ensure it is using existing language capacity to the greatest extent without having to resort to expensive language training when there are bidders on positions who are well qualified and already have the requisite language skills?

Answer. The Department strives to assign the right people to the right jobs as well as to promote professional development. In making assignment decisions, the Department considers employees' qualifications, previous relevant experience, regional and functional expertise, interpersonal skills, and language ability (or time required for language acquisition) against the job requirements in order to place employees into assignments for which they are most qualified.

Employees are asked to plan their careers around a series of training and assignment milestones calculated to develop the essential skills of a Foreign Service professional. One of those core requirements is either the development of, or expansion of, language capability. In many cases, an employee with existing language skills is assigned into a position over someone with little or no language skills due to urgent staffing needs overseas.

Employees with language ability can pursue positions for which they are qualified outside their normal assignments cycle, enabling them to bid well ahead of when they would normally seek an assignment. This rewards those with existing language talent, and capitalizes on the training dollars already spent, especially for those with languages that take 1–2 years to reach proficiency. While extremely important, foreign language skills are only one of several skills needed to successfully fulfill an assignment. For example, a particular position may also require an employee with expertise in trade negotiations or press relations.

As an organization, we must continue to expand the pool of language-qualified officers so that we build upon the diversity of skillsets needed to meet foreign policy goals.

Question. Pickering Fellowship: The State Department has reduced the number of the undergraduate fellows of the Pickering Fellowship.

- ♦ What was the reasoning for this decision? What impact will this have in terms of diversity recruitment by the Department of State? Can you share with the committee the review (including data and numbers) that went into making this decision?

Answer. In 2013, the Department completed a programmatic review of the Pickering and Rangel fellowship grants, coinciding with the 20th and 10th anniversaries of these respective programs. The key findings and recommendations of the review primarily affect retention rather than recruitment. Recruiting diversity is not enough. We must work to retain our diverse talent, which is why the Department undertook an in depth review of the statistics and challenges to the programs. The resulting recommendation was that we maintain the same overall number of fellows but shift to “all-graduate” Pickering and Rangel programs.

The two most compelling factors considered in the Department’s decision to realign the Pickering undergraduate program were retention rates and program withdrawals prior to joining the Foreign Service. Retention rates and program withdrawals directly affect the Department’s return on its investment and our ability to maintain a diverse workforce. In all assessed categories, graduate fellows outperformed undergraduate fellows. A statistical review of the Pickering graduate and undergraduate fellowships showed that after 4 years in the Foreign Service, retention rates among graduate cohorts are 24 percent higher than undergraduate cohorts. This percentage is consistent for the entire span of the program from 1992 to present. Projected retention rates are expected to continue to favor graduate fellows.

A statistical analysis of Pickering Fellows who withdrew from the program before entering the Foreign Service shows that graduate fellows withdrew at a rate of 1 percent, compared with the undergraduate withdrawal rate of 6 percent, over the life of the programs. Additionally, in responding to our survey as part of the 2013 programmatic review, undergraduate Pickering Fellows themselves stated that committing to a career in the FS at the undergraduate level was too early and influenced their decision to leave the Foreign Service.

Although the initial recommendation was to eliminate the Pickering Undergraduate Program entirely, the Department decided to maintain the program at a reduced level in order to continue engagement at the undergraduate level. At the same time, the Department decided to maintain the overall number of Pickering and Rangel fellowships. Though it varies, historically this has meant 60 new fellows per year. The newly realigned programs now stand at 20 Pickering Graduate Fellows, 10 Pickering Undergraduate Fellows, and 30 Rangel Fellows.

For the sake of parity and fairness, the 2013 review also recommended that the Department establish parity between both grantees with respect to the number of fellows for each grant and the amount of the financial award each fellow receives, which were previously different. The 60 fellowship slots were divided equally between the Pickering and Rangel grants at 30 fellows per grant, and financial awards to all fellows were made equal.

The Department recognizes the long-term impact of these programs on the diversity of the Foreign Service and remains fully committed to investing in their success even in a time of constrained budgets. The 2013 review and our implementation of resulting recommendations reflect this commitment.

Question. Areas of Improvement for Recruitment and Retention: During the hearing—you outlined several places the State Department could do better in terms of recruitment and retention of diversity candidates.

- ♦ What are the steps you and State Department can take? What steps is the Department of State taking in order to analyze and implement its findings?

Answer. The Department is committed to recruiting and retaining a diverse, talented workforce that advances U.S. values, interests, and goals around the world. As part of our efforts to achieve an ever stronger, more agile, more flexible, and more innovative workforce, we closely monitor recruitment and retention in the Foreign Service and Civil Service. Our employees in both the Foreign and Civil Service, as a result of responses to OPM’s annual Employee Viewpoint Survey, have kept the Department ranked highly in the Partnership for Public Service’s Best Places to Work in the Federal Government ranking, including our ranking number three out of all large agencies in 2014. We have been in the top three large agencies for

the last 3 years and in the top 10 since 2005, indicating not only that we have reason to be proud, but that we continue to improve.

While there is more work to do, we have numerous efforts in place to continue recruiting a diverse, 21st-century workforce. Diplomats in Residence (DIRs), based at colleges and universities across the country, are dedicated to recruiting qualified applicants from all backgrounds. We are also expanding our outreach to high schools; data shows that cultivating students during those formative years generates future qualified applicants with a passion for diplomacy and foreign policy. The Department-funded Rangel and Pickering Fellowship programs are a tool the Department uses to reach out to a diverse pool of candidates and as a result, diversity in the Foreign Service has increased by 21 percent in the last 20 years. We also work with affinity groups and professional associations to reach out to their communities, and we maintain a strong social media engagement program.

The United States Foreign Service Internship Program (USFSIP), a paid internship program, stands as an important complement to, and potential feeder for, the Pickering and Rangel fellowships. In 2014, there were 16 USFSIP interns, and this number will rise to 21 this year. DIRs' recruitment outreach and the partnerships they develop with academic institutions connect us with different pools of diverse, qualified applicants. One USFSIP intern from the first cohort was selected this year for a Rangel fellowship, and another made it successfully through the selection process as a Diplomatic Security Special Agent. Two-thirds of the initial cohort took and passed the written Foreign Service Officers' Test. USFSIP currently covers only 21 students and to expand the program the Department would need to fully fund additional intern-related expenses, to include additional FTEs to administer the program.

In FY 2016, the Department is partnering with Don Bosco Cristo Rey High School to host 4 to 8 high school interns to encourage them to consider a career with the Department. Don Bosco Cristo Rey High School offers a unique work study program that provides opportunities for underrepresented and financially disadvantaged students to gain work experience in a "real world" setting while helping to defray a portion of their tuition costs. The program shares one job between a cohort of four students at a time; each student works 1 day per week at the same location during his/her regular academic year.

We monitor attrition closely. The data in our quarterly attrition reports show that Foreign Service (FS) attrition has remained consistently low, averaging about 4 percent per year, with the majority leaving due to retirement. The highest attrition rates are at the more senior levels as officers and specialists alike reach mandatory retirement age or the expiration of time-in-service rules associated with the up-or-out system, though both can happen at any grade.

Civil Service attrition rates are somewhat higher than the Foreign Service, yet still within a healthy tolerance, averaging between 6 and 7 percent per year. Neither FS nor CS attrition rates are out of line with the federal government average of 5.9 percent (2012 data, the most recent available).

The Department recognizes the need to more systematically track the reasons why diverse employees leave its workforce. For this reason, we have developed, a variety of standardized electronic exit surveys that will go live later this year and which we will link to demographic data of the respondent. This information will be used to address any retention problem areas and assist in recruiting efforts. Our existing monitoring of employee departures, and what we are told in letters of resignation, indicate that the majority leaving the Foreign Service do so for family reasons.

Question. Senior Career Level Officer Diversity: What diversity programs specifically target the promotion of mid-level career officers into senior-level positions?

Answer. Selection Boards reflect the full diversity of the Foreign Service as part of our commitment to ensuring that all aspects of the promotion process reflect the values of our institution, and one of those values is diversity. The Office of Continuity Counseling provides comprehensive and in-depth long-term career guidance and counseling to all Foreign Service personnel, which includes a focus on those from minority backgrounds. We also provide Senior Leadership Liaisons to mentor members of our Employee Affinity Groups, most of which are diversity-based.

To improve diversity in the Senior Executive Service (SES), we are reaching out to targeted communities, working with individual bureaus to develop outreach plans, and improving guidance on SES application and selection provided to the workforce through our Executive Diversity Outreach/Program Manager. We are analyzing SES applicant flow data to identify any barriers to diversity in SES recruiting. Early analysis shows that by percentage, SES diversity increased overall from 6.1 percent in FY 2012, to 9.1 percent FY 2013, and 10.6 percent in FY 2014.

We have also amended our SES Merit Staffing Policy and Processes to include mandatory interviews for all referred applicant and justifications for selections as well as nonselections. Our qualification review panels reflect the full range of our employees' backgrounds.

Finally, the Diversity Governance Council, consisting of high-level Department officials, applies a diversity lens to the development and implementation of Department management policies and initiatives.

Question. Foreign Service Exam Procedures: During the testimony you mentioned changes in exam procedures. Can you clarify which procedures were changed and what impact have they had in diversity recruitment?

Answer. The Foreign Service Employment Selection Process is comprised of three parts: the written Foreign Service Officer Test (FSOT), the Qualifications Evaluations Panel (QEP), and the Foreign Service Oral Assessment (FSOA). Each component assesses a different set of skills and abilities. The FSOT measures cognitive skills; the QEP provides educational background and work experience; the FSOA assesses the 13 dimensions necessary for a successful career in the Foreign Service. In 2007, the Staff of the Board of Examiners completely redesigned the Foreign Service assessment process as the result of a study conducted by the McKinsey Group, significantly increasing the number of minorities passing the FSOT and FSOA.

Prior to 2007, the assessment process consisted of a Foreign Service Written Exam (FSWE) and the Oral Assessment. Candidates were selected to proceed to the Oral Assessment based on their FSWE scores. Minorities have historically had lower pass rates on written tests such as the FSOT than nonminority candidates. Since the FSWE controlled the flow of candidates to the FSOA, minority pass rates were proportionally lower than the rates of white males.

Beginning in 2007, the Department set a cut score that, combined with the written essay score, allows the Board to invite a different mix of candidates to the next stage, the QEP. This allowed a more heterogeneous mix of candidates to advance to the next two stages (QEP and FSOA) with little or no adverse impact on the quality of the candidates themselves. As a result, the minority pass rate and the passing rate for women has increased. From 2000–2006, the African American pass rate of the FSWE was 5.9 percent; from 2007–14, the FSOT pass rate was 18.4 percent. From 2000–06, the Hispanic pass rate of the FSWE was 11.5; from 2007–14, the FSOT pass rate was 29.1.

The QEP gives the Board the opportunity to take a good look at strong candidates we might otherwise miss, and search for valuable personal traits and experience that would not have been taken into account previously in deciding whom to invite to the oral assessment. The QEP shows no adverse impact against any of the minority subgroups, and often minorities are selected at higher rates than nonminorities. Women, in particular, have done well on both the QEP and oral assessment portions of the assessment, and their greater pass rate in these areas more than offsets their slightly lower pass rate in the FSOT.

Among other changes recommended by the McKinsey Group, the Board implemented a "total candidate" or resume-based approach as one of the best practices of the private sector, and the most effective way to identify the strongest candidates by including a review of their educational background and work experience. To do this, the Qualifications Evaluations Panel reviews the files of every successful FSOT candidate. These files contain the candidate's application/resume and six personal narratives keyed to the FS promotion precepts. The candidates are scored and rank ordered on a register. The staff director then establishes the number, based on projected hiring needs, of those who will be invited to the third and final component, the oral assessment. Since the QEP is identifying stronger, more qualified candidates all around, the pass rates in the oral assessment for all candidates, including minorities, has increased as well. The African American pass rate increased from 29.5 percent in 2000–6 to 32.0 percent in 2007–14. The Hispanic pass rate increased during the same time periods from 19.7 percent to 31.0 percent.

Percentage of hires of African Americans and Hispanics reached a high in 2013 with both groups over 10 percent. This was also the first year that the percentage of hires (10%) roughly matched the percentage of minority applicants for African Americans and Hispanics, as well as Asians. As noted above, women perform almost as well as men on the FSOT but in general have higher passing rates than men on the QEP and FSOA, which serves to increase their percentage pass rate at the end of the entire process. In FY14 the percentages went down to 7 percent for Hispanic hires, 8.3 percent for African-American hires, and 12.4 percent for Asian hires. Women were 42.6 percent of all hires, but only 37.2 percent of all applicants. Fluctuations in hiring of minorities over the past 3 years have occurred for various rea-

sons: improved economic environment which impacts the number of total applications for the Foreign Service, lower hiring numbers for the Department, and the number of Pickering and Rangel fellows hired in any given year as these are not always consistent. In 2013, we hired 74 Pickering and Rangel fellows, in 2014 we hired 51, and in 2015 we will hire 66. In 2015, we are on track to hire at least 10 percent Hispanics. This is a 3 percent increase over 2014 hiring numbers.

The Board of Examiners takes many pro-active measures to guard against bias and ensure that the process is fair and transparent. All assessors who administer the oral exam receive a week of mandatory training, with a special emphasis on how to mitigate for personal bias. The Board makes extensive efforts to ensure gender and diversity representation on the assessment panels. An Industrial/Organizational Psychologist reviews, conducts analyses, provides recommendations, assists in drafting assessment materials, and validates the testing process to ensure compliance with legal and professional testing guidelines and the Foreign Service Act of 1980. The Board of Examiners, comprised of the Director General, five public members (all I/O Psychologists), and representatives from the other foreign affairs agencies meet annually to review hiring procedures and outcomes to monitor and mitigate for adverse impact.

RESPONSES OF DEPUTY SECRETARY HEATHER HIGGINBOTTOM TO QUESTIONS
SUBMITTED BY SENATOR JEFF FLAKE

Question. When the State Department first began requesting OCO funding, it was to address operations in Iraq and Afghanistan. Then Pakistan was added. Then Syria was added. This year's request includes OCO funds to support efforts in all of these countries, plus Jordan and Ukraine.

- ◆ How does the Department determine what it will designate as being in support of "Overseas Contingency Operations?"
- ◆ Do you foresee a time when the State Department will stop requesting OCO funding?

Answer. OCO is the flexible and transparent mechanism the Department and USAID need to respond to extraordinary, uncertain events that require an immediate response. In cooperation with Congress, we have used OCO to address extraordinary emerging contingencies arising from ongoing conflicts, post-conflict situations where stabilization gains are fragile, and where U.S. engagement is critical to protecting U.S. national security. OCO funding allows State and USAID to deal with extraordinary activities that are critical to our national security objectives without undermining efforts to achieve our enduring diplomatic, foreign policy, and development goals. We greatly appreciate the flexibility that Congress has provided via OCO funding, allowing us to respond more effectively to a rapidly changing world.

As in past years, FY 2016 budget proposes to normalize some OCO-funded activities into the "base," while identifying a limited number of new OCO priorities to meet emerging contingencies.

The administration is developing a strategy to transition elements of the OCO budget to the base budget. This plan must balance ongoing contingencies with the likely constraints on the base budgets of the Department of Defense, the Intelligence Community, and the Department of State/Other International Programs. Any transition of enduring OCO to base can only work if sequester level spending caps are lifted so as not to jeopardize ongoing, enduring efforts.

Question. This year's budget request includes \$150 million in OCO funding for a new program called the "Peace Operations Response Mechanism," which according to budget justification documentation "would allow the U.S. to support potential emergent peace operations without disrupting continued American assistance for existing peacekeeping missions in Africa and other areas of conflict." Authority was also requested to transfer these funds to the Peacekeeping Operations or Contributions to International Peacekeeping Activities to provide for additional flexibility.

- ◆ Peace Operations Response Mechanism OCO: How and why was the determination made to request this new account with OCO funds, rather than including it in the so-called enduring budget?

Answer. In recent years, the Department has faced the recurring challenge of addressing unanticipated costs that emerge outside of the regular budget cycle to support peacekeeping operations, including U.N. peacekeeping operations and activities. The Peace Operations Response Mechanism was requested in OCO in an effort to provide a specific funding source to meet these new or expanded global peacekeeping activities, without disrupting other important, ongoing missions and programs. Activities funded by the mechanism will be initial responses or significant

expansions, rather than recurring or ongoing costs. Any recurring costs for a particular peace operation would then be requested in the base budget. Such a contingency fund would be similar to a number of other OCO-funded programs.

Question. In the Embassy Security, Construction and Maintenance account, \$275 million in OCO funding is requested to pay for “construction costs for the Afghanistan transition and lease costs for properties in Iraq.”

- ◆ Embassy Security, Construction, and Maintenance OCO Secretary Kerry has specified that the use of OCO funding ‘is to address short-term, emerging requirements in very limited circumstances.’ Considering the United States will maintain a diplomatic presence in both countries for the foreseeable future, how does this request address a “short-term, emerging requirement?”

Answer. As outlined in the FY 2016 budget request, OCO activities include operational and assistance activities that are extraordinary due to short-term, emerging requirements or due to security conditions that impose exceptional costs. The \$134.6 million FY 2016 Embassy Security, Construction, and Maintenance (ESCM) OCO request includes \$124 million for security upgrades to nonpermanent structures on the Kabul Embassy compound that will be used for swing space during construction of new housing and provide hardened office space for surge requirements, and \$10.8 million for leasing two properties that comprise the Embassy compound in Baghdad. These projects reflect the national security imperative to sustain our diplomatic presence in Iraq and Afghanistan. The Kabul project’s costs are extraordinary due to the current operating environment and security situation, and it is distinct from the type of facilities funded through the ESCM Capital Security Cost-Sharing program.

Question. Embassy Security, Construction, and Maintenance Frontline States OCO: At what point will we bring State Department activities in Iraq and Afghanistan back inside the “enduring” budget?

Answer. The OCO request enables greater fiscal discipline and transparency by sun-setting extraordinary costs over time, while at the same time providing ESCM enduring programs with predictable base funding and preventing those programs from being eroded to support extraordinary costs in select locations, including Afghanistan. While security conditions in Iraq and Afghanistan may continue to require OCO-funded facility enhancements and upgrades to safeguard U.S. Government personnel, the ESCM “enduring” budget does include funding for the ongoing maintenance of our facilities in Iraq and Afghanistan.

The administration is developing a strategy to transition elements of the OCO budget to the base budget. This plan must balance ongoing contingencies with the likely constraints on the base budgets of the Department of Defense, the Intelligence Community, and the Department of State/Other International Programs. Any transition of enduring OCO to base can only work if sequester level spending caps are lifted so as not to jeopardize ongoing, enduring efforts.

Question. The Department conducts programs like “Art in Embassies,” which spends taxpayer dollars on extravagant art for embassies abroad.

- ◆ Can you tell us more about this program? Roughly how much annually does the State Department spend to commission or procure art at overseas installations?
- ◆ What State Department office is in charge of the program? In what public account are funds drawn for this program?

Answer. The Department’s Bureau of Overseas Buildings Operations manages the Art in Embassies (AIE) program. AIE was initiated by President John F. Kennedy and contributes to U.S. cultural diplomacy through loaned art exhibitions for Chief of Mission Residences (CMRs), acquisitions for new embassy and consulate construction projects, and cultural exchanges with artists, universities, and cooperatives. The Art in Embassies program is primarily funded from the “Operations” budget of the Embassy Security, Construction, and Maintenance (ESCM) account. For FY16, the requested program budget for AIE is \$2.75 million. For new diplomatic facilities, funds for art are allocated at 0.5 percent of the value of the construction cost. This funding covers all costs for art purchases for the public spaces. This percentage is in line with other Federal Government art budgets. In FY16, it is expected that \$6.1 million will be spent as part of four New Embassy Compound projects.

Question. The FY 2016 budget request asks for \$99 million to construct a “Foreign Affairs Security Training Center.”

- ◆ How much money over the years has been spent on identifying the appropriate site for a Foreign Affairs Security Training Center (FASTC)? How much has been spent on construction of such a center?

- ♦ What efforts have individual Congressmen or Senators taken to influence the selection process of a FASTC site? How have these efforts impacted the goal of creating a FASTC?

Answer. Since project inception in 2009, the U.S. Department of State (the Department) has spent approximately \$18,162,685 on site selection activities for the Foreign Affairs Security Training Center (FASTC). Site selection activities include such things as requirements development, suitability studies, feasibility studies, master plan development, acquisition planning and environmental impact analysis. To date, the Department has committed approximately \$39,478,810 to preconstruction activities associated with FASTC. Preconstruction includes all the previously listed site selection activities, plus design and site acquisition activities. Actual construction is scheduled to begin in late July 2015.

Since 2009, the Department and the General Services Administration (GSA) have evaluated over 70 different sites before selecting Fort Pickett near Blackstone, VA, as the preferred location for FASTC. The Department has been vigorously engaged with Congress throughout the process and appreciates the continued support of the critical mission and need for a consolidated hard-skills security training center. In April 2014, the administration reaffirmed the selection of Fort Pickett as the preferred site for FASTC, based on factors, including but not limited to, availability of land, compatible use, and location in the mid-Atlantic region.

After years of searching for a site, we are excitedly moving forward with Fort Pickett, as it meets all the criteria and will enable us to keep our people safer around the globe. The future of the site has been litigated and studied thoroughly and logical, well-thought out decisions have been made.

RESPONSES OF DEPUTY SECRETARY HEATHER HIGGINBOTTOM TO QUESTIONS
SUBMITTED BY SENATOR DAVID PURDUE

Question. More than 45 diplomatic functions at the State Department are currently headed by individuals titled Special Envoy, Ambassador at Large, Representative, Coordinator, or similar. While some “special” positions at State are mandated by Congress, most are created by the administration to highlight particular priorities or challenges. The Obama administration has reportedly made the most extensive use of such positions than previous administrations.

- ♦ Has the State Department conducted an internal assessment on duplication of effort and coordination issues with “special” positions? What is being done to address this issue?

Answer. We regularly evaluate the number of Special Envoys. The ad hoc nature that makes these positions useful for accomplishing specific and limited foreign policy goals means that the number changes often. The numbers have and will continue to vary widely, particularly in what is generally acknowledged as the most complex foreign policy environment in recent memory.

Special Envoys do not duplicate the work of our long-standing organizational system; they complement existing staffing and leadership, offering unique expertise and perspective to mission critical programs and initiatives. An example would include the Ebola Response Coordinator, a position created to respond to a sudden crisis, but whose work now has been reintegrated into standing State Department offices. During the time the position existed, the Ebola Response Coordinator helped greatly to harmonize our efforts to aid countries stricken by the Ebola virus.

Special Envoys fill temporary positions created to address critical foreign policy needs. Some urgent efforts require high-level representatives to coordinate immediate and cohesive responses across the government and with foreign governments, like the Special Presidential Envoy for the Global Coalition Against ISIL. Other positions are created for occasional events and filled by people who generally work full-time in other positions. For example, our Special Representative to the Organization of Eastern Caribbean States is a role filled by our Ambassador to Barbados when meetings of the Organization of Eastern Caribbean States occur.

Question. On IT System Independence.—I was concerned to hear that, particularly given vulnerabilities of the State Department’s network, there is no firewall between the State Department and the IG’s networks.

There are thousands of administrators that work for State, who have the ability to modify or delete information, and could even pose as IG employees.

What’s more troubling, if there was a breach of the State system, the IG would not know it happened. Mr. Linick testified that State’s network has been attacked, and that it affected the OIG.

IG Linick told us yesterday that it took over 6 months just to get an agreement from Diplomatic Security that going forward they will notify the OIG when they go on their IT network.

The IG has expressed the need for an independent IT system in order to conduct secure oversight.

♦ Have these issues been brought to your attention? What are you doing to implement the changes requested? Could more be done for a long-term solution?

Answer. The Department is fully compliant with the Inspector General Act and supports the independence of the Office of Inspector General (OIG) and the necessity to ensure the integrity and confidentiality of the data the OIG collects and stores. Working together with the OIG, we can strengthen controls to ensure that OIG systems and data may be accessed only with OIG concurrence, without the need and extraordinary expense of establishing and operating a separate, independent network. The Department is currently implementing additional access controls and encryption that will significantly reduce, if not eliminate, the threat of exposure of OIG data by inside actors.

Establishing a separate network will not mitigate all of the threats that the U.S. Government now contends with and any separate OIG network will be subject to the same attacks as any other U.S. Government network.

Additionally, the professional expertise of the Chief Information Officer operation and the capabilities of Diplomatic Security, especially those exhibited at the Department's facility in Beltsville, MD, would be both challenging and costly to fully replicate by the OIG.

Finally, the Department believes there is a more positive benefit of continued access by the OIG to the Department's networks. The current operational model depends on the OIG's ability to reach out to Department employees through their questionnaires and SharePoint site, for example. Separating this access will make it considerably more difficult and less secure for employees to access the OIG.

Question. On the investigations issue, I am concerned that without the IG being informed of all allegations and investigations, there is an appearance of undue influence and of senior State Department officials investigating themselves, if you will.

♦ Have these issues been brought to your attention? What are you doing to implement the changes requested?

Answer. The work of the Office of Inspector General (OIG) is of great importance to the Department in promoting economy and efficiency and preventing and detecting waste, fraud, abuse, and mismanagement of programs and operations. I have personally met with the Inspector General to discuss his concerns regarding allegations and investigations of senior State Department officials. I am fully committed to finding an appropriate resolution and will keep the committee informed of any decisions made.

Question. Benghazi/Accountability Review Board Recommendation Follow-Through.—Another major issue we raised with IG Linick yesterday was the lack of sustained interest in Accountability Review Boards (ARBs), which investigate serious incidents, such as the 2012 attacks on diplomatic personnel in Benghazi, Libya.

As Mr. Linick testified, a number of the Benghazi ARB recommendations mirrored previous ARB recommendations.

He stated that of the 12 ARBs conducted from 1998 to present, 40 percent of the 126 recommendations put forth were repeat recommendations.

He recommended that the sustained interest and oversight of State Department leadership is needed.

♦ What steps are being taken to ensure follow-through on putting these recommendations into place?

Answer. The OIG's Special Review of the Accountability Review Board Process from September 2013, specifically stated—"The OIG team conducted its own review of the 126 recommendations made before Benghazi during the 14-year span of the review. Common ARB report themes include the need to construct new embassies to meet current security standards; the need for more and better training not only for DS employees, but also for embassy staffs globally; the need for additional DS agents and for a significantly expanded Marine security guard program; and the need to improve interagency coordination and information-sharing. Of the 126 recommendations made in the 12 ARBs from 1998 to the present, 40 percent of them addressed elements of these core areas."

ARB recommendations may appear similar or repetitive as they all relate to the saving of lives, protection of property, or classified information. However, just as each incident is unique, so have been the recommendations.

Similarities between ARB recommendations do not mean that the Department has not implemented them. It shows that even if the Department has addressed an issue, our enemies' tactics may evolve and threats may increase and arise in new locations.

For example, in 1985, State had about 150 Regional Security Officers (RSOs) assigned to overseas posts. Our RSOs are highly skilled law enforcement professionals, trained to operate in overseas environments. By late 2012, there were approximately 800 RSOs serving overseas; this increase was due in part to recommendations of previous ARBs. The Benghazi ARB found that we needed to yet again increase diplomatic security coverage; in 2013, when Congress funded our increased security proposal, we hired another 75 RSOs.

Each year the threat level continues to increase in many areas of the world, yet it is imperative that the Department and other U.S. Government agencies continue to carry out our U.S. foreign policy at over 275 posts worldwide. This reflects two truths: (1) we can reduce risk, but we can never eliminate it; and (2) our work to improve security is never done.

The Department works to implement ARB recommendations by building them into Department policies, programs, procedures, and through annual budget requests. Many ARB recommendations are "evergreen"—recommendations that require long-term, sustained commitment to security, building standards, hiring additional staff, constructing new safe facilities, training, etc. The Department closely reviews all past ARB recommendations on an annual basis.

Implementation of ARB recommendations receives the attention of the highest levels of the Department. The Foreign Affairs Manual States that the Deputy Secretary of State for Management and Resources will oversee the Department's progress on ARB implementation (12 FAM 036.3). The Under Secretary for Management, in coordination with the Under Secretary for Political Affairs, is responsible for implementation of ARB recommendations.

Question. By your own assessment, State would need to build or augment 90 percent of the capabilities at the FLETC facility in Glynco, GA, to be able to meet the capabilities planned for the proposed FAST-C facility in Fort Pickett, VA. Can you please elaborate on how you reached this "90 percent" figure?

Answer. In October 2013, the Department of State and the Department of Homeland Security developed a consensus document that outlined existing facilities and required new construction. The consensus document took the 47 FASTC requirements and determined that 35 of the 47 requirements would be done via new construction, 7 could be achieved with supplementation of existing facilities, and only 5 requirements could be met using existing Federal Law Enforcement Training Center facilities.

Question. The FACT training that was originally anticipated to be carried out at the proposed FAST-C facility in Fort Pickett, VA, will now be carried out at FLETC. Considering that the FACT training was planned to make up about 6,500 of the 9,200 anticipated students that would attend FAST-C annually—

- ◆ How does this change the plans for capacity and scope of the anticipated training at the proposed FAST-C facility and the ability of FLETC to facilitate the training?
- ◆ What impact does this have on the assessed need to build or augment 90 percent of the capabilities at FLETC?
- ◆ What are your long-term (5–10 year) forecasts for training numbers—for requalifications and for first-time training?

Answer. In discussions with the Executive branch, and the agreed-upon Foreign Affairs Counter Threat (FACT) training ramp-up plan, there was never an understanding by any party that FACT training would be only done at Georgia. The certification of the Federal Law Enforcement Training Center (FLETC) to carry out FACT does not significantly change the number of students that will be trained at the Foreign Affairs Security Training Center (FASTC) at Fort Pickett. The Department of State has always planned that the majority of the 6,500 FACT students will still be trained at Fort Pickett. The Department has no plans to send DOS personnel to FLETC for FACT training as long as sufficient capacity exists in existing contract facilities or newly constructed facilities at Fort Pickett to meet its needs. These students will either be serving in Washington, DC, or will be in Washington, DC, on consultations before heading out to their next assignments. It is not cost-effective to fly them to Georgia for a week-long class. However, organizations such as the Center for Disease Control, who are located in Georgia, may choose to train at FLETC, as it would be more cost-effective for them. In addition, Department of Homeland Security may want to provide FACT training to its Customs and Border

Patrol employees, or other law enforcement officers who would benefit from FACT training.

The 90 percent figure was based on the purpose-built facilities needed to conduct all hard-skills training for FASTC as a whole, as part of the due-diligence process in 2013. The Department is not in a position to comment on any additional facilities FLETC may require to meet its self-determined FACT goal, which would depend on the number of FACT courses that FLETC plans to run.

In line with its FACT ramp-up plan, approved by both the National Security Staff and the Overseas Security Policy Board, the Department plans to reach its target goal of approximately 6,500 students per year by the end of FY 2018. From that point, the Department anticipates similar numbers for each of the following years as a permanent part of the professional training required for personnel assigned under chief of mission authority abroad.

While FACT training is the majority of the training that will take place at FASTC, other training will take place at Fort Pickett as well, such as Special Agent training, which helps prepare individuals for serving in today's dangerous overseas environment.

Question. Assistant Secretary Greg Starr promised Department of Homeland Security a list of training requirements of FAST-C (rather than a capital master plan) to allow DHS to conduct an adequate cost estimate for a build out of FLETC, maximizing the efficiencies from current FLETC training capabilities and capacity.

- ♦ What is the status of the fulfillment of this request? Could you please copy my office on this correspondence? Could you please provide me an update on the current Environmental Impact Study being conducted for the proposed FAST-C location at Fort Pickett, VA? In the hearing, you stated you hope to break ground by "later this spring." What is the difference in the annually reoccurring costs of expected per diem using current applicable rates for FASTC and FLETC and travel costs between FLETC and FASTC? Is it guaranteed that 100 percent of students would leave FASTC on weekends while training? If so, please factor that into the response.

Answer. As part of the due-diligence process, from February 2013 through October 2013, the Department of State provided documentation to the Federal Law Enforcement Training Center (FLETC) regarding the Foreign Affairs Security Training Center (FASTC) requirements. This information included, but is not limited to, curricula for current hard-skills training classes, duration and length of courses, and facility requirements for the reduced-scope project at Fort Pickett. In April 2014, the administration reaffirmed that Fort Pickett was the best location for FASTC. In February 2015, the President submitted a \$99.1-million request for FASTC as part of the FY 2016 budget. The future of the site has been litigated and studied thoroughly and logical, well-thought out decisions have been made in by the administration, working with all involved parties.

With the April 2014 announcement of the decision to move forward at Fort Pickett, the Department of State has been taking the necessary steps to execute the project. The final Environmental Impact Statement will be released for comment on April 24, 2015 and can be found at "www.state.gov/recovery/fastc."

As a responsible steward of public funds, the Department worked with FLETC to determine if the Department's hard-skills diplomatic security training requirements could be met there. As part of our analysis, we factored in the "hard costs," such as operating costs, transportation, and construction of the necessary facilities for our training requirements. Through our analysis, in October 2014, the Department found that we would need more than \$80 million in additional air and transportation costs for the first 10 years alone using plane flights and buses to FLETC versus chartered bus transportation to Fort Pickett. The Department recognizes that FLETC has dormitories on site, but we also know that as a training partner with 90 other agencies, FLETC does not have the available occupancy for the majority of our students. A blended rate of onsite and offsite lodging, meals, and incidental expenses, results in a 10-year cost of nearly \$139 million for FLETC. Using the Department's historical negotiated rates for lodging and applying them near Blackstone, VA, and the surrounding areas, along with meals and incidentals, the Department estimates the cost will be \$167 million. This cost difference is easily offset by the 10-year compensation costs to the U.S. Government for travel to FLETC estimated at \$51 million compared to \$28 million for travel to Fort Pickett. Keeping in mind, this figure does not include the loss of productivity for the additional travel time required for FLETC, which is difficult to quantify.

It is not guaranteed that 100 percent of the students would leave Fort Pickett on the weekends. The Department estimates of the 9,200 students per year, approximately 500 will have a private vehicle and will drive to and from the training facil-

ity. The training to be conducted at FASTC ranges from a few days to 6 months. It should also be noted that the Department would not be flying employees from overseas to train, but rather the majority train while they are here in Washington, DC, preparing for their next assignment or are back in Washington, DC, on consultations. For this and many other reasons, such as our ability to train with the U.S. Marines from Quantico, the proximity of the consolidated hard-skills training center to Washington, DC, is critical.

