

Chairman Lawler, Ranking Member Cherfilus-McCormick, and Members of the House Foreign Affairs Subcommittee on the Middle East and North Africa,

I am honored to be here speaking with you today as you explore ways to streamline administrative services at the U.S. Department of State and I sincerely thank you for the invitation to be a part of this conversation.

I was fortunate to serve as the Assistant Secretary of State for Administration from the summer of 2019 to early 2021, in a role that was established during the Franklin D. Roosevelt Administration. Though the responsibilities of the Bureau of Administration have certainly evolved over the past 80 years, what has not changed is that the bureau has always worked tirelessly to support the entire Department and US diplomatic efforts around the globe.

As the administrative backbone of the Department, the Bureau of Administration's portfolio covers everything from worldwide logistics, transportation, travel, privacy and records mandates, acquisition and procurement, domestic real property management, emergency management readiness, language interpretation and translation services, and support for international schools. With a workforce comprised of a combination of civil service, foreign service, and contractors, the bureau manages overseas mail and diplomatic pouch, support for Presidential travel overseas, a global publishing shop, and allowances policy for all those serving abroad.

In many ways, the Bureau of Administration functions as a customer service organization, with its customers being the other bureaus at the State Department, the 298 overseas posts, and even in some cases, the employees of the State Department itself (with the well-known example being when foreign service officers and other ICASS members having their home items shipped to countries abroad when they serve at embassies by the logistics operations division). And due to that customer service nature, some of the Administration Bureau's divisions and programs have been able to run more as a business through centers in the State Department's Working Capital Fund.

One long-standing example of this, is the Global Acquisition Division. The highly skilled and technical procurement team in this division charges the other State Department bureaus or overseas posts a percentage fee of the overall procurement or contract cost to handle their acquisition work, and in turn, those fees are what pay for the salaries of the overwhelming majority of employees that work in that division (vs direct government-funded Full Time Employees (FTEs)) and the office space in which they work. Why is running an acquisition program via a Working Capital Fund a smart choice for taxpayer dollars and a good business model for an Executive Branch agency? 1) It encourages bureaus to seek out only the contracting work they need from the Bureau of Administration, not just spend all they have in their bureau budgets as there is a fee attached; 2) It ensures that the procurement shop remains flexible in size and agile in how it assigns staff as it is based on demand and use by the State Department (as no one ever wants their center in the Working Capital Fund to go into the red) and, 3) It encourages the Global Acquisition Division to continue to look for ways to streamline and ever increase productivity with its work to keep their fees to the rest of the Department relatively stable to continue to cover their operating costs, as increasing fees

causes higher levels of customer dissatisfaction and complaints from around the State Department.

The Acquisitions/Procurement space within the Bureau of Administration has long served under a revolving fund model, however, new Working Capital Fund service centers still continue to develop within the Bureau of Administration, including one recently established in the Domestic Operations and Emergency Services Division.

While I was Assistant Secretary, the Real Property team and I were keenly aware of the age and deteriorating condition of several of our domestic facilities. This is not a unique story to the State Department, as many government buildings are in similar situations, but we increased our focus on lifecycle maintenance projections and schedules for the work that needed to be done, to ensure proper upkeep and repair of our facilities going forward for which the State Department itself was responsible. For the capital investment projects in which our landlord, the General Services Administration (GSA), was responsible, like elevator replacement at our headquarters, several of which were original to the Harry S Truman building, we began working even more closely with our GSA counterparts to ensure our projects were a focal point and moving forward towards completion. With a customer service mindset, the team and I also pushed to complete long-standing projects that mattered to the people at the State Department and improved the quality of their work environment. One notable project completed was the opening of the D Street entrance at HST, which had been closed for 12 years and was the access point closest to the Foggy Bottom metro. You can guess that this matters quite a bit to employees on rainy, snowy and windy days!

Since I left the Bureau of Administration, the bureau has taken its real property program one step further in focusing on customer service with a business model mindset as it created (with Congressional approval) a Working Capital Fund center for its domestic facilities. All State Department bureaus are charged a fee for the square footage of space they occupy in domestic buildings across the country. Those fees then go to fund routine operational and maintenance funds (including leasing fees, utilities, etc), but also accrue funds for general facility lifecycle maintenance and repair work across fiscal years for things like roof replacement and updating electrical systems. This saves taxpayer dollars by: 1) Ensuring routine maintenance and upkeep is done on our government properties and not letting issues go by the wayside until the situations are dire and costs are astronomical to fix them—let alone having to come to Congress to ask for additional funds, and 2) Better understanding all square footage that we have on hand, continually looking for ways to improve how the spaces are used, and as other bureaus are not going to want to spend more of their budget on fees to the Bureau of Administration on underutilized or unused spaces, when possible, the State Department will be able to exit building leases and spaces that may no longer be needed decreasing cost.

There are other Working Capital Fund programs in the Bureau of Administration, like its successful use in Logistics Management, and I continue to think it is a model that has been smart from financial savings perspective as it ensures proper sizing of staffing patterns and space utilization, but also ensures the team is responding to the demands and customer service needs of the State Department, so it can continue to focus on its mission of US Diplomacy around the world.

Technology is clearly another tool that the Bureau of Administration can further utilize to streamline its work in its support of the State Department. Like so many other government agencies and bureaus, the Administration Bureau was not alone in having aging IT systems or programs or not utilizing technology to its fullest capacity to increase productivity and decrease costs.

I would say the Integrated Logistics Management System (ILMS) was the biggest challenge while I was Assistant Secretary on this front and my understanding is that it is still challenging. ILMS is a product that works in tracking items that are move from the United States to overseas and vice versa, follows the lifecycles of State Department vehicles (armored and otherwise) overseas, and is utilized in the audits of inventory at embassies of physical property (computers and office chairs and other government-owned items worldwide). And that work that is vitally important. However, ILMS is very expensive, technologies have improved since the original development of ILMS many years ago, and going forward it is important transition this work to new and improved technologies and platforms to continue to improve service to the Department.

I can also envision other ways that updating and expanding the use of technology, including machine learning and AI, can continue to streamline the work of the Administration Bureau, from declassification efforts and FOIA, to helping the overseas allowances and language services teams do their work. I am happy to discuss this and much more, but I now want to turn the conversation over to you. There is so much good and vital work that the Bureau of Administration does to support the U.S. Department of State around the world and I know I have only scratched the surface this morning. I welcome your questions.