



Office of the

**CHIEF
ADMINISTRATIVE
OFFICER**

Statement Before the House Appropriations
Subcommittee on the Legislative Branch on the
Office of the Chief Administrative Officer Fiscal
Year 2025 Budget Request

The Honorable Catherine L. Szpindor
Chief Administrative Officer
April 17, 2024

The Office of the Chief Administrative Officer (CAO) of the U.S. House of Representatives appreciates the opportunity to present its Fiscal Year 2025 (FY25) budget to the House Appropriations Committee Subcommittee on Legislative Branch led by Chairman Valadao and Ranking Member Espallat.

This overview of the CAO's FY25 request covers topline budget allocations, forecasted operational cost increases, CAO's project and program prioritization, new and expanded CAO service initiatives, and its commitment to stewardship.

CAO FY25 TOPLINE REQUEST

As dictated by the current fiscal environment, the CAO's FY25 budget request is principally equal to its FY23 and FY24 levels. The FY25 request totals \$213.1 million, which is \$1.5 million or .71% over the FY23 enacted budget and flat with the FY24 enacted budget. The \$1.5 million increase is to cover the transfer of the House's Office of Diversity and Inclusion to the CAO.

\$116.2 million or 55% of the requested FY25 budget is for programmatic costs, and \$96.9 million or 45% is for personnel costs.

\$119 million or 56% of the CAO's total FY25 budget is dedicated to its House Information Resources division responsible for building, maintaining, and protecting the House IT infrastructure and Member data. The remaining \$94 million or 44% covers the broad scope of additional critical functions and services performed by the CAO to support the House.

FORECASTED OPERATIONAL COST INCREASES

Initial formulation of the FY24 and FY25 operating budgets identified respectively \$14.8 and \$14.7 million increases over FY23's enacted budget. The forecasted increases were to cover the inflationary rise of existing program costs as well as costs associated with *new* CAO-led projects. For clarification, CAO programs are established and sustained services. Projects are temporary initiatives until tested and deemed sustained programs. Operating with consecutively flatlined budgets has required rigorous project and program prioritization and conservative budgeting.

FY25 PROJECT AND PROGRAM PRIORITIZATION

Since 2021, the CAO has relied upon its project portfolio prioritization process to formulate its annual budget. The process entails rigorous evaluation of existing, new, and requested projects. It contemplates each project's criticality, value add to the House community, and guidance provided by CAO oversight. With the information gathered, projects are designated as either high, medium, or low priority. For FY25, because of the flatlined budget, the CAO applied the same prioritization process to its existing programs with increasing costs.

FY25 projects and programs deemed high-priority include:

- Secure House data storage hardware and software maintenance
- House cloud and on-premises infrastructure upgrades
- Identity authentication software upgrades
- House Recording Studio equipment lifecycle replacement
- House telecommunications infrastructure migration and backup

- Cyber incident response, forensics, and threat intel capabilities
- House payroll system replacement assessment support
- CAO Tech Partner Program support

Once identified, the CAO determined how the high-priority FY25 projects and programs may proceed through existing funding sources. Certain initiatives that aligned with or derived from the Select Committee on Modernization’s recommendations also received funding from the Modernization Fund.

FY25 projects and programs deemed medium and low priority include:

- House furniture replacement and refurbishing
- House office design and asset management service support
- CAO staff equipment lifecycle replacement
- House-wide news and media services subscriptions
- CAO IT subscriptions
- Process automation technology support
- CAO staff training and associated travel

FY25 projects and programs deemed medium or low impact will be either deferred, discontinued, or funded at lower levels. The CAO will also need to cover projected mandatory personnel cost of living adjustments by slowing down recruitment and hiring. Prioritizing competing CAO projects and programs ensures those critical to House operations are maintained. It also means select programs won’t get the funding required to fully maintain current services levels and some CAO customers may experience slower service times.

ACCOMPLISHMENTS DESPITE FUNDING CHALLENGES

Despite the current fiscal environment, the CAO has achieved major operational and technological wins within the last fiscal year. Achievements include the integration of new services as well as the expansion of existing services and all are in addition to the thousands of day-to-day financial, acquisition, technical, logistical, training, coaching, personal and legal counseling, consulting, and wellness services the CAO successfully delivers every day.

NEW CAO SERVICE INITIATIVES

Integration of Generative AI technology: After the first Generative AI (GenAI) Large Language Model (LLM) came on the scene in late 2022, the CAO initiated a proactive, disciplined approach to ensure the House is prepared to securely integrate the technology. It conducted legal and cyber reviews of available LLM technologies, which prompted the June 2023 approval of ChatGPT Plus for limited House use. In fall of 2023, it conducted a NIST-based AI governance assessment and, more recently, drafted AI-specific House security policies currently under review. In June 2023, it also established a House-wide AI Advisory Group that engaged 150 Member, Committee, and Leadership offices to understand how the technology can be leveraged to achieve greater efficiencies. In addition to establishing AI governance, the CAO will ensure staff access to training (upskilling) opportunities. It will also work with its oversight to expand access to House-validated LLM technologies as they mature. With proper governance, GenAI LLM technologies will have a significant impact on Member

offices faced with an ever-increasing volume of constituent engagement and oversight responsibilities. The goal is to yield greater operational efficiencies for the business units that support House operations. To date, LLM integration efforts have been entirely supported by existing CAO resources. Full integration, however, will require additional resources or the redistribution of existing resources.

Intern Resource Office: As required by the Consolidated Appropriations Act of 2023, the CAO established the House Intern Resource Office to provide interns and intern coordinators with tools and resources needed to help interns navigate the House and maximize their experiences. The office hosts in-person and virtual learning and networking opportunities for interns and provides interns and intern coordinators with resources online through its new Human Resources (HR) Hub Intern Resources webpage. The website directs interns to professional development opportunities and helps them navigate the next steps in their career. It also provides intern coordinators with tools, templates, and materials needed for hiring, developing, and retaining interns.

House Recording Studio Renovation: In August 2023, the House Recording Studio completed a two-year renovation of its television studios to provide a modern state-of-the-art studio for Members to use at no cost to the Members' Representational Allowance. Since the renovation, the Recording Studio has supported nearly 800 in-studio recordings, including 117 holiday greeting messages that were broadcasted to American Service Members stationed overseas.

eForms: In August 2023, The CAO deployed an electronic form application, called eForms, that enables House offices to electronically prepare, approve, and submit payroll authorizations, annual health designations, and office financial point of contact designations. Within one month of its launch, almost 98% of offices had used eForms to complete the annual health designation of their staff for 2024. Additionally, over 7,935 electronic payroll authorizations, 515 health designations, and 260 financial point of contact designations have been submitted via the new electronic process since it launched. The CAO is actively working to implement the upgrade to additional House forms, including staff onboarding paperwork and student loan repayment agreements. The new upgrades are scheduled to go live this summer.

My Expenses: The CAO's Enterprise Applications and Financial Counseling offices continued the phased rollout of the travel and expense tool, My Expenses, introduced in 2021. Currently, 345 Member, Committee, and Leadership offices are using the tool and have submitted an estimated 125,000 expense reports. The tool has proven to be especially popular amongst district office staff with 87% saying it makes the reimbursement process easier according to a recent survey.

Deconflict Scheduling Tool: CAO's House Digital Service team enhanced Deconflict, a digital calendar tool initially piloted in early 2023 to help committees schedule hearings and markups with fewer Member conflicts. The tool gives committee Staff Directors and Clerks one-stop-shop access to all noticed and tentative House committee events to see which of their committee members have potential conflicts. Recent enhancements include improved user interface and conflict notifications. A new version with all noticed committee events is being piloted now and will be made available to all House staff and the public soon.

eDiscovery: In June 2023, the CAO enrolled the first House committee in its new eDiscovery program launched in coordination with Committee on House Administration's Subcommittee on Modernization. The eDiscovery program entails use of a secure electronic discovery software platform that supports committee oversight and investigations through its document identification, collection, and review capabilities. By the end of 2023, 11 committees were enrolled in the eDiscovery program. To date, feedback has been exceptionally positive.

HouseNet Redesign: This summer, the CAO plans to launch the redesigned House intranet site, HouseNet, that will deliver a more user-friendly experience to the House community seeking to navigate and access House resources. The overhaul includes a logical reorganization of content, new and improved search capabilities, and improved mobile access. The dynamic features of the new site, which will be housed on a secure cloud platform, will support future site enhancements like the personalization of individual user content.

Casework Aggregation: At the request of the Committee on House Administration's Subcommittee on Modernization, the CAO's Digital Service Team expects to complete a casework aggregation prototype capable of collecting, anonymizing, and analyzing Member office casework. The casework project, which recently launched a working group for interested Member offices, has potential to identify and inform the House of casework trends with and within Executive Branch agencies.

Flag Tracker: Again, at the request of the Subcommittee on Modernization, the CAO's Enterprise Applications and House Digital Service teams created a new House flag order tracking application that will enable Members offices to provide constituents with real-time status updates on flag orders. The tracking application requires the coordination of several House entities, including the Office Supply Store, CAO Mailing Services, and the AOC Flag Office. The application pilot indicates the new application will be highly utilized and well received when made available to all Member offices this summer.

EXPANDED CAO SERVICES INITIATIVES

Cybersecurity: The CAO's Office of Cybersecurity continues to strengthen the House's cybersecurity posture against active and emerging threats. In 2023, it enhanced the House mobile security platform, adding increased protection and visibility to the emerging threats across the digital (mobile) landscape. Additionally, Cybersecurity worked to cultivate a culture of heightened cybersecurity awareness by conducting monthly House-wide phishing exercises as well as a committee-focused phishing campaign. It conducted Member-only sessions on protecting home networks, personal devices and applications, and personal data. It regularly hosts pop-ups across campus to answer cyber questions and discuss security. Cybersecurity also continues to work with the Sergeant at Arms on cybersecurity services under the Residential Security Program.

Staff Conferences: Throughout 2023, the CAO's Coach and Customer Advocate programs expanded popular in-person staff conferences tailored for specific D.C. and district office staff positions, including Chiefs of Staff, Schedulers, Caseworkers, Communications staff, and Field Representatives. In early 2024, the CAO hosted its second District Director conference and its first ever conference for

committee staff. Conferences for Staff Assistants, Legislative Directors and Assistants, and Operations staff are also planned for 2024. Every conference is produced entirely in-house by and for House staff and includes position-specific lessons, resources, best practices, and network opportunities.

HR Hub Tools for Member and Committee Staff: Since the initial launch of the House HR Hub in 2021, the CAO has made significant enhancements to the central HR repository to provide more comprehensive support for Member and committee office staff. In July 2023, the CAO launched an interactive Career Paths tool for Member offices that covers the unique roles, responsibilities, skills, sample career options, and associated training opportunities for 16 positions within the Member office. In February 2024, the CAO added Committee resources to the Hub, including committee position profiles, sample job postings, and position descriptions. In addition, just this week, we expanded our committee content by launching an interactive career path tool for committee staff. Since its launch, the HR Hub's best practice tools, tips, and resources have been downloaded over 12,000 times.

Office of Talent and Development: Over the past several weeks, the CAO organization has worked diligently to onboard eight former employees from the Office of Diversity and Inclusion. Each employee has outstanding experiences and backgrounds that align with the positions they are serving in the CAO. From a Talent and Development perspective, this team is focusing on many of the same programs and projects that were covered by the Office of Diversity and Inclusion. This includes, but is not limited to, attending recruitment and outreach events, providing resume review services, and conducting research and analysis on workforce trends. It is also important to note that the team will expand their service offerings by having direct access to and responsibility for promoting all of the resources on the House HR Hub. This expansion of duties and responsibilities presents an exciting opportunity to strengthen the use of HR Hub content, which is designed to create fair and equitable management practices within Member, Committee, and Leadership offices. Moving forward, the CAO is committed to providing regular and ongoing progress updates to the Committee on House Administration.

District Office Wi-Fi: Since the 118th Transition, the CAO's Wide Area Network team has installed CAO-funded Wi-Fi solutions in over 95% of Members' designated district offices. The new service delivers Wi-Fi service to an estimated 4,200 unique district office clients each week across the country, providing district office users enhanced network connectivity options and operational cost savings.

Field Hearing Support: in 2019, the CAO's House Recording Studio started testing the feasibility of supporting House committee field hearings. This initiative stalled during the pandemic, was reinstated in late 2021, and was in full swing in 2023 proving to be a valuable resource for committees. In 2023, the Recording Studio supported 29 field hearings in 17 states across the country and one U.S. territory. To ensure these hearings were successful, the House Recording Studio purchased and transported its own wireless audio systems, saving committees an average of \$3,500 to \$5,000 per hearing.

Tech Partner+ Program: The CAO's Technology Partner+ Program now includes 115 House offices. Program participants receive dedicated IT support from an assigned CAO Technology Partner,

including in-person and remote consultative and technical services as well as assistance with procuring new software and hardware solutions for the office. CAO Technology Partners also support unenrolled offices and their respective technology support vendors or system administrators with a wide range of IT support. All CAO Technology Partner support services are provided at no cost to House offices.

COMMITMENT TO STEWARDSHIP

The CAO aggressively works to ensure the House is always getting maximum value for the finite resources it manages. Over the past six months alone, CAO's Office of Acquisitions Management successfully negotiated over \$2 million in savings for CAO contracts associated with the House payroll system replacement assessment underway and cybersecurity services.

In addition to negotiating major House-wide service contracts and purchases like technology and food service contracts and bulk equipment purchases, CAO's Acquisition team is responsible for non-CAO House contracts and purchases like Member office equipment maintenance agreements and small purchases. In 2023, the Acquisitions team processed 5,400 contracts and small purchases for the entire House valued at approximately \$150 million.

CONCLUSION

Each year, the CAO strives to improve upon its extensive catalogue of services. New services are often developed at the direction of CAO's oversight committees and are necessary for the House to evolve. However, their associated costs are not a one-time expense. New projects become sustained programs with recurring annual costs for licenses, maintenance, contractor support, etc., and all programs – new and old – are subject to year-over-year inflationary cost increases.

For example, in 2019, in response to a 116th Congress recommendation from the former Select Committee on the Modernization of Congress, the CAO began to make congressional websites compliant with the Web Content Accessibility Guidelines and Section 508 of the Rehabilitation Act. Today, six years later, 447 of an estimated 579 House websites are compliant and the program has an annual sustainment cost between \$500,000 and \$1 million.

For FY25, the CAO has identified alternate funding sources for its high-priority projects and programs. Certain projects are being initially funded through the Modernization Fund. Funding for certain medium and low-priority projects and programs are being reduced or deferred, which will likely result in slower service times for select services.

Looking beyond FY25, as services continue to be added and expanded and operational costs continue to rise, the CAO could be forced to further reduce some of its services. Regardless of the budget environment, the CAO will continue to prioritize and maintain its high-priority projects and programs critical to House operations.

Again, the CAO appreciates the opportunity to present its FY25 budget and looks forward to its continued collaboration with the Subcommittee.