

**Statement of  
The Honorable Philip G. Kiko  
Chief Administrative Officer  
United States House of Representatives  
Before the  
Committee on House Administration**



**February 7, 2017**

**Summary Statement**  
**Philip G. Kiko**  
**Chief Administrative Officer**

Chairman Harper, Ranking Member Brady, and members of the Committee on House Administration, I would like to express my gratitude for this opportunity to present the CAO's current priorities. I would also like to express my appreciation for my fellow officers, Clerk of the House Karen Haas and Sergeant at Arms Paul Irving. Having served the House in various capacities over the course of four decades, I have observed the collaborative relationship among the House officers. Now, as CAO, I have the privilege of experiencing it firsthand.

As the Committee is aware, I began my tenure to serve as CAO late last summer. Since then, I have had the opportunity to meet nearly every one of the CAO's talented and dedicated employees. The CAO has more than 600 employees who take great pride in their work and the opportunity to be a part of this incredible institution.

My history with and understanding of the CAO is one that dates back to the formation of the organization in the mid-1990s when I served as its Associate Administrator for Procurement and Purchasing. Since then, I have helped oversee CAO operations as a staff member of this Committee and have been a recipient of its services working in both committee and personal offices.

As I have re-immersed myself in CAO operations, I have been impressed with some of its advancements and recent accomplishments. For instance, this past October, House Information Resources seamlessly completed a highly-coordinated relocation of House servers to a new state-of-the art data center. The CAO's Web Solutions Team has grown significantly and, today, maintains over 440 House websites, offering Members a competitive, cost-free option to costly outside vendors. Additionally, previous CAOs have effectively managed House finances over the past several years as evidenced by 18 consecutive clean audits.

In collaboration with CAO employees, our oversight committees, House Leadership, and other House stakeholders, I have also identified areas where the organization can make significant improvements. Some components of the CAO need to evolve faster as the organization is not achieving its maximum potential to serve the House community.

An examination of the agency's current operations, compared with today's needs of the House community we strive to serve, serves as the basis of this organization's priorities for the 115<sup>th</sup> Congress. The CAO's Strategic Plan, cybersecurity, and customer service are three of my top immediate priorities.

The first priority highlighted in my testimony, the CAO Strategic Plan, plays an important and underlying role in every aspect of CAO operations and the mission our operations collectively support. Put simply, before we can figure out how to get there, we first need to know where we are going. Having a clear strategic plan will translate into improved operations and, ultimately, improved services for Members and the House community.

In the Fall of 2016, we initiated a comprehensive strategic planning process that facilitated and included input from CAO employees representing every business unit. Working together, we developed a five-year strategic plan centered on a refined mission and vision. The CAO's overall mission is to be an essential resource for Members of Congress through outstanding customer services. We identified strategic goals supported by objectives that we feel will re-focus and energize the CAO and ensure that our operations meet the current needs of our House customers.

Another priority for the CAO is cybersecurity. The increased amount of state-sponsored activity waged against the United States underscores the serious threat posed by malicious actors constantly attempting to exploit IT vulnerabilities. There is no doubt that we are a target. It is absolutely imperative that we establish and maintain a robust cybersecurity posture.

The CAO must constantly assess and adapt its cybersecurity posture and invest in strong countermeasures. But the CAO cannot do it alone. To succeed, the House must present a unified front that fosters a consistent IT environment. Presenting a unified front requires strict compliance to House Information Security Policies and warrants the exploration of industry best practices and enterprise approaches that would strengthen our posture, all of which we look forward to discussing with the Committee.

Customer service is another priority for the CAO this year and one that will be advanced through the implementation of the Strategic Plan and targeted initiatives. Targeted customer service initiatives for this year include, but are not limited to: enhancing House Learning Center services, improving technology services provided to Member offices, expanding upon services provided to District Offices, and improving enterprise solutions for all offices.

One major component of improving CAO customer service worthy of being identified as a standalone priority is the comprehensive assessment of our Finance Office. Formally initiated in September of 2016 and expected to conclude in the third quarter of 2017, the assessment is expected to identify ways to improve staff training, knowledge management, and, ultimately, accountability and accuracy through quality assurance.

Finally, there are ongoing projects and initiatives, both CAO-specific and House-wide, in various phases of completion that will be a priority for the CAO this year. These include the Cannon Renewal Project, CAO asset management, the continued expansion of the new House data center, House hearing room renovations, and Identity Access Management – a centralized identity hub for House entities which track and store user information for operational and security purposes.

All of the aforementioned priorities are intended to help the CAO fulfill its newly refined mission of serving the House community through realizing our vision of exceptional customer experiences.

Again, I sincerely appreciate the opportunity to present the CAO's current priorities on behalf of more than 600 dedicated employees and look forward to working with the

Committee and other House stakeholders, including my fellow officers, as we strive to better serve House Members and their staff.

### **Strategic Planning**

When it was created back in 1995, the CAO's original credo was, "serving our Country by serving our Congress." An excerpt from what was called the CAO's "Contract with the Congress" stated:

*The House of Representatives deserves the best service in the world, and that is provided by those of us who work for the Office of the Chief Administrator.*

*As service professionals we are proud to have the Congress as our customer. Its Members are independent elected officials, ultimately responsible and accountable to the people who elected them. Our role is to serve each and every Member equally and impartially.*

*To ensure an enduring tradition of world class service for our customers we will devote our every action and thought to the following:*

*As Service Professionals, we will constantly and consistently listen to our customers, meet their needs, and seek ways to continuously improve our services to them.*

Though CAO operations have changed over time, many remain. Over the course of two decades, certain aspects of CAO operations and services have shifted away from its original pledge to provide forward-thinking, cutting-edge solutions to more day-to-day, and in some instances antiquated, operations and services.

### **Finalize the CAO Strategic Plan**

In an effort to reenergize and refocus the CAO, an internal cross-functional strategy team was formed in the Fall of 2016. This team led a comprehensive evaluative planning process that facilitated and included input from CAO employees representing every business unit. Employing all-staff surveys and solicitations for input, offsite meetings, and focus groups, the strategy team spent over four months refining the CAO's mission and vision to convey what staff believe is and should be the organization's present day purpose.

**CAO Mission Statement:** We serve the House community by providing administrative, technical, and operations solutions so Members can perform their Constitutional duties.

**CAO Vision Statement:** To be an essential resource for every Member of the People's House through outstanding customer experiences delivered by exceptional employees.

To support the new mission and vision, the CAO developed supporting goals, objectives, and values.

As the CAO finalizes the Strategic Plan, it welcomes the input and feedback of the Committee.

### **Operationalize the Plan**

Once finalized, the CAO will move to operationalize the Strategic Plan. Operationalizing the plan will require the organization to reevaluate and possibly make modifications to its governance and organizational structures. It will also entail a close examination of the CAO's human capital and require the establishment of uniform performance metrics to gauge progress.

## **Cybersecurity**

Protecting the House's IT infrastructure and the data it supports is a paramount responsibility for the CAO and one that is made increasingly difficult by ever-evolving cyber threats. Cyberattacks against the House come in varying manifestations and target the entity as a whole as well as individual network users. To successfully protect the House network and its users, and, in turn, the Speech and Debate protections guaranteed by the U.S. Constitution, the House must maintain a robust cybersecurity posture. The House must also maintain a unified front that fosters a controlled and consistent IT environment.

### **Continue Assessment and Expansion of House Cybersecurity Programs**

Establishing and maintaining a robust cybersecurity posture requires the House to constantly assess and reassess the House's IT infrastructure and cyber programs and adapt accordingly with strong countermeasures and subsequent investments. While the CAO is in the process of conducting a comprehensive assessment of its cybersecurity posture, it has recently made critical investments in cyber programs that enhance the House's overall posture, including enhancements to Dark Web monitoring capabilities, system vulnerability testing, threat intelligence gathering, and mobile platform security for smartphones and tablets.

Cyber threats are evolving at the same accelerated rate as technology. The CAO must ensure the House's cybersecurity posture evolves and elevates at the rate required to counter these ever-changing threats.

### **Strengthen House Cybersecurity Policies**

In addition to maintaining a robust cybersecurity posture through strong cyber programs, most of which are acquired and maintained by House Information Resources, the House must also present a unified front against cyber threats. Presenting a unified front will create a stronger, more controlled IT environment across the House, but it requires vigilance and active participation by every individual with access to the House network. It requires strict adherence to and enforcement of current and future House Information Security Policies and warrants the exploration of an enterprise approach to IT equipment procurement and deployment.

## **Customer Service**

As evidenced by the CAO's original and refined mission statements, the heart of the CAO's existence is to serve Members of the House and their staff. The CAO strives to provide excellent customer service delivered by exceptional employees to meet and, if possible, exceed the needs of the House community. Specific initiatives that will help ensure the CAO provides outstanding customer experiences include enhancing the House Learning Center, improving technology services provided to Member offices, increasing service offerings for District Offices, and expanding enterprise solution services for all offices.

### **House Learning Center**

The House Learning Center has provided a full spectrum of training courses since the creation of the CAO in 1995. There is currently a wide variety of courses, available both in the classroom and virtually, on topics ranging from financial administration to legislative and information services to web development.

Unfortunately, attendance has not been what it ought to be, which is indicative of a disconnect between when and what the House Learning Center offers and what House offices need. To enhance House Learning Center services and better meet the needs of House offices, the CAO will reevaluate its offerings and make adjustments as needed. Additionally, the House Learning Center will take greater consideration of the House legislative schedule and events when determining its course offerings.

### **Improving Technology Services for Member Offices**

Efforts to maintain a robust cybersecurity posture and identify cost-saving enterprise solutions has required centralizing certain IT procedures and services.

For example, House Information Security Policies approved by the Committee apply greater controls on an individual's ability to create and modify accounts on the House network. Without these controls it is difficult to identify and eliminate inactive network accounts, which pose an increased security risk to the House. The House has an estimated 12,000 active network accounts; however, independent security assessments have identified a significant number of invalid network accounts.

While having greater controls over network access reduces the number of inactive accounts and network vulnerabilities, it increases House office reliance on the CAO's technology services. If the House is going to continue to increase office reliance on CAO technology services, it is critical that the organization ensures those services meet the highest level of quality.

### **Expand District Office Services**

From network connectivity to employee benefits, the CAO provides varying levels of support to approximately 900 District Offices. For example, as part of the 115<sup>th</sup> Congressional Transition, the CAO is working to equip all freshman District Offices with newly-required Broadband internet connections and Voice over Internet Protocol (VoIP) phone connections. Broadband and VoIP connections yield higher-quality internet and phone connections, greater functionality, and cost savings. Once finished connecting

freshman offices with these services, the CAO will focus on expanding them to the remaining District Offices.

Establishing Broadband and VoIP connections in District Offices are just two examples of what the CAO can do to help District Offices. The CAO recognizes that it can do more. District Offices are vital to a Member's operations and must be made a priority. Therefore, the CAO is exploring additional service offerings to support District Office operations.

### **Improve Enterprise Solution Services for all Offices**

There are a growing number of resources for House offices that improve operations and provide cost savings. The CAO vets these solutions for use in House offices, and in limited cases, purchases enterprise subscriptions so that all House offices may access and use the services.

For example, the CAO has purchased Hyperion, a budget planning platform, and will soon deploy the platform for all House offices' financial management. Hyperion will replace the outdated Congressional Accounting and Personnel System (CAPS). The Hyperion platform eliminates redundancies that were problematic under CAPS.

The CAO is also expanding access to various Cloud services, including Office 365. Full implementation of Office 365 across all House offices will result in a reduced cost of House-owned infrastructure and more efficient and cost-effective upgrades to the latest versions of the Microsoft Office suite of products. Office 365 was offered to freshman Members of the 115<sup>th</sup> Congress in January 2017, and will be expanded to the rest of the House community by early 2019.

The CAO must continue to seek enterprise solutions that help House offices, reduce operating costs, and secure the House network.

### **Financial Assessment**

In addition to the service standards included in the CAO's original "Contract with the Congress," the contract states:

*As Stewards of Public Funds, we will constantly and consistently account for every action and expenditure based on the highest standards of ethics, honesty, and integrity. We will make our every action documentable and measurable.*

*As Managers in a Service Environment, we will constantly and consistently provide clear leadership on direction and requirements for the work we do. We will provide our associates with the resources, support, and learning experiences necessary for them to meet our requirements. We will communicate timely and useful feedback to our associates, so that they may continuously improve their work processes and their professional capabilities.*

Although it accounts for less than 10 percent of the CAO's current operating budget, the CAO's Office of Finance is very impactful to the House. Whether it's the Office of Members' Services, Financial Counseling, Payroll and Benefits, Accounting, or Budget Policy and Planning, the CAO's financial operations impact every individual elected and hired to serve this institution. Additionally, the CAO's Office of Finance is responsible for collecting, disbursing, and publicly reporting all expenditures of the U.S. House of Representatives, essentially facilitating the transparency and accountability promised to Americans by their elected representatives.

Considering the significant, impactful role the CAO's Office of Finance plays, it is tremendously important that its operations "meet the highest standards," as promised in the organization's original "Contract with the Congress."

### **Finalize Comprehensive Assessment of the Finance Office**

With the full support of the Committee, the CAO initiated a comprehensive organizational assessment of the Office of Finance to identify opportunities for improvement and operational and organizational deficiencies. The assessment started in September of 2016 and is expected to conclude in the third quarter of 2017.

The comprehensive review will cover every aspect of the CAO's financial operations, including internal operations, customer service models, use of technology, staff training, and management. The last time the CAO conducted a financial assessment of this magnitude was 15 years ago. Working with the Committee, the CAO looks forward to utilizing the findings of this assessment to improve upon its service to the House and fulfill its obligation to meet the highest standards.

### **Improve Staff Training and Knowledge Management**

To provide exceptional customer service, staff must be provided with exceptional training and support. Using preliminary and final assessment results, the CAO plans to formalize training and development within the Office of Finance to ensure information is exchanged more consistency and reliably from one employee to another. Also, the CAO will utilize a new knowledge management system launched in 2016 to ensure institutional knowledge is captured and clear accurate answers, policies, and procedures are documented and conveyed to the House community.

### **Improve Accountability and Accuracy through Quality Assurance**

Another important component to improving customer service and overall performance is the establishment of baseline and target metrics. As part of the organizational assessment process, the Office of Finance is redefining the metrics it captures to better define and understand error rates. Two important aspects include the use of dashboards and predictive analysis. The customizable dashboards will enable the office to recognize emerging situations and to work proactively to anticipate trends, needs, and solutions of House offices. For example, measuring and analyzing the error rate on processing vouchers will enable Finance to work more quickly to correct the situation.



## **Continuation of Ongoing Major Projects**

In addition to the aforementioned initiatives, it is imperative that the CAO continue to focus on and provide support for its various ongoing major projects. Ongoing projects include the Cannon Renewal Project, management of House assets, migration of House data to a new data center, renovations to Committee hearing rooms, and identity and access management.

### **Cannon Renewal**

In preparation of Phase One of the Cannon Renewal Project, which commenced in January of 2017, the CAO helped facilitate office moves from the New Jersey Avenue side of the building as well as subsequent office moves across the House campus. This included the transfer of phones, computers, office furnishings, and other House equipment. The CAO will also outfit the newly-renovated spaces in Cannon with traditional window treatments. The CAO anticipates providing the same services throughout each phase of the Renewal Project and will strive to conduct these moves with minimal interruption to House office operations.

### **Asset Management**

CAO's Asset Management is responsible for tracking over 60,000 assets on Capitol Hill and across the nation in District Offices, a charge that presents a variety of challenges. Information technology equipment constitutes a majority of the House's assets, and this equipment shifts between individual staffers and offices. It is a priority for the CAO to track the House's assets accurately and comprehensively through a robust asset management program.

### **Data Center**

In October 2016, the CAO migrated CAO data center services and supporting technologies from the outdated Ford Data Center to a new data center facility. The new state-of-the-art Tier 3 Data Center provides a geographically dispersed, more efficient and resilient capability to protect the House's critical IT systems and business continuity, even during large-scale natural or manmade disasters. The CAO is now working to migrate services for House Leadership, Committees, and other support offices.

### **Hearing Room Renovations**

The CAO continues to work with the Architect of the Capitol in renovating committee hearing rooms at the House. The House Recording Studio supports the renovations by updating audiovisual equipment, including cameras, televisions, and sound systems. Logistics and Support replaces carpet and drapes and moves and installs furniture.

### **Identity and Access Management**

In 2017, the CAO will roll out an identity hub to help manage how applications employed by various House offices receive, update, and/or exchange identity-related data of House Members and staff. The Identity and Access Management program will integrate with multiple House identity management applications and sources, such as

Lawson/Paylinks, Active Directory, and PeopleSoft, and facilitate secure control of identity data throughout the House.

**Conclusory Statement**

**Philip G. Kiko**

**Chief Administrative Officer**

As mentioned, the priorities identified in this testimony are based on an examination of the agency's current operations compared to today's needs of the House community. They are intended to help the CAO fulfill its newly refined mission and to restore its original commitment to provide exceptional, forward-thinking services.

I appreciate the opportunity to present these priorities on behalf of more than 600 dedicated employees, and I look forward to working with the Committee as we strive to better serve House Members and their staff.