

THE STATE DEPARTMENT AND USAID FY 2020 OPERATIONS BUDGET

HEARING BEFORE THE SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED SIXTEENTH CONGRESS FIRST SESSION

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THE STATE DEPARTMENT AND USAID FY 2020 OPERATIONS BUDGET

**Thursday, July 11, 2019
House of Representatives,
Subcommittee on Oversight and Investigations,
Committee on Foreign Affairs,**

Washington, DC

The subcommittee met, pursuant to notice, at 3:19 p.m., in room 2172, Rayburn House Office Building, Hon. Ami Bera (chairman of the subcommittee) presiding.

Mr. BERA. The subcommittee will come to order. We meet today to discuss the State Department and USAID Fiscal Year 2020 operations budget.

Without objection, all members may have 5 days to submit statements, questions, extraneous materials for the record subject to the length limitations in the rules.

I will now make my opening statement and then turn it over to the ranking member for his opening statement. I have noticed that the Republicans are a little bit faster getting over here after votes.

Yes, I want to thank the ranking member, Mr. Zeldin, members of the subcommittee, and our witnesses for joining us for today's hearing on the Administration's proposal for the Fiscal Year 2020 operations budget. I also want to thank the witnesses for being accommodating knowing that our vote schedules interfered with our original hearing schedule, and thank you for accommodating us today.

The topics covered in this hearing—I have said this previously—are not necessarily what is going to make cable news every night, but they are of incredible importance when we think about how best we can serve the United States of America, our interests around the world, and our foreign policy.

The foundation of any real successful organization always starts with the right people and making sure they are equipped with the right resources and ability to do their jobs effectively. And as I have said multiple times previously and want to reiterate, we are proud of the men and women around the world that serve us in our diplomatic corps, at our embassies, in our development work around the world, and these are patriotic Americans. I once again want to just reiterate the work that they do and how important it is to American foreign policy and American strength.

The last few months, as the subcommittee chairman, I have had the pleasure of meeting with many individuals, both in the current administration but also in prior administrations, both Republicans and Democrats who care about the work of the State Department and USAID deeply.

Ambassador Perez, I want to thank you for also taking the time to meet with us but also Ambassador Green and others from USAID.

We really do agree that, when we are thinking about our operational effectiveness, we want to make sure we are appropriately resourcing both State and USAID and giving them the tools. When we think about that, an administration's budget is a reflection of those priorities.

I do have some concerns about the Fiscal Year 2020 budget request, which includes the 8-percent cut in diplomatic programs account and an 18-percent cut to the embassy security account. That said, as we think about the world that we are in, our foreign policy, our development work really did serve us very well in the post-World War II and Cold War World.

But we also know that we are in a new world in the 21st century. As we think about budget priorities, as we think about personnel, as we think about programming, efficiencies, and expertise, we really do have to, make sure we are giving those men and women the tools and skills to succeed in the 21st century.

We know those challenges are vast, from large demographic shifts to fragile States in sub-Saharan Africa to the threat of pandemics. This is an increasingly complex landscape. Whereas, during the cold war, we could focus on traditional countries and global powers, we know now we have other emerging threats and non-State actors that we have to be conscious of and nimble in addressing.

We also know in the era of cybersecurity, et cetera, we have to equip the workers at State Department and USAID with the right IT systems to ensure that they have got appropriate data flows and protection of that information.

As we do some of the questioning—and I know, Ambassador Perez, we have talked about this—is I have had concerns about the persistent vacancies for career State employees that have been identified in multiple GAO reports, not just in this Administration but in prior administrations as well.

And we know that those persistent vacancies certainly put challenge and stress on the existing work force that leads to lower morale and less efficient productivity. And I have talked to Secretary Pompeo about that as well. So in my questioning that is something that is certainly we will want to talk about.

And then we have also talked about how we have to recruit and retain the best and the brightest. I know the Secretary, when he was in front of the full committee, talked about his efforts to go out there and make a career in diplomacy or development, a sought-after field, to sell that to campuses, et cetera. And I think that is, certainly incredibly important.

I know he has come out with a new ethos at the State Department.

Ambassador Perez, I think you are in charge of executing on that ethos, so we can certainly talk about that a little bit as well.

But I also want to make sure this is a partnership. Congress in its oversight capacity is a partner with the Administration, making sure that, as we are authorizing and appropriating funds, that we are giving the full attention to the personnel, the full resources to

those folks, and those resources are getting out to those individuals in the most efficient manner.

So certainly that is something that we have talked about, and Mr. Zeldin and I have talked about as well, how we can make sure the folks that we are sending out there to do the mission of the United States of America are equipped to be successful.

With that, I always look forward to working with the Ranking Member Zeldin and our Democratic and Republican subcommittee members and the witnesses to ensure the American people are served by a U.S. diplomatic and development corps that delivers the best outcomes and ensures continued American leadership for decades to come.

I now recognize Ranking Member Zeldin for 5 minutes to deliver his opening statement.

[The prepared statement of Mr. Bera follows:]

Opening Statement

The Honorable Ami Bera

Chairman, Subcommittee on Oversight & Investigations

House Committee on Foreign Affairs

The State Department and USAID FY 2020 Operations Budget

Thursday, July 11, 2019

3:00 PM, 2172 Rayburn House Office Building

I want to thank Ranking Member Mr. Zeldin, members of the subcommittee, our witnesses, and members of the public for joining us for today's hearing on the Administration's proposal for the Fiscal Year 2020 State Department and the United States Agency for International Development (USAID) operations budget requests. I'm pleased that we can be joined by four exemplary public servants from the State Department and USAID to testify on the budget today.

The topics we will cover in today's hearing are not generally headline news. But they are incredibly important. They are essential to Congress' role in overseeing our diplomatic and development functions. Operations at State and USAID are the foundations of diplomacy and development- without them, these functions cannot and will not operate smoothly.

In considering these areas, Congress, the State Department, and USAID can all agree on how to maximize our diplomatic and development effectiveness. Operations underlie two key questions:

- How do we ensure the State Department and USAID are able to meet the challenges of the 21st Century?
- Do we have the right people with the right skills using the right tools in the right places to address today's challenges?

I've pondered these questions a lot in recent weeks and have met with many officials from the State Department and USAID, and have found these meetings to be very constructive and cooperative. I have also discussed these questions with individuals who served previously in from both Democratic and Republican administrations. I've been honored to hear their thoughts, including Ambassador Bill Burns a few weeks ago. What all of this tells me is these are bipartisan issues where we all have a lot of common ground, and they are deserving of more attention by Congress.

We all agree that it comes down to the most important priority of all: our people. That leads into the subject of today's hearing: operational effectiveness. Today we are here to examine whether we are appropriately resourcing the State Department and USAID operations. Fundamentally, an administration's budget is a reflection of its priorities. I note with regret that the Fiscal Year 2020 budget request includes a 8% cut to the Diplomatic Programs account and a 18% cut to the Embassy Security account.

Today's challenges are vast, and we are asking our diplomatic and development professionals to operate in a truly complex global landscape. The world faces massive migration and asylum issues – even on our own border, spikes in humanitarian crises, the rise of non-state actors, China and Russia and an increase in disinformation threats.

Are we hiring the right people to address these challenges? We need to explore options to recruit and retain all types of staff at all levels. We need to ensure we are giving them the right type of training to tackle these issues head on? Are our IT systems configured to ensure appropriate data flow and protection of information? I know that the State Department and USAID have sometimes struggled with some of these issues, including ensuring we have a

diverse workforce. Why can't we move the needle here? What else can we do to advance our efforts?

The State Department and USAID cannot operate without the right people in place. One focus of this hearing will be the persistent vacancies for career State Department employees, which have been identified by multiple GAO reports. This issue hasn't just been limited to this administration. They have extended across Democratic and Republican administrations.

But I also believe that they've been exacerbated by the 2017 hiring freeze and recent shutdown. So, we need to consider how we are addressing these issues, how we should look ahead- including exploring options to recruit and retain all types of staff at every level. Finally, we need to recognize with a deep sense of urgency that GAO has found that these persistent vacancies are particularly acute in our missions abroad, where we can least afford them.

As we turn towards USAID, I'm glad that Administrator Green is considering many of the issues I've raised here. He's remaking his agency and I applaud his sincere and committed efforts. I also recognize, however, that Congress has played a role in creating some of the issues he seeks to address- including USAID's reliance on a vast network of contractors and multiple hiring mechanisms. Congress created this system of band-aids with the intention of helping the agency, but perhaps we are hindering more than we are helping. It is time to examine the root causes of these issues. I know that our efforts have the potential to yield major results for the agency for years to come.

I would also note that Mr. Nutt's written testimony discusses Administrator Green's Acquisition and Assistance Strategy. I have heard persistent reports that Congress is authorizing and appropriating funds for our implementing partners that aren't reaching the field in a timely manner. We are actively investigating these reports. While I appreciate the need for procurement

reform, it is meaningless without the actual delivery of funds to our partners. I recognize this comes from a place of wanting to improve a system— and I welcome that— but I want to be sure we are providing transparency about where we are in our process to our implementing partners.

In our hearing today, we will also touch upon how the budget request addresses risk. Are we allowing our diplomats and development professionals to do their jobs while operating in a safe manner? In the past few weeks, I've met with both officials from Diplomatic Security and the Office of Overseas Building Operations in the State Department to begin to discuss these issues. Both have critical roles to play there.

What does this all add up to?

It adds up to a 21st century embassy, a 21st century USAID mission that is innovative and adaptable. A State Department and a USAID that anticipate challenges and are ready to react at a moment's notice, that have forward-thinking employees, and which are equipped with the best tools. It adds up to a U.S. diplomatic and development corps that deliver the best outcomes and ensures continued American leadership for decades to come.

Congress has a critical role in shaping these threads. I look forward to working with Ranking Member Zeldin, our Democratic and Republican subcommittee members, and the witnesses to do just that.

Mr. ZELDIN. Thank you, Mr. Chairman.

And thank you to all of our witnesses for being here, especially our men and women who work at the State Department and USAID. The ranks are filled with great Americans who take their job very seriously. They carry out their roles very professionally, and they make America proud.

Today's hearing is an important opportunity for this committee to examine the Fiscal Year 2020 budget for the State and USAID. It is important for these agencies to have the support that they need from Congress as well as the oversight appropriated to fulfill our constitutional Article I responsibilities.

In bipartisan fashion, this committee should always work to ensure transparency and accountability at these important U.S. agencies regardless of whoever is the President at any given time, the Secretary, or Administrator, and regardless of political affiliation.

At the end of the day, what is most important is that the State Department and USAID are as effectively and efficiently as possible fulfilling their critical missions at home and around the globe. An integral part of forwarding the State Department and USAID's important mission is ensuring they have the financial resources and qualified human resources they need.

The State Department has had tremendous foreign policy accomplishments in pursuit of a stronger and more effective foreign policy without apology for American exceptionalism, standing shoulder to shoulder with allies like Israel and pushing back on Iranian aggression and more.

We are encouraged by the State Department's efforts to efficiently review and then eliminate or fill many special envoy positions. I am also encouraged to see a great incoming class of Foreign Service officers to fill existing vacancies that are critical to fill.

While I want to commend the Department wherever and whenever it exceptionally fulfills its mission, there will always be more to address from budgeting to personnel and foreign aid transparency.

We would like to see the most efficient and effective H.R. management for State Department and USAID employees, transparency of foreign assistance programs, and efficient management of the budget, including large, unobligated balances.

When it comes to the hiring and firing of the State Department employees it is also a priority of this committee to address any mismanagement allegations ever, ensuring fairness in the process and sufficient whistleblower protections.

Last year, a report by the Government Accountability Office found that there is an approximately \$31 billion slush fund sitting at the State Department. While I understand the need for a rainy day fund, moving around billions of dollars from 1 year to the next between different accounts makes it difficult for Congress to conduct proper oversight over funding.

This is evidenced by the fact that in the past this money has wrongly been used to negotiate with terrorists and facilitate hostage payments. For example, under the last administration, \$1.7 billion in cash was delivered to the Iranians as a ransom payment for the release of American prisoners, a clandestine transaction Congress had absolutely no notice or oversight over.

State, USAID, and others must always be as forthcoming as possible producing transparent budgets that reflect the real needs of the Department and, most importantly, the real needs of the American people. We must employ greater, accurate oversight and accountability internally within the State Department as well as over the foreign assistance programs that advance our Nation's values around the globe.

I thank you all for being here today. I look forward to your statements. And while we will have some tough questions at times, I am sure none that you will be incapable of answering. The message that we would not want lost for all the men and women in your ranks is how much we appreciate their service and what they do to keep America safe to be a leader around the entire globe.

Having visited many of your men and women who are overseas, while we often talk about men and women who are in uniform, we thank them for their service, the sacrifice away from their families, at times it could be for 3 months, 4 months. At times, you might be deployed for 21 months.

We have a lot of State Department, USAID officials who will tell you about many, many years, multiple tours in different cities away from their families. So, while we appreciate that person in uniform who might be on their tenth deployment and our heart is with them and their families at home, what should not be lost are the amount of people in your ranks who are thousands of miles away from home often times maybe for an entire career.

So, wherever they are watching us, we are asking these questions and hearing your statements with hopefully their best interest in mind always to ensure that they have the resources that they need, the support that they need in order to be more successful with their mission.

And, with that, I yield back.

Mr. BERA. Thank you.

I am pleased to welcome our witnesses to today's hearing. We are joined by four public servants from State Department and USAID. From the State Department, we are joined by Ambassador Carol Perez, who serves as Director General of the Foreign Service as well as its director of human resources; and Mr. Douglas Pitkin serves as the director of Bureau of Budget and Planning. From USAID, we have Mr. Frederick Nutt is the Assistant Administrator for the Bureau of Management, and Mr. Bob Leavitt is USAID's Chief Human Capital Officer.

I will ask the witnesses to limit their testimony to 5 minutes.

Without objection, your prepared written statements will be made a part of the record. Thank you so much again for being here and for accommodating us.

I now ask that Ambassador Perez deliver her opening remarks.

STATEMENT OF THE HONORABLE CAROL Z. PEREZ, DIRECTOR GENERAL OF THE FOREIGN SERVICE AND DIRECTOR OF HUMAN RESOURCES, BUREAU OF HUMAN RESOURCES, U.S. DEPARTMENT OF STATE

Ms. PEREZ. Thank you very much, Mr. Chairman, Ranking Member Zeldin, and distinguished members of the subcommittee for in-

viting me here to discuss the fiscal 2020 State Department budget request.

As Secretary Pompeo noted when he testified before the committee at the end of March, we have a remarkable work force and doing a very important mission. At a time of growing global complexity and competition, a strong department is critical to our success as a Nation.

That is why, over the past year, Secretary Pompeo has prioritized putting the team back on the field. Under his leadership, we have welcomed 827 Foreign Service employees, and we have set our Foreign Service and Civil Service target staffing levels at 454 employees above the December 31, 2017, on-boarding staffing levels specified in the congressional fiscal 2018 appropriations.

We have also stepped up employee engagement and communication and taken steps to expand training and professional development, fill vacancies, and reward the work being done by our employees.

As Director General of the Foreign Service and director of human resources, I will focus my remarks on the \$2.8 billion of that request for human resources and the Department's global work force.

Our people, Foreign Service, Civil Service, family members, locally employed staff, are our greatest resource, and they deserve our full support. These women and men work both at home and abroad in service to the country. Our American personnel swear an oath to protect and defend the Constitution, often at great sacrifice to themselves and their families. Our locally employed staff sometimes also incur great risk working with and for the United States.

The human resources budget request will support salaries for our approximately 25,000 domestic and overseas American employees. Our almost 14,000 Foreign Service employees, both our officers and specialists, are our forward-deployed force doing everything from opening markets for American companies to helping American citizens overseas.

Our over 11,000 Civil Service personnel are the Department's institutional memory, continuity, and subject-matter experts based mostly in Washington but also at our passport, security, and foreign mission offices across the country. Our eligible family members are a vital source of talent in our embassies overseas. Leveraging their skills is good for morale and a force multiplier in carrying out the Department's mission.

I noted earlier the progress we have made in Foreign Service hiring and staffing. On the Civil Service side, we are on track to return to hiring levels significantly above December 2017 levels specified by Congress, but it has been a little slower due to the decentralized nature of Civil Service hiring.

The fiscal 2020 request will support continued development of the talent and capacity of our Civil Service work force that is better prepared to address the challenges of today's international environment.

Our 50,000 locally employed staff are in the mainstay of our U.S. diplomatic operations abroad, and we continue to look at ways to ensure we can attract and retain the best local talent.

Mr. Chairman, successful organizations share one characteristic: they adapt.

And in order to remain an employer of choice, we must innovate and effectively compete with the private sector to recruit, retain, and empower the best talent.

As Director General of the Foreign Service and Director of Human Resources, I have made innovation a key focus area. We are prioritizing removing barriers and streamlining processes so our employees can focus on their core responsibilities. My team and I are also looking closely at improvements to our policies and procedures so we can better support our people.

In that regard, the top request from the work force is for paid parental leave. And the White House has been vocal in its support for paid parental leave, and employees have welcomed the recently proposed amendment to the National Defense Authorization Act of 2020 providing all Federal employees with 12 weeks of paid family leave.

As a 31-year, almost 32, public servant, I am thrilled to see the growing bipartisan support for this important endeavor, whose time has come. If we are to live up to our aspiration of being a model employer for our people, we should not have to choose between our families and the career that we love.

I would close by saying that the 75,000 strong Department work force is a winning investment for our Nation, and we deliver results for the American people every day. Thank you for the opportunity to be here, and I look forward to answering your questions.

[The prepared statement of Ms. Perez follows:]

Written Testimony of Carol Z. Perez
United States Department of State
Director General of the Foreign Service and Director of Human Resources
Before the House Foreign Affairs Committee
Subcommittee on Oversight and Investigations
June 20, 2019

Thank you Mr. Chairman, Ranking Member Zeldin, and distinguished members of the subcommittee for inviting me to discuss the FY 2020 State Department budget request. As Secretary Pompeo noted when he testified before the Committee at the end of March, our FY 2020 budget request “will fully fund State and USAID’s current workforce levels, enabling us to take on emerging policy challenges.” In his words, “We have a remarkable workforce doing an important mission.” At a time of growing global complexity and competition, a strong Department is critical to our success as a nation.

That is why over the past year Secretary Pompeo has prioritized putting our team back on the field since his first day in office. Under his leadership, we’ve welcomed 10 Foreign Service classes (or 712 Foreign Service employees). We have set our Foreign Service and Civil Service staffing levels at 454 employees above the December 31, 2017 on board staffing levels for which the Congress specified funding in the fiscal year 2018 appropriations. We’ve also stepped up employee engagement and communication and taken steps to expand training and professional development, fill vacancies, and reward the work being done by our employees.

As Director General of the Foreign Service and Director of Human Resources, I will focus my remarks on the \$2.8 billion FY 2020 request for Human Resources and the Department’s global workforce, which is primarily within the larger \$13.0 billion ‘Diplomatic Engagement’ appropriations request Director Pitkin will discuss. Our people—Foreign Service, Civil Service, Locally Employed staff, and Eligible Family Members—are our greatest resource and they deserve our full support. These women and men work both at home and abroad in service to our country. Our American personnel swear an oath to protect and defend the Constitution, often at great sacrifice to themselves and their families. Our locally employed staff sometimes also incur great risks working with and for the United States.

The Human Resources budget request will support salaries for our 25,517 domestic and overseas American employees. Our almost 14,087 Foreign Service employees, both our officers and specialists, are our forward-deployed force doing everything from opening markets for American companies and helping American citizens overseas to preventing the spread of weapons of mass destruction. Our over 11,430 Civil Service personnel are the Department’s institutional memory, continuity, and subject matter experts, based mostly in Washington, but also at our passport, security, and foreign mission offices across the country. Our eligible family members are a vital source of talent at our embassies overseas. Leveraging their skills is good for morale and a force multiplier in carrying out the Department’s mission.

I noted earlier the progress we’ve made in Foreign Service hiring and staffing. On the Civil Service side, we are on track to return to hiring levels significantly above the December

2017 level specified by Congress but it has been a little slower due to the decentralized nature of Civil Service hiring. The FY 2020 request will support continued development of the talent and capacity of our Civil Service workforce that is better prepared to address the challenges of today's international environment.

Our 50,000 locally employed staff are the mainstay of our U.S. diplomatic operations abroad. We continue to look at ways to ensure we can attract and retain the best local talent.

Mr. Chairman, successful organizations share one characteristic: they adapt. The Department has been around for 230 years. And in order to remain an employer of choice, it must innovate and effectively compete with the private sector to recruit, retain and empower the best talent. As Director General of the Foreign Service and Director of Human Resources, I have made innovation a key focus area. My team and I are looking closely at improvements to our policies and processes so we can better support our people. And we're removing barriers and streamlining processes so employees can focus on their core responsibilities.

The 75,000-strong Department workforce is a winning investment for our nation. They deliver results for the American people every day. And with this budget and your support, we'll give them the resources to continue doing so.

Thank you again for the opportunity to be here today. I look forward to answering your questions.

Mr. BERA. Thank you, Ambassador Perez.
Mr. PITKIN.

**STATEMENT OF DOUGLAS PITKIN, DIRECTOR, BUREAU OF
BUDGET AND PLANNING, U.S. DEPARTMENT OF STATE**

Mr. PITKIN. Thank you, Mr. Chairman, Ranking Member Zeldin, and distinguished members of the subcommittee for inviting us to discuss the 2020 State Department and USAID budget requests. As Secretary Pompeo also noted in his March testimony, our budget is designed around our National Security Strategy to achieve our foreign policy goals.

The top line request of \$40 billion combined for the State Department and USAID puts us in a position to do just that. This funding protects our citizens at home and abroad, advances American prosperity and values, and supports our allies and partners overseas. We make this request mindful of the burden on American taxpayers and take seriously our obligation to deliver exceptional results on their behalf.

I will focus my remarks on the \$13 billion diplomatic engagement appropriations request managed by the Department of State, which is distinct from the foreign assistance side of the budget, which my colleagues also will speak to. This comprises about one-third of the total budget request for 2020 and supports the Department's work force, including the personnel resources Ambassador Perez mentioned, our public diplomacy programs, our global management platform of our overseas embassies and consulates, embassy construction, Diplomatic Security, and our assessed contributions to the United Nations and other international organizations.

This request is nearly a \$340 million increase over the Administration's Fiscal Year 2019 request, about a 3-percent growth rate, but it would be about 15 percent below the amount Congress enacted for 2019. We have submitted for the record the State USAID budget fact sheet for the record which outlines many of the specific numbers in our request, but I will highlight three of the major priorities.

Our three major pillars of our appropriated funding that we use to manage the Department are \$5.5 billion for diplomatic staffing, operations, and programs; \$5.4 billion to secure or protect U.S. Government personnel overseas and domestically; and \$2.1 billion for assessed contributions to the United Nations, including U.N. peacekeeping and other organizations like the OAS.

The funding for diplomatic staffing, operations, and programs sustains our global work force, as the Ambassador mentioned, including our Americans and locally employed staff. And, again, the budget request would sustain our staffing at or above current levels consistent with the direction in the current appropriations.

We are going to make continued investments in training and human capital development as well as continued support for public diplomacy programs, which are vital to influencing foreign opinion and countering misinformation about the United States.

Highlights within this request include a new consolidated Bureau of Global Public Affairs, which provides greater efficiency and effectiveness in managing our public diplomacy programs and outreach, as well as a total request of \$75 million from the Global En-

agement Center as authorized by the NDAA, a \$20 million increase in the appropriated funds for the Department over current levels.

Funding for our management platform includes increases for our regional bureaus to support new embassies and consulates that are scheduled to open up over the next 18 to 24 months, and this category of funding also underwrites most of our \$2.5 billion of information technology spending to help support and sustain the new Chief Information Officer's efforts to modernize our information technology platform, including cloud migration, consolidated software licensing, and greater customer engagement across the Department's IT platform.

Our \$5.4 billion request for USD personnel security is primarily for the Bureaus of Diplomatic Security and Overseas Building Operations. Highlights include a \$60 million increase for cybersecurity, a 38-percent increase over current levels, to allow both DS and our IRM/CIO bureau to help increase our cybersecurity programs to protect our network's data and IT infrastructure.

We have also requested \$8 million for our Bureau of Medical Services to update embassy inventories of medical countermeasures to counter potential WMD and chem-bio threats.

In addition to direct appropriations, the Department anticipates spending nearly \$3.8 billion in consular revenues. These are the fees that we collect from visas and passports to help issue visas to overseas citizens and issue passports to American citizens as well as provide citizen services to Americans overseas.

We anticipate collecting about \$3.9 billion in revenues, and this is an area for which we are continually looking at ways to more efficiently use both technology and personnel to operate our consular services. Our request does include some minor fee adjustments to help address some structural imbalances in our revenue stream that we are happy to discuss as part of the discussion.

In closing, I want to assure you that we are committed to using taxpayer dollars effectively. With continued congressional support, we will continue to advance our foreign policy priorities at home and abroad. And I look forward to answering your questions.

[The prepared statement of Mr. Pitkin follows:]

**Written Testimony of Douglas A. Pitkin
United States Department of State
Director, Bureau of Budget and Planning
Before the House Foreign Affairs Committee
Subcommittee on Oversight and Investigations
June 20, 2019**

Thank you Mr. Chairman, Ranking Member Zeldin, and distinguished members of the subcommittee for inviting me to discuss the FY 2020 State Department budget request. As Secretary Pompeo noted when he testified before the Committee at the end of March, our FY 2020 budget request is “designed around the National Security Strategy to achieve our foreign policy goals. The request for \$40 billion for State Department and USAID puts us in position to do just that. These monies will protect our citizens at home and abroad, advance American prosperity and values, and support our allies and partners overseas. We make this request mindful of the burden on American taxpayers and take seriously our obligation to deliver exceptional results on their behalf.”

As the Director of the State Department Bureau of Budget and Planning, I will focus my remarks on the \$13.0 billion ‘Diplomatic Engagement’ appropriations request, which comprises our people; diplomatic and embassy security programs; public diplomacy initiatives; treaty-based contributions to United Nations and other organizations; and our global management platform. The Diplomatic Engagement budget is 33 percent of our total FY 2020 request, and proposes an increase of \$339 million (+2.7%) above the President’s FY 2019 request.

We are submitting the Department of State and USAID Fiscal Year 2020 Fact Sheet for the record, which includes many of the specific numbers related to our request, but I will highlight a few major priorities.

The three major pillars of appropriated funding for Diplomatic Engagement in the FY 2020 request include \$5.5 billion for diplomatic staffing, operations and programs, \$5.4 billion to protect U.S. government personnel worldwide, and \$2.1 billion to preserve U.S. participation in multilateral fora. For the purposes of today’s hearing on the budget request for FY 2020 State Department operations I will focus on the first two pillars, along with associated fee revenue.

The funding for diplomatic staffing, operations and programs sustains the Department’s global workforce of 24,700 Foreign Service and Civil Service personnel, with continued investments in training and human capital development. As HR will attest, our global workforce also encompasses some 50,000 locally employed staff and eligible family members who are instrumental to the effectiveness of our missions overseas.

The request reflects the importance of influencing foreign opinion and countering misinformation about the United States, highlighting our newly consolidated Bureau of Global Public Affairs, as well as the Global Engagement Center, for which we have requested a \$20 million increase. The funds requested for FY 2020 in this area will also be used to prepare for opening multiple new embassy and consulate compounds that meet our security needs. Consistent with the President’s Management Agenda (PMA), our Information Technology

request sustains modernization through Cloud migration, consolidated licensing, and customer engagement.

The second \$5.4 billion pillar of this request protects USG personnel worldwide, primarily through Diplomatic Security personnel and programs, as well as OBO's provision of secure, safe and functional facilities. Highlights within this portion include a +\$60 million increase (+38%) in cybersecurity measures to protect our networks, data, and IT infrastructure, and an +\$8 million increase to update our overseas posts' stockpiles of medical counter-measures to WMD threats.

In addition to direct appropriations, the Department anticipates spending nearly \$3.8 billion in consular revenues to enhance border security through issuing secure visas and passports, as well as providing citizen services to Americans overseas. This is relative to \$3.9 billion in anticipated new revenue.

While this is just a brief summary of our overall request, I want to assure you that we are committed to being good stewards of taxpayer dollars. With continued Congressional support, we can have a positive impact in promoting our foreign policy priorities at home and abroad. I look forward to answering your questions.

Mr. BERA. Thank you, Mr. Pitkin.
Mr. NUTT.

STATEMENT OF FREDERICK NUTT, ASSISTANT ADMINISTRATOR, BUREAU FOR MANAGEMENT, UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. NUTT. Mr. Chairman, Ranking Member Zeldin, and distinguished members of the subcommittee, thank you for inviting me to discuss USAID's Fiscal Year 2020 operating expenses and capital investment fund budget request.

Today I will be summarizing the written statements from Mr. Leavitt and myself. Since joining USAID in April this year, I have been impressed by the Agency's dedication to delivering development solutions to uplift some of the world's most vulnerable people while representing American values and advancing our foreign policy and national security interests. Administrator Green's vision for the Agency partners us with professional experts, local organizations, and host country governments to aid in their journey to self-reliance.

For Fiscal Year 2020, the request to support the Agency's global operations is almost \$1.5 billion, which includes nearly \$1.3 billion for operating expenses, approximately \$610 million for salary and benefits for U.S. direct-hire staff, and \$198 million for the capital investment fund.

USAID recognizes the Agency's success is directly linked to a skilled, committed, and resilient work force so we have enacted human resources transformation elements that support a 21st century work force, such as prioritizing recruitment and hiring, updating archaic personnel systems and practices, and expanding opportunities to diversify our work force through programs like the Donald M. Payne International Development Graduate Fellowship Program.

Our H.R. successes, such as the debut of a new employee portal, the redesign of employee performance management, streamlining Foreign Service officer assignments and bidding, and the staff care program are described in Mr. Leavitt's written testimony.

Overall, USAID requests \$19 million dedicated to secure and protect staff and facilities. At headquarters, USAID has implemented the Washington real eState strategy, which is modernizing dated work spaces and technology while consolidating short-term leases from four buildings into two with anticipated savings of up to \$2.5 million by 2025.

The Agency has become a leader in Federal IT modernization and has enhanced cybersecurity protections. Over \$143 million is within the operating expenses and capital investment fund budget request to upgrade information technology systems and data platforms. USAID also expects to consolidate multiple agency systems through development information solution, which would save the Agency approximately \$2.2 million.

USAID has used legislation to streamline budget execution. Thanks to FITARA, the CIO now has statutory authority to centrally manage all IT acquisitions and to implement other measures since being realigned to report directly to the Administrator.

In December 2017, the Administrator announced a zero-tolerance policy for audit backlogs. The Agency had 42 open GAO audit recommendations and 848 open OIG audit recommendations at that time, of which almost 100 were in backlog. We cleared the backlog ahead of schedule by May 2018, allowing us to reach the first agency transformation goal.

USAID is already a leader in the Federal Government in managing agency risk and is one of only five CFO Act agencies to achieve the highest score of managing risk for all five functions in a 2018 risk management assessment.

Additionally, the Agency has adopted an enterprise risk management framework. A key principle of our approach to our ERM implementation is the Agency's risk appetite statement, which provides staff with broad-based guidance on the amount and type of risk the Agency is willing to accept.

In the fall of 2018, we released our acquisition and assistance strategy homing in on engagement and procurement reform to expand the local partner base. We launched the new partnerships initiative to make it easier for new and underutilized partners to work with us. We seek your support for the Agency's request to establish an acquisition and assistance working capital fund and transfer authorities for the IT working capital fund and adaptive personnel project.

The acquisition and assistance working capital fund is a fee-for-service model similar to the State Department model, which would provide a consistent funding stream dedicated to management and oversight. It would permit the Agency to align and balance the work force to match evolving policies and priorities. As part of the Agency's effort to implement Modernizing Government Technology Act of 2017, the IT working capital fund transfer authority would allow us to obtain consistent funding to support important IT requirements.

USAID is also seeking the necessary transfer authority to implement a pilot of adaptive personnel project allowing us to use program funding to hire term-limited Civil Service personnel as further discussed in the chief human capital officer's written testimony.

With your support of the Agency's request for these authorities, USAID would be able to use appropriated resources to their fullest extent. These authorities provide the necessary flexibility to respond to the urgent, complex, global development and humanitarian crises as well as the operational resources needed to respond quickly.

Your continued support means we will remain equipped to work with our partners to help countries in their respective journeys to self-reliance. Thank you, and we look forward to answering your questions.

[The prepared statement of Mr. Nutt follows:]

**Written Testimony of Frederick M. Nutt
United States Agency for International Development
Assistant Administrator, Bureau for Management
Before the House Foreign Affairs Committee
Subcommittee on Oversight and Investigations
June 20, 2019**

Thank you Mr. Chairman, Ranking Member Zeldin, and distinguished members of the Subcommittee, for inviting me to discuss the Fiscal Year (FY) 2020 budget requests from the United States Agency for International Development for Operating Expenses (OE) and the Capital Investment Fund (CIF).

Since joining USAID in April this year, I have been impressed by the life-changing work of the Agency to uplift some of the world's most-vulnerable people. Administrator Green has given the Agency a vision that harnesses USAID's inherent mission and values to assist governments, civil society, and the private sector in our partner countries on their Journey to Self-Reliance.

The Bureau for Management oversees the core operational platform and the OE account for USAID to help us advance and support innovative development solutions to improve lives around the world. The account enables the Agency to find sustainable solutions to humanitarian assistance crises to build resilience so emergency aid is not perpetually needed. To ensure that our delivery of foreign assistance matches the goals of the President's National Security Strategy, is as effective as possible and leverages the most value of every committed American dollar, USAID is working to achieve the Administrator's goals to leverage efficiencies in the Agency's operations.

Congress created the OE account in 1976 to support the people, places, and things that make implementing USAID's mission possible. This encompasses funding the salaries and benefits, of U.S. Direct Hire (USDH) employees, optimizing our leased real estate in Washington, modernizing our information technology (IT) investments, compliance with federal regulations and audits, securing staff and workspaces, and promoting efforts to reform our partnerships and procurement.

For FY 2020, the request to fund the Agency's global operations is \$1.478 billion which includes \$1.28 billion in OE and \$198 million for the CIF. With these funds, USAID expects to continue reaching important targets as part of Pillar 4 of the *National Security Strategy: Advance American Influence (from the President December 2017)*, and Goal 4 of the *USAID-State Joint Strategic Plan (SSP): Ensuring Effectiveness and Accountability to the American taxpayer (from DoS & USAID February 2018)*. Good stewardship of taxpayer dollars requires closely examining our processes to see where improvements are possible and it is an important Agency priority to find and take advantage of every possible administrative efficiency to maximize USAID's resources.

Investing in an appropriate workforce is the most prominent way the Agency can approach our important goals. Consequently, this budget request asks for approximately \$610 million for salary and benefits for 3,139 USDH staff: 1,757 Foreign Service Officer (FSO) positions and 1,382 Civil Service (CS) positions.

This past year, USAID has taken important steps to ensure that savings of taxpayer dollars help programmatic investments go as far as possible. The Budget Request reflects prudent operational and financial management decisions we have taken, such as reducing leasing costs and shifting from low-value to high-value work. Overall, USAID requests \$19 million dedicated to secure and protect our staff and facilities. At headquarters, USAID has implemented the Washington Real Estate Strategy, which is modernizing dated workspaces and technology while consolidating short-term leases from four buildings into two, a major accomplishment that meets the goals of reducing the footprint. The Strategy anticipates saving the Agency approximately \$2.5 million beginning in FY 2021 by renovating current space in the Ronald Reagan Building, reducing the Agency's overall footprint, and upgrading aging IT equipment.

In 2019, USAID prudently saved \$200,000 in costs by successfully shifting over 34,000 hours of work from low-value to high-value work. To achieve this outcome, USAID staff automated a number of manual processes, which released obligated funds for other priorities. The Agency automated IT processes and internal service requests, and launched interactive tools to reduce the manual tracking of basic operations. USAID is also consolidating multiple Agency systems through the Development Information Solution (DIS), which will integrate various data streams to support strategic planning of programs and procurement, designing projects, performance-management, and monitoring and evaluation. DIS is expected eventually to save the Agency approximately \$2.2 million in annual licensing fees from decommissioning obsolete platforms.

USAID has begun to strategically invest our IT resources to modernize and improve key enterprise systems. Since then, the Agency has become a leader in Federal IT modernization with initiatives such as a new cloud data center and disaster-recovery sites. Among other IT-modernization efforts, USAID has enhanced cybersecurity protections by successfully deploying Security Information and Event Management (SIEM) to better detect anomalous IT-security intrusions, insider threats, and other cybersecurity events. USAID is increasing quality-assurance measures for data, such as enforcing enterprise data standards, conducting periodic data-quality audits, and mitigating the root causes of systemic errors. Over \$143 million in the Budget Request for OE and CIF is for upgrading IT and data platforms, and to remain vigilant in our cybersecurity efforts.

USAID has also used the benefits of legislation that has granted the Agency authorities that help us to streamline budget execution. In 2017, Congress amended the Federal Information Technology Acquisition Reform Act (FITARA), initially passed in 2014, to extend a wider range of authorities to Federal Chief Information

Officers (CIOs). To comply with the legislation, USAID has realigned the position of the CIO to report directly to the Administrator. FITARA also empowers the CIO to manage all Agency-wide IT investments and acquisitions centrally, and to purchase IT equipment in an effort to deliver even more cost-savings.

On December 5, 2017, the Administrator announced a zero-tolerance policy for audit backlogs, and called upon the entire Agency to prioritize resolving audit recommendations from the Office of the USAID Inspector General (OIG) and the Government Accountability Office (GAO). Maintaining fiscal responsibility and accountability is a key goal under “Transforming our Processes” so the Administrators’ announcement brought the Agency into line. The Agency had 42 open GAO audit recommendations and 848 open OIG audit recommendations in December 2017, of which almost 100 were in backlog. USAID cleared the backlog ahead of schedule by May 25, 2018, and then reduced open recommendations to only 24 open recommendations from the GAO and 537 recommendations from the OIG. This was the first Agency Transformation goal we have achieved. To ensure the Agency maintains no backlog, we have completed corrective action before the final audit reports are released.

USAID continues to be a leader across the Federal government in managing risk. The OIG has found that USAID generally has implemented an Effective Information-Security Program compliant with the Federal Information Security Management Act (FISMA). USAID is one of only five Departments and Agencies covered by the Chief Financial Officers (CFO) Act to achieve the highest score of “Managing Risk” for all five functions in the FY 2018 Risk-Management Assessment (RMA). This achievement places the Agency in the top percentile of Federal Departments and Agencies rated as required by the Presidential Executive Order 13800 on Strengthening the Cybersecurity of Federal Networks and Infrastructure (M-17-25).

Additionally, the Agency has adopted an Enterprise Risk Management (ERM) framework which is a holistic, agency-wide approach that combines the impact of risks as an interrelated portfolio, rather than examining risks in silos. Under USAID’s ERM approach, the goal is not to avoid all risks, but rather to take advantage of opportunities while reducing or mitigating threats to maximize USAID’s overall likelihood of achieving its mission and objectives. A key principle of USAID’s approach to our ERM implementation is the Agency Risk-Appetite Statement (RAS), which provide staff with broad-based guidance on the amount and type of risk the Agency is willing to accept as it pursues various opportunities to achieve its mission and objectives.

In the Fall of 2018, Administrator Mark Green released our Acquisition and Assistance Strategy, focused on energizing efforts directed at reforming our engagement with partners and procurement. The Strategy itself, and the overall work the Agency is doing to implement Effective Partnering and Procurement Reform, employs a series of approaches to expand our partner base by implementing local development solutions with locally established, and new partners in the field. In FY 2018, 25 organizations were responsible for 60 percent of our Program budget, and 75 organizations managed 80 percent of our programs. This is an unhealthy concentration of our portfolio. To monitor progress the Agency makes on this front, USAID has established baselines for co-creation and collaboration for the our Agency Priority Goal on procurement reform in the JSP, and we have initiated the New Partnerships Initiative (NPI) to

make it easier for new and underutilized partners to work with us. The \$20 million Program Budget request for NPI would enable USAID to issue a series of solicitations and procurement instruments to expand our local partner base and strengthen locally led development.

I appreciate the interest you have taken in the work that USAID does to secure American interests around the world. The Agency commits to continue using each taxpayer dollar to its maximum effect and offer the FY 2020 OE Budget Request with that stewardship in mind, which includes the Agency's request for transfer authority for the IT Working Capital Fund and the establishment of an Acquisition and Assistance Working Capital Fund. The proposed Working Capital Funds (WCF) would allow the Agency to improve program management and oversight worldwide and address changing and emerging requirements. With the Acquisition and Assistance (A&A) WCF, a fee-for-service model would provide a consistent funding stream dedicated to management and oversight that is commensurate with its program levels. It would permit the Agency to align and balance the workforce to match evolving policies and priorities, such as responding to fragile and new states and rapid build-ups similar to the surges required for Afghanistan and Iraq. The USAID WCF is similar to the one-percent-fee-for-service WCF model of the State Department, but its scope is narrower in that funding is focused primarily on acquisition and assistance.

Similarly, the transfer authority necessary to deposit funding into the Information Technology (IT) WCF would allow the Agency to obtain consistent funding to support IT requirements that will improve program management and oversight. The Modernizing Government Technology Act (MGT) authorized the establishment of the IT WCF and the Administrator received a letter dated June 11, 2019, from the House Subcommittee on Government Operations inquiring about the Agency's progress under the MGT. Not having the necessary transfer authority is one of the impediments reported previously. With the IT WCF, the Agency would strengthen its cybersecurity defenses, adopt cutting-edge technologies to improve IT efficiencies and implement new development projects.

In addition to the transfer authority requested for the deposits into an IT Working Capital Fund, the Agency is also seeking the necessary transfer authority to implement a pilot of the Adaptive Personnel Project. This transfer authority will allow USAID to use program funding to hire, term-limited Civil Service personnel, an authority we currently do not have.

With your support of the Agency's request for transfer authority for the IT Working Capital Fund, the Adaptive Personnel Project, and the establishment of an Acquisition and Assistance Working Capital Fund, USAID will be able to use appropriated resources to their fullest extent. These authorities provide the necessary flexibility to respond to the urgent, complex, changing development and humanitarian crises around the globe and the operational resources needed to respond on a timely basis. Your continued support means we will remain equipped to work with partners to help countries on their respective Journeys to Self-Reliance.

I look forward to answering your questions.

[The prepared statement of Mr. Leavitt follows:]

**Written Testimony of Bob Leavitt
United States Agency for International Development
Chief Human Capital Officer
Before the House Foreign Affairs Committee
Subcommittee on Oversight and Investigations
June 20, 2019**

Chairman Bera, Ranking Member Zeldin, and distinguished members of the Subcommittee: Thank you for the opportunity to discuss what we are doing to support the talented and dedicated workforce of the U.S. Agency for International Development (USAID). We appreciate your commitment to USAID's workforce and mission.

USAID's staff – our colleagues and friends – builds self-reliance in partner countries, projects American values globally, and advances our foreign-policy and national-security priorities. As Administrator Mark Green said before the House Foreign Affairs Committee in April, "USAID remains focused on our core day-to-day work: helping support the world's most-vulnerable populations affected by humanitarian crises; promoting human rights, democracy, and citizen-responsive governance; and improving development outcomes in the areas of economic growth, education, environment, and health worldwide." Our shared commitment stands out in the Federal Employee Viewpoint Survey: In 2018, 98 percent of the Agency's workforce affirmed they put in the extra effort to get the job done, and over 94 percent indicated they are constantly striving to do a better job.

Our operating environment is dynamic and challenging, and at times dangerous and uncertain. Priorities shift in response to, or in anticipation of, opportunities, challenges, and crises. Personnel systems are not as dynamic. The overall Federal personnel system was built for a different era, and updates to it have been ad hoc and short-term. We need a personnel system built for purpose, for our current and future workforce. We need an agile talent-management system that swiftly recruits, trains, deploys, and retains creative and innovative people.

We are investing and transforming the way we support the Agency's talent. Our Office of Human Capital and Talent Management is successfully building and rolling out new and flexible personnel practices and systems so that the Agency's workforce can better focus on the mission, rather than on outdated and burdensome personnel practices. We appreciate your support as we move forward.

Workforce Composition

USAID's workforce totals over 9,000 staff. Sixty-eight percent of our staff is overseas, where we have an official presence in 87 countries and support programs in 19 others. Approximately 4,700 Foreign Service Nationals, who are non-U.S. citizens, work in USAID Missions, account for 50 percent of the entire workforce and 71 percent of those overseas. Direct-Hire career employees (both Civil Service and Foreign Service) comprise 32 percent of our workforce, or over 3,000 staff; more than three-quarters of Foreign Service Officers (FSOs)

serve overseas. The remaining 18 percent includes staff hired under a number of primarily program-funded mechanisms, including institutional support contractors.

Recruitment and Hiring

The Agency's Operating Expense (OE)-funded career (on-board) U.S. Direct-Hire workforce is down approximately 7.4 percent since January 2017. One of our top priorities is recruiting, hiring, and onboarding permanent Foreign Service and Civil Service employees consistent with appropriations. As of Fiscal Year (FY) 2019, our OE funding level can support 1,827 FSOs and 1,352 Civil Service employees.

Foreign Service

As of the most recent staffing totals (February 2019), the Agency has 1,699 Foreign Service employees funded by OE, including 46 Civil Service employees who are serving overseas temporarily in FSO positions. In FY 2019, we plan to hire approximately 37 career-track FSOs; a new FSO entry class is scheduled for September 2019. In FY 2020, the Agency plans to hire an estimated 136 additional FSOs. Based on the average annual attrition rate for the Foreign Service, which is 3.7 percent, and the time lag for recruiting, hiring, and on-boarding FSOs with Top Secret clearance, we anticipate meeting our OE-funded level of 1,827 FSOs in FY 2021.

While we plan to prioritize positions in the areas of contracting, health, financial management, administration, and legal services, we are likely to hire FSOs in a variety of other areas as well. We have already begun the process of soliciting for new FSOs and have received hundreds of applications. While we'll draw some of the candidates from an existing hiring pipeline list, we are in the process of refreshing that list and hiring in areas that were not on it. We will also continue to provide opportunities for our career Civil Service to temporarily join the Foreign Service, and do not foresee reducing these opportunities. This long-standing practice builds cohesion within our Direct-Hire workforce while increasing our ability to respond to emerging priorities.

We appreciate Congressional support for the Foreign Service over the years. With strong Congressional support, USAID's Development Leadership Initiative (2008-2012) and subsequent efforts helped increase USAID's Foreign Service by 80 percent between 2008 and 2016. During that time, the Agency hired 820 highly qualified FSOs. This helped revitalize the USAID Foreign Service to meet the needs of the changing operating environment, reverse the decline in workforce levels since the 1990s, helped prepare for the number of FSOs nearing retirement, and allowed us to effectively manage increases in program funding.

Civil Service

As of February 2019, the Agency has 1,215 OE-funded Civil Service employees, and we anticipate hiring or initiating the hiring of 197 civil servants by the end of FY 2019. Our Agency's average attrition rate (over the past three years) for the Civil Service is 9.4 percent. USAID continues to manage our Civil Service workforce through the Hiring and Reassignment Review Board (HRRB). Established in July 2017, the HRRB monitors attrition levels, identifies gaps in the competencies of our workforce, and prioritizes essential positions to fill strategically.

This corporate view ensures we remain within our funding levels and recruit, retain, and deploy the talent we need to advance our mission.

The HRRB has evolved to meet changing needs. During the hiring freeze and the period in which all external hires required the approval of the Secretary of State (from January 2017 through March 2018), the HRRB was a necessary forum for prioritizing positions. As of June 2019, the HRRB does not need to review mission-critical occupations, which are positions with critical skill gaps as designated by the Office of Personnel Management or the Agency's leadership. Any such positions vacated since April 2019 can be filled without HRRB action. The mission-critical occupations include procurement; information-technology management; human-resources management; management and program analysis; science, technology, engineering and mathematics (STEM); and economist.

Diversity and Recruitment

As part of our hiring process, USAID's diversity initiatives have increased our outreach to, and recruitment of diverse talent through targeted programs and partnerships. Thanks to Congressional support, our hallmark program is the Donald M. Payne International Development Graduate Fellowship Program. The Payne Fellowship attracts outstanding talent to Foreign Service careers from minority groups who have historically been underrepresented in development careers. The demographic profile of Payne Fellows since 2012 follows: Hispanic 25 percent; African American 35 percent; Asian 25 percent, Native American 5 percent; and White 10 percent. In FY 2019, USAID has budgeted \$1,400,000 for the Payne Fellowship to pay for 10 Payne Fellows. The funding covers the administrative functions of the program, graduate-school tuition and fees, room and board, stipends, and domestic and overseas internships. In FY 2012, we started with three fellows, later increased to five fellows, and then doubled our numbers to 10 fellows per year.

The Pathways Internship Program and other student programs incorporate targeted diversity recruitment, salaries, and payments for Pathways Interns and other recent graduates. We engage a variety of third-party organizations to support student programs, such as with the Congressional Black Caucus Institute, Congressional Hispanic Caucus Institute, Urban Alliance, Hispanic Association of Colleges and Universities, and International Leadership Program for Asian/Pacific Islander students. In FY 2018, the overall minority representation of Pathways Internship Program was 69 percent with the largest minority demographic being Hispanic at 31 percent. We also support a partnership with the Don Bosco Cristo Rey Corporate Work Study Program, whose student body includes 53 percent Hispanic and 45 percent African American. Since 2014, 16 students have been sponsored at USAID through the Work Study Program.

The Development Diplomat in Residence Program seeks to educate, recruit, and channel talent to USAID by placing senior USAID officials at universities. Similar to the Department of State's Diplomats in Residence Program, the current two FSOs in these positions conduct regional outreach and talent sourcing, particularly targeting under-represented groups, and to raise domestic awareness of the role of development in our national security while broadening support for USAID.

Comprehensive Workforce Planning and Analytics

Establishing and maintaining a corporate workforce planning and management system is essential for USAID to sustain its leadership in development. It is also essential for enabling data-driven workforce decisions in a dynamic operating environment. The development of this system is a central plank of HR Transformation. The model, which is in development now and due to deploy this summer, includes a reporting capability that includes data visualization of the entire workforce, a forecasting capability which predicts attrition, and promotions and hiring years into the future. By 2021 we plan to add a scenario planning capability, which will allow leadership to plan for the future using realistic scenarios.

As USAID's mission has evolved, the workforce must evolve with it. As we look to the future, we will demand different skills, capabilities, and attributes of our workforce to meet the Journey to Self-Reliance and our increased partnership with other public and private organizations. As such, over the next two years, our workforce planning model will incorporate additional data sources that provide information on demographics, skills, capabilities, and workload so we can better understand our workforce needs and develop strategies to address gaps in critical skills and competencies. The Workforce Planning Model will improve our ability to plan and manage the complex workforce to meet the demands of U.S. international development and disaster assistance well into the future.

As part of workforce planning, we are assessing the strategic capabilities and needs of the current and future structure of the Agency. This process will help us plan into the future and ensure that workforce competencies align with the functions and objectives of each operating unit.

Human Resource Transformation

We are rebuilding our approach to human-resource service-delivery to provide consistent, high-quality customer service. The Agency's overall transformation is advancing and accelerating many of our efforts under Human Resource Transformation, which began in 2016. We are focusing on three core areas: human-resource operations, talent management, and workplace accountability and well-being. Some of our achievements follow:

LaunchPad

In May 2018, USAID debuted an online employee portal for HR, called LaunchPad. An innovative, collaborative, technology-driven platform, LaunchPad demonstrates how we are reimagining human capital and talent-management, and doing so in an accountable, effective, and efficient manner. In its first year, LaunchPad has received more than 541,000 visits, and USAID employees have submitted over 26,900 HR cases. During this same period, our scores on customer-satisfaction surveys have risen from 76 to 91 percent. As an Agency employee wrote, LaunchPad is "one of many, rather magnificent HR initiatives which had been called upon for many years but is now being realized." Others have commented that we are now in the 21st century. In addition to helping employees, LaunchPad makes it easier for HR specialists and managers to track personnel actions.

LaunchPad gives users 24-hour access to their personnel data in one place, including their leave balances, benefits elections, and retirement plans. Having such easy access empowers employees to make any necessary adjustments and initiate personnel actions online. LaunchPad includes an innovative self-service feature to help employees walk through common work-life events, such as getting married or having a baby. LaunchPad gives our workforce a modern HR experience that builds trust in our Agency and, importantly, consumes less staff time. LaunchPad also helps meet the expectations of employees accustomed to such easy technology applications in their daily lives.

We plan to pilot robotic process-automation over the next year, and we are on schedule to automate about 70 percent of personnel actions by 2021. Thanks to this shared initiative with the Bureau for Management's Office of the Chief Information Officer, we have made significant advances in how we use technology to support a modern workforce, and these successes will help us spend more time on higher-value, more strategic talent management.

Management of Our Employee's Performance

USAID's long-standing performance-management system for FSOs was outdated and unproductive. During a comprehensive evaluation, FSOs reiterated that performance-management processes were too time-consuming and promotion-focused. They were ineffective in improving performance and promoting professional development.

Our team and volunteers from across the Agency incorporated best practices from industrial organizational psychology, private corporations, and Federal Government agencies. Having worked closely with the American Foreign Service Association, we rolled out the new processes in April 2018. The new processes prioritize professional development, identify the most-qualified candidates for promotion, and increase accountability, all while saving numerous hours of staff time. To ensure that we are developing our people, our performance-management system now seeks to focus on quarterly conversations and quality feedback on an ongoing basis. The new promotion process makes meaningful distinctions among candidates by applying clear and uniform criteria that directly link to the skills FSOs need for success, and by expanding the numbers and types of individuals who provide input on an FSO's readiness for promotion while avoiding conflicts of interest. The new and automated ePerformance tool in LaunchPad saves time, making it easy to capture performance discussions between employees and supervisors. One important reform is to prohibit the solicitation from implementing partners on Contracting and Agreement Officers who manage their awards.

The team also tackled one of the most-vexing challenges – dealing with poor performance. FSOs at all levels recognized the need for tools, training, and policies that would support supervisors who are struggling to deal with poor performers, and hold both supervisors and employees accountable. A culture focused on learning and growing needs clear policies designed to provide poor performers a reasonable opportunity to improve. If or when that fails, we have an efficient, fair, and greatly streamlined mechanism for separating employees from service.

Foreign Service Assignments

Each year, approximately 600 FSOs bid on new assignments. In August 2018, USAID implemented a new Assignment and Bidding Platform on LaunchPad, which brought together all bidding-related information for the first time, including Post-specific information on schools, medical facilities, and allowances. This replaces what had been hundreds of hard copy pages into a searchable, online tool that is easy to sort and filter. The Agency also prioritized assignments by position, rather than by country, which enhances our commitment to strategic workforce-management. Bureaus now identify 60 priority positions that receive the highest preference for assignments, which has proven incredibly effective. Bureaus now have more input into the process. FSOs have commented on how efficient, user-friendly, and more transparent the assignment and bidding process has become. We also launched an automated Getting-to-Post questionnaire, which replaced a cumbersome paper process and reduces processing time from three months to 21 days. Last month, we launched an FSO Position-Validation tool that makes FSO positions transparent to everyone for the first time, which makes it easier to fill positions now and in the future, and helps FSOs plan their careers.

Staff Care and Organizational Resilience

Staff Care plays a critical role in advancing the Agency's overall mission and building a culture of well-being, performance, and engagement. In 2018, the Office of Personnel Management (OPM) recognized USAID's Staff Care as the most-utilized Employee Assistance Program in the Federal Government, according to the 2018 OPM Work-Life Survey Report. USAID's Staff Care surpassed Government-wide benchmarks for employee participation, satisfaction, and positive outcomes, including improved performance, improved morale, health, improved stress-management, and an increased desire to stay at the Agency. USAID scored approximately 26 percent higher than the U.S. Government average in these areas. As OPM stated, "USAID's success is attributed to Staff Care's comprehensive and integrative approach to supporting its workforce."

USAID's Staff Care promotes a range of programs that strive for a 21st century work environment where its entire workforce feels valued. Staff Care routinely receives requests from Washington, D.C.-based Operating Units and overseas Missions to improve organizational and individual resilience. Staff Care works with teams through assessments, staff retreats, and leadership consultations to achieve these goals. Mission engagements also include counseling consultations, wellness activities, and work-life support, all of which is focused on improving mental and physical health and well-being. Staff Care also manages lactation rooms across USAID, which helps the mothers on our staff achieve longer nursing periods than the national average.

Culture of Leadership and Accountability

As the world's premier international development Agency, USAID develops leaders prepared to lead anywhere, anytime. Strong leaders are critical to the success of USAID. Through a collaborative process, a community of stakeholders from across the Agency identified the leadership methods that contribute to an empowered and adaptable workforce that can thrive in increasingly complex and changing environments. As a result, in October 2018, Administrator Green launched the USAID Leadership Philosophy. The Leadership Philosophy embodies what it means to be a leader for everyone at USAID, irrespective of position, level, or hiring

mechanism, by articulating a common understanding of desired leadership practices and behaviors that all staff should demonstrate. The Leadership Philosophy enables leadership at all levels to foster a culture of respect, learning, and accountability. By articulating a common understanding of desired leadership practices and behaviors, this new approach will guide our leadership-development programs and practices to build an empowered workforce across the Agency.

Foreign Service Nationals Talent

Foreign Service Nationals (FSNs) represent the largest segment of USAID's workforce, and are critical to achieving Agency goals. FSNs navigate the local, cultural, and political realm in which USAID Missions work. In 2014, USAID established the FSN Advocacy Council to help elevate the role of FSNs, ensuring they receive recognition and resources to do their jobs most effectively. Currently, as part of the Agency's Transformation, in concert with the FSN Advocacy Council, the Agency will further advance and empower FSNs colleagues. Specifically, we seek to advance and leverage their unique skills to strengthen Agency capacity, and contribute to both their individual and their countries' development, and guide partner countries on their respective journeys to self-reliance. Ultimately, the Agency needs to champion that our valued FSN colleagues are the vanguard of our efforts to foster self-reliance in partner countries.

Remaining Challenges and Opportunities

Program-funded hiring mechanisms have provided us with hiring flexibility, essential for the Agency's operations and success. At the same time, there are limitations and costs associated with them, including the complexity of managing many mechanisms with differing authorities. Some have restrictions on what work an employee can perform (i.e., "inherently governmental" work, supervising employees, or managing funds), and some have limited benefits (e.g., health and life insurance). The differing mechanisms can lead to an imbalance in employment categories in Operating Units and management burdens. USAID has had to shift some of our talent in these Bureaus from one mechanism to another.

Adaptive Personnel Project

As we continue to hire more career Civil and Foreign Service personnel to support our development programs, USAID seeks to test a more agile, fit-for purpose, non-career, term-limited excepted-service personnel system in our humanitarian-response, complex-crisis, and global health programs.

In the President's Budget Request, USAID is requesting to use Program funds to pilot an Adaptive Personnel Project to hire rapidly, move flexibly, and retain for the duration required a talented, Program-funded workforce. Congressional authorization to use program funds for such a purpose would allow us, in consultation with Congress, to further develop this mechanism. APP could be very helpful by removing our reliance on Participating Agency Service Agreement (PASA) positions and reducing some of our requirements for U.S. Personal Service Contract positions. Since such a mechanism would help streamline and rationalize the use of hiring mechanisms, it would also contribute to comprehensive workforce-planning, talent-management, and more consistent, organized, and nimble.

APP is meant to be more than a hiring mechanism, we have designed it to help us rethink and pilot improved personnel practices that provide greater flexibility. For example, whereas the current Civil Service system relies on numerous job series, we would pilot the use of three broad talent models: Programmatic, Supervisory, and Operational. Broad talent models enable agility across sectors and traditional positions to work on priorities, and advance professional growth. While our current personnel systems provide some flexibility, we seek to streamline how that takes place so that we can focus on strategically supporting workforce needs rather than managing a complex web of personnel actions. If we had such an authority to use program funds for this purpose, we would remain committed to regularly briefing and consulting with the relevant committees.

Conclusion

Mr. Chairman, Ranking Member, and Members of the Committee, I appreciate today's opportunity to talk with you. Building on our successes, supporting our workforce, and meeting our hiring objectives are our highest priorities. We will continue to ensure that USAID – because of our by a dedicated and diverse workforce – remains the world's premier international development Agency.

I would also like to thank my colleagues in USAID's Office of Human Capital and Talent Management, some of whom are here today. I am grateful for their leadership, dedication, and hard work. They have often carried heavy day-to-day workloads, while also helping us set our path to the future. They have my enduring appreciation and respect.

Mr. BERA. Thank you, Mr. Nutt, and thank you, Mr. Leavitt.

I will now turn to my opening questions. I will then recognize the ranking member and our other members for 5 minutes for the purposes of questioning the witnesses. I will now recognize myself.

Ambassador Perez, in my opening statement—and I think when we had a chance to meet—and I do think I brought this up with Secretary Pompeo, I am really deeply concerned about the drop in morale at State Department. As I noted a few months ago, State is quickly falling to the bottom of the polls of the ratings of best Federal agencies to work at.

In my opening, I touched on the GAO report. Part of that certainly is the chronic vacancies that exist at State and the stress and pressure that puts on the existing work force that, obviously have to pick up the workload for others, and that is certainly of some concern how we address that. And it is not—as was pointed out in the GAO report, not unique just to this Administration. You have seen that in prior administrations.

The other concern is, we have seen the registration for the Foreign Service officer tests. They saw a 22-percent decline between October 2017 and October 2018. We are still getting very qualified folks taking the test, but, again, there is some concern of—this NBC News report that suggested that fewer people were actually taking the test.

I know you are in charge of implementing Secretary Pompeo's new State Department ethos, and, what I would like to ask as an initial question is, what does this new ethos mean in practice? How will it address and boost morale and make the State Department more attractive to that next generation of work force and help us recruit and retain? And, outside of just additional training, what does implementation of this ethos look like?

Ms. PEREZ. Mr. Chairman, thank you very much for that question. And, in fact, I would like to touch not only on the ethos statement but on some of the other comments that you made in your opening statement, if that is OK with you.

Mr. BERA. That would be fine.

Ms. PEREZ. OK. So the ethos statement is a short and I think very powerful statement that actually embodies the values that the Department has had for many, many years. And we have had them in a variety of places, but we have never actually had a statement, something that everybody could look to and understand this really does embody our values, our culture.

The other thing that struck the Secretary when he arrived is that we do not have a common way to share our culture. So, for example, Foreign Service officers join in cohorts. We come in classes. So you immediately have a group of anywhere between 40 and 80 people who study together, who learn together, and they understand the Department together. Civil Service, it is a 1-week orientation course, and there is no timeline for that. Political appointees, no matter what party, do not get any training.

So the idea of the ethos is, first of all, to take all of these values you already have, put them into a statement that everybody could understand and recognize. A big part of this will be training. We are rolling out a training course this year.

And the idea is to bring everybody together, whether or not you are a civil servant, a Foreign Service officer, a political appointee, a family member, you would have an opportunity to sit down together and talk about what it means to work for the best diplomatic team in the world. And we have never had that.

So that is the intent. And the idea, I think, is that when people understand that they will have a better understanding of their colleagues. Doug is a civil servant, I am Foreign Service, but we need to work together like this. That happens at our level, but it may not happen to people just joining. It may not happen to people in younger ranks. So that is really the intent of the ethos.

Let me just talk a little bit about the FEVS, and then I will go onto the GAO report. I think that the Federal Employment Viewpoint Survey is an incredible tool for managers and institutions to use, because it does actually allow us to drill down to a unit level and look at issues that employees care about. So that might be accountability. It might be how we reward people.

This year, we are up 10 percentage points over last year. Forty percent of our population completed that. So that was a huge push on our part because what we will do then is make sure that people get the results and that there is a conversation between leadership and employees about where the Department is, where our strengths are, and where we need to improve.

And then, finally, on the GAO report, that report took data from 2018, which was before Secretary Pompeo arrived. But I would acknowledge, it talks about the fact that we have had vacancies overseas for at least 10 years. Part of that is just the churn. Part of it is the fact that we rotate jobs all the time, we have people in training, so there is always a little bit of a gap for that.

We are trying to be as creative as possible to fill those vacancies. So it is not necessarily that we need more permanent Foreign Service officers or specialists, but to use our family members to the extent that we can, to use programs like the Consular Fellows Program, to use our hard-to-fill exercises, our rotational opportunities for civil servants to work overseas to try to fill those gaps.

The other thing we are going to do is just make sure that we are focused on making sure that those posts that are really under stress that we have the ability to go ahead and to respond to that.

Mr. BERA. Great. Thank you.

I am going to use a little bit of the chair's prerogative, but I will make sure you guys have a little bit of extra time just to ask a followup question, if that is OK.

One thing that, when I am thinking about the chronic vacancies, I become aware of an unclassified Presidential instruction that went out to all the embassies and missions requiring the chiefs of mission to take a look at these chronically vacant positions that have been vacant for longer than 2 years.

I have not seen the full cable, but it seems like every agency with personnel at an embassy like State, USAID, CDC, FBI, DHS has been asked to identify existing vacancies and to discuss whether or not to abolish some of these vacancies permanently with the Ambassador.

I understand the importance of taking a look at, if there are positions that chronically are not filled; any organization is certainly

within its right to take a look and say, well, does this position really need to exist?

Ambassador Perez, can I get your commitment from you to perhaps provide my staff with that cable in full so we can take a look at it as well?

Ms. PEREZ. Yes. Sir, I have to apologize; I am not sure I have seen that cable. But I will find it and we will provide it to you.

Mr. BERA. Great. Thank you. With that, I will yield back.

Mr. ZELDIN. Thank you, Mr. Chairman.

Mr. BERA. I will recognize the ranking member for 5 minutes to question the witnesses.

Mr. ZELDIN. Secretary Pompeo recently merged the Bureaus of International and Informational Programs and Public Affairs, which will save money and better align our resources for the mission of the Department. However, Congress has been informed that there is still a lot of duplication in terms of human resources and executive support functions inside the public diplomacy family at State that could be eliminated. If you could speak to whether or not State is currently looking at this issue in an effort to make it more efficient.

Mr. PITKIN. Yes, we are certainly aware of some of the feedback we received when we put forward the proposal in the December and spring timeframe. And I know that we have committed to taking a look at the overall executive support structure for those bureaus.

I think part of the thinking is we want to complete the reorganization. There is still a lot of work to actually realign the positions and the resources. It is not just within the Public Affairs Bureau. We are also moving the Office of the Historian to FSI, moving some functions to the ECA Bureau, as well as to the Under Secretary's Office.

So I think our effort is to complete the reorganization as initially notified so that all the personnel and staffing structure is in place as we start Fiscal Year 2020 and then, based on experience, look at where we can find additional opportunities for consolidation or look at the executive support function.

So I think there are also some staffing gaps there, and so I think we are mindful that the same staff who we would be looking at how to rightsize or rationalize those functions are the same ones doing all the work to go through all the details of the finance and the staffing numbers. So we have committed to look at that.

I know that the H.R. Bureau working with the public diplomacy team is looking at that as an issue, but right now I think we are trying to make sure we first complete the actions we have notified and received concurrence with and then come back with a potential proposal down the road.

Mr. ZELDIN. Yes. How is it going so far?

Mr. PITKIN. Assistant Secretary Giuda's team is making tremendous progress. I think we are prepared to—the resources we are aligning now under the new function. Again, we have set a deadline to try to have as much of this done by the end of the Fiscal Year so we can startup Fiscal Year 2020 with a revised set.

There is a tiger team with support from—extensive support from the management bureaus, certainly my bureau, the H.R. Bureau,

the Management Policy Office. This really is a team effort not just on the public diplomacy side.

So we regularly meet and engage with Assistant Secretary Giuda's team to make sure that we are providing all the support we can from the management side and then making sure that the staff working in the new bureau are getting everything they need from us.

We are pleased with the progress, but we are certainly planning to update the Hill and the committees by the end of the year, and certainly we are well aware of the interest in the executive support function.

Mr. ZELDIN. Thank you.

Ambassador Perez, walk us through a little bit of the current state of the hiring and firing process. I mean, we hear of individuals, rumors something might get leaked to the media; it is best to go right to the source. And I guess just, generally, fill us in on the process.

But specifically there was a video that came out. Are you familiar with the name Stuart Karaffa? There was a video of a State employee named Stuart Karaffa caught on a hidden camera proclaiming that he is part of the anti-Trump opposition and his job is to, quote, "resist everything" at, quote, "every level." He said in the video, quote, "I have nothing to lose." "It is impossible to fire Federal employees," he says as he talks about doing political work in his cubicle. Are you familiar with this case at all?

Ms. PEREZ. I think I may have seen the same stories published that you did but not intimately familiar with that case, sir.

Mr. ZELDIN. OK. If you could just walk us through the—let's call it a hypothetical then. Can you just walk us through the process of how State handles cases like this? How hard is it? What additional tools do you need?

Ms. PEREZ. So I think you are talking very broadly about how we deal with performance and conduct issues.

Mr. ZELDIN. Please.

Ms. PEREZ. And we do have a—we have an office within H.R. that is called Conduct, Suitability, and Discipline. And, in fact, you will note in our budget request that we for 2020, I think, right, the one for last year—this year, we have asked for a doubling of the number of analysts that we have for that office.

We did benchmark the Federal agencies, and generally, there is one conduct suitability analyst for every 500 employees in an agency. We have one for every 2,000. So that is the reason for the doubling. It is still going to put us at 50 percent of the staffing that we should have, but I think it is important for us to start to move in this direction.

So we do follow all the principles that employees have. we do have two different personnel systems under title 5 and under title 22, and we do file those streams to make sure that the Agency has an opportunity to do the appropriate—whatever they may need to do in terms of conduct issues and also that there are the protections that each employee has as well because they are obviously both very important.

And we do work closely with the Office of Civil Rights, the Office of the Inspector General and Diplomatic Security. They are actu-

ally the people that send us most of our cases, and so they are the ones that would do the investigations, provide us with information.

It then comes to this division in my bureau that is responsible for sitting down, doing case review, and then making recommendations about appropriate discipline. This may be something better that if we were to send you some information to outline this because it is a little bit different for the two groups of employees.

Mr. ZELDIN. OK. For sake of time, I am going to yield back, but I believe there is going to be a second round so I might just pick up where we are leaving off.

I yield back.

Mr. BERA. Thank you to the ranking member.

The gentleman from California, Mr. Lieu, is recognized to question the witnesses for 5 minutes.

Mr. LIEU. Thank you, Mr. Chair.

Ambassador Perez, thank you for your long history of public service. I would like to ask you questions about the lack of diversity in the State Department. My questions are not intended to assign blame. This has been happening, as across administrations, both Democratic and Republican, although it has been somewhat worse with this Administration. I am just trying to understand what the issues are and how we might be able to mitigate them.

So, based on percentages from your own Department, it does show that there is a lack of minorities in the Foreign Service. And, for example, the senior levels, we know there was a decline for African Americans in the senior Foreign Service from 4.6 percent in September 2016 to 3 percent in March 2019.

So my first two questions are: Why do you think the percentage is so low for minorities in the State Department? And what is the State Department doing, if anything, to try to make that better?

Ms. PEREZ. Thank you for that question, Mr. Congressman. I think there is a couple of things that have happened. First of all, the Federal agencies were not really focused very much on diversity 15, 20 years ago or 25 years ago. And so what you see at the senior ranks is a reflection of those hiring practices that we had back then.

When I, as a Foreign Service officer, that people look at me—I am, a female officer so, obviously, not an ethnic minority, but I consider myself a minority still. We have a lack of women in the senior service because 25 years ago there was not an emphasis placed on trying to attract women into the Foreign Service. So that is part of the issue at the senior ranks.

And what happens is, because the numbers are small in the senior ranks, if somebody retires, if somebody leaves, our percentages obviously drop significantly and so you do see some of that. We have done a much better job over the—in the last, 10 years or so. We continue to try our hardest.

We have a network of 26 recruiters. We have 16 all over the United States, and they are there to recruit for diversity. We want diversity in the broadest sense, so it could be race and gender, ethnicity. It could be diversity in terms of geography. not necessarily everybody goes to the East Coast schools or, grows up on the East or West Coast. I am from the Midwest, went to a small college, and

I have managed to succeed because I have been given this opportunity, these wonderful opportunities by the government.

So we are trying our hardest. That is our frontline of defense is to—or offense, I should say, to go out and make sure that we are in touch with those populations. Our fellowship programs are extremely popular. In fact the two flagship are the Rangel and Pickering fellowships.

Last year to this year, our number of applicants was over 1,600 for 60 positions. In the case of the Pickering, it was 170 percent increase over last year; and in the case of the Rangel, it was a 50-percent increase, over 50 percent increase.

So our fellowship opportunities still are an incredible source for us. They have increased the rate of diversity hires since they started by 29 percent, which is very significant. We are looking at other ways we might have more fellowship programs.

We also want to do this for our specialists because the honest truth is we get—we still have a very robust register of Americans who would like to be a Foreign Service officer. It is a little bit tougher on the specialist side. So we are looking at things like how to do IT fellowships, which would mirror those, but, again, looking to make sure that we increase diversity inside the Department.

So part of it is recruitment, and the other part is retention. And for retention, we are doing a couple of things. We have started an unconscious bias course, which we are suggesting that hiring managers especially take, people that are sitting on our promotion panels so that they understand what unconscious bias is and how it affects people.

We will have an online course available by the end of the year, at which point we will roll it out to our work force worldwide. And we also have a study from—funded by the Cox Foundation—that is going to look at barriers to the senior ranks for various groups of people who are not there now, women—certain cones—minorities. So that was just funded by the Cox Foundation. We hope to have some answers by the end of December.

So I want to look at both the entry, obviously, but then the barriers. I think there are barriers that start before entry. We need to understand that better. And then to make sure once people are in, do they feel included, because it is not just diversity; it is inclusion. Somebody said to me, diversity is when you get invited to the party and inclusion is when you get invited to dance. And we want to make sure everybody is dancing.

Mr. LIEU. Well, thank you. So let us know how we can be helpful.

Mr. LEAVITT. Congressman, can I add to that question for USAID?

Mr. LIEU. Sure.

Mr. LEAVITT. The USAID has also been quite aggressive with regards to our diversity initiatives. Our hallmark program is the Payne Fellowship Program, which helps bring in incredible talent into the Foreign Service, particularly from groups not historically represented in international development. We have also been working with our Pathways Internship Program to make sure that we have significant minority representation.

In addition to the diversity outreach programs and the engagements that we have with the universities around the country, we

are also looking very deeply into the way that we manage our own processes, promotions, assignments for Foreign Service officers to make sure that we train everyone involved in implicit bias as well, and as well as looking very deeply at our demographics and who is at what level in our career services, Civil Service and Foreign Service, really testing ourselves to make sure that we are adequately represented at all levels. And we will gladly followup with you on the results of our analyses.

Mr. LIEU. Thank you. We would appreciate the information.

Mr. BERA. The gentleman from Pennsylvania, Mr. Perry, is recognized to question the witness for 5 minutes.

Mr. PERRY. Thanks, Mr. Chairman.

And thanks for the panel for being here. I think my questions will probably go to Mr. Pitkin and Mr. Nutt initially. What I am looking at is the White House balances of budget authority document, total unexpended balances by agency. At the end of 2017, the unobligated number is 24,686. At the end of 2018, it is 27,022, and this is in millions, so—and then I guess it is projected at the end of 2019 to be 23,915. And I am wondering what happens to that and how you account for those funds at the end of each year. Well, let's start there.

Mr. PITKIN. I think that is two parts. One is I think we recognize that the Department and AID both, since we operate global programs on a global platform, our appropriations have generally given us various forms of multiyear authority particularly for some of our larger, more complex programs.

A good example of that is our Office of Overseas Building Operations, which maintains our overseas construction and maintenance program as no-year fiscal authority. And in order to make sure that we are fully funding projects upfront, when we start a new project, we fully budget for that project and ensure that we have the funding to obligate.

So, for example, on the line item for the ESCM, Embassy Security Construction Maintenance account, that unobligated balance runs between \$6 billion and \$8 billion a year, reflecting on projects that have been approved, notified to Congress for which essentially we have put the money—committed toward a particular project but we do not obligate until we actually incur contract obligation that would meet the standard test for a fiscal commitment of resources.

So actually a good chunk of the Department's unobligated balances are for those programs. Similarly, for example, Consular Affairs is a fee-based bureau, and they collect, as I noted earlier, about \$3.8 billion annually. They only can spend money as it comes in.

So, typically, we are rolling over about \$2 billion at least from the end of one year to the next because we have to have the money in hand before we can expend it on personnel contracts and payroll. And so that is different perhaps than appropriation which we essentially typically have running on an annual cycle.

Similarly, Diplomatic Security under Worldwide Security Protection under the Diplomatic Programs account, that is the no-year appropriation, and one of the major areas that DS spends its money on is guard services contracts to provide for the guard forces overseas.

And there again, often we have periods of performance of up to 18 months, and so often DS is managing multiple contracting vehicles at one point in time. In some cases, particularly because it is no-year money, they are not as prone to having to move money through the procurement pipeline in the last few days of the year.

So, for the Department at least, it really is those major categories of no-year accounts, no-year appropriations where, based upon the authorization of appropriation, the funds are available until expended. We still manage it year by year, but it does relieve—it does result in some of those end-of-year balances that you noted.

The percentages are lower on the accounts with single-year appropriations so our core operating account Diplomatic Programs has a much more limited authority, so I think there are certainly lower balances there and so, again, it just depends on the account. Education and Cultural Exchanges account, our cultural programs, many of those projects are awarded at the end or beginning of the year, so, again, we have unobligated balances there as well.

So we do track it at the end of the year. We submit quarterly reports to the committees to track account by account and show those balances. I meet with my team every month to go over it for our appropriations. If we sense it is going out of balance and the levels are spiking up above current rates, we certainly work with the relevant bureaus as well as our financial staff to see if there is something amiss in the underlying spend rate. So the percentages you cited are, I would say, within our historical norms, but it also is a reflection of our operating environment.

I would also just say, again, many cases, we are receiving our appropriations in May and fairly late in the fiscal year. We appreciate that is just part of the dynamic we operate under. But to a certain extent, that multiyear authority gives us a little more flexibility to execute resources once they have been appropriated by Congress.

Mr. PERRY. And everything you said makes sense to me, although I do question, I mean, you said that the building, for instance, fund, for lack of a better phrase or term, is \$2 billion.

Mr. PITKIN. Annually, yes.

Mr. PERRY. Annually. But we are talking, I am looking at \$24 billion, \$27 billion, \$23 billion, so there is, you know—let's just be generous and say, there is \$20 billion extra so to speak. I mean, does that—all that other stuff seems like not enough to count for \$20 billion, and do you reconcile that down to zero every single year?

Mr. PITKIN. Absolutely, we reconcile that. So we track it down for each appropriation. We work on looking at if we have unliquidated obligations, essentially balances that have not been spent. And there is a process that we go through each year. In fact, we are in the midst of it now as we go into the fourth quarter to reconcile and find out where those balances can be corrected. It is certainly something that our auditors and the Office of Inspector General focus on very closely, and so it is part of our responsibility to focus on those balances.

Again, I think it goes program by program for both the operational activities I mentioned earlier as well as some of our foreign assistance programs, whether it is FMF. We have a number of

multiyear authorities as well. We are often—of course, we are working very closely with both our partners overseas as well as with the Congress to ensure that those programs are spent for the purposes that Congress intends. So I am confident that we can account for all that. The dynamics for each of the programs will vary depending upon what the actual spending is.

Mr. PERRY. Is there ever an opportunity where they are unobligated and something changes where they would not be obligated for the intent that Congress had and they would not be used?

Mr. PITKIN. If there is a particular case, whether or not you have used occasionally, either the Administration or Congress has enacted rescissions of balances or transfers of balances. So there was a rescission, for example, of about \$300 million of the Worldwide Security Protection Funds. That is for Diplomatic Security. That was funding provided in the Fiscal Year 2017 D-ISIS supplemental.

And based upon conditions on the ground and the spend rate, there was a recognition by both Congress and OMB that some of those balances could be rescinded essentially as an offset to the appropriation for this year.

And certainly, in my tenure, going back to the post-Benghazi period, we identified \$1 billion of balances that could be realigned from our operations particularly in Iraq to help make investments in security operations in the rest of the world.

So, when we have had an opportunity to reprogram or rescind balances to either create an offset or return funds back to the Treasury or to create an offset for another priority of shared interest with the Administration and Congress, we do that as well.

Mr. PERRY. Thank you, Mr. Chairman. My time is expired.

Mr. BERA. Thank you. Since we are small group and we have got a little bit of time and I appreciate your coming down to the Hill, we are going to do a second round of questions, and I will recognize myself for 5 minutes.

And let me direct questions to Mr. Nutt and Mr. Leavitt. I appreciate USAID operates in a pretty complex and demanding environment, and you really do respond to every humanitarian and development requirements in an increasingly complicated world. So I really do applaud the outstanding work that your work force does.

But I also know that USAID's personnel system is equally complex, and USAID has a multitude of hiring mechanisms. As a result, some of our best people serving in hardship posts do not often qualify for life or health insurance or sometimes have to quit and reapply for their jobs every few years. What are some things that Congress could do to simplify these authorities and mechanisms?

Mr. LEAVITT. Thank you very much for your question, Chairman Bera. It is an honor each day to work with our colleagues and to support what they do around the world.

On our side, we have a complex work force. We have employees who work under multiple mechanisms with multiple authorities, and it is not unusual for one supervisor to manage people on four or so different mechanisms. It is an inefficient process.

On our side, we do request your support for adaptive personnel project. Our adaptive personnel project seeks to pilot 300 positions for our health workers, for our humanitarian workers, and for those that work in crisis situations.

Specifically, what we are looking for is a transfer authority so that we can make this pilot effort a reality. What this will allow us to do is to rely less on some of our other employment mechanisms in order to best support our work force, particularly those that are working in very difficult environments.

In addition to that, overall we do request the transfer authority also for our IT work force working capital fund, and we also request the authority to establish a working capital fund for acquisition and assistance. These three requests for the capital working funds, assistance, and acquisition as well as for IT, as well as for the adaptive personnel project is critical for us being adaptive and agile in responding to the needs worldwide.

Mr. BERA. Well, thank you for that.

And, Mr. Leavitt, I would ask you or your staff to certainly meet with my staff, and we can try to see what we can do to empower USAID and the folks that work for you in a more efficient way.

Ambassador Perez, I am glad you touched on something that is in the NDAA bill that we will be voting on, I imagine, tomorrow. Paid family leave for Federal employees.

And certainly when you and I met and we talked a little bit about how we retain kind of those mid-career employees, the 35- to 40-year-olds, who are our next generation of senior diplomats, and the demands of repeated postings overseas, et cetera, for someone who may want to start a family.

We ask the private sector to provide paid family leave, yet we do not do it for our personnel.

And you touched on it. Can you, talk about what something like that would mean for those mid-career folks and the morale, as well as our ability to retain this talent?

Ms. PEREZ. Yes. Thank you very much, Mr. Chairman.

As you and I discussed when we met before, one of the things that I did when I came on board 5 months ago was to step up engagement. And we have this innovation portal, and we ask people to send us their ideas. We received over 400 now. We launched it May 15th. The vast majority, when we looked at workplace issues—and this is all the retention, this is all about making the State Department the best workplace possible—were about things like paid parental leave.

These are generally coming from—as you said, these are relatively new employees. They do not have enough time in Federal service to have sick leave, to have annual leave. We obviously allow people to advance—get advanced leave up to a year at a time, all according to the rules and regulations, but it is just not enough.

We have a leave bank, as many other agencies do in town, but you have to be out of leave before you can actually get leave paid.

So 12 weeks would be ideal in order to have families be together. I raised three children in the Foreign Service, and it is tough. And we are away from families. We are away from our support systems. When you move every 1 to 2 to 3 years, you have to make new friends; you have to have a new medical system. So this would be something that I think our work force would really greatly appreciate.

Mr. BERA. Well, again, the NDAA that we will be voting on does have paid family leave for Federal employees. So look forward to continuing to work with you on that.

With that, I will recognize the ranking member for 5 minutes to question the witnesses.

Mr. ZELDIN. Thank you, Mr. Chair.

And, Ambassador Perez, so picking up where we had left off, with regards to Stuart Karaffa, if that is something that we can followup with after this hearing, we would just like to know more details as far as what happened in that case. Did he get administrative leave? How long did it take to fire him? Is that a—

Ms. PEREZ. I actually have some information, because I have this crackerjack staff, and they must be watching this hearing, so they did send me something. And my apologies, that must have happened just about the time I arrived. I do not remember the exact date, and so I was not, personally involved.

Mr. ZELDIN. Great.

Ms. PEREZ. So this individual had his security clearance suspended immediately after we became aware of the incident, and after that, he resigned.

Had he not, Diplomatic Security would have continued the investigation, and he would have been suspended without his clearance while that investigation was concluded.

After that investigation was concluded, then it would have been up to my office to determine what the appropriate discipline would have been, and it could have been anywhere from a reprimand to suspension to removal. But because his security clearance was suspended immediately, he opted to resign, and that was the end of that investigation.

Mr. ZELDIN. OK. Thank you.

Are you familiar with a person named Yleem Poblete?

Ms. PEREZ. I met her once. She was an assistant secretary for one of the bureaus in the building.

Mr. ZELDIN. And she is no longer at the State Department?

Ms. PEREZ. Yes.

Mr. ZELDIN. Do you know anything about why she is not there anymore?

Ms. PEREZ. Sir, I do not. I am responsible for career Foreign Service but not political appointments. That is handled by the Office of White House Liaison.

Mr. ZELDIN. Mari Stull, are you familiar with her case?

Ms. PEREZ. I am aware of name. But she was not—again, another noncareer employee. And the division that I am responsible for is career, but not for the noncareer. So the Office of White House Liaison would be—would have knowledge.

Mr. ZELDIN. Got it. So Stuart's case would be one that would be under your jurisdiction; the other two would be outside of your jurisdiction?

Ms. PEREZ. Correct. Because he was a career employee of the Department, and we already have 75,000 of those, when you consider—when you include our local staff. And then the noncareer appointments are handled separately from my office.

Mr. ZELDIN. OK. Thank you.

And one quick followup on the Stuart Karaffa case. As you went through the hypothetical of what would have happened had he not resigned, would you expect him to have been removed at the end of that process, or do you think he would have stayed at the end of that process?

What—is that recurrent where you have—let’s say you have a—let’s say you have a Democratic President and a very conservative State Department staffer, or you have a Republican President and a very liberal staffer, and they are quite rebellious, speaking out on and implementing their own vision and mission. What is the message, through the ranks when that happens? Is that something that results in a termination, or is that something that results in less than termination?

Ms. PEREZ. So I have been in the Foreign Service for well over 31 years, and the message to everyone is, we are here to support the American people. And I have worked for both Republican and Democratic administrations, and I have had senior level positions in both. And, this is what we do because we support the interests of the American people.

It is not to say that there are not individual employees that do things like this individual did. And, this is—it is a problem. I think it is a bigger problem now when we have social media that is just 24/7. That did not exist when I came in obviously. Colin Powell brought us internet to the desktop that my newer colleagues cannot imagine.

But I think, for the rest of us—this is why I think a statement like the ethos is important. And the ethos does recognize, as I said, those values that are critical for us. If we are, again, going to be the best diplomatic team in the world, that is what we need. And it talks about defending the Constitution, and it talks about serving proudly, and it talks about unfailing professionalism. Those are all things that I grew up with. And that is what I try to tell my team when I travel, and I have had the opportunity to travel quite a bit.

This is the most rewarding job in the world. But we have to work together; we have to pull together. And at the end of the day, it is not about us; it is about the American people.

Mr. ZELDIN. And that is why it was really important in my opening remarks. This happens, in every agency in government, out of government.

What should not be lost in our back and forth that we are going to have today is that your ranks are filled with amazing Americans which really make up nearly 100 percent—maybe it is not 100 percent, but, it is nearly that. You do have great men and women. That shouldn’t be lost.

Do you happen to know if—how long it was before Mr. Karaffa resigned?

Ms. PEREZ. She did not give me that detail, but we will get that back for you.

Mr. ZELDIN. OK. And do you know if he was suspended with pay?

Ms. PEREZ. He resigned. So he was—I do not—

Mr. ZELDIN. You did not get to that point?

Ms. PEREZ. I am sorry. We will get you the timeline—she just says here that his security clearance was suspended immediately,

and then he resigned. I do not know if that happened in a day or 2 days or 3 days. But we will get that for you.

Mr. ZELDIN. I am glad we had a second round. And as you pointed out, you have a crackerjack staff, but you are saying that in the most positive way because I do appreciate the more detailed answers that you are able to give with regards to his case.

And thank you again for—to the chairman for holding today's hearing. I yield back.

Mr. BERA. Great. Let me recognize the gentlelady from Minnesota, Ms. Omar, is recognized to question the witnesses for 5 minutes.

Ms. OMAR. Thank you, Chairman.

And thank you all—to the ranking member and thank you all for being here.

I wanted to chat a little bit with you, Mr. Nutt. One of USAID's publicly Stated missions is the promotion of greater economic opportunities for women throughout the world. But in reality, the work that this Administration has done and some of the policies that it is pushing for have been detrimental to women's prosperity and empowerment in a whole host of ways.

There is a wealth of academic research showing us that gains in women's education and employment can be attributed to increasing access to contraception. That access has given millions of women control over their future and better enable them to participate in work force and contribute both to local and global economies.

And so I am wondering if you can tell us how the policy priority that we have in our mission makes sense in regard to the proposed cuts to family planning that your Department is putting forth.

Mr. NUTT. I have not been briefed on that particular matter at this point. I know the Administration—the Administrator has been pushing an initiative to push out the implementation and the programs of USAID down to the more local level and to the betterment of people in country. But I cannot speak to your—your immediate question, but I can take that question for the record.

Ms. OMAR. Wonderful. Mr. Leavitt, do you have—

Mr. LEAVITT. As my colleague has answered, we will gladly followup with many details for that, details that will demonstrate the breadth and extent of our basic education programs and higher education programs around the world and how in many cases they prioritize access to education to girls, to young women, how we advance entrepreneurial types of programs, economic livelihood type programs, in support of girls and women. So we have a wealth of programs that help advance—

Ms. OMAR. No, that is well and dandy. My question was investment in family planning and the opportunities to have access to contraception and how we know that there is so much research that backs that that gives families the ability to have advancement when the girls and the women in the family have an ability to earn an education and enter the work force.

Mr. LEAVITT. And we look forward to following up with you with a detailed followup.

Ms. OMAR. Wonderful.

Ambassador, I wanted to followup with Mr. Lieu's questions earlier in diversity in hiring, promotion, and retention.

You had mentioned earlier that you wanted to take a broad definition of diversity, and I wanted to see who is included within that definition.

Are we including people with disabilities. OK? Is that a yes?

Ms. PEREZ. I am sorry, Congresswoman, yes. That is a yes.

Ms. OMAR. Does that include the LGBT community?

Ms. PEREZ. Yes, it does.

Ms. OMAR. Does it include religious minorities?

Ms. PEREZ. Religious minorities are protected under the civil rights code, so yes.

Ms. OMAR. And are we currently collecting that data for these categories?

Ms. PEREZ. So the data collection is done on a volunteer basis, which has always been one of the struggles. People have to self-identify. And we do not, I believe, collect on all of this—I will have to get back to you, Congresswoman, because I am not sure about some—

Ms. OMAR. Do you think it is helpful for us to collect this data? Does that inform us in some sort of way to make sure that we are able to diversify and promote and retain people?

Ms. PEREZ. I think sometimes it would. For example, I chair the committee that looks at assignments to principal officer position and deputy chief of mission positions. And one of the things we look at is diversity: Are we making sure that we have the most diverse slate of candidates for every position?

Now, 12 people sit on the committee. These are senior level jobs. We tend to know a lot of people. We are not that big. So sometimes we know somebody is diverse. But then it may not show up on their profile because they have opted not to do that.

So we have left it up to the individual. I think sometimes that those could hurt the statistics, of course. And sometimes it is just someone at the table who says: Listen, I know that this candidate is a diverse candidate.

But we do not yet—we do not have something in place. Yes, I am sort of on the fence. I do not want to necessarily push somebody. But, yes, does it hurt people sometimes? And obviously, we do not have a really accurate record.

Ms. OMAR. I appreciate that. And I hope that we are able to look at it. Because the reason I ask is that I anecdotally hear Muslims leaving this department because of this Administration's perceived hostility toward the Muslim community. Or the LGBTQ community leaving because of that perceived hostility. And so I want to make sure that we have the relevant data in regard to retention and see if there are ways that we can make sure that we are dealing with that as we go forth.

Ms. PEREZ. And those that you mentioned are some of the most difficult because it is not so obvious. And so I think that is also an issue.

What I would say more generally is that our attrition rates are not very high.

Ms. OMAR. Yes.

Ms. PEREZ. And they are trending on historical levels. So, for entry level—I am talking about Foreign Service now, not Civil Service—it is 2 percent. At the mid-level it is about 4 percent.

Where you see the spike is where when you get to the senior levels, but you have people that age out. We have a system—it is an up-and-out system, so they have time-in-class limitations, time-in-service limitations.

We have not seen much of a difference. I know I have looked at the gender issues, but, we do keep an eye on that to make sure if there is anything that goes wrong—again, trying to understand what the barriers are and making the work force aware of inclusion. As I said, once you are in the door, then I think the inclusion is so important, so to making sure that people are aware of what they do and their actions and how that affects inclusion.

Ms. OMAR. I appreciate that, and I hope we will have a followup conversation on this, because I think it is important for us to have clear protections put in place for religious minorities and other vulnerable communities so that they are able to fully participate in every single department within this Administration.

And I hope that we are able to have the opportunity for us to get the answers that—to the questions I had asked in regard to family planning and how that feeds into the broader mission of your department.

Thank you. I yield back.

Mr. BERA. Great. Thank you.

The gentleman from Pennsylvania, Mr. Perry, is recognized to question the witness for 5 minutes.

Mr. PERRY. Thank you, again, Mr. Chairman.

Ambassador, just following up on the gentlelady from Minnesota's questioning, do you conduct exit interviews with the folks that depart the Department?

Ms. PEREZ. Congressman, we do. But we do not do it for everyone. So we do not have a requirement right now. We are moving to an online system so that it will be an easy thing for everyone to do the exit surveys when they depart.

I used to look at those for every Foreign Service Officer that resigned. Not retired, but resigned. We send them a letter and thank them for their service. We had the exit surveys attached to that. Some people filled them out; some people did not. So we did not collect good data.

Mr. PERRY. So it was completely voluntary?

Ms. PEREZ. Voluntary, right. The other thing, though, that I think is important—and we are going to pilot this early next year—I think we should do stay surveys. So not only why people leave—because then it is too late—we need to figure out why are people staying, what is it that is important about what our organization offers that encourages them to stay.

Mr. PERRY. I am sure that is great. I am just concerned, because there is a supposition that goes with it that folks are leaving for a certain reason. And can you quantify, if that is true, if they feel that because this Administration is something or something else, that that is why they left? I mean, is that something that can be quantified right here, right now?

Ms. PEREZ. Not right now because of the voluntary nature of it and because it is more of a pen-and-pencil exercise. We are looking to make this—as I said, it would be an online system.

Mr. PERRY. Right.

Ms. PEREZ. So that we can—

Mr. PERRY. There is no empirical evidence at this time to validate that claim. I mean, there might be anecdotal incidents, but there is no empirical evidence right now to support that claim?

Ms. PEREZ. Well, just because we do not have a— a system that is required, we do not have that. The other thing is that civil servants—Foreign Service and Civil Service systems are completely different.

So, in the Foreign Service, we have a better handle on who is there and who is not. Because generally people resign and they may be overseas, we have to bring them back to Washington. So we probably have better information, better data for Foreign Service officers. I am not sure that we are doing quite the same on the Civil Service side because it is one action at a time, one person hired, one person departs.

And my office, by the way, does not handle all of those transactions. It is distributed among many, many different bureaus in the Department. So it is not just a question of what data I have, which would be for Foreign Service, but what the rest of the data shows, which is the entire Department.

So we have a ways to go in an effort to collect the data.

Mr. PERRY. At this point in time, there is no system overall that would capture that kind of information?

Ms. PEREZ. Not to be 100 percent accurate for the entire work force.

Mr. PERRY. All right. Another question I have is, part of the problem with chronic vacancies, such as Bangladesh, is that Foreign Service officers choose not to go there. And State already has the authority to direct individuals to a post. Do you use that authority? Have you used it, and is there a case where you are not using it that we should know about or why you would not use it if there is a vacancy, but someone that should be or could be directed to the post?

Ms. PEREZ. I have actually used the authority in my 5 months. It is not used very frequently, but I do. It is partially because we are now in the point of the cycle—most of our vacancies occur in the summer. And so people will start to bid on positions for next year in the fall. The average cycle for that assignment is about 6 months.

Generally, most of the work force has a job by April. When they do not and it comes time for them to depart their current assignment, I start sending them letters, encouraging them to find a job. And if they will not, then to say that I would direct them.

And when people are not able to find jobs, for whatever reason, because they choose not to bid whatever, then we do direct.

We are going a different route. We have changed something. We have something called the special incentive program. And what that is—we have always offered incentives for our AIP posts, Afghanistan, Iraq and Pakistan. We have generous compensation plans for employees that want to go there.

So we are expanding that now. This year, because it is something new, we are going to start with other unaccompanied posts. This will include Cuba, Somalia, Central African Republic because,

again, we want to get our employees into these tough places. But we understand there are risks. They are not with their families.

Mr. PERRY. I understand as well. And I do not want to cut you off, but I have limited time.

But I see your mission similar to my mission over the course of my life in the military. And there are jobs and posts and positions that I desired, right? And I let my command know those things, and I worked toward those things.

And when the command said, "Well, that is great, but you are going here and you are going to do this," I would say, "Sir, ma'am, I would like to blah, blah, blah." And they would say, "Yes, that is great; you are going where I said."

And I said, "Roger, sir, roger, ma'am," and I moved out, and I got after my business and did the best job I can. And if you are going to work for the U.S. Government and serve—and serve—just like I tell young aspiring applicants to one of the academies, understand you are here for service. You might think you are going to be an F-18 pilot in the Navy; maybe the Army thinks you are going to be a chemical officer. You want to serve or not? And that is the question.

And so we hope that posts are not going unfulfilled because individuals have a particular personal desire. We get it, but it is the needs of the country, it is the needs of the Nation, that they are agreeing to serve. And if they cannot follow through with that, then they ought to consider maybe a different line of work.

And with the chair's indulgence, one more question for Mr. Pitkin. And not that you were present when it happened—maybe you were; I do not know. But I think the American people and certainly I wonder, we are not going to litigate the timing or the coincidence of the payment to Iran. But I do wonder where the \$1.7 billion came from. Did it come out of the unobligated funds, or did it come from—where did that come from? Do you know?

Mr. PITKIN. With the general parameters, I think we would have to go back and check. My understanding is that it actually did not come from Department of State resources; it came from other assets. But we can take that back and confirm.

Mr. PERRY. Yes, if you could. I would like to get a confirmation of exactly where it came from and what time and who was involved, if you can provide that information.

With that, Mr. Chair, I yield.

Mr. BERA. Thank you.

Unless—we each had two rounds of questions. If you have additional questions—I really do appreciate your taking the time to come up here.

If I can perhaps just expand on something that Mr. Perry talked about. And I think it is to the benefit of the members of the committee as well. When we think about State Department employees, we have to think about them in two different distinct buckets, right, the Foreign Service officers versus the civilian employees.

And maybe, Ambassador Perez, if you could expand on that—the differences there and, how we ought to be thinking about that, if we can just take a quick second.

Ms. PEREZ. Thank you very much. We do have two completely different systems. The Foreign Service, we have much more flexi-

bility, because we are under—we have the Foreign Service Act of 1980, so we are under title 22. And that allows us to go ahead and be much more agile.

The Civil Service is obviously not as agile. And sometimes that works against us, just because we are a foreign national security agency, so sometimes it is really tough when those—when policies are promulgated that are for the entire government, and we are a little bit different.

But we are trying to look our hardest right now—again, after 5 months, this is one of my three priority areas, is Civil Service reform, what do we need to do.

We want to make sure that we keep people in the Civil Service because that is another issue. We do not want people to leave. One of the things we are focused on right now is could we somehow have tracks to promotion for technical specialists. So now you are very limited; you have to go into a supervisory position. A lot of people do not want to do that; they are not very good at it. So we need to take a look at that.

But I am just about to start that. We focused on other kinds of things first, which included, the work force support, those kinds of things. And now this is the next call to the work force with their ideas.

And we are crowdsourcing—crowdsourcing this. We want to hear from the work force to get their best ideas on this.

Mr. BERA. Great.

And, Mr. Leavitt, does USAID have those same buckets as well?

Mr. LEAVITT. We also seek to revitalize our Civil Service and Foreign Service. And in terms of hiring, we seek to hire approximately 175 Foreign Service officers by the end of next year. And this year, in terms of the Civil Service, we also hope to hire or initiate the hiring process for approximately 200 of those.

But in addition to the Civil Service and the Foreign Service, we are very much dependent upon how we implement programs and the funds that we receive for that purpose. And the multiple mechanisms that we have, our vision is to streamline and rationalize them. And that is the recommendation for the Adaptive Personnel Project.

Mr. BERA. Great. And I am using the chair's prerogative. Again, following up on Ms. Omar's question, when the First Daughter, Ms. Trump, talked about her desire to do women's empowerment in Africa and her special program which she is working on, I did also make the point that they will not get the results in terms of empowering women if they do not address the issue of pregnancy spacing, which really is—the academic literature is pretty strong on making contraception and various contraception methods very available, if you want to get the full effect of empowering women and girls.

So Mr. Zeldin has another question.

Mr. ZELDIN. Mr. Pitkin, just following up on the end of that back and forth with Mr. Perry.

Do foreign military sales payments get made without going through you at all?

Mr. PITKIN. Yes. That is a program, of course, that we manage in cooperation with the Department of Defense. And so they sort

of show up in the Department's books, but because it is pretty much a shared program with DOD, in terms of how those sales are recorded between the State and Defense books, that is something we would probably have to followup on to reflect that.

I think State generally is managing the programmatic and the assistance side of it. Much of the actual execution of the sales, I think, is sort of a shared DOD mission. So I think it is probably better that we followup to give you a sense of how that accounting works.

Mr. ZELDIN. So you have been in your current position for a long time, right?

Mr. PITKIN. I have been with the bureau about ten years, and I have been the director for about four.

Mr. ZELDIN. OK. Have you had any foreign military sales payments go out during that time that did not come through your office at all?

Mr. PITKIN. I would say they generally do not come through my office, because they do not flow through the Diplomatic Engagement part of our budget. Again, it is a shared program with DOD, so it is not something that my office actively tracks as a program.

Mr. ZELDIN. So there have been other times as well where foreign military sales payments were made that did not come through your office?

Mr. PITKIN. Again, because they do not come through my office in that sense, it is not so much a before or after. It is just the foreign military sales and FMF programs are really executed as an assistance program. So I would have to partially defer to my colleagues in the Office of Foreign Assistance Resources and also the Bureau of Political/Military Affairs, which really does work more closely with DOD on those programs. And I think they could give you a better sense of the actual accounting and how much of that shows up on the DOD side of the ledger versus the State side of the ledger.

Mr. ZELDIN. Who is the best person for me to talk to at the State Department to get an answer on that?

Mr. PITKIN. I think it would be probably a followup, but I would say it is a combination of Political/Military Affairs and the offices of the Foreign Assistance Resources.

Mr. ZELDIN. Thank you.

Mr. BERA. Thank you.

I will recognize the gentlelady from Minnesota.

Ms. OMAR. Two quick followups.

The incentive program that you talked about earlier, is that a new initiative?

Ms. PEREZ. Congresswoman, what is new about it is that we have expanded it outside of the Afghanistan-Iraq-Pakistan, the war zones, to make sure that we have incentives in other places that are really tough for families to be in right now. So—

Ms. OMAR. But the incentive has—

Ms. PEREZ. We call them special recognition packages. We have had them in a variety of posts. What we are trying to do is have a more standard type of incentive package available.

Ms. OMAR. Yes. Would you say it has been in effect like a decade, two decades? How long has this—

Ms. PEREZ. Oh, in places like Somalia?

Ms. OMAR. No, no, not like Somalia. For the places you currently have.

Ms. PEREZ. Absolutely. We have probably had this—I am trying to think—I would guess since 2005, 2006, more or less. Doug may know. So more than 10 years.

Ms. OMAR. And many places that people would not go to often go to because of these incentive programs, yes?

Ms. PEREZ. Yes, it gives them—yes, it does.

Ms. OMAR. The places that—yes.

Ms. PEREZ. Well, because they are leaving their families behind, to help support the families, those kinds of things. So that money is there to help support families when they are separated.

Ms. OMAR. Right. And for the kind of vacancies that exist now, have those vacancies existed for a year, 2, 3, 5? What is the longest vacancy that you know of right now that needs to be filled?

Ms. PEREZ. I cannot answer that, because we have 25,000 positions worldwide, and I do not know what that would be. And it really—so—

Ms. OMAR. Are there more vacancies now than, let's say, 3 years ago or less vacancies now than 3 years ago?

Ms. PEREZ. I would say it is probably pretty standard. That is what the GAO study shows although, as I said, at the time the GAO study was released, Secretary Pompeo had not come into office. And so, if we were a little bit short on entry-level officers, it was because we had the hiring freeze. And, of course, after that, we are now well above, recouping whatever we would have lost in 2017.

So, using data from then, I do not know. That report did show, though—it is fairly historic. I talked a little bit earlier about the fact that because we are in turn all the time, the movement, the training, all these things, means that you are between posts: You are not in your old post; you are not in your new—sometimes it can take up a year to do that.

But what my office does is works with the posts and with the bureaus to make sure we shorten whatever the gaps there are to the smallest possible and to use the other kinds of hiring authorities and the other kinds of personnel that we have in the Department to help us staff those gaps.

Ms. OMAR. Uh-huh. And in regard to the collection of the data for religious minorities or people with LGBTQ or disabilities, do you think it is helpful for us to collect that data, to mandate it?

Ms. PEREZ. I do not know, because I am not one of those minorities, and I do not know how I would feel. That is my only concern. Would I feel that that is good or bad—

Ms. OMAR. Do you think the knowledge of it creates discrimination?

Ms. PEREZ. I do not know how people would feel.

I can tell you sitting here as a woman, I have no problem letting everybody know that I am a woman.

Ms. OMAR. It is kind of hard to hide that.

Ms. PEREZ. Well, sometimes people have moved on now to where they are trying to do gender-closed kinds of, evaluations and

things. If I say—we do it on a volunteer basis, so the question is——

Ms. OMAR. So there are boxes you check, right, for male, female?

Ms. PEREZ. Absolutely. And for diversity as well. The question is, do people check those boxes or not? We do not require it.

Ms. OMAR. Any of the boxes?

Ms. PEREZ. Yes. So the question is, do you make people—do you force people to do that or not? And I am sorry, personally, I do not—this is not a Department position. Personally, I just do not know. I do not know how you feel about forcing somebody to do an identification that maybe they do not want to do.

You talk about LGBTQ. We have people that are binary. We have people that are in very different situations. So how do we make sure that people feel protected, but they want—I do not have the answer for you, Congresswoman—I am sorry—on a personal level.

Ms. OMAR. That is wonderful. And we can try to work together to find the answers.

I am also interested in knowing if the exit surveys would be helpful for us to figure out a way to get that information so that it is used to inform improvements for the Department.

Ms. PEREZ. Exit surveys will definitely help us, as will the stay surveys. So the more information we have about why people—well, more people—why people join, why people stay, and why they leave is always absolutely useful.

Again, I am trying to engage with the work force as much as I can. And I do not—we put so much effort into our work force, and they put so much into us, that, we would like to make—continue that relationship. So, obviously, the more data-driven we are, the more information we have, is better for everyone.

Ms. OMAR. Thank you.

Mr. LEAVITT. May I add on to the question with regards to Foreign Service assignments?

Overseas, for USAID, we pulled together an incredibly talented group of Foreign Service officers, irrespective of rank and position in the agency or location geographically, and we have significantly reformed the way that we do assignments overseas and how we imply existing incentives.

And as a result of that and the IT tools that we brought to bear in doing so, we have been able to make sure that we are getting staff to fill our most critical positions overseas.

And we have found that incredibly helpful for us to minimize vacancies overseas, particularly for critical positions.

With regards to how we motivate staff to stay in the agency, we find the Federal Employment Viewpoint Survey to be incredibly powerful for us, and that is why we mandate every major operating unit to have an action plan to followup on the results that they get. And perhaps it is tied to that—we have seen that, over the past 4 years, each of the past 4 years, fewer people say that they plan to leave over the next year.

Ms. OMAR. Maybe there is something to be learned about the way you operate. Thank you.

Mr. LEAVITT. Thank you.

Mr. BERA. Well, I want to thank the witnesses and the members for being here today.

And with that, the committee is adjourned.

[Whereupon, at 4:50 p.m., the subcommittee was adjourned.]

APPENDIX

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on Oversight and Investigations

Ami Bera (D-CA), Chairman

July 11, 2019

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Oversight and Investigations in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <https://foreignaffairs.house.gov/>):

DATE: Thursday, July 11, 2019

TIME: 3:00 p.m.

SUBJECT: The State Department and USAID FY 2020 Operations Budget

WITNESSES: The Honorable Carol Z. Perez
Director General of the Foreign Service and Director of Human Resources
Bureau of Human Resources
U.S. Department of State

Mr. Douglas Pitkin
Director
Bureau of Budget and Planning
U.S. Department of State

Mr. Frederick Nutt
Assistant Administrator
Bureau for Management
United States Agency for International Development

Mr. Bob Leavitt
Chief Human Capital Officer
United States Agency for International Development

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE HEARING

Day Thursday Date July 11, 2019 Room Rayburn 2172

Starting Time 3:19 PM Ending Time 4:50 PM

Recesses 0 (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____)

Presiding Member(s)

Chairman Ami Bera

Check all of the following that apply:

Open Session ☒

Electronically Recorded (taped) ☒

Executive (closed) Session ☐

Stenographic Record ☒

Televised ☒

TITLE OF HEARING:

The State Department and USAID FY 2020 Operations Budget

COMMITTEE MEMBERS PRESENT:

See attached attendance sheet.

NON-COMMITTEE MEMBERS PRESENT:

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Chairman's Opening Statement

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED _____


Full Committee Hearing Coordinator

[illegible][illegible]

RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#1)
House Foreign Affairs Committee
July 11, 2019**

Question 1:

You committed to me that you would provide the copy of the unclassified Presidential Instruction that went out to all missions requiring that agencies submit to the Chief of Mission positions that have been longer than two years so that they may be abolished. In your response to these QFRs, could you provide that Presidential Instruction in full?

Answer 1:

The information you requested was provided to your staff by the Bureau of Legislative Affairs. Please let our Legislative Affairs Bureau staff know if you require additional information.

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**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (# 2)
House Foreign Affairs Committee
July 11, 2019**

Question 2:

You mentioned that the recent GAO report on overseas vacancies took data from before Secretary Pompeo arrived at State. Can you provide us with up-to-date statistics on vacancies at the State Department disaggregated by FS Generalist, FS Specialist, and Civil Service, as well as by those stationed in the United States and our missions abroad?

Answer 2:

The table below shows the vacancy rates for the FS Generalist, FS Specialist, and Civil Service workforces disaggregated by domestic and overseas as of June 30, 2019. The table is constructed as GAO calculated in their recent report. The table provided below has some limitations as it only reflects a specific snapshot in time. In the Foreign Service, staffing gaps naturally occur as employee's transition from one job to another via training, leaving positions vacant as their replacements transition from previous assignments. A 'person-in-motion' assignment system naturally leaves staffing gaps when viewing snapshots. To address gaps that regularly occur through staff in motion to another job, we have several mechanisms we use, such as staff details, the Civil Service Hard-to-Fill program, retirees working on a "when actually employed" (WAE) basis, Eligible Family Members (EFM), the Expanded Professional Associates Program (EPAP), the Consular Fellows program, and other programs.

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Another limitation of the basic data is that it includes Civil Service float positions. These are positions that are only used for recruitment and cannot be filled within our current funding levels.

Deducting these “unfillable” positions from the Civil Service numbers provides a more realistic vacancy rate picture as shown below.

**Foreign Service Generalists, Foreign Service Specialists
and Civil Service
Vacancy Rates***
Data as of June 30, 2019

| | Domestic | Overseas | Total |
|----------------------------|----------|----------|-------|
| Foreign Service Generalist | 13.5% | 13.5% | 13.5% |
| Foreign Service Specialist | 22.0% | 16.4% | 18.2% |
| Civil Service | 16.3% | N/A | 6.3% |

(Note: The number of overseas Civil Service positions is only 15 total-mainly on the Canadian border.)

**Questions for the Record Submitted to
Ambassador Carol Z. Perez
Representative Ami Bera (#3)
House Foreign Affairs Committee
July 11, 2019**

Question 3:

Ambassador Perez, you discussed expanding incentive programs currently available to State Department personnel assigned to Afghanistan, Pakistan, and Iraq. Could you detail how this program is being expanded? What missions will this expansion cover?

Answer 3:

Afghanistan, Pakistan, Iraq, and Somalia are part of a larger category of posts that we call “Special Incentive Posts.” We are taking a hard look at some of our most challenging locations across the world and engaging in a broader discussion of how to get the right people in the right places. This year, the conversation yielded the addition of the Central African Republic, Cuba, and South Sudan, to the list of countries under the Special Incentive Post umbrella. Many of the benefits and incentives previously available to employees bidding on and serving in Afghanistan, Pakistan, Iraq, and Somalia, will now also be available to those serving in these additional locations.

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**Question for the Record submitted to
Ambassador Carol Z. Perez
Representative Ami Bera (# 4)
House Foreign Affairs Committee
July 11, 2019**

Question 4:

You discussed your interest in implementing “stay” interviews in addition to exit surveys to determine why employees choose to remain with the State Department. When do you expect this will be pushed to the rest of the State Department? How do you plan to roll out this initiative and accurately capture data on employees’ motivations for staying?

Answer:

The Department expects to have an updated exit survey system operational in Q1 FY2020. Using the lessons learned from the current exit survey process, the Department is streamlining the questionnaires, upgrading to a more agile technology, and developing new policies and procedures to improve response rates and data distribution throughout the agency. Modernizing the exit survey tool has resulted in a partnership between the Bureaus of Human Resources (HR) and Administration (A), such that the Department is leveraging existing manpower and access to technology, while minimizing the cost of the effort.

For FY2019 and FY2020, the Department has identified a subset of the Federal Employee Viewpoint Survey (FEVS) to use as a proxy stay survey. During that time, we will develop and pilot stay survey questionnaires in select bureaus. We expect to have a Department-wide stay survey process fully operational in Q1 FY2021.

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**Questions for the Record Submitted to
Ambassador Carol Z. Perez
Representative Ami Bera (#5)
House Foreign Affairs Committee
July 11, 2019**

Question 5:

Ambassador Perez, how does the State Department balance retaining top talent with allowing for different opportunities to enhance their careers in the private sector, at other agencies, in academia and other institutions?

Answer 5:

The Department offers a variety of professional development opportunities to our Foreign Service and Civil Service workforce through Long-term Training and Detail assignments. These assignments allow employees to gain expertise and perspectives from outside-the-agency positions, which help the employees' professional development. These opportunities also allow employees to develop and demonstrate management skills and technical knowledge important for advancement into the senior ranks, as well as experience leading in the interagency environment, both domestically and overseas. The vast majority of these assignments are cost-free to the Department, i.e., no tuition is paid. Salary and benefits continue for the employee.

We are fortunate to have detail assignments with a variety of partners including U.S. government partners (e.g. National Security Council, the intelligence community, USTR, Treasury, military college faculty), academic institutions, and NGOs (e.g., Corporate Council on Africa, the German Marshall Fund). The Department also places emphasis on long-term training conducted by partner institutions, such as the National Defense University, Princeton, Hoover, Tufts, and other academic institutions. Department employees also participate in MIT's Seminar XXI. Many programs offer master's degrees, while others are non-degree granting fellowships.

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In addition to traditional academic institutions or details, our employees have access to:

- The Eagleburger Fellow program, which places officers in private companies for a year.
- Diplomatic Exchange Fellowships, which place officers directly in the Ministry of Foreign Affairs of NATO allies and in key Asian countries for one year. The fellowships are followed by a three-year tour of duty at the U.S. embassy in that host country.
- The International Affairs Fellowship, which offers Department employees the opportunity to do a one-year fellowship through the Council on Foreign Relations in New York.

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#6)
House Foreign Affairs Committee
July 11, 2019**

Question 6:

Are there other programs beyond FLEX Connect that State uses for such programs? How many State employees participate in these programs annually?

Answer 6:

FLEX Connect is one of the official mechanisms that State uses for temporary details for Civil Service employees up to 90 days within the Department. Participation in the FLEX Connect program varies. For example, in FY 17 we had 32 participants, FY 18 had 9 participants, and to date, we have 10 participants for FY 19. The Department also offers a variety of professional development opportunities to our Civil Service workforce through Long-term Training and Detail assignments. Although the opportunities listed through FLEX Connect are temporary in nature, the Department also has multiple ways for employees to invoke their Non-Competitive Eligibility for permanent employment. One of the main sources employees use is through the Civil Service Reassignment Portal. Listings on the CS Reassignment Portal are for Non-Competitive Assignment and Lateral Reassignment Opportunities. These are open to current Department of State Employees only.

Foreign Service staff have opportunities for detail assignments with a variety of partners, including U.S. government partners (e.g. National Security Council, the intelligence community, USTR, Treasury, military college faculty), academic institutions, and NGOs (e.g., Corporate Council on Africa, the German Marshall Fund). The Department also places emphasis on long-term training conducted by partner institutions, such as the National Defense University, Princeton, Hoover, Tufts, and other academic institutions.

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**Questions for the Record Submitted to
Ambassador Carol Z. Perez
Representative Ami Bera (#7)
House Foreign Affairs Committee
July 11, 2019**

Question 7:

I understand that FLEX Connect is limited to opportunities at the State Department. So, are there other programs where State and USAID employees can leave their home agency and not “lose their place in line” so to speak?

Answer 7:

FLEX Connect is used for internal details for civil service employees within the Department. Civil Service employees also have opportunities to serve in detail assignments outside of the Department of State. In addition to the long-term training and detail assignments available to our workforce, we also offer programs such as the Hard-to-Fill (HTF), Overseas Development Program (ODP), and Consular Adjudicator programs, which allow Civil Service employees to accept excursion assignments overseas on a limited non-career appointment. Following the appointment, employees have reemployment rights back to the Department. During FY19 the Department of State and USAID are piloting a State-USAID exchange program.

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**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#8)
House Foreign Affairs Committee
July 11, 2019**

Question 8:

You noted the lack of diversity, particularly for the senior levels, and how this is a function of past hiring practices. Does the department collect data on the diversity of incoming cohorts of Foreign Service Officers? If so, could you provide us with the breakdown by gender, race and ethnicity of FS hires since 2008?

Answer 8:

Yes, the Department of State collects demographic data on incoming Foreign Service Officers by ethnicity, race, and gender.

The information requested will be provided to your staff by the Department's Office of Legislative Affairs.

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**Question for the Record submitted to
Ambassador Carol Z. Perez
Representative Ami Bera (# 9) by
House Foreign Affairs Committee
July 11, 2019**

Question 9:

Efforts to address diversity at the State Department have been ongoing for many years, and yet there is still a troubling lack of it within the State Department. What is the State Department doing to develop and retain a workforce that is, from entry level to senior levels, as diverse and varied as the people our diplomatic corps represents?

Answer 9:

The Department is increasing workforce diversity at the entry levels and is also focused on inclusion and retention of workforce diversity in the senior ranks. For example, the Department has increased the population of minority Foreign Service Officers by 88% since 2000, rising from 13.3 % to 25.0% in 2018. In the Civil Service, minority representation has increased by 5.0% in that same period from 40.2% in 2000 to 42.2% in 2018. We attribute this progress to enhanced recruitment efforts that have resulted in attracting more women, racial and ethnic minorities, veterans, and persons with disabilities.

Complementing our recruitment efforts are our career development initiatives. In order to narrow the diversity gaps in the Foreign Service and Civil Service senior leadership ranks, the Department is working to guarantee that all employees have access to career development training and opportunities that make them competitive candidates for promotion opportunities. Our numerous career development programs, including our mentoring programs, are designed to prepare all employees to assume leadership roles. In addition to maximizing access to opportunities, we are studying the organization to identify systemic issues that may be preventing certain groups from rising to senior ranks. Currently, through a partnership with the Una Chapman Cox Foundation, the Department is studying the Foreign Service to identify potential barriers to

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matriculation to the senior ranks for women and racial and ethnic minorities. The Department is exploring a similar study for the Civil Service.

Another pillar of our diversity and inclusion strategy is engagement. The Bureau of Human Resources (HR) is harnessing the energy of our Employee Affinity Groups (EAG) to develop partnerships and identify and develop solutions for cross-cutting areas of concern. These EAGs represent a range of perspectives from employees from diverse ethnic, gender, veteran status, sexual orientation, job tenure, disability status, and other backgrounds. The Department's goal is to be proactive about retention and succession planning; and, to continue to be innovative in our approach to recruitment and retention for the Foreign and Civil Service workforces. Our EAGs provide a wealth of knowledge, experience, and ideas that we will explore for the greater good of the organization.

Workplace flexibilities are also an important element of retention. The Bureau of Human Resources continues to educate supervisors and hiring managers on the use and benefit of alternative work schedules, telework opportunities, and leave without pay. To lead by example, HR is increasing the number of positions in the Domestic Employees Teleworking Overseas (DETO) program to allow domestic employees to telework from overseas. The Department is also in the process of clarifying the details of an Extended Leave without Pay (LWOP) pilot program that allows employees greater flexibility to pursue educational or professional opportunities or to spend more time with family.

Finally, we strive to be an organization that makes decisions based on data. In addition to leveraging the Federal Employee Viewpoint Survey (FEVS) data, we are establishing exit and stay survey systems to create a personnel opinion data clearinghouse of data that we can mine for ideas to improve the organization.

While we have made gains, we acknowledge that we have more work to do. The Department maintains its resolve to recruit a diverse workforce and create a culture of inclusion in the workplace that celebrates the diversity of all employees. We will continue to assess and evaluate the Department's effectiveness at employing and retaining a diverse workforce.

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#s 10, 11, 12)
House Foreign Affairs Committee
July 11, 2019**

Question 10:

Can you tell us about the extent to which the number of EFM positions at overseas posts has increased, decreased, or stayed the same over time?

Answer 10:

The number of Eligible Family Members (EFMs) working in positions at overseas posts had increased over the 10 year period, 2006 – 2016, peaking at 30 percent in Fall 2016. The 2017 hiring freeze caused EFM employment numbers to dip to 20 percent in Fall 2017, but since the freeze was lifted in early 2018, the percentage of EFMs working inside our missions has risen to 26 percent in Spring 2019, our most recent reporting period.

Question 11:

Has State assessed the extent to which the EFM program is addressing the needs of overseas posts?

Answer 11:

Yes. EFM positions support critical needs overseas that would otherwise go unfilled, such as in the areas of public diplomacy, management, medical support, and consular affairs. Overseas posts successfully utilize the hiring preference for EFMs to fill their mission requirements. The hiring preference for EFMs means that their applications will be typically reviewed before non-EFMs during the hiring process for most positions at embassies and consulates. The EFM hiring preference, however, does not ignore the requirements of a mission. If there are no qualified EFM applicants at post for a particular position vacancy, then the hiring office can move to consider other candidates, ensuring that posts are always able to hire effectively for the tasks that the mission must accomplish.

Question 12:

What steps has State taken to ensure that EFMs are assigned to work at posts for which they are qualified?

Answer 12:

Family member employment opportunities are based upon the needs of each post. Interested EFMs must apply and compete for positions, demonstrating their qualifications for each position of interest. If no EFM is deemed appropriately qualified for a particular position, post will consider other candidates. A variety of programs exist to capture the interests and take advantage of the talents of family members and augment post EFM employment opportunities. For example, programs such as the Expanded Professional Associations Program (EPAP) provides eligible spouses with employment opportunities similar to Foreign Service entry-level positions at missions abroad, and the Professional Associates Program allows eligible family members to apply for Foreign Service positions that are designated Hard-To Fill (HTF),

In addition, the recently developed Foreign Service Family Reserve Corps (FSFRC), streamlines the security clearance process, allowing, in many cases, swifter entry on duty for family members who are hired at U.S. embassies and consulates.

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#13)
House Foreign Affairs Committee
July 11, 2019**

Question 13:

How does the State Department anticipate which types of employees it will need in the future in which countries?

Answer 13:

The Department projects worldwide staffing requirements through its Overseas Staffing Model (OSM). OSM projections are vetted with senior management in the regional bureaus and Department principals to ensure that staff positions align with known or anticipated global challenges. The OSM provides Department principals with an analytical tool to rationally allocate personnel resources by job category worldwide in line with the Administration's foreign policy objectives, legislated mandates and Department priorities.

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#14)
House Foreign Affairs Committee
July 11, 2019**

Question 14:

How do you ensure that you start years in advance to get the right types of employees or make trainings available to address complex global challenges? For example, we are aware of large demographic shifts in Africa associated with a youth bulge – how will State and USAID ensure we have the right people in those places at the right time? How do you pivot when those needs shift quickly?

Answer 14:

The Department runs a very strong training program for those employees being deployed overseas through the National Foreign Affairs Training Center (NFATC). Outside of the six-week orientation course that all Foreign Service Officers (FSOs) go through upon entry, employees are prepared for their specific assignments through appropriate language training, area studies, and technical courses specific to their job duties at post. In addition, many courses are now available online to overseas employees.

Our Overseas Staffing Model (OSM) projects global staffing requirements, taking a variety of program and foreign policy factors into account. Additionally, this year each Bureau A/S and U/S conducted Senior Strategy and Resource reviews with senior Bureau officials including the U/S for Management, the Deputy Secretary, and the Counselor to ensure that our 2021 resource requests are aligned with the current priorities.

Finally, when the situation on the ground changes quickly or there is a crisis, the Department will frequently detail technical staff from Washington, such as from our Bureau of Diplomatic Security (DS) or Conflict and Stabilization Operations (CSO), to supplement permanent staff in the field, as needed.

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**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#15 & #16)
House Foreign Affairs Committee
July 11, 2019**

Question 15:

Does the department intend to increase or decrease current Foreign Service and Civil Service personnel levels in FY20?

Answer 15:

The Department intends to increase Foreign Service and Civil Service employment in FY20.

Question 16:

What is the strategic rationale underlying these plans?

Answer 16:

The Department's strategic rationale is based on three things: 1) the Department's FY 2018 appropriation Statement of Managers, which stipulates increasing Foreign Service and Civil Service employment to levels "not less than the levels as of December 31, 2017," and "introductory classes for the Department of State Foreign Service (A-100 classes) at the pre-fiscal year 2017 rate;" 2) the Department's FY 19 Operating Plan; and 3) the Department's FY 20 Congressional Budget Justification.

**Question for the Record submitted to
Ambassador Carol Z. Perez
Representative Ami Bera (# 17)
House Foreign Affairs Committee
July 11, 2019**

Question 17:

What are current staffing levels in both the Civil Service and Foreign Service?

Answer:

As of June 30, 2019, the staffing employment count was 10,024* in the Civil Service and 13,814 in the Foreign Service.

*** Excludes 253 employees from International Boundaries and Water Commission (IBWC)

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#18)
House Foreign Affairs Committee
July 11, 2019**

Question 18:

What are the projected FS and CS staffing levels for FY 2020?

Answer 18:

The President's FY 2020 budget submission includes funding to support a Foreign Service employment target of 14,087 and an 11,430 employment target for the Civil Service.

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#s19, 20)
House Foreign Affairs Committee
July 11, 2019**

Question 19:

For every new policy established, is there written implementing guidance that is sent along with it to posts and personnel?

Answer 19:

Yes. After a new policy is established, typically the Foreign Affairs Manual (FAM) is updated, an instructional cable is sent out to all diplomatic and consular posts, and a Department-wide Notice to employees is issued.

Question 20:

How do you ensure that employees are trained to enact that new policy?

Answer 20:

Supervisors and managers take responsibility for briefing their staff on new policies. Designated subject matter experts may also provide assistance and additional resources. In addition, new policies are incorporated into appropriate training courses at the National Foreign Affairs Training Center (NFATC).

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#21)
House Foreign Affairs Committee
July 11, 2019**

Question 21:

How are employees subsequently evaluated on the implementation of State Department operating procedures found in the Foreign Affairs Manual and elsewhere?

Answer 21:

Annually, and when the needs of the Service require, supervisors establish and modify work requirements for their employees that define duties and expectations. When there have been policy or procedure changes affecting duties and expectations, they are incorporated into those work requirements.

Civil and Foreign Service employees are evaluated on their performance each year. That assessment documents how well the employee performed their duties and if they successfully met or exceeded the expectations and defined in their work requirements. Evaluations also contain information about an employee's performance in relation to core requirements, like adherence to Equal Employment Opportunity (EEO) principles, compliance with security requirements, etc., that are rooted in policies and procedures. In the Foreign Service, the content of performance evaluations are key to determinations regarding things like employee promotions, retention decisions, and performance pay. Similarly, in the Civil Service, the content of performance evaluations are used in the development of performance improvement plans, administrative promotion determinations, and retention decisions.

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**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#22)
House Committee on Foreign Affairs
July 11, 2019**

Question 22:

How does the State Department align its staffing in our posts in Africa to align with the National Security Strategy and meet the China challenge?

Answer 22:

Our 46 U.S. missions and five constituent posts in Sub-Saharan Africa are positioned to work closely with African partners to strengthen their ability to counter China's exploitative influence. This fiscal year, the Department has authorized increased staffing levels to beef up overall Bureau of African Affairs (AF) capacity, including the establishment of an initial "China watcher" position in Nairobi to coordinate on continent-wide trends in Chinese engagement. The Department uses a variety of incentives to encourage Foreign Service professionals to serve in the most difficult posts in Africa.

To substantially increase trade and investment between the United States and Africa, our embassies are organizing "Deal Teams" to identify and pursue opportunities for U.S. business. These whole-of-embassy teams leverage personnel from across the entire mission to support implementation of the Administration's new *Prosper Africa* initiative.

To support the Administration's peace and security priorities on the continent, the Department employs a multi-year, comprehensive approach to build stable and accountable security institutions to serve as platforms for economic growth and to counter exploitative Chinese engagement.

**Questions for the Record Submitted to
Ambassador Carol Z. Perez by
Representative Ami Bera (#23)
House Foreign Affairs Committee
July 11, 2019**

Question 23:

How does its [the State Department's] personnel posture meet other challenges like the rise of violent extremism on the subcontinent?

Answer 23:

With regard to the African subcontinent, since FY 2018, the Department has authorized increases in civil service staffing for the Bureau of African Affairs' domestic hiring priorities. In addition, the Department has staffed eight new overseas positions in Africa, including the establishment of an initial "China watcher" position in Nairobi to counter the rise of Chinese influence on the continent. The Department is also able to detail staff and subject matter experts out to the field, including through our Conflict and Stabilization Operations (CSO) and Counterterrorism (CT) bureaus, should circumstances require, or in response to a crisis. Bureaus also reprogram positions within their own resource levels to meet shifting priorities.

To counter violent extremism in Africa, we also focus efforts on capacity building and operational security assistance work through regional partnerships to leverage additional capabilities and resources of other partners, including the European Union, the United Nations, France, and the United Kingdom, among others.

The Department, in partnership with USAID, continues to engage in specific longer-term, programmatic efforts in Africa to build resiliency in local communities where violent extremism is a pervasive threat.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#1)
House Foreign Affairs Committee
July 11, 2019**

Question 1:

Does the State Department have adequate personnel, physical space, and budgetary resources to absorb these functions?

Answer 1:

The Bureau of Consular Affairs (CA) has examined the resource requirements to absorb the anticipated workload from USCIS International Field Offices.

CA surveyed overseas posts co-located with USCIS Field Offices and asked for an assessment of current and anticipated future personnel levels. Based on the results of that survey, CA anticipates that nine U.S. Direct Hire positions, 30 Locally Employed (LE) staff positions, and three Eligible Family Member positions would be required worldwide to perform these functions. As USCIS offices begin to close, CA will work with our overseas posts to follow established processes to add new positions, as needed.

Overseas posts also assessed that current available physical space should be sufficient to absorb USCIS Field Office functions. Some posts would require minor internal modifications to absorb additional staff positions into their consular section.

CA is working to renew the annual Interagency Agreement (IAA) with USCIS and will ensure the agreement allows the Department to capture actual costs realized as this transition moves forward.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#2)
House Foreign Affairs Committee
July 11, 2019**

Question 2:

Potential Transfer of Duties from USCIS to the State Department:

The U.S. Citizenship and Immigration Services (USCIS) agency within the Department of Homeland Security is seeking to close all of its international field offices and may transfer many of their functions to embassies and consulates.

What effects, if any, would a transfer of the duties of these field offices, including those pertaining to family reunification, enabling adoptive children to join permanent families in the United States, and considering parole requests from individuals outside the U.S. for urgent humanitarian reasons, have on the provision of these functions?

Answer 2:

USCIS and CA are working together to ensure a smooth transition of workload from USCIS overseas field offices to consular sections. Together, we are creating robust training for the posts where a USCIS field office will close and identifying new avenues for USCIS to respond to inquiries on behalf of the public and from consular staff as it relates to adjudication of benefits. CA already conducts this same work on USCIS's behalf at the 200 plus embassies and consulates where there is no USCIS field office presence. CA will ensure this workload is folded into current responsibilities in a way that does not disadvantage applicants or petitioners. Consular staff will handle instances of urgent humanitarian need expeditiously, in the same manner as they would before USCIS closed their offices.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#3)
House Foreign Affairs Committee
July 11, 2019**

Question 3:

Visa Rejections due to Presidential Proclamation 9645: Mr. Pitkin, data released by the State Department indicates that in 2018, the department rejected 15,384 immigrant visa applications and 21,645 nonimmigrant visa applications pursuant to Presidential Proclamation 9645, the so-called “travel ban.”

Please describe what, if any, additional resources the State Department has required to implement this directive.

Answer 3:

For the FY 2020 budget request for the Department of State, the Consular Border Security Program (CBSP) did not include additional resources to implement Presidential Proclamation 9645. Initially, the additional security reviews were manual and time-consuming, but the automated screening and vetting process has since been strengthened. Consequently, as of June 27, 2019, the Department has deemed the automated front-end (pre-interview) screening to which all visa applicants are subject, sufficient to resolve the national security portion of the PP 9645 screening. These systemic changes should reduce a significant resource burden and improve the pace of processing.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#4)
House Foreign Affairs Committee
July 11, 2019**

Question 4:

Visa Rejections due to Presidential Proclamation 9645: Mr. Pitkin, data released by the State Department indicates that in 2018, the department rejected 15,384 immigrant visa applications and 21,645 nonimmigrant visa applications pursuant to Presidential Proclamation 9645, the so-called “travel ban.”

Where would these appear in your budget request? Have any other programs faced new resource constraints due to ongoing efforts in this area?

Answer 4:

The resources required to support Presidential Proclamation 9645 would be directly funded from Visa Operations. There are not any identifiable resource constraints due to the implementation of this proclamation. Initially, the additional security reviews were manual and time-consuming, but the automated screening and vetting process has since been strengthened. As of June 27, 2019, the Department has deemed the automated front-end (pre-interview) screening to which all visa applicants are subject, sufficient to resolve the national security portion of the PP 9645 screening. These systemic changes should reduce a significant resource burden and improve the pace of processing.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#5)
House Foreign Affairs Committee
July 11, 2019**

Question 5:

Has your bureau done any scenario planning for the impact a conflict with Iran would have on the State Department's budget?

Answer 5:

We do not have a specific contingency plan for Iran. The Department is constantly monitoring the security environment all over the world and evaluating our response posture to both potential and ongoing crises and conflicts. There are various DOS entities involved in this process, including the Office of Crisis Management Support, the Bureau of Diplomatic Security, and, in the case of Iran, the Bureau of Near Eastern Affairs (among others). However, BP does closely track legal authorities to budget and realign funds for emerging conflicts and security threats if and when they arise.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#6)
House Foreign Affairs Committee
July 11, 2019**

Question 6:

What is the estimated impact of a conflict with Iran on the State Department's operational budget?

Answer 6:

The Department is continuously monitoring the security environment for potential budgetary impacts of ongoing and prospective crises. We would assess the specific budgetary impacts of a conflict with Iran in light of developments as they arise.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#7)
House Foreign Affairs Committee
July 11, 2019**

Question 7:

Will you come to Congress to consult on any changes [regarding Iran]?

Answer 7:

In keeping with past practice and mindful of our responsibility as stewards of taxpayer resources, the Department is committed to consulting with Congress, as appropriate and consistent with applicable statutory requirements.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#8)
House Foreign Affairs Committee
July 11, 2019**

Cybersecurity

Mr. Pitkin, cybersecurity is a significant and growing challenge for the U.S. government, and the Department of State in particular. The FY 20 budget requests funds to enhance the Department's cyber monitoring capabilities.

Question 8:

What is the current threat environment facing the State Department's information technology systems?

Answer 8:

The Department's threat environment continues to grow more challenging as cyber adversaries advance in sophistication and attempt to exploit our expanding attack surface given the accelerated pace of IT modernization, especially in cloud and mobile computing. Our global digital footprint, complex supply chain, and high-profile diplomatic efforts increase the opportunities and incentives for malicious nation state cyber activity. Protecting our information and IT infrastructure remains one of the Department's highest priorities and the requested investments will enable us to bolster our cybersecurity posture through new and enhanced program capabilities in the areas of cloud security, vulnerability scanning, global network security monitoring, threat detection, and incident response. Cybersecurity plans and program activities also will continue to adapt as intelligence and trends analysis on threats become known.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#9)
House Foreign Affairs Committee
July 11, 2019**

Question 9:

Cybersecurity is a significant and growing challenge for the U.S. government, and the Department of State in particular. The FY 2020 budget requests funds to enhance the Department's cyber monitoring capabilities. How will this requested funding enhance the State Department's capabilities to monitor and respond to such threats?

Answer 9:

The nature of the Department's work makes it a highly-valued target for all types of cyber-attacks. The FY 2020 request includes \$242 million (nearly 20% above FY 2019 enacted levels) for cybersecurity measures managed by the Bureaus of Information Resource Management and Diplomatic Security. The requested funding would allow the Department to better monitor, detect, and mitigate cyber-threats and improve employee effectiveness by migrating appropriate operations to the cloud and modernizing major systems, which include logistics, financial management, and human resource management. These efforts include data standardization, system interoperability, integrated management reporting, and mobile delivery.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#10 & #11)
House Foreign Affairs Committee
July 11, 2019**

Question 10:

Cybersecurity: Mr. Pitkin, cybersecurity is a significant and growing challenge for the U.S. government, and the Department of State in particular. The FY 20 budget requests funds to enhance the Department's cyber monitoring capabilities. What is the status of State's planned Bureau of Cyberspace Security and Emerging Technologies? To what degree does State anticipate the bureau will work on matters of cybersecurity in comparison to cyber diplomacy and other non-security issues?

Answer 10:

The Department is consulting with its oversight committees in Congress regarding its intent to establish a new bureau of Cyberspace Security and Emerging Technologies (CSET). A new bureau will lead U.S. government diplomatic efforts on a wide range of international cyberspace security policy and emerging technology policy issues that impact U.S. foreign policy and national security. These efforts include securing cyberspace and its technologies, reducing the likelihood of cyber conflict, and prevailing in strategic cyber competition.

Question 11:

Aside from the matter of funding, what are the primary challenges to standing up this new cybersecurity bureau?

Answer 11:

Cyberspace is an increasingly challenging place as adversaries have increased the frequency and sophistication of their malicious cyber activities. New technology emerges faster than the government can respond in many cases. With the new bureau we will increase our

capability to engage globally on the key cyberspace security issues of importance to the United States, and collaborate with other responsible states in the interest of peace and security in cyberspace. The Congressional Notification has been with relevant Congressional Committees since June 3, 2019.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#12)
House Foreign Affairs Committee
July 11, 2019**

Question 12:

In September of last year, Secretary Pompeo announced the suspension of operations at our consulate in Basra, Iraq. He ordered the suspension due to “threats to our personnel and facilities” from Iran and its proxies.

Mr. Pitkin, I noted that in the budget request, there was a \$50M decrease in diplomatic security for Iraq because of the suspension of operations at Basra. That seems to indicate that we will not be restarting operations at the consulate any time soon.

Why was the closure of the consulate done so quickly- in days, not months?

Answer 12:

We regularly review and evaluate the safety, security, and operations of our facilities worldwide. As part of that process and given the security conditions at the time, the Secretary ordered the departure of all non-emergency U.S. government personnel from the U.S. Consulate General in Basrah on September 28, 2018 and suspended operations on October 18, 2018. He made this decision taken due to the deteriorating security situation in Basrah and to protect the lives of our personnel from those security threats. Maintaining Consulate General Basrah in a suspended operations status offers the U.S. government maximum flexibility, should conditions warrant, to resume normal operations.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#13)
House Committee on Foreign Affairs
July 11, 2019**

Question 13:

Do you know how much equipment was left or destroyed on the Consulate grounds?

Answer 13:

Over \$96 million in property was abandoned, and over \$9 million was destroyed.

Consistent with the Foreign Excess Property Act and 14 FAM 417, property was abandoned or destroyed as a last resort. Mission Iraq, in consultation with the Near Eastern Affairs Bureau and Diplomatic Security, determined no other disposal options were reasonably available under the exigent security circumstances. In many cases, it would have been more expensive to move some of these items. The abandoned property includes used and depreciated overhead cover structures and containerized housing units (CHUs).

**Questions for the Record Submitted to
BP Director Douglas Pitkin by
Representative Ami Bera (#14)
House Committee on Foreign Affairs
July 11, 2019**

Question 14:

What are the plans for the consulate?

Answer 14:

The security environment in southern Iraq remains dynamic, and may improve. Maintaining Consulate General Basrah in a suspended operations status offers the U.S. government maximum flexibility, should conditions warrant, to resume normal operations.

In the meantime, our activities and programs focused on Basrah and Southern Iraq are performed or administered effectively by Baghdad-based personnel. Embassy personnel work with our Iraqi partners to help build professional security forces loyal to the state, develop durable democratic institutions, and promote adherence to the rule of law. These are effective counterweights to Iranian attempts to cultivate irregular militias loyal to Tehran and to propagate sectarianism and political violence. We also continue our efforts to highlight the marked contrasts between positive, constructive American engagement and exploitative and destructive Iranian actions in Iraq and the broader region.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#15, #16, #17, #18)
House Foreign Affairs Committee
July 11, 2019**

Question 15:

Does the department intend to increase or decrease current Foreign Service and Civil Service personnel levels in FY20?

Answer 15:

The Department intends to increase Foreign Service and Civil Service employment in FY20.

Question 16:

What is the strategic rationale underlying these plans?

Answer 16:

The Department's strategic rationale is based on three things: 1) the Department's FY 2018 appropriation Statement of Managers, which stipulates increasing Foreign Service and Civil Service employment to levels "not less than the levels as of December 31, 2017," and "introductory classes for the Department of State Foreign Service (A-100 classes) at the pre-fiscal year 2017 rate;" 2) the Department's FY 19 Operating Plan; and 3) the Department's FY 20 Congressional Budget Justification.

Question 17:

What are current staffing levels in both the Civil Service and Foreign Service?

Answer 17:

As of June 30, 2019, the staffing employment count was 10,024* in the Civil Service and 13,814 in the Foreign Service.

** Excludes 253 employees from International Boundaries and Water Commission (IBWC)

Question 18:

What are the projected FS and CS staffing levels for FY 2020?

Answer 18:

The President's FY 2020 budget submission includes funding to support a Foreign Service employment target of 14,087 and an 11,430 employment target for the Civil Service.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#19)
House Foreign Affairs Committee
July 11, 2019**

Question 19:

Congressional Responses

I and many of my colleagues share frustration at the slow and inadequate responses to many of our information requests. The FY20 budget request includes an almost 20% increase for the Legislative Affairs office at State (known as "H"). Meanwhile the Administration Bureau (known as "A"), which houses the Congressional Document Production Unit (CDP), request includes a 6% decrease below FY18 levels. Would increased funding assist Congress in receiving responses more quickly?

Answer 19:

The Department's response to Congressional oversight inquiries is an integrated effort among the Bureau of Legislative Affairs, the Office of the Legal Adviser, and the Bureau of Administration (A), through its Congressional Document Production (CDP) branch, as well as all other bureaus and offices within the Department relevant to the particular request. Department responses to inquiries from Congressional oversight committees always receive the highest priority. The Department is committed to working with Congress to provide complete and timely responses consistent with executive branch confidentiality interests.

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#20)
House Foreign Affairs Committee
July 11, 2019**

Question 20 :

In its FY20 budget request, which specific programs or offices within the A Bureau does the administration propose to reduce funding below FY19 or FY18 planned or actual levels, and why?

Answer:

The chart below from the FY 2020 Congressional Budget Justification provides the delta between the FY 2020 Request and FY 2019 by office:

| Domestic Organizations Email Bureau | FY 2018 Actual | | | FY 2019 Request | | | FY 2020 Request | | | FY 2020 Request vs FY 2019 Request Increase/Decrease | | | FY 2018 Actual vs FY 2020 Request Increase/Decrease | | |
|--|-------------------|----------|----------------|--------------------|----------|----------------|--------------------|----------|----------------|---|----------|---------------|--|----------|----------------|
| | Am | FSN | Funds | Am | FSN | Funds | Am | FSN | Funds | Am | FSN | Funds | Am | FSN | Funds |
| Dep. Asst. Secretary for Global Information Services | 3 | 0 | \$419 | 3 | 0 | \$398 | 3 | 0 | \$419 | 0 | 0 | \$21 | 0 | 0 | \$0 |
| Deputy Assistant Secretary for Logistics Management | 6 | 0 | 1,796 | 6 | 0 | 1,533 | 6 | 0 | 1,569 | 0 | 0 | 36 | 0 | 0 | -227 |
| Deputy Assistant Secretary for Operations | 4 | 0 | 1,878 | 4 | 0 | 1,751 | 4 | 0 | 1,834 | 0 | 0 | 83 | 0 | 0 | -44 |
| Directors | 13 | 0 | 2,326 | 13 | 0 | 2,174 | 13 | 0 | 2,277 | 0 | 0 | 103 | 0 | 0 | -52 |
| Executive Office | 79 | 0 | 20,590 | 79 | 0 | 18,294 | 80 | 0 | 18,871 | 2 | 0 | 817 | -2 | 0 | -1,719 |
| GSIA & Other Rents Management | 0 | 0 | 156,985 | 0 | 0 | 156,985 | 0 | 0 | 160,054 | 0 | 0 | 3,789 | 0 | 0 | 3,789 |
| General Services Management | 25 | 0 | 8,429 | 25 | 0 | 8,653 | 25 | 0 | 8,833 | 0 | 0 | 180 | 0 | 0 | -392 |
| Information Program Services | 147 | 0 | 47,999 | 147 | 0 | 41,049 | 147 | 0 | 42,023 | 0 | 0 | 975 | 0 | 0 | -5,979 |
| Office of Allowances | 12 | 0 | 2,105 | 12 | 0 | 2,003 | 12 | 0 | 2,108 | 0 | 0 | 105 | 0 | 0 | 2 |
| Office of Emergency Management | 6 | 0 | 757 | 6 | 0 | 735 | 6 | 0 | 778 | 0 | 0 | 43 | 0 | 0 | 21 |
| Office of Facilities Management Services | 62 | 0 | 83,519 | 62 | 0 | 66,015 | 62 | 0 | 67,448 | 2 | 0 | 1,433 | 2 | 0 | -16,070 |
| Office of Language Services | 25 | 0 | 5,883 | 25 | 0 | 4,978 | 27 | 0 | 5,146 | 2 | 0 | 268 | 2 | 0 | 66 |
| Office of Overseas Schools | 15 | 0 | 6,131 | 15 | 0 | 5,068 | 15 | 0 | 5,139 | 0 | 0 | 70 | 0 | 0 | -693 |
| Office of Real Property Management | 35 | 0 | 8,427 | 35 | 0 | 7,560 | 37 | 0 | 7,761 | 2 | 0 | 291 | 2 | 0 | -666 |
| Office of Small and Disadvantaged Business Utilization | 6 | 0 | 599 | 6 | 0 | 913 | 6 | 0 | 854 | 0 | 0 | 41 | 0 | 0 | -35 |
| Office of the Assistant Secretary for Administration | 9 | 0 | 1,189 | 9 | 0 | 1,143 | 9 | 0 | 1,207 | 0 | 0 | 64 | 0 | 0 | 19 |
| Office of the Procurement Executive | 35 | 0 | 5,093 | 35 | 0 | 4,777 | 35 | 0 | 5,073 | 0 | 0 | 236 | 0 | 0 | -70 |
| Operations Management | 18 | 0 | 7,534 | 18 | 0 | 6,325 | 19 | 0 | 6,441 | 0 | 0 | 116 | 0 | 0 | -1,093 |
| Policy and Program Management | 69 | 0 | 30,367 | 69 | 0 | 25,378 | 69 | 0 | 32,103 | 0 | 0 | 6,725 | 0 | 0 | 1,736 |
| Presidential-Vice Presidential Travel Support | 11 | 0 | 7,895 | 11 | 0 | 6,338 | 11 | 0 | 6,373 | 0 | 0 | 35 | 0 | 0 | -1,512 |
| The Privacy Staff | 6 | 0 | 1,117 | 6 | 0 | 1,011 | 6 | 0 | 1,052 | 0 | 0 | 41 | 0 | 0 | -65 |
| Total | 573 | 0 | 298,493 | 573 | 0 | 359,760 | 581 | 0 | 379,002 | 8 | 0 | 15,242 | 8 | 0 | -23,491 |

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**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#21-23)
House Foreign Affairs Committee
July 11, 2019**

Question 21:

Specifically, how much has been spent on the CDP to cover operations from January 20, 2017 to the present?

Answer 21:

The Department has spent \$2,949,563.13 on Congressional Document Production (CDP) branch operations from January 20, 2017 to the present.

Question 22:

How many documents has the CDP processed since January 20, 2017, for production to the House Foreign Affairs Committee or any subcommittee thereof (including when pursuant to joint requests with other committees or subcommittees)?

Answer 22:

The Congressional Document Production branch (CDP) works under the direction of the Bureau of Legislative Affairs, the Office of the Legal Adviser, and other Department bureaus and offices to prepare documents for production to the Congress. During the current Congress the Department has produced 2,193 documents/15,026 pages to the Committee on Foreign Affairs. The Department refers you to the previous leadership for information regarding communications during the previous Congress.

Question 23:

How many of those documents have been produced to date?

Answer 23:

As noted in the previous answer, the Department has produced 2,193 documents/15,026 pages to the House Foreign Affairs Committee during the current Congress.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#24-25)
House Foreign Affairs Committee
July 11, 2019**

Question 24:

How long have these positions been vacant?

Answer 24:

Of the current three vacant positions, one has been vacant since September 2016, one has been vacant since June 2017, and one has been vacant since July 2017.

Question 25:

What plans does the Department have to fill these positions?

Answer 25:

The Department is actively working to hire three new staff for the Congressional Document Production so it will have nine filled positions.

**Questions for the Record Submitted to
Director Douglas Pitkin
Representative Ami Bera (#26)
House Foreign Affairs Committee
July 11, 2019**

Question 26:

What has the Department done with the money allocated for the 3 vacant FTEs?

Answer 26:

Salaries for FTEs are centrally funded in the Department within the American Salary account. Funding not used for vacant FTEs is used to pay for other salary costs within the Department.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#27)
House Foreign Affairs Committee
July 11, 2019**

Question 27:

The FY20 budget request includes an almost 160% increase for the Office of the Chief of Protocol. I have read stories in the press about expensive bar tabs run up by administration officials at so-called “diplomatic” meetings held at Mar-a-Lago. Is this budget increase intended to support the extravagance of the White House? How much is requested in State’s budget in FY20 for Presidential representation and travel?

Answer 27:

The FY 2020 Request includes \$6.94 million for Presidential representation and travel.

This total includes \$2 million requested in Emergencies in the Diplomatic and Consular Service (EDCS) funding (the K fund) and \$4.94 million requested for the Presidential Travel Support Division within the Bureau of Administration (A/PTS):

| Account | Amount (\$ in millions) |
|--|----------------------------|
| EDCS (including Major Events - Contract Planner) | \$2.00 |
| Diplomatic Programs: A/PTS | \$4.94 |
| Total | \$6.94 |

The FY 2020 Request for the Office of the Chief of Protocol (CPR) is \$29.2 million, an increase of \$8.4 million (+40 percent) above the FY 2019 Request and \$17.9 million (+160 percent) over FY 2018 actual. The increase above FY 2018 is attributed to the realignment of the Major Events and Conferences office previously within the Office of the Under Secretary for

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Management to CPR. This realignment was notified in CN 19-027, which was approved on April 8, 2019.

**Questions for the Record Submitted to
Director Douglas Pitkin by
Representative Ami Bera (#28)
House Foreign Affairs Committee
July 11, 2019**

Question 28:

Which account within the budget requests the support for White House diplomatic efforts and assistance with contacting or otherwise meeting with foreign entities?

Answer 28:

The request for the Emergencies in the Diplomatic and Consular Service (EDCS) appropriation includes funding for the representational aspects of White House diplomatic engagement with foreign entities. The request for the Diplomatic Programs (DP) account includes funding for White House foreign diplomatic engagement and associated travel overseas.

**Questions for the Record Submitted to
Director Douglas A. Pitkin by
Representative Ami Bera (#29)
House Foreign Affairs Committee
July 11, 2019**

Question 29:

How much was spent on White House representation events in FY 18 and FY 19?

Answer 29:

The Department, via Emergencies in the Diplomatic and Consular Service (EDCS) funding, spent \$1.24 million in FY 2018 and \$600,000 in FY 2019 (as of August 5, 2019) on White House representation events. Per the State Department Foreign Affairs Manual (4 FAM 443), representation expenditures include domestic representation and entertainment expenses to further official agency business and United State foreign policy interests (principally meals and events of a protocol nature used to foster relations outside of the Executive Branch).

**Questions for the Record Submitted to
USAID Assistant Administrator Fred Nutt,
Bureau for Management
Representative Ami Bera
Committee on Foreign Affairs
July 11, 2019**

Question:

USAID's Operating Expenses (OE) Account.

Your testimony describes OE as the source of funding for “people, places, and things” that support the work of USAID. Yet we know that a significant portion of USAID staffing is still paid for out of program funds – which most of us probably assume are being used to support the actual development and humanitarian programs abroad. More specifically, I understand that the “OE” account is used to pay for direct-hire employee salaries—these would be people directly appointed to the civil service and foreign service—but I also understand that most people who work in USAID offices are not direct-hires paid out of OE funds.

Does the “OE” account accurately reflect the entirety of staffing at USAID?

Answer:

The OE account does not fund all USAID staff. Program accounts also fund USAID staff.

Question:

What percentage of USAID staff does “OE” support? How many staff are funded through other accounts? Which accounts?

Answer:

As reported in the FY 2020 Congressional Budget Justification, as of September 30, 2018, the OE account funded approximately 62% of USAID staff – about 7,750 USAID employees. Program accounts funded the remaining 28% of staff – about 3,500 USAID employees -- in FY 2018. Program accounts supporting staffing costs include Assistance for Europe, Eurasia and Central Asia; Development Assistance; Economic Support Fund; Global

Health and Child Survival—USAID; International Disaster Assistance; Transition Initiatives; Development Credit Authority; and PEPFAR.

The USAID staff and data points in these responses include U.S. Direct Hires (USDH) (Civil Service and Foreign Service), both permanent and limited appointments; Administratively Determined appointments (political); Fellows; Participating Agency Service Agreements (PASAs); U.S. Personnel Service Contractors (PSCs); Foreign Service Nationals; and Third Country Nationals.

Question:

A table HFAC staff received from USAID describes 10 primary means of hiring direct-hire and “non-direct-hire” staff, with a breakdown of those that brings the actual number to 32 different hiring mechanisms—most of which are not from OE funds. Why so many?

Answer:

The personnel structure at the Agency reflects mission demands and the requirement to work within financial and legislative restrictions. Each mechanism has different flexibilities that enable offices to increase or decrease staff based on program requirements and changes in program budget levels. The array of hiring mechanisms at USAID evolved over time as the Agency sought new and innovative solutions to unique operational requirements or particular recruitment and retention challenges. However, there are a variety of mechanisms that have accumulated in the HR toolkit as one of now-many options to enable USAID to meet requirements given existing constraints. USAID hopes to consolidate some of the best features of those artifact mechanisms into a new hiring mechanism (the proposed Adaptive Personnel Pilot), which will offer an agile and responsive new solution for emergent, yet-unknown scenarios that

ensures the right talent (with inherently governmental functions) in the right place at the right time for the right duration.

Question:

What is the cause of the proliferation of hiring mechanisms that use funds other than OE? What is the root of this complexity? What role does OE funds play in the problem?

Answer:

During the time in which USAID's foreign assistance programs grew in size and scope while the funding for the OE account remained relatively stagnant, USAID – with Congressional authorization – began to use program dollars to fund its total workforce needs.

USAID relies on a wide variety of hiring mechanisms to ensure adequate staffing, especially given the increasing demand on operational contingency/changing programs such as crisis and humanitarian response and global health. OTI, OFDA, FFP and Global Health need to be able to grow or shrink their staff numbers to support changing programs. In order for the Agency to be flexible when confronted with unpredictable or volatile circumstances such as disasters, political crises, violent extremism, or pandemic diseases, USAID needs to maintain a rapidly deployable, flexible, mobile at-will workforce that will receive equitable and appropriate benefits. The Agency needs to be able to increase and decrease staff depending on the crisis and emergencies and aligned to USAID priorities.

USAID has requested Congressional approval for the transfer authority to pilot the Adaptive Personnel Pilot (APP) program and authorization to use program funds for APP. The APP pilot would reduce the management level of effort by streamlining non-career, program funding hiring mechanism and ensure equitable benefits for staff. The goal of the APP is to enable USAID to hire the right talent, at the right time, in the right place, for the right duration.

Question:

Utility of USAID Operating Expenses Account

I appreciated your written testimony on the history and importance of the OE account. But in his February 27 testimony before the House Appropriations Committee, Administrator Green referred to the “constraints” of OE.

What practical effects does the divide between OE and regular program funds distinction have on the daily and strategic long-term management of USAID?

Answer:

Some management impacts of funding staff with multiple funding sources are described below.

Administrative: Having multiple funding sources for administrative expenses creates an administrative burden on Agency staff, increasing the complexity of reporting and accounting requirements. For example, accounting for personnel payroll becomes increasingly complex when staff is funded from both a combination of program and OE accounts. To accurately reflect and report funding sources, USAID had to develop complex accounting structures. Even overseas, program- and OE-funded furniture for the different staff must be stored and accounted for separately. In addition, tracking Congressional earmarks becomes difficult and time consuming when using program funds for administrative expenses.

Budget and Strategic Planning: Although the Agency tracks and limits the use of program-funded administrative expenses through targets, it does not centrally manage the specific use of these funds by individual operating units and missions.

Workforce: Using multiple funding sources to support the salaries, benefits and other support costs of staff is complex, but the number of hiring mechanisms, beyond the direct hire authorities, requires USAID managers to oversee multiple personnel and performance systems. This is time consuming and has led to complaints of disparate treatment among staff. For example, incentive and performance award programs are designed for direct hire employees, which have led to different levels of recognition, for the same accomplishment, for non-U.S. Direct Hire staff funded from non-OE resources.

For these reasons the Agency has requested in the President's FY 2020 budget request the following language:

Sec. 7037 - (j) Adaptive Personnel Project.— Up to \$86,000,000 of the funds appropriated by this Act under Title III may be made available for USAID's Adaptive Personnel Project (APP): Provided, That such sums shall be available in addition to funds otherwise available for such purposes: Provided further, That the account charged to pay for individuals hired and employed under the APP pursuant to the authority of this subsection shall be the account to which the responsibilities of such individuals primarily relate: Provided further, That such funds may be transferred to, and merged with, funds appropriated under the heading "Operating Expenses" and may remain attributed to any minimum funding requirement for which they were originally made available.

Question:

USAID Proposal to Support Additional Operations Expenses.

In the FY20 request, USAID is requesting authority for a Working Capital Fund whereby an amount equal to 1% of all contract obligations would be put into this fund and available to pay

for OE-type expenses, such as salaries for Contracting Officers. In your written testimony, you wrote, "it would permit the Agency to align and balance the workforce to match evolving policies and priorities, such as responding to fragile and new states and rapid build-ups similar to the surges required for Afghanistan and Iraq."

This sounds as if this essentially proposes to convert program funds into OE funds, correct?

Answer:

The intent of the Working Capital Fund (WCF) is not to convert program funds into OE funds. The WCF would provide a mechanism to manage valuable resources more effectively while maintaining high service-delivery standards. The WCF would provide businesslike incentives for customer focus and management efficiency and the financial authority and flexibility required to effectively procure and use personnel, materials, and other resources needed to perform acquisition and assistance functions.

Question:

Why is this request being limited to salaries of Contracting Officers and contract staff? Would it be useful to have more OE available for any direct-hire staffing?

Answer:

The FY 2020 OE budget request includes funding for 40 additional U.S. direct-hire positions to better support the field.

The proposed Acquisition and Assistance (A&A) Working Capital Fund (WCF) is focused on A&A activities and costs, which include the salaries and benefits of A&A staff, office costs, and the Global Acquisition and Assistance System. Prior to recent years, and for almost two decades, USAID program resources greatly outpaced resources for management and oversight of those programs. With the WCF, USAID would have a consistent funding stream dedicated to management and oversight that is commensurate with its program levels.

Resources generated through the USAID WCF would strengthen award oversight and performance management, including suspensions, debarments, incurred cost audits, expanded close-outs, and ultimately, recovery of taxpayer dollars. It would also be used to increase procurement training, leading to improved scopes of work for more cost-effective contracts and grants.

Question:

How would this work mechanically? Are funds currently being allocated for salaries of Contracting Officer staff insufficient? If not, what would happen to the funds currently allocated once supplemented by this fund? Would those funds be reallocated to other staffing needs?

Answer:

Below is a description of the Working Capital Fund's budget and collection process:

Budget: USAID would manage the Acquisition and Assistance (A&A) Working Capital Fund (WCF) budget as it does the OE budget. The operating units involved in A&A activities would submit budget requests for central review and analysis. Based on the central analysis, a comprehensive, consolidated operating-year budget (OYB) for salaries and benefits (S&Bs) and other direct costs (ODCs) would be prepared for the Administrator's approval. Upon the Administrator's approval, funds, as prescribed by the OYB, would be allocated to the relevant operating units, which include M/OAA, the Information Technology (IT) Cost Center, and other operating units conducting acquisition and assistance activities.

USAID would create a cost center for acquisition and assistance that would operate as the IT and Staff Training cost centers do. The A&A Cost Center manager would be responsible for transferring funds to the operating units performing acquisition and assistance activities.

Collection: Based on calculations of FY 2018 program obligations worldwide, the fee, if set at 1% of A&A obligations, would generate up to \$191 million. Historically, 80% of all obligations are made in the last three months of the fiscal year. With this obligation pattern, it would be impossible to generate sufficient funding by starting both collections and the funding of operations in the same year. The Agency needs to ensure the A&A WCF has sufficient seed funding to make it self-sustaining before using it.

Beginning in FY 2020, each A&A transaction processed through GLAAS would be assessed a fee of up to one percent at the time of obligation, with the fee deposited into a no-year revolving fund. This would seed the account to enable using the WCF to support all A&A activities beginning in FY 2021. The exact level of the fee would be set based on expected obligations for the remainder of the fiscal year and the proposed operating-year budget for procurement operations in the following fiscal year.

Through GLAAS, the fee will be posted in Phoenix. Phoenix will then issue disbursements from the assessed account to the A&A WCF. Once the fees are in the WCF, the funds are available.

OMB would apportion the operating-year budget as presented in the USAID apportionment request at the beginning of the fiscal year. The A&A WCF budget and apportionment requests would be based on the anticipated fees to be recovered. No-year funds

are available until expended; however, unobligated balances must be reapportioned by OMB for the amount to be carried over to the next fiscal year. Apportionments are allotted to the A&A WCF and allowed to the operating units based on the approved OYB.

Funds currently allocated for the salaries of Contracting Officer staff are sufficient. However, these positions, across the entire Federal Government, are continually determined to be a "shortage" category by the Office of Personnel Management. Thus, attracting and retaining talented professionals makes these a mission-critical occupation for all agencies. The creation of the A&A WCF would generate offsets to the OE account, which means the OE request would decrease. Depending on the timing of receiving the requested authority and on estimated program obligations in FY 2020 and subsequent fiscal years, start options and offsets would vary.

Question:

The FY20 request seeks 40 new civil service positions for USAID.

- Where will these positions be based?
- How many will be sent from Washington, so that USAID can meet its field-oriented mission?

Answer:

I refer you to the USAID's Chief Human Capital Officer in the Office of Human Capital and Talent Management for further details on our civil service positions.

Question:

While I appreciate the hiring of 40 new Civil Service positions, I'm concerned about the lingering impacts of the government wide hiring freeze from 2017, and the USAID self-imposed hiring freeze of 2018.

Could you please detail how much of USAID's workforce, under any hiring mechanism, has left and not been replaced from 2017, 2018, and 2019? Please disaggregate by position and rank.

Answer:

I refer you to the USAID's Chief Human Capital Officer in the Office of Human Capital and Talent Management for further details on the Agency's workforce.

Question:

USAID experienced the US Government-wide hiring freeze in 2017, the USAID self-imposed hiring freeze in 2018, and the administration's shutdown in 2019. During the 2017 freeze, USAID established a "Hiring and Reassignment Review Board" (HRRB) to at least prioritize needs for when they would be allowed by the administration to be filled. In its limited time not subject to these constraints, the Agency has kept the HRRB in place and, I understand, requires offices to seek its approval before filling vacant positions or hiring new staff.

- Since this HRRB was established in mid-2017, how many personnel staffing requests were submitted to the HRRB? How many were rejected?
- What criteria does the HRRB use?
- Who is involved in the HRRB decision-making and what expertise, training, or background do they have in assessing management needs?
- How has this administration determined what it thinks is an appropriate staffing size for USAID? What strategic planning informs the HRRB decisions? Some other agencies do 5-year staffing plans. State and USAID, like DOD, used to do quadrennial strategic plans. What strategic planning has this administration done to inform its thinking?

Answer:

I refer you to the USAID's Chief Human Capital Officer in the Office of Human Capital and Talent Management for further details on the HRRB.

Question:

We are confronting a dynamic and ever-changing world. Some of these challenges, to name a few, include: climate change, demographic shifts, unprecedented humanitarian crises, a rising China and a spoiler Russia. These changes are occurring rapidly.

- How does USAID anticipate which types of employees it will need in the future in which countries?

- How to you ensure that you start years in advance to get the right types of employees or make trainings available to address complex global challenges? For example, we are aware of large demographic shifts in Africa associated with a youth bulge – how will USAID ensure we have the right people in those places at the right time? How do you pivot when those needs shift quickly?

Answer:

I refer you to the USAID's Chief Human Capital Officer in the Office of Human Capital and Talent Management for further details.

Question:

Please discuss the impact of USAID Transformation reforms on the FY 2020 budget request.

- How do you anticipate that these reforms will impact country, regional, and sector aid allocations in FY 2020 and the coming years? What action, if any, do you seek from Congress to fully implement the proposed reforms?

Answer:

This request advances implementation of U.S. Government reforms including a major structural reorganization of USAID to strengthen core capabilities, increase efficiency, and reduce costs. USAID's structural reforms are foundational, and would create a field-focused, functionally aligned Washington structure that would empower our Missions to advance our partner countries on their Journey to Self-Reliance. Supporting countries on their journey to self-reliance does require USAID to take a number of new approaches, some of which impact the budget request.

This budget reflects USAID's transition of its Development Credit Authority to the new Development Finance Corporation with a request of \$50 million to create new opportunities for private sector involvement in development and compete with China, and a request of \$100 million for greater resource mobilization, a key part of our financing self-reliance. This request

will improve countries' abilities to effectively marshal and manage their own dollars into their development through domestic resource mobilization, fiscal transparency, enabling environment for private sector engagement, public financial management, and capital markets development. As part of the Women's Global Development and Prosperity Initiative, this budget request also includes \$100 million to empower women to participate fully in the formal economy.

In addition to what we have requested, the reforms will impact how we do our business. We look to leverage FY 2020 resources through new approaches to private sector engagement, and be more collaborative and supportive with our donor countries and stakeholders through more efficient and effective procurement practices.

USAID's Policy Framework and reform efforts have set a new standard in how we approach our development work. We are looking at how we can do our sector work in ways that reinforce our partner countries on their journey to self-reliance. This is reflected in our sector strategies, many of them which are being revised and updated now, and approaches. We look to integrate new procurement practices, new private sector approaches, and other core parts of the transformation into all of our work. One such new approach is building the budget based on objective, data-driven analytics rooted in the Journey to Self-Reliance framework, as well as leveraging Private Sector Engagement, and aligning performance with budget. This has led to some changes in our request, but will be even more impactful as we complete new Country Development Cooperation Strategies for every country over the next couple of years.

**Questions for the Record Submitted to
USAID Chief Human Capital Officer Bob Leavitt,
Office of Human Capital and Talent Management
Representative Ami Bera
House Foreign Affairs Committee
July 11, 2019**

Question:

Mr. Leavitt, I appreciated your response to my question on the various hiring mechanisms and authorities that USAID uses to ensure it has the best person for the job. You noted these mechanisms can be inefficient.

Could you please detail all the hiring authorities and mechanisms that USAID uses to hire and retain its personnel?

Answer:

Career Direct-Hires: USAID hires Foreign Service personnel under Section 303 of the Foreign Service Act (Section 3943 of Title 22 of the United States Code [U.S.C.]). USAID's Senior Foreign Service is under Section 305 the Foreign Service Act. USAID hires Civil Service employees under the authority contained in Chapter 33 of Title 5 of the U.S.C. (See Section 3301 of Title 5 of the U.S.C. for competitive service and Section 3320 of Title 5 of the U.S.C. for excepted service.)

Foreign Service Limited (FSL) Direct-Hire Appointments: Section 309 of the Foreign Service Act of 1980 (FSA), as amended, provides the general authorization for the Agency to make limited appointments in the Foreign Service not to exceed five years. The Omnibus Appropriations Act, 2009 (Division H, Sec. 7059) and each subsequent Annual Appropriation, has authorized the Agency to extend FSL appointments for a period of four years, making nine years the maximum time an appointee can currently stay in the same Foreign Service Limited (FSL) position. Additionally, all annual appropriations since FY 2006 have authorized the

Agency to program fund up to 175 FSLs with cumulative spending caps between \$75 million and \$93 million.

U.S. Personal Service Contracts (USPSCs): USAID has three primary authorities to hire USPSCs in Washington and overseas: Various notwithstanding authorities provided in both authorizing and appropriations legislation, including those broadly tied to the Assistance for Europe, Eurasia, and Central Asia (AEECA), Transition Initiatives (TI), International Disaster Assistance (IDA), and Global Health Programs (GHP) accounts. PSCs hired pursuant to a notwithstanding authority may work in Washington or overseas.

Section 636(a)(3) of the Foreign Assistance Act of 1961 (FAA) authorizes USAID to hire PSCs for services abroad. This includes personal service contracts with Foreign Service Nationals and Third Country Nationals for performance abroad under the authority of Section 636(a)(3). An authority permitting USAID to hire up to 40 Washington-based PSCs per annum is contained each year in the Department of State, Foreign Operations and Related Programs Appropriations Act (SFOAA) (e.g., SFOAA FY19, P.L. 116-6, Section 7057(g)).

Participating Agency Service Agreements (PASAs): Section 632(b) of the Foreign Assistance Act of 1961, also provides the Agency with the authority to obtain the services of other federal agencies. The U.S. Department of Agriculture's (USDA) Forest Service and Agricultural Research Service have been the main suppliers of such technical services.

Question:

You requested transfer authority for USAID's adaptive personnel project pilot. Could you please detail the specific transfer authority you are requesting?

Answer:

USAID requests that a limited amount of funds appropriated under Title III of the annual appropriations act be made available for USAID's Adaptive Personnel Project, provided that such sums are available in addition to funds otherwise available for such purposes and the account charged to pay for individuals hired and employed under the Adaptive Personnel Project pursuant to the authority shall be the account to which the responsibilities of such individuals primarily relate.

With limited exceptions, USAID may not use program funds to pay for U.S. Direct-Hire (USDH) staff. This significantly limits USAID's flexibility in managing and improving upon its staffing options, particularly for its at-will workforce—especially staff supporting crisis or humanitarian response, and global health programs. Transfer authority would enable USAID to fund Adaptive Personnel Project pilot positions with the same program funds that it currently uses to fund PASAs, USPSCs, and Institutional Support Contractors.

With congressional approval of the transfer authority for the Adaptive Personnel Project, USAID would pilot the project in the Bureau for Humanitarian Assistance (BHA), the Bureau for Conflict Prevention and Stabilization/Office of Transition Initiatives (CPS/OTI), and the Bureau for Global Health (GH). USAID would create Adaptive Personnel Project positions in lieu of existing program-funded positions (e.g. USPSC, PASA, Institutional Support Contractor). USAID does not require additional funding for the Adaptive Personnel Project.

The Adaptive Personnel Project would be a term-limited/at-will U.S. Direct-Hire excepted service hiring mechanism. The mechanism would enable USAID to:

1. Improve flexibility and mobility in hiring and movement of at-will staff by establishing broad talent-models;
2. Reduce management level of effort by streamlining Program-funded hiring mechanisms; and

3. Ensure equitable benefits for staff and adequate inherently governmental authorities.

USAID plans to implement the initial Adaptive Personnel Project pilot using authorities such as Title 22 or Title V (working with the Office of Personnel Management). Implementation of the Adaptive Personnel Project will not impact USAID's U.S. Direct-Hire career employee categories, i.e. Foreign Service and Civil Service.

Question:

The FY 2020 request seeks 40 new Civil Service positions for USAID.

Where will these positions be based?

Answer:

These positions were requested to support staffing needs identified through Agency's Transformation. The positions will be based in: the Bureaus for Humanitarian Assistance; Conflict Prevention, and Stabilization; Resilience and Food Security; Asia; and Development, Democracy, and Innovation. The 40 Civil Service positions are needed to ensure these new Bureaus have sufficient staff for positions with inherently governmental functions.

Question:

How many will be sent from Washington, so that USAID can meet its field-oriented mission?

Answer:

Vacant USAID field assignments are offered to tenured Civil Service employees annually after the conclusion of the Foreign Service assignments process. USAID plans to hire approximately 175 career-track FSOs by the end of FY 2020.

Question:

While I appreciate the hiring of 40 new Civil Service positions, I'm concerned about the lingering impacts of the government wide hiring freeze from 2017, and the USAID self-imposed hiring freeze of 2018.

Is it USAID's intent to continue to downsize USAID or do you intend to rebuild USAID to recover from the consequences of the hiring freeze?

Answer:

USAID is actively hiring and intends to staff to the appropriated levels for both Foreign Service and Civil Service.

Question:

Could you please detail how much of USAID's workforce, under any hiring mechanism, has left and not been replaced from 2017, 2018, and 2019? Please disaggregate by position and rank.

Answer:

| | Departure | Replaced | Departure | Replaced | Departure | Replaced |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 |
| Administratively Determined (AD): | | | | | | |
| AD-00 | 76 | 23 | 4 | 55 | 8 | 17 |
| Subtotal: | 76 | 23 | 4 | 55 | 8 | 17 |
| Senior Executive Service (EX, ES, ED, ST): | | | | | | |
| EX-02 | 1 | 1 | 0 | 0 | 0 | 2 |
| EX-03 | 1 | 0 | 0 | 0 | 0 | 1 |
| EX-04 | 8 | 0 | 0 | 1 | 0 | 3 |
| ES/ED -00 | 9 | 3 | 2 | 4 | 3 | 0 |
| ST-00 | 0 | 1 | 0 | 0 | 0 | 0 |

| | | | | | | |
|--|------------|-----------|------------|-----------|-----------|-----------|
| Subtotal: | 19 | 5 | 2 | 5 | 3 | 6 |
| Senior Foreign Service (FE): | | | | | | |
| FE-01 | 11 | 1 | 2 | 11 | 1 | 0 |
| FE-02 | 2 | 0 | 5 | 2 | 3 | 0 |
| FE-03 | 11 | 1 | 8 | 11 | 5 | 0 |
| Subtotal: | 24 | 2 | 15 | 24 | 9 | 0 |
| General Schedule (GS) Civil Service: | | | | | | |
| GS-15 | 30 | 11 | 40 | 9 | 20 | 13 |
| GS-14 | 27 | 14 | 38 | 4 | 24 | 9 |
| GS-13 | 28 | 8 | 35 | 4 | 15 | 17 |
| GS-12 | 11 | 6 | 10 | 1 | 6 | 4 |
| GS-11 | 6 | 5 | 12 | 8 | 4 | 14 |
| GS-10 | 1 | 0 | 4 | 0 | 0 | 0 |
| GS-9 | 7 | 3 | 5 | 2 | 2 | 7 |
| GS-8 | 5 | 1 | 4 | 0 | 1 | 0 |
| GS-7 | 2 | 2 | 2 | 0 | 1 | 2 |
| GS-6 | 0 | 0 | 0 | 0 | 0 | 0 |
| GS-5 | 1 | 3 | 1 | 0 | 0 | 0 |
| GS-4 | 4 | 5 | 2 | 1 | 0 | 1 |
| Subtotal: | 122 | 58 | 153 | 29 | 73 | 67 |
| Foreign Service (FO, FP): | | | | | | |
| FS-01 | 16 | 1 | 18 | 0 | 5 | 0 |
| FS-02 | 14 | 2 | 14 | 1 | 9 | 0 |
| FS-03 | 15 | 1 | 17 | 0 | 12 | 0 |
| FS-04 | 6 | 0 | 4 | 1 | 2 | 0 |
| FS-05 | 1 | 3 | 0 | 11 | 0 | 0 |
| FS-06 | 0 | 2 | 0 | 4 | 0 | 0 |
| Subtotal: | 52 | 9 | 53 | 17 | 28 | 0 |
| Foreign Service Limited (FSL) Appointees: | | | | | | |
| FS-01 | 7 | 3 | 15 | 8 | 6 | 5 |
| FS-02 | 16 | 12 | 17 | 11 | 8 | 10 |
| FS-03 | 12 | 19 | 10 | 3 | 9 | 9 |
| FS-04 | 0 | 2 | 2 | 1 | 1 | 2 |
| FS-05 | 1 | 0 | 1 | 0 | 0 | 0 |

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| Subtotal: | 36 | 36 | 45 | 23 | 24 | 26 |
| U.S. Personal Service Contractors (PSCs): | | | | | | |
| 00 | 312 | 357 | 309 | 317 | 174 | 204 |
| Subtotal: | 312 | 357 | 309 | 317 | 174 | 204 |
| | | | | | | |
| Grand Total | 641 | 490 | 581 | 470 | 319 | 320 |
| | | | | | | |

The data for FSN PSCs and TCN PSCs, as well as PASA employees and Fellows is as of September 30, 2018 and does not account for departures or replacements.

| | 1/22/2017 | 9/30/2017 | 9/30/2018 |
|---------------------|-----------|-----------|-----------|
| FSN/TCN PSCs | 4615 | 4495 | 4712 |
| PASA | 281 | 291 | 317 |
| Fellows | 173 | 174 | 112 |

Notes:

- Although PASA employees and Fellows work for USAID, PASA staff are employees of the U.S. Department of Agriculture and Fellows are employees of the non-governmental institutions with which USAID has cooperating agreements. As the National Finance Center— USAID's payroll processor—does not process their payroll, USAID does not have the data for their departure or replacement. Once a year, to submit the annual Congressional staffing reports, USAID obtains their onboard data through a data call to all operating units both in Washington, D.C. and overseas.
- FSN PSCs and TCN PSCs are foreign national USAID employees who work exclusively overseas. Their personnel actions and payroll are handled by the Department of State under the administrative consolidation arrangement. USAID does not track their departure and replacement. USAID, however, tracks their onboard counts through a data call once a year to prepare for the annual Congressional Staffing Report.

Question:

USAID experienced the U.S. Government-wide hiring freeze in 2017, the USAID self-imposed hiring freeze in 2018, and the administration's shutdown in 2019. During the 2017 freeze, USAID established a "Hiring and Reassignment Review Board" (HRRB) to at least prioritize needs for when they would be allowed by the administration to be filled. In its limited time not subject to these constraints, the Agency has kept the HRRB in place and, I understand, requires offices to seek its approval before filling vacant positions or hiring new staff.

Since this HRRB was established in mid-2017, how many personnel staffing requests were submitted to the HRRB? How many were rejected?

Answer:

The HRRB was established to strategically manage the USAID workforce during the hiring freeze. The HRRB's purpose has evolved to include identifying gaps and prioritizing essential positions to be filled based on national security concerns and the need to preserve core functions. The HRRB has reviewed 673 requests since August 2017. These requests included competitive internal recruitments across Bureaus/Independent Offices, external hires, Eligible Family Members, Presidential Management Fellows, and details of one year or more out of the Agency. The requests are for Operating Expense-funded, Civil Service positions only.

Of the approximately 673 requests, 519 were approved. The total number of requests includes some that the HRRB reviewed more than once. In some instances, the HRRB asked for additional information or justification before making a decision, and the requesting Bureau/Independent Office thereafter resubmitted the request. In other instances, the HRRB approved a request for an internal hire, but the requesting Bureau/Independent Office was unable to find a qualified candidate, and the request was resubmitted and approved as an external hire. The total also includes instances in which the requesting Bureau/Independent Office withdrew its request(s) before being reviewed by the HRRB. In instances that the HRRB disapproved

requests to hire externally, the HRRB recommended a different hiring mechanism or determined that the requested position was not a priority for the Agency in light of its pending reorganization.

Question:

What criteria does the HRRB use?

Answer:

The HRRB prioritizes essential Civil Service positions to fill based on national security concerns, the need to preserve the Agency's core functions, and implement the Administrator's priorities. The HRRB monitors attrition levels; identifies gaps in the competencies of USAID's workforce; and prioritizes essential positions to fill. This corporate view ensures USAID remains within its funding levels; supports the Agency's Redesign efforts; and recruits, retains and deploys the talent needed to fulfill the Administration's vision for 21st century diplomacy and development.

The HRRB meets monthly, or when necessary, to review requests/justifications to support critical hiring needs from Bureaus and Independent Offices and make recommendations for internal and external recruitment. While the HRRB reviews overall planned Foreign Service hiring levels, it does not approve Foreign Service vacancies. The HRRB operates on a consensus basis. If the HRRB cannot come to a consensus on a particular request, the Administrator or Deputy Administrator will make the final decision.

During the hiring freeze and the period in which all external hires required the approval of the Secretary of State (from January 2017 through March 2018), the HRRB was a necessary forum to prioritize positions. As of June 2019, the HRRB does not review mission-critical

occupations (*i.e.*, those with critical skill gaps as designated by the Office of Personnel Management or the Agency's leadership) that were vacated as of April 17, 2019. Operating units may fill positions in mission-critical occupations vacated since April 2019 without submitting a request to the HRRB.

Question:

Who is involved in the HRRB decision-making and what expertise, training, or background do they have in assessing management needs?

Answer:

The HRRB consists of the Deputy Administrator; Chief of Staff; Counselor to the Agency; representatives from the Transformation Task Team; Bureau for Management; Bureau for Policy, Planning, and Learning; the Office of Human Capital and Talent Management; the Office of Budget and Resource Management; General Counsel; Office of Civil Rights and Diversity; and one representative each from a regional and functional Bureau.

The HRRB members are part of the Agency's senior leadership team, and include Assistant Administrators (AAs), Deputy AAs, and Senior Deputy AAs. They are mostly Foreign Service and Civil Service employees with many years of USAID experience. They have served in a variety of positions throughout the Agency, and have risen through the ranks in positions with increasing responsibility. These leaders have in-depth understanding of the personnel requirements of the Agency's Bureaus and Independent Offices, and of the Agency's funding sources and available hiring mechanisms to address those requirements. Their years and depth of experience with USAID enable them to impartially and fairly assess the Agency's management needs.

Question:

How has this administration determined what it thinks is an appropriate staffing size for USAID? What strategic planning informs the HRRB decisions? Some other agencies do 5-year staffing plans. State and USAID, like DOD, used to do quadrennial strategic plans. What strategic planning has this administration done to inform its thinking?

Answer:

USAID is in the process of developing the FY 2019-FY 2021 Strategic Workforce Plan—an interim plan to address how the Agency will achieve its funded staffing levels. The Plan will also lay the foundation for how USAID will move towards a more data-driven, standardized, and strategic approach to planning for and managing its workforce. The Plan will underscore USAID’s need for a more agile talent-management system that swiftly recruits, trains, deploys, and retains creative and innovative people to meet the challenges of the future.

In addition, by the end of FY 2019, USAID will deploy new Workforce Planning reporting tools to improve our ability to plan and manage the complex workforce. USAID also plans to deploy more detailed Workforce Planning capabilities in FY 2020. Establishing and maintaining a corporate workforce planning and management system is essential to sustain USAID leadership in development, and for decision-making in a dynamic operating environment.

While the Agency prepares the new Strategic Workforce Plan, the HRRB monitors staffing levels, budgets, attrition levels, workforce gaps, and other factors in order to prioritize filling positions strategically. This corporate view ensures that USAID remains within its funding levels and recruits, retains, and deploys the talent needed to advance the Agency’s mission.

Question:

We are confronting a dynamic and ever-changing world. Some of these challenges, to name a few, include: climate change, demographic shifts, unprecedented humanitarian crises, a rising China and a spoiler Russia. These changes are occurring rapidly.

How does USAID anticipate which types of employees it will need in the future in which countries?

Answer:

USAID's workforce needs are currently determined through broad engagement of leadership across the Agency. Operating units formulate requests for resources, which are aggregated and synthesized at each organizational level. Agency leadership, the HRRB, the Office of Human Capital and Talent Management, and the Bureau for Management reconcile staffing requests against available resources to finalize staffing numbers for the next fiscal year. This process will be detailed in the Agency's Strategic Workforce Plan.

By FY 2021, USAID plans to conduct workforce planning consistent with the Human Capital Planning Process, which includes five steps:

1. **Vision and Strategic Direction:** Step I determines how USAID's priorities impact the human capital needs of the organization and the Agency's ability to realize its vision and strategic direction.
2. **Workforce Analysis:** Step II will include analysis of staffing levels for Foreign Service Officers and Civil Service. This step will provide a picture of the current workforce, highlighting strengths and gaps. It will also lay the foundation for the Agency's plan to establish and maintain a total workforce planning model to forecast future workforce needs.
3. **Workforce Strategy:** Step III will outline USAID's plan for attaining target staffing levels across the Foreign Service and Civil Service in line with the Agency's new strategic direction and priorities. It will also include a detailed gap analysis which will inform the further development of the Agency's workforce strategies.
4. **Implementation:** Step IV will identify both ongoing and planned initiatives aligned with the needs learned from the Workforce Analysis and Workforce Strategy steps across human-resources operations, talent management, and

workplace accountability. This step will also define roles and responsibilities, the allocation of resources, and establish timeframes.

5. **Monitor, Evaluate, and Learn:** Step V will define the mechanisms and metrics that will be used to monitor and evaluate progress against the stated goals.

Question:

How do you ensure that you start years in advance to get the right types of employees or make trainings available to address complex global challenges? For example, we are aware of large demographic shifts in Africa associated with a youth bulge – how will USAID ensure we have the right people in those places at the right time? How do you pivot when those needs shift quickly?

Answer:

The Agency is focused on making training more effective by better aligning courses to employee development goals, offering employees a wider range of training methods and technologies, and ensuring that training is just-in-time when lessons can be applied in the workplace. As a result of that strategy, employees benefit from a far more effective learning environment that includes a modern training facility, greater use of e-learning, and attention to defining competencies for positions and backstops.

USAID's rotational service moves nearly 500 Foreign Service Officers—almost one third of its Foreign Service—each year. This permits the Agency to pivot quickly in response to changing requirements. The primary goal of the annual competitive assignments process is to support the strategic allocation of Agency human resources to meet Agency program and administrative requirements. The assignments process ensures that the Agency's Critical and Priority positions are filled before assignments to all other positions are made. The process also ensures that, to the extent possible, employee preferences and the career development needs of USAID's Foreign Service workforce are considered in the allocation of available assignments.

**Questions for the Record Submitted to
Director Mr. Douglas Pitkin
Representative Ilhan Omar (#1)
House Foreign Affairs Committee
July 11, 2019**

Question:

The agreement for Iran Disinfo was for \$1.5 million dollars over two years, is that correct?

Answer:

That is correct.

**Questions for the Record Submitted to
Director Mr. Douglas Pitkin
Representative Ilhan Omar (#2)
House Foreign Affairs Committee
July 11, 2019**

Question:

Prior to the suspension of funds for the implementer, the State Department had paid out \$207,000, is that correct?

Answer:

That is correct.

**Questions for the Record Submitted to
Director Mr. Douglas Pitkin
Representative Ilhan Omar (#3)
House Foreign Affairs Committee
July 11, 2019**

Question:

How many people were employed by Iran Disinfo?

Answer:

108 individuals were affiliated with the overall project, of which the @IranDisinfo Twitter handle was one part.

**Questions for the Record Submitted to
Director Mr. Douglas Pitkin
Representative Ilhan Omar (#4)
House Foreign Affairs Committee
July 11, 2019**

Question:

The project seems to have consisted of a barebones website and a Twitter feed. What was the rest of that taxpayer money spent on?

Answer:

The website and Twitter feed were one small part of the overall project. Longer-term efforts of the project did not come to fruition due to the suspension and early termination of the project.

**Questions for the Record Submitted to
Director Mr. Douglas Pitkin
Representative Ilhan Omar (#5)
House Foreign Affairs Committee
July 11, 2019**

Question:

It is my understanding that the implementer of Iran Disinfo — Mariam Memarsedeghi — has other contracts with other offices or departments at State. What are those other projects? How much total have she and her organizations been paid by State?

Answer:

The GEC terminated the project with the implementer-organization affiliated with @IranDisinfo and has no other awards with the organization. Other offices in the State Department fund the same organization for other objectives. The Department is closely monitoring those projects to ensure activities are carried out with the terms of the grant agreement. As with any grant, if a project is at risk of going beyond scope or undertaking inappropriate activities, the Department would immediately initiate corrective action. Due to potential safety, security, and privacy concerns, we do not openly discuss the details of programs related to Iran or comment on individuals.

UNCLASSIFIED

**Questions for the Record Submitted to
Director Mr. Douglas Pitkin
Representative Ilhan Omar (#6)
House Foreign Affairs Committee
July 11, 2019**

Question:

Has any consideration been given to fully severing ties with Memersedeghi as a result of this scandal?

Answer:

The GEC terminated the project with the implementer-organization affiliated with @IranDisinfo and has no other awards with the organization. Other offices in the State Department fund the same organization for other objectives. The Department is closely monitoring those projects to ensure activities are carried out with the terms of the grant agreement. As with any grant, if a project is at risk of going beyond scope or undertaking inappropriate activities, the Department would immediately initiate corrective action. Due to potential safety, security, and privacy concerns, we do not openly discuss the details of programs related to Iran or comment on individuals.

UNCLASSIFIED

**Questions for the Record Submitted to
USAID Assistant Administrator Fred Nutt,
Bureau for Management
Representative Ilhan Omar
House Foreign Affairs Committee
July 11, 2019**

Question

Following up on our conversation during the hearing:

Given the vast research and economic data out there that proves that family planning and access to contraception are critical to women's economic empowerment, how can this Administration make the argument that cuts to international family planning help women, or even that these cuts are a smart budgeting choice?

Answer

As the world's largest bilateral donor to global health programs, the United States remains committed to helping women and their children thrive. Preventing child and maternal deaths and improving women's health are priorities for USAID, and rely on investments and linkages to improve the health of women and children, including programs focusing on maternal and child health, nutrition, malaria, HIV/AIDS, infectious diseases including TB, and voluntary informed family planning. Investments in women's health yield a return of up to 20 times in the form of societal and economic benefits. This effort has always relied upon partnerships with country governments and other donors, and its continued success is linked to their sustained involvement, as well as efforts to build self-reliance, and a greater level of participation by other donors and countries in funding family planning and reproductive health activities.

Question

Does USAID see a path for genuine empowerment and inclusion for women and girls that does not include access to reproductive health care and family planning?

Answer

Gender equality and women's empowerment depend on inputs and outcomes across several spheres, and at the individual, community and national levels. USAID's robust programming in multiple regions and sectors, including health, agriculture, crisis and conflict, democracy and governance, education, economic growth, and the environment provide ample opportunities to ensure that the Agency's work gives attention to addressing the many facets of gender equality and women's empowerment.

As part of that, USAID is committed to ensuring access to quality health care for women, their children and their families. Women with access to optimal health care, who can understand and achieve healthy timing and spacing of pregnancy and survive childbirth without lasting injury, may be better able to finish their education, participate in economic activities, care for their families and raise children. When women have access to basic health care for both themselves and their families, and are empowered to make healthy, positive choices, the well-being of the entire community can be augmented.