

NOMINATIONS OF THE 111TH CONGRESS, PART 1

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

JANUARY 14, APRIL 1, AND MAY 6, 2009

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BE SECRETARY OF VETERANS AFFAIRS

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HEARING ON THE PRESUMPTIVE NOMINATION OF GENERAL ERIC K. SHINSEKI, TO BE SECRETARY OF VETERANS AFFAIRS

WEDNESDAY, JANUARY 14, 2009

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10:07 a.m., in room 106, Dirksen Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Committee, presiding.

Present: Senators Akaka, Rockefeller, Murray, Tester, Webb, Sanders, Burr, Specter, Isakson, Hutchison, and Wicker.

**OPENING STATEMENT OF HON. DANIEL K. AKAKA, CHAIRMAN,
U.S. SENATOR FROM HAWAII**

Chairman AKAKA. The U.S. Senate Committee on Veterans' Affairs hearing will come to order.

Today's hearing is to consider the nomination of Eric Shinseki to be Secretary of Veterans Affairs. I have known General Shinseki and his family for many years. Indeed, I had the honor and privilege of participating at his promotion ceremony, way back when he became a Colonel. I look forward to working with him in the latest chapter of his notable career as Secretary of Veterans Affairs.

I am delighted to welcome with much aloha this distinguished native of Hawaii. His wife, Patty, is here, and Tim, their son-in-law, is here.

Following the inauguration next week, President Obama intends to formally nominate those individuals he has selected for cabinet positions, including General Shinseki. The plan is for most, if not all of those nominations, to go directly to the Executive Calendar and to be voted on later that day. Thus, it is my hope that General Shinseki will be confirmed by the Senate on January 20. This is the same process that was followed in connection with the nominees to head VA during the last two changes in Administration.

My friend, Senator Inouye, and former Senator Bob Dole will elaborate on General Shinseki's long and distinguished career in the Army, which culminated in his service as the Army's 34th Chief of Staff.

I will simply note that he graduated from the United States Military Academy in 1965 and that he served two combat tours in Vietnam, where he was wounded twice in combat. It was the second injury that could have ended his promising Army career. It did not

end because then-Captain Shinseki fought to remain on active duty, and in an inspired decision, the Army agreed.

Throughout his 38 years of service in uniform, he gave his personal best, serving with great pride and dignity. This distinguished and decorated soldier set a new standard for the Army. He transformed the Army into an agile, lean, flexible, and lethal fighting force. He set a higher standard for those to follow, while keeping the spirit of aloha. With his pride and dedication to service, he made our Army stronger.

General Shinseki, you will have tremendous challenges facing you. Heading VA is a challenging job, and that is even more true in a time of war. VA must not only meet the needs of those from prior conflicts, but also quickly adapt to address the needs of those newly injured or disabled. Each war brings different challenges and different demands.

With Iraq and Afghanistan, VA is responding to new challenges: Veterans needing state-of-the-art prosthetics or age-appropriate long-term care for injuries that will last a lifetime. The Department must also confront less obvious and visible wounds, such as PTSD and TBI.

Another area that needs prompt attention is the system for compensating servicemembers and veterans for in-service injury. The frustrating lack of timeliness and the challenge of coordinating DOD and VA's systems are some of the areas that must be addressed quickly. This Committee stands ready to work with the administration on this effort. If you are confirmed, this must be one of your highest priorities.

You will also need to focus on the transition for injured servicemembers from active duty to veteran status. A lot of work has been done over the last 2 years, and I am hopeful that your long experience in the Army will enable you to continue these efforts. For returning servicemembers, especially those who are seriously injured, there must be a truly seamless transition from DOD to VA.

VA has a strong and dedicated workforce of employees who seek to do what is right. The Secretary, with the backing of the Congress, must give those employees the leadership, the tools, and especially the resources they need to carry out their jobs. If confirmed, one of your first responsibilities will be to ensure that the 2010 budget is adequate for the coming fiscal year.

When VA is doing its best, few notice. But things are not perfect within VA. Few human endeavors ever are. If a veteran receives less than what is expected, it can lead to an indictment of the entire VA system. Complaints must be investigated and problems must be fixed; but, individual failings should not lead to the indictment of the entire system.

In closing, I am confident that you have a strong sense of empathy for those served by VA and a deep commitment to VA's mission. This will serve you well as Secretary.

I applaud your effort to avoid even the appearance of any conflict of interest in connection with your stock portfolio, your private consulting firm, and the boards on which you serve. I trust that all fair-minded individuals will appreciate the steps you have taken to preclude even an appearance of any conflict of interest.

With respect to the rest of your team, this Committee has a strong history of bipartisanship and this is especially true with respect to nominations. As quickly as the administration can send forward other advice and consent positions for VA, I promise that the Committee will take action.

I look forward to your testimony, your responses to questions from Committee Members, and to any post-hearing questions. It is vitally important that the position of Secretary of Veterans Affairs be confirmed as soon as possible.

There is a roll call vote, by the way, which is scheduled to start at 10:30. My hope is that we can continue the hearing with some Senators voting at the start of the roll call and then returning, at which time other Senators would leave to vote. If we reach a point where there is no Senator available to continue the hearing process, there will be a brief recess.

So, let me call on our Ranking Member for his statement.

**STATEMENT OF HON. RICHARD BURR, RANKING MEMBER,
U.S. SENATOR FROM NORTH CAROLINA**

Senator BURR. Good morning, Mr. Chairman. Aloha. And to our colleagues, let me say to you and them how much I look forward in the 111th Congress—to us working together to improve the lives of our Nation’s veterans and their families.

I want to welcome General Shinseki and congratulate you on your nomination to serve as the Secretary of the Department of Veterans Affairs. I have personally had the opportunity to sit down with General Shinseki and to review his extensive credentials. It is clear to me, and I think it is clear to all Members, that you have the experience, you have the leadership skills, you have the determination needed to serve in a very important and challenging position as Secretary of Veterans Affairs; and I certainly welcome you and your family here today.

Let me take a slightly different tack than what the Chairman took. The Chairman has to say, “if you are confirmed.” Let me say this, General, “When you are confirmed as the head of the VA,” you would be entrusted with one of the most noble missions of the Federal Government, and that is caring for the men and women who have served and sacrificed on behalf of our entire Nation. That means providing veterans and their families with a broad range of benefits and services that they need to live full and productive lives and making sure that our fallen heroes are honored and memorialized.

But, as we will discuss today, the next Secretary will face many serious challenges in carrying out that mission. With our Nation continuing to fight conflicts in Iraq and Afghanistan, we have men and women returning home with the physical and psychological wounds of war. For those who leave the military, the goal must be to ensure they are quickly and effectively provided with the benefits and services that they need to return to civilian life as closely as possible as to how they left.

Unfortunately, too many wounded servicemembers do not experience a seamless transition from active duty to civilian life. General, I look forward to hearing your thoughts on how we can prevent these wounded warriors from falling through the proverbial crack.

Our Nation is also facing the highest unemployment rates in nearly 16 years, which may lead veterans who lose their jobs to seek health care from the VA for the very first time. General, as Secretary, your charge would be to ensure that as more veterans come into the system, the quality of the health care provided by the VA does not deteriorate. This challenge will be even greater in States like mine of North Carolina, where the number of veterans is growing and where VA capacity is already stressed beyond its capable means.

In addition, the next Secretary will be responsible for implementing the new Post-9/11 GI Bill. At a minimum, that means making sure veterans and their families receive the correct amount of benefits on time. But it also means providing user-friendly benefits that allow veterans and their families to make the educational choices that best meet their needs.

General, considering all the challenges that lie ahead, I appreciate your willingness to serve our Nation in this very important role. I congratulate you again on your nomination and, more importantly, I look forward to working with you on behalf of our Nation's veterans and their families. I thank you, General.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Burr.

Before we continue with opening statements of the Committee, I would like to call on our two distinguished World War II veterans, my esteemed senior Senator, Dan Inouye, and our former colleague, Senator Bob Dole, for their introduction of General Shinseki.

I will leave it to the two of you to decide on the order of your introductions.

[Laughter.]

Senator INOUE. You are older.

[Laughter.]

Chairman AKAKA. Senator Dole?

PRESENTATION OF GENERAL ERIC K. SHINSEKI, U.S. ARMY (RETIRED), PRESUMPTIVE NOMINEE TO BE SECRETARY OF VETERANS AFFAIRS, BY HON. BOB DOLE, FORMER UNITED STATES SENATOR FROM THE STATE OF KANSAS

Senator DOLE. Well, you know, like everybody on this Committee, we are all concerned about our veterans. There are 25 million-plus veterans, so this is no small job that you are undertaking. I have read all the material I could find. I don't know of anything you haven't done. You have been twice wounded. You have been on that side. You have been a patient. You understand the needs of patients. You know that, obviously, priority number 1 are deserving veterans; and the great majority are. But, there are always some who may be gaming the system.

I am honored to be here, not only with you but with my former colleague, Senator Inouye. A little trivia. We were wounded a week apart, a mile apart, or a hill apart in Italy near the close of the war. We wound up in the same hospital, along with Colonel Hart, who the Hart Building is named after. So, here are three of us—we don't know whether it is politics or whatever—who found ourselves together in the U.S. Senate. They were both wonderful men; and the Hart Building is named after Phil Hart because he was the

conscience of the Senate. I never heard him utter a bad word about any other colleague on or off the board. He was just a great mentor for me because before I decided to run, I came to Washington and had a long visit with Phil Hart.

Dan, as an aside, was the best bridge player at Percy Jones General Hospital. We had nothing else to do, so we stayed up all night, and I think he won the championship. I don't know how many entries there were, but he won the championship.

I think one thing that ought to be noted here, we have General Shinseki succeeding General Peake and these guys have been long-time friends. It will be a seamless transition and they will be working together whenever they need each other. I don't know what General Peake has in mind, but I want to personally thank him for what he has done. I particularly want to thank General Shinseki for all he has done from Vietnam to Bosnia to Afghanistan and Iraq to the present day: for his willingness, again, to offer his dedication, knowledge, and experience to this country.

I know his assignment will take time away from his cherished grandchildren, which is not easy, particularly when General Shinseki has already given so much to his country.

As I said, when Senator Inouye and I had the pleasure of introducing the current Secretary, it is good to have a Secretary who is impatient and who knows what it is like to have been in the system succeeding General Peake. He has lived with disability since his service in Vietnam and I cannot believe a day does not go by where he is not inconvenienced in some way in his life because of the sacrifices he has already made for his country.

He is a West Point graduate, as was General Peake. That doesn't mean he won't care for those in the Navy and all the other branches—

[Laughter.]

Senator DOLE [continuing]. But it is just another indication that this is a man of quality. We are lucky to have him. I think he was—you were the Army Chief of Staff when Peake was appointed Surgeon General, which I am certain you had something to do with. But anyway, as I said, they are long-time friends and this will be one of the easiest transitions there is.

He will be a strong voice for veterans in the new administration. He has a profile, and I don't condemn anybody who was VA Secretary in the past, but when you have a General with a record like his—he is going to have young men and women who are patients or looking for help after they are out of the hospital knowing that they have confidence in the leader of the VA system. This means a lot to people. They may never get to meet the General, but they have got to think in their mind, “here is a man who has been through it, here is a man who understands it, and I feel better about what is going to happen.”

I was on a flight—I think we were going to Kyrgyzstan. I wasn't certain I knew where it was. But on the way to the flight, a colonel who happened to be from Kansas came over to me and said, “I just want to visit a while.” When he left he said, “Before you get off the plane or sometime,” and he gave me his card. And on the back was a quote by John Stewart Mill and this is a quote. “War is an ugly thing,” it read, “but it is not the ugliest of things. The decayed and

degraded state of moral and patriotic feeling which thinks that nothing is worth war is much worse. The person who has nothing to which he is to fight for which is more important than his own personal safety is a miserable creature and has no chance of being free unless made so and kept so by the exertions of better men than himself," end of quote.

This is something that I know our friend General Shinseki understands. As a free country, America honors its commitments, and the first of those commitments is to support men and women in uniform and their families who risk everything in most cases. We will meet our commitments because we have a committee such as we have, and we have men like the new Secretary who will serve and do everything that should be done for our deserving veterans and promised them by a grateful Nation.

As the Members of this Committee know, I joined former HHS Secretary Donna Shalala on a Presidential Commission examining the care we provide our warriors in VA and DOD facilities. I think it is fair to say there were nine of us on the Committee, of which five had disabilities. And whatever you think about President Bush, we had several meetings with the wounded veterans and the only thing he ever told us was that he was responsible for what happened to each one of these young men and young women. He said, "Do whatever it takes." Nobody was asked the cost, nobody was asked the politics; and that is the way it should be, and that is the way it will be with the new Secretary.

So, I think I was pleased, President Bush was pleased, and many Members of Congress were pleased with the recommendations of the Dole-Shalala Commission. And if not, I know Congress will make changes. We made recommendations where we thought if somebody lost an arm, for example, even though it is indirectly compensated, there should be a separate compensation because that quality-of-life has gone from a ten to a two or three or four, and the same for anybody else with a serious injury. It doesn't have to be physical. It can be TBI or those very bad cases of PTSD. That is just one example that we think Congress should take a hard look at.

When I called General Shinseki to offer help, I learned that being Secretary of VA is not considered a political appointment, and I compliment President-elect Obama for keeping the VA that way. Of any cabinet I can think of in the government that should not be political, it is the Veterans Administration. Nobody knew when we went to war whether we were Democrats, Republicans, Independents. Nobody knows. It doesn't make much difference to the veterans today. They are just looking for some decent, honest person like General Shinseki to provide them leadership.

The President-elect has made a wise choice and his appointment is yet another powerful indicator of how we care for and respect our men and women who serve our country. I cannot think of a better person to look after our 25 million-plus veterans than this true American hero, who has done about everything one can think of for his country. I wish I were still in the Senate so I could vote for his confirmation.

God bless America, General Shinseki, and our men and women whose service has kept us free. I ask that my statement be made a part of the record.

[The prepared statement of Senator Dole follows:]

PREPARED STATEMENT OF HON. BOB DOLE, FORMER U.S. SENATOR FROM KANSAS

Thank you, Mr. Chairman and Members of the Committee. I'm pleased to be here with my former colleague and dear friend, Senator Dan Inouye, to introduce an American hero.

General Shinseki has an outstanding, impeccable record of service and personal sacrifice for our country. I personally thank him for all he has done from Vietnam, to Bosnia, to Afghanistan and Iraq, to the present day for his willingness again to offer his dedication, knowledge and experience to this country. I know he his assignment will take time away from his cherished grandchildren, which is not easy, particularly when General Shinseki has already given as much as he has.

As I said when Senator Inouye and I had the pleasure of introducing the current Secretary, General James Peake: it is good to have a Secretary who has been a patient and who knows what it is like to have been in the system.

General Shinseki has lived with a disability since his service in Vietnam. A day does not go by that he is not inconvenienced in some way or his life affected because he sacrificed for his belief in his country.

General Shinseki is a West Point graduate as was General Peake. He was Army Chief of Staff when the President appointed Secretary Peake Army Surgeon General. Both men were wounded twice in Vietnam. They are long time friends. With General Shinseki following General Peake the President-elect is doing the right thing by ensuring continuity for our veterans—who deserve the best and they will get it with this appointment.

General Shinseki will be a strong voice for vets in the new administration and an individual who truly knows what our commitment to deserving veterans should be.

About two years ago I was on a flight with a colonel who was headed to Afghanistan for a second time. He handed me a card and on the back was a quote by John Stewart Mill: "War is an ugly thing," it read, "but it is not the ugliest of things. The decayed and degraded state of moral and patriotic feeling which thinks that nothing is worth war is much worse. The person who has nothing for which he is willing to fight, nothing which is more important than his own personal safety, is a miserable creature and has no chance of being free unless made and kept so by the exertions of better men than himself." This is something General Shinseki understands.

As a free country, America honors its commitments, and the first of those commitments is support to men and women in uniform and their families who risk everything in most cases. We will keep our commitment because we have men like General Shinseki who will serve and do everything that should be done for our deserving veterans and promised them by a grateful Nation.

As the Members of this Committee know, in 2007, I joined former HHS Secretary Donna Shalala on a Presidential Commission examining the care that we provide to our warriors returning home from our recent and ongoing wars.

We found excellent care within the DOD and VA systems, but we also found many challenges that needed to be addressed so that patients and families were not burdened more than they already are when a loved one in the service faces serious injury or a lifelong disability.

I was pleased that President Bush and many Members of Congress in both parties took many, if not all, of our recommendations to heart. They were recommendations that we constructed through what we believe was rigorous examination and broad input from many people that know the system inside and out, what its strengths and what its weaknesses are.

When I called General Shinseki and offered to help, I learned he does not consider being Secretary of VA a political appointment and I compliment President-elect Obama for keeping the VA that way. The VA certainly should be free of politics.

The President-elect has made a wise choice and his appointment is yet another powerful indicator of how we care for, and respect, our men and women who serve our country.

I cannot think of a better person to look after our 25 million plus veterans than this true American hero who has done about everything one can think of in serving his country. I wish I were still in the Senate so I could vote for his confirmation.

God Bless America, General Shinseki, and our men and women whose service has kept us free.

Chairman AKAKA. Thank you. Your statement will be included in the record and thank you very much, Senator Dole.

Now, Senator Dan Inouye.

PRESENTATION OF GENERAL ERIC K. SHINSEKI, USA RETIRED, PRESUMPTIVE NOMINEE TO BE SECRETARY OF VETERANS AFFAIRS, BY HON. DANIEL K. INOUE, U.S. SENATOR FROM THE STATE OF HAWAII

Senator INOUE. Thank you very much, Mr. Chairman, Senator Burr, and distinguished Members of this Committee. I am grateful for this opportunity to appear before you with my very dear friend, Bob Dole, Senate Majority Leader, to present General Shinseki, President-elect Obama's nominee to serve as Secretary of the VA.

In Hawaii, our favorite word is aloha, but second to that is the word "ohana," and that word means family. But a Hawaiian family includes men and women not necessarily of blood kinship, but united by shared concerns and shared beliefs. Yes, that is ohana.

I had the great honor of standing with Senator Oren Long, Hawaii's first elected Senator, to nominate General Shinseki to the United States Military Academy at West Point. Since that appointment and his acceptance, I have naturally followed his career.

In his initial tour of duty in Vietnam, he did well, but he suffered a grievous injury. Most Americans are not aware of this, but he has an amputated foot. Any other man would have justifiably resigned himself to civilian life and retired from the military. It would have been an honorable thing to do. However, General Shinseki pleaded to remain on active duty despite the hardship and physical pain.

Well, this is just one measure of the man who appears before you today, an unflinching devotion to our country and to his duty. His plea was granted. General Shinseki's service encompassed both further study. He got his Master's from Duke University and later at the United States Army Command and General Staff College and National War College. These studies, together with an astute grasp of the pragmatic, and the quality of his leadership, supported a steadily spiraling course upward through the ranks of the Army. That is another measure of General Shinseki: the stamina required for sustained excellence.

During my service as a Senator, I had the occasion to go to Kosovo and I was so proud when I met General Shinseki, Commanding General of Kosovo Operations. At that time, I was certain that his career would blossom further. In June 1999, General Shinseki became the Chief of Staff of the United States Army.

His tenure in that high post included the onset of the Iraq War. As we move from the emotional frenzy of commencing hostilities, Members of Congress began to have questions, most notably whether we had adequate resources to succeed in this war, and obviously General Shinseki was called upon to testify at hearings. I think most of us expected the General to give the standard line that any administration would favor. But as we all know, he did not. He told the truth. It wasn't easy, and in so doing took a position contrary to his Commander-in-Chief.

His honest assessment that more troops would be needed cost him his job, but it is the surest measure of his fitness to serve as a member of the cabinet. To speak the truth in the face of enormous pressure is not to take the easy way out. This is the kind of man I want to see as Secretary of the Department of Veterans Affairs.

Members of the Committee, I am proud to know him, but I am prouder still to be in his ohana.

I thank you very much, Mr. Chairman.

[The prepared statement of Senator Inouye follows:]

PREPARED STATEMENT OF HON. DANIEL K. INOUE, U.S. SENATOR FROM HAWAII, IN SUPPORT OF THE NOMINATION OF GENERAL ERIC SHINSEKI

Mr. Chairman, Senator Burr, Members of this distinguished Committee, I am grateful for this opportunity to stand before you with my dear friend, Senator Bob Dole to present General Shinseki President-elect Obama's nominee to serve as the Secretary of Department of Veterans Affairs.

In Hawaii, we use a word almost as frequently as "aloha," and that word is "ohana." Ohana means "family," but a Hawaiian family includes men and women not necessarily of blood kinship, but united by shared beliefs and concerns.

I had the great honor of standing with Senator Oren Long to nominate General Shinseki to the United States Military Academy at West Point. Since that appointment and his acceptance, I have followed his career.

In his initial tour of duty in Vietnam he did well, but suffered a grievous injury to his foot. Any other man would have justifiably resigned himself to civilian life and retired from the military. Instead, General Shinseki pleaded to remain in active duty despite the hardship and physical pain.

That is one measure of the man who stands before you today: an unflinching devotion to country and duty.

His plea was granted, and General Shinseki's service encompassed both further study—first at Duke University where he received his Masters, and later at the United States Army Command and General Staff College, and at the National War College. These studies, together with an astute grasp of the pragmatic, and the quality of his leadership, supported a steadily spiraling course upward through the ranks at the Army.

That is another measure of General Shinseki: the stamina required for sustained excellence.

I was so proud when I met with him face-to-face in Kosovo, where he served as the Commanding General. At that time, I was certain that his career would blossom further—and in June 1999, General Shinseki became the Chief of Staff of the United States Army.

His tenure in that high post included the onset of the Iraq War. As we moved from the emotional frenzy of commencing hostilities, Members of Congress began to have questions—most notably whether we had adequate resources to succeed. When General Shinseki came to testify at Congressional hearings, many expected him to give the standard line the Administration favored. He did not. He told the truth, and in doing so took a position contrary to the Administration.

His honest assessment that more troops would be needed cost him his job, but it is the surest measure of his fitness to serve as a cabinet member.

To speak the truth in the face of enormous pressure to take the easy way out . . . this is the kind of man I want to see as Secretary of the Department of Veterans Affairs. This is the kind of man I am proud to know—and I am prouder still to be in his Ohana.

Chairman AKAKA. Thank you very much, Senator Inouye, for your statement and for presenting with Senator Dole our nominee.

Senator DOLE. Mr. Chairman, could I just add one word?

Chairman AKAKA. Senator Dole?

Senator DOLE. I want to agree with the Chairman. There is much good about the VA. There have been a lot of negative stories, but I think we all agree that in most cases, they do a good job. It has just gotten better in the last 10, 15, 20 years; and it is going to get better because of men like this.

Chairman AKAKA. Thank you. Thank you very much for your statements.

Now I will continue with opening statements from the group here. Let me call on Senator Specter, who told me he has to leave, for his opening statement.

**STATEMENT OF HON. ARLEN SPECTER,
U.S. SENATOR FROM PENNSYLVANIA**

Senator SPECTER. Thank you, Mr. Chairman. I am pleased to be here to join in the accolades for General Shinseki. I was interested to hear the opening statements of Senator Dole and Senator Inouye. Senator Dole and I have a common heritage, coming from the same little town in Kansas—4,998 people. They used to have 5,000 until Dole and I left town. I moved there when I was 12, and he was away at college. He was a much older man at that time, but I have pretty much caught up with him. [Laughter.]

To hear Senator Inouye's recitation of General Shinseki's illustrious career really tells it all, a West Point grad. I had the opportunity to meet General Shinseki about a decade ago in Bosnia. I was very much impressed with his record then and impressed to have a chance to sit down and talk to him a few days ago.

He has a very, very difficult job. The United States has become a great, powerful Nation because of what our fighting men and women have done, from the Revolutionary War on.

I have a special interest in veterans' affairs which led me to select this as a first committee, and I had the honor to chair it for some 6 years. My interest arose because of my father, who was a veteran of World War I. My dad was born in Russia and he was 18 in 1911 and the czar wanted to send him to Siberia. He didn't want to go to Siberia. He learned it was cold there. He wanted to go to Kansas. It was a close call, but he got to Kansas—

[Laughter.]

Senator SPECTER [continuing]. Where I was born, and he served in World War I and he was wounded in action. He carried shrapnel in his legs from the Argonne Forest until the day he died, including the days when he drove a big truck full of junk onto the scale of Doran Dole, who ran the grain elevator in Russell, Kansas, Bob's father, the only scale big enough to weigh the truck.

But the Federal Government promised the veterans a bonus, \$500, a lot of money in those days—still a lot of money. The government broke the promise—which the government too often does to the veterans—and there was a march on Washington. My father couldn't participate. He couldn't walk that far. He didn't have the train fare. And on that day, they killed veterans right out here on the Mall—one of the blackest days in American history.

And when I heard about that as a toddler—I think it is hard to know what motivates a person—that made up my mind to come to Washington to get my father's bonus, figuratively speaking. I haven't gotten it yet, so I am running for reelection. [Laughter.]

But we have a lot of work to do to provide adequate funding. We tend to forget about the veterans after they have done their job, and I have urged General Shinseki to be a tough advocate for the Office of Management and Budget, and I am pleased to support you, General.

We have the Holder hearing tomorrow, so regrettably, I am not going to be able to stay, but nothing could change my mind anyway.

Thank you, Mr. Chairman.

Senator ROCKEFELLER [presiding]. Thank you, Senator Specter. There are lots of dots on that clock and I have got to go vote and I will be right back. The distinguished Senator from Montana—where is Montana?

[Laughter.]

Senator TESTER. Just west of West Virginia.

Senator ROCKEFELLER. Just west of West Virginia. He is here to act as Chairman, and—

Senator DOLE. It is cold out there, too.

Senator ROCKEFELLER [continuing]. And I just wanted to say that it was very moving to me when General Shinseki walked into my office. I was for him before he came in. I was so much for him, even more so when he left—just to know the man in the sense I sort of knew the man when he came in. But to have both of you introducing him—Senator Dole, it was an incredible privilege and a very emotional experience for me because of all that you have done in your life. Senator Inouye, well, he is my boss still, so I have to be nice to him, but it is not very hard because he has sacrificed. The only thing I really resent about him is the fact that in the movie that Ken Burns did on the war—seven minutes left, and I have time to say this—that you were so incredibly handsome, and I have always held that against you. [Laughter.]

But times since then have sort of evened things out, so I feel better. [Laughter.]

So I am going to go vote and Senator Tester will chair. I will be right back.

Senator TESTER [presiding]. Thank you, Senator Rockefeller.

Senator ROCKEFELLER. And I still want to give my statement.

Senator TESTER. Without objection.

Senator ROCKEFELLER. Thank you.

**STATEMENT OF HON. JON TESTER,
U.S. SENATOR FROM MONTANA**

Senator TESTER. I appreciate the kind comments. That typically isn't always the case, so thank you.

Senator Inouye and Senator Dole, thank you for being here. I appreciate you guys being here and—

Senator DOLE. Thank you.

Senator TESTER [continuing]. Thank you. I think it is entirely appropriate as we approach the confirmation of General Shinseki to give thanks to General Peake for the work that he has done over the last short while that he has been in that office. He has done a nice job and we need to thank him for that, because this is an important job.

I want to welcome General Shinseki. From my perspective, your reputation, as all have said, is impeccable and your biography absolutely is top flight. I quite honestly am very, very happy that a man of your capability and your stature is willing to tackle this very, very important position as the head of the VA; because in Montana, we have about 100,000 veterans. That might not sound

like a lot, but it means that 11 percent of our State population are veterans. It is a large group of people, a very deserving group of people that deserve good people working for them, and so you fit that mold in all the areas.

So thank you for being here. I believe you will be confirmed. I intend to support you, barring something catastrophic that might come up, but that isn't going to happen.

As I said when you came to my office, I appreciate your willingness to serve. I look forward to having you come out to the great State of Montana to take a peek around about the challenges that our veterans face every day. I don't think we are different than any other rural State. It is a challenge for veterans to get to health care in some cases; and to be honest, it is a challenge for them even to navigate through the benefits system in others, which we will all try to work together to get fixed.

I have had many, many hearings in the State of Montana over the last couple of years and one of the things that a veteran told me early on was that he had had some problems with the VA. He said, "It is apparent that they are trying to outlive me and they will get it done." We need to eliminate that kind of frustration as much as possible. These are folks that have served this country, in some cases literally put their lives on the line for this country, and I know you are committed to making things right by them and fulfilling the promises that we have made to them. I look forward to this Committee, and particularly myself, working with you to make sure that happens.

I am frustrated, to say the least, about the fact that the VA and the DOD don't have a seamless electronic medical record—record sharing. I have great hopes that with your past positions you can have some influence on the DOD. Right or wrong, I put most of the focus on them in this particular situation. I think the VA has done a great job developing the system. We need to get the DOD to buy into it and then we need to work together with them—I am saying the VA when I say "we"—to see that we can make progress on that front because I think it will help down the line in a number of different areas.

We also have the issue of mental health that is the signature injury coming out of Iraq and Afghanistan. There are some campaigns beyond the Yellow Ribbon Campaign that the Montana National Guard has been developing and utilizing, as well as a number of other States. I think it is very successful—for Guardsmen. Do Reservists have the same kind of support? They have the same deployment schedules, for the most part, same kinds of issues. Do they have access to those same kinds of programs?

The issue—in more rural areas—of contracting out and how we deal with that without destroying the VA, because it does provide some of the best health care in the world. But still, with distance and economy of scale, it may be good to look at that in certain instances.

And then, finally, with vocational programs for veterans—how we can work better; how the VA can work better with Labor Department programs to help veterans find meaningful employment while helping turn the economy around in this country—because they are some of the best people on earth.

Senator Murray has rejoined us, and so I would just say in closing—and we will follow up on some of this stuff with the questions and answers—but in closing, I would just say I am very happy you are here. I had a very good relationship with General Peake. I told you that in my office. I anticipate we will have a better relationship.

Thank you very much for being here and I look forward to your confirmation.

Senator Murray?

**STATEMENT OF HON. PATTY MURRAY,
U.S. SENATOR FROM WASHINGTON**

Senator MURRAY. Thank you very much, Senator Tester.

General Shinseki, welcome to this Committee and thank you for being willing to take on this incredibly important task. You have been nominated to what I believe is one of the most challenging and rewarding positions in our government and I applaud your willingness to take on this critical position. I look forward to working closely with you once you are confirmed.

I have always said that we need a VA Secretary who will be honest about what our veterans need and have the backbone to stand up and ask for it. Too many of the problems that we have seen at the VA have been brought to light by GAO reports, news organizations, investigations, or whistleblowers. We had a GAO report following the VA's \$3 billion budget shortfall back in 2005 that showed that the VA had actually misled Congress, concealed funding problems, and based its projections on inaccurate models. A television network uncovered disturbing veterans' suicide numbers, while an internal e-mail from the VA's own head of mental health expressed a desire to cover up the data. McCarthy News found that the VA had repeatedly exaggerated the past successes of its medical system, and the list just goes on.

General Shinseki, I worked in the Seattle VA during college and I have seen the incredible dedication and work of staff and doctors and nurses on the ground, and these everyday heroes are working very, very hard to make sure that America's veterans are receiving the kind of care that they deserve. But both veterans and VA staff have been done a disservice by a top-down bureaucracy that has failed to be honest with Congress and has been very resistant to change.

Under Secretary Peake's leadership, progress has been made, and I am very glad for that. I believe he is leaving the VA a better agency than he found it. But there is a lot of work ahead of us. Veterans are still waiting too long for benefits. Female veterans are returning to a system that is not prepared to care for their unique needs. Facilities are in desperate need of renovations. And 20 percent of our veterans are returning home with serious mental health needs to a VA that still doesn't have the mechanisms in place to take care of them.

I know you have been out talking to veterans and VSOs and hearing about those challenges and listening to veterans themselves. That is a key part of this job. America's veterans deserve a truthful advocate who will break through the red tape and make veterans, not the bottom line, the priority of VA management.

Having sat next to President-elect Obama when he sat on this Committee—right next to me—I know his dedication to those who served our Nation and to their families and I very much appreciate his pledge to reverse the current administration’s flawed decision to close the doors of the VA to Priority 8 veterans. As you know, I sponsored legislation to reopen access for all those who have served and I applaud your commitment to achieve that goal responsibly, as well.

As you wrote in response to one of this Committee’s pre-hearing questions, “The overarching challenge that the VA faces is its transformation into a 21st century organization as called for by the President-elect.” That is no small task. But given your history of tackling complex problems and your record of speaking truth to power, I think you are up for this challenge.

Change is not going to happen overnight. We know that we are going to continue to face challenges at the VA no matter who is in charge. But with transparency, with honesty, with energy, the next VA Secretary can begin to tackle these challenges and make a difference for our veterans.

I want you to know I stand ready to work with you to make that happen with as much energy, honesty, and transparency as I can, as well. And I hope that you view Congress as a partner, not an adversary, in your work to ensure that our veterans get the care and compassion that they have earned.

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

Chairman AKAKA [presiding]. Thank you very much, Senator.

Now, we will hear from Senator Wicker.

**STATEMENT OF HON. ROGER F. WICKER,
U.S. SENATOR FROM MISSISSIPPI**

Senator WICKER. Thank you, Mr. Chairman, and thank you, General Shinseki, for your service, for your willingness to serve again on behalf of the United States of America.

I learned this morning when we were shaking hands and visiting before the hearing convened that you have a distinguished record on the faculty at the United States Military Academy. I noticed that Representative John Shimkus of Illinois was here to shake hands and enthusiastically greet you and wish you well. He was an English student of yours at the Academy, and I wanted that to be reflected on the record, that Representative Shimkus came over to offer his support from the other body.

General, you have been before the Senate for confirmation on five occasions already. You surely must realize that during this process, you will eventually be allowed to speak for yourself—

[Laughter.]

Senator WICKER [continuing]. But we are going to make sure that we talk, too. And so, by way of opening remarks, I want to thank you for coming by earlier and speaking to most of us in our offices. I read with interest your prepared testimony and I noticed that you outlined three general principles that you would be striving to achieve during your tour of duty in the Department of Veterans Affairs.

One would be that veterans would be the centerpiece, and you mentioned in that regard that the workforce in the VA would be

standard-setters in their field. I very much applaud that. Certainly, it is reasonable to expect that the specifics and your specific program will come later, but I applaud that as a goal.

Second, you mentioned the timeliness and excellence of service by your Department.

The third general principle is to look for ways to do things smarter and more effectively and to use the world's best practices. I think that is a very healthy beginning to setting principles, Mr. Chairman, and I applaud our nominee for those today.

I would just like to say during my opening statement that I hope we can employ those principles when it comes to two specific things that I mentioned to you earlier in our private conversation. One would be with regard to veterans' nursing homes—not only those that are run by the VA alone, but also in partnership with the various States. We have close to 300 in both categories and there is a proposal to build two more VA nursing homes during 2009.

There is a new concept in the area of nursing homes and it is called the greenhouse approach. We haven't used this yet in the government. Basically, it strives to put groups of eight or ten patients, if you will, in a nursing home together in a pod or in a separate building and ask them to participate in the decisionmaking as to what sort of activities and what sort of food and what sort of other decisions that they are capable of making, even though they are housed in a nursing home.

I am a veteran myself. My father is a World War II veteran. My son will soon enter the United States Air Force. I would like to think that if it ever came to the point where I had to go into a nursing home, I could go into the best, the most modern type of nursing home; one that exercises, as you said, doing things in the smartest way, that exercises the best practices.

So I mentioned to you privately and I will mention to you publicly on the record that I hope in that regard that we can work together with this Committee and with the Congress to make sure that when it comes time for our veterans to move into a nursing home, if that should be required, that they can move into the very best possible kind of nursing home care.

I would also hope that we could apply those three principles in the area of electronic medical records. I believe it was the Chairman who earlier mentioned the desire of this Committee to have a seamless transfer from DOD to the Department of Veterans Affairs. Certainly coming from DOD yourself and now moving into this new area of responsibility, you are uniquely positioned to work in that regard.

But I know that if it were an easy task—to have this seamless process of medical records moving from DOD to VA when the time comes for our members to transition—if that were easy, we would have done it already. It is difficult and we have asked the Departments to do this.

I hope that the three principles that you outlined: of using the best practices in the world; excellence in service; and being a standard setter, that—with regard to the electronic medical records and also veterans' nursing home care—that we can be a standard setter. And I look forward to being your teammate in this regard.

I thank you and congratulate you on your nomination and your certain confirmation. Thank you, sir.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Wicker.
Senator Webb, your opening statement.

**STATEMENT OF HON. JIM WEBB,
U.S. SENATOR FROM VIRGINIA**

Senator WEBB. Thank you, Mr. Chairman, and General, welcome.

I have to say, first of all, it was really moving to see you sitting there flanked by Senator Inouye and former Senator Bob Dole. First of all, I was thinking about the kind of services these individuals have given our country; and the other was, you and I are both Vietnam guys and there aren't many opportunities left in our lives to be around people who are going to look at us and call us "young fella."

And also, Mr. Chairman, if I may, there is an individual out here who I would like to personally recognize. John Fales, who is over at the press table, was wounded as a Marine in Vietnam, lost his sight as a result of his wounds. I have been knowing John and working with him for more than 30 years, since I was a counsel on the Veterans Committee. General, if you don't know him yet, you are going to. He is rather famous as Sergeant Shaft in the *Washington Times*. So John, if you could take a quick bow, I would appreciate it. Semper Fidelis and thank you for all that you have been doing for veterans over the years. [Applause.]

I think your selection, General Shinseki, is an inspired act of leadership by the incoming President. I look forward to your tenure.

When I look at the VA now, having been involved with it in a lot of different capacities—as a recipient, as a committee counsel, and now here in the Senate, and having spent 5 years in the Pentagon—I really believe the greatest challenge for the VA is simple leadership. Just getting the right people in the positions, understanding how to break the logjams that have created so many problems, and getting the benefits that have been voted out by the Congress into the hands of the veterans who deserve them. And I think that your background, particularly as having been Chief of Staff of the Army, is particularly suited to trying to solve those problems.

I have a special interest, as you know, in the G.I. Bill and how we are going to put that program online in a timely way and in a way that is going to have as few administrative difficulties as possible.

But I would like to make one other point here at the outset of your testimony. You are the fourth consecutive Academy graduate, by my count, to be serving in this position, as you will. On the one hand, that has an up-side, obviously, with the type of leadership preparation and the service that goes along with that. I say this as someone who also went to a service academy. But also, it is a challenge that I have watched in some of your predecessors in the sense that I would hope you will keep your eye on the notion that veterans' programs really do have a different character than military programs and sometimes this seems to get lost in how they are administered.

I hope you will pay special attention to the way that we are now going through these disability evaluations. In my mind and in my experience, there is a marked difference between assigning a disability for someone saying that they are not fit for active duty and therefore should leave the military as opposed to how that disability is measured throughout someone's life as a veteran. And sometimes, that gets lost even in the discussions that we have been having over the past couple of years with the Dole-Shalala Commission and these other things.

So the bottom line, really, on this, my personal request to you as a leader is I hope you will do everything you can to reach out to the veterans' groups. There are people who have spent their entire lifetimes, adult lifetimes, working on these issues and understanding the different characteristics of them; and also the many, many talented people inside the VA who have done the same thing—devoted their professional lives to this distinct environment of the aftermath of military service—and to really be sensitive to the different personality between the Department of Defense and veterans' benefits.

With that, I wish you well. As I said, I think this is an inspired choice and my door is always open.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you, Senator Webb.

We will continue with opening statements from Members. Next will be Senator Rockefeller, followed by Senator Sanders and Senator Isakson. Senator Rockefeller?

**STATEMENT OF HON. JOHN D. ROCKEFELLER IV,
U.S. SENATOR FROM WEST VIRGINIA**

Senator ROCKEFELLER. I sort of gave one, Mr. Chairman, so I am cheating a little bit, but there is no way for me to express how proud I am that you are the President's nominee. In one sense, it shouldn't have surprised me. I am not trying to be partisan about this. I am overwhelmed by the people that have been nominated for cabinet positions and confirmable positions that come to my office and their quality is just beyond belief; one after another—scientists, veterans, administrators to be—all of them.

Everybody is going to make mistakes and what I've always liked about you (before I even met you), was that I had a feeling that you wouldn't know how not to tell the truth, regardless of the consequences. I got that from television and newspapers and I got it full bore yesterday. Like Senator Webb was just saying, I think the Veterans Administration—although I think it is the best hospital system in the United States of America, which most people don't give it credit for—it has so many problems still. Two hundred twenty thousand people that you have to lead, and then this whole question of how do you make veterans—Bob Dole was speaking to that—how do you make veterans feel like their future is good in terms of their rehabilitation, whether it is physical, psychological, or inside the body in some other way.

I think it is almost simplistic that sometimes just the right person at the top becomes a symbol. It just inspires people on down the line to do twice the job they were doing.

I told you yesterday when we were talking about a person that Patty Murray will remember very well named Dr. Ken Kizer—we have these frequent meetings, panels that go on forever, members come and go—and he wasn't any different from any other Director of Health, it seemed to me as I listened to him, that had come before us before. And then suddenly, 4 years after he had left, we found that the entire VA system had been computerized, everything was databased, unlike DOD. There were a lot of problems in syncing with DOD, and he had done it. He hadn't said anything about it. We hadn't had the oversight to know it, which is our fault. There is so much oversight that we have to do in this Committee, which I think needs to be constructive and will cause our members to want to come to hearings and to listen to testimony and to learn more.

But I am just—I think you have to start with the guy at the top or the woman at the top and I just can't imagine a better choice than you. I just absolutely cannot imagine a better choice; not just the experience and the wounding and the fighting and the commanding and the decisionmaking under, quote, fire, your tough stance, standing up for the truth, but your nature. You inspire confidence in people and you do in me.

I am still going to ask you some tough questions, but I think you probably have some sense that I am probably going to vote for you—

[Laughter.]

Senator ROCKEFELLER [continuing]. But I just want you to understand that it is going to be—it will be one of the best votes I have made in the 24 years that I have been on this Committee.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you, Senator Rockefeller.
Senator Sanders?

**STATEMENT OF HON. BERNARD SANDERS,
U.S. SENATOR FROM VERMONT**

Senator SANDERS. Thank you very much, Mr. Chairman, and welcome, General Shinseki. I know you are going to be a great leader and the VA certainly needs the kind of leadership that you are going to be providing.

You know, it is a funny thing in this body. We have differences and the American people have differences about the wisdom, for example, of the war in Iraq. But what I have been very happy to see is that there has been a coming together, despite the opinions that one might have about the wisdom of Iraq, with the understanding that we do not blame the men and women who are fighting that war for the decisions that were made here in Washington. That we have a solemn obligation to make sure that every man and woman who has fought in that war, when they come home, they get all of the care and the benefits they have been promised. I think we have made real progress in differentiating our differences with regard to the war with our understanding that we take care of our veterans and we do for them what we promised we would do.

General, I am happy to say that under Chairman Akaka's leadership and Bob Filner in the House, we have made some progress in the last couple of years. The good news is we have begun to make

some progress. The bad news is that we have a long way to go, in my view. We have passed, and Senator Webb helped us move forward on this, the most comprehensive and significant step forward in terms of G.I. education, a real step forward for millions of men and women. We have made progress on VA funding. We have made progress on Priority 8 veterans, of mileage reimbursement, of VA counseling for family members. That is the good news.

The bad news is that much remains to be done. Some of the issues, General, that I hope we can pay attention to in the coming years are advanced appropriations. You can't run a system as large as the VA if you do not know what your budget is going to be, and it really is a disservice to all of our veterans if the VA does not have that knowledge.

I come from a State where we have suffered very heavily from the war in Iraq through our National Guard, and I hope very much that we make sure that the VA properly cares for our citizen soldiers that have given so much. Let us not forget about the Guard and the Reserve.

Clearly, many of the men and women who are coming home from Iraq and Afghanistan are suffering from PTSD and TBI and this is a little bit outside of the culture of the VA in placing a priority on those needs. I think we can all agree the VA has done a tremendous job and it is leading the world in taking care of people who have lost arms, lost legs, hearing, eye problems, and so forth. But somehow when the issue becomes emotional or mental health problems, that has been a little bit outside of the traditional culture. But those wounds are as real as any other wounds many of our soldiers have suffered and we need the research and the treatment to take care of those people.

One of the areas that I have focused on and it is of great concern in the State of Vermont is the issue of Priority 8s. Now, I think we all agree that the most pressing needs are those people who are coming home wounded today. We have to take care of our older veterans. That goes without saying. But especially in this economic crisis, there are hundreds and hundreds and hundreds of thousands of veterans who may make \$35,000 a year who are pushed out of the VA. I think you can't bring them all back in overnight, but I think the goal must be that any person who wore the uniform of this country, regardless of income, should be able to come back into the VA. So, I look forward to working with you to do that.

I am sure my colleagues have discussed with you the claims system. We are somewhere back in the 19th century, I think, in that regard. It is just incredible that in this age of computer technology that people submit claims, they don't hear for months and months, and it goes on and on. That is just grossly unfair, so we want to update and improve our claims system so that when people put in a claim, they get a timely response.

One of the real successes of the VA in recent years has been the growth of the CBOCs—the community based outpatient clinics—which in Vermont work very, very well; and the Vet Centers, as well. Vet Centers, as you know, are places where there is no bureaucracy; where the veterans run those centers, people feel really comfortable walking in. I think that is a great investment and I hope we can expand that whole area.

Last, for many, many years, ever since I first came into the Congress in the House, I have been working on Gulf War Illness. While we are all dealing with the problems of Iraq and Afghanistan and our older veterans, let us not forget those people who are still suffering from Gulf War Illness.

So General, I am going to strongly support your nomination. We have a system which is, I believe, the largest provider in America. So, what we do impacts the whole health care system in our country. It is profoundly important and we have a moral obligation to our veterans to make sure we provide them the best care that we possibly can. So, I very much look forward to working with you and thank you for your years of service to our country.

Chairman AKAKA. Thank you very much, Senator Sanders. Senator Isakson?

**STATEMENT OF HON. JOHNNY ISAKSON,
U.S. SENATOR FROM GEORGIA**

Senator ISAKSON. Thank you, Mr. Chairman.

General Shinseki, I first of all want to thank you and commend you on your service to the country and thank you very much for being willing to assume the responsibilities of the VA. You are eminently qualified. I have studied your resume and we are somewhat contemporaries from my period of service and yours. I think we are probably about the same age, and I really appreciate your taking it on. You have got a life of experiences that will help the VA quite a bit.

The VA has been making some great progress in some of the areas that were mentioned by Senator Sanders and I want to comment on two, which I sent some earlier prepared questions to you about. One is the Augusta Uptown VA and Fort Gordon's Eisenhower Hospital. General Schoomaker established a seamless transition there for those soldiers coming home, leaving DOD, and going into VA care which has been described as a great success by many, including Secretary Peake.

In a number of places in the country, a lot of our veterans who have come home and are released from DOD kind of fall through the cracks between DOD and VA. It is very important that we see to it that that is a seamless transition.

What the Department of Defense has done with the Warrior Transition Centers has been a tremendous step forward in dealing with the types of difficulties, in terms of PTSD and TBI, for those who are coming back from Iraq or Afghanistan. Equally, we need the transition from DOD to VA to be as seamless and easy as possible for our veterans.

So, I have been able to get Secretary Peake down to Augusta to see it firsthand. I know you are going to have a world on your plate for the time being, but I hope sometime during the next year you can pay a visit to that facility because we can replicate it around the country. It will make service to our veterans, I think, much, much better than it already is.

And then second, I want to echo what Senator Sanders said about the community based clinics. Those are extremely important. Our State has one of the largest veterans populations of any State in the country and some of them have to go long distances to get

to the VA hospital in Atlanta or Augusta; and Georgia is the largest State east of the Mississippi River geographically. So those clinics, some of which we have been able to open in the last 2 years, have made it a lot easier for our veterans to get the health care they deserve in a much more convenient and accessible way and I look forward to working with you in any way I can to support you in your efforts to support our veterans who have served our country so well and I thank you for the time today.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Isakson.

Now, for an opening statement, Senator Hutchison.

**STATEMENT OF HON. KAY BAILEY HUTCHISON,
U.S. SENATOR FROM TEXAS**

Senator HUTCHISON. Thank you, Mr. Chairman, and welcome, General Shinseki. I want to tell you that I admire and respect you as much as anyone I have ever known in the Armed Services; and I am going to support your nomination. You have been a Purple Heart recipient, so you will know what veterans go through; and you were a great Army Chief of Staff.

I also want to say that your predecessor is one of the finest Veterans Secretaries we have ever had, and I know you worked with him because he was your Surgeon General. I know that the transition will be a very good one. His emphasis on health care has been so positive. He has understood the problems. He has been an action taker, and I just know that you will stay on that same track.

We are opening our fifth trauma center—Class 1 trauma center—that has already been authorized and I look forward to bringing that to fruition. As you know, I am the Ranking Member of the Veterans Affairs and Military Construction Subcommittee on Appropriations, as well as serving on this Committee. There are a few areas that I know you will address, but I just want to point out from my experience what I think are priorities.

First, the claims processing wait is about half-a-year and that is just unacceptable. We started working on it, and with the great help from some of our Members here—especially Senator Murray and Senator Akaka—we have tried to add the supplemental appropriations to add claims processors. But that is something that will need your urgent attention to assure that people don't have a hiatus when they go from active duty to the veteran status in those adjustments.

Second, electronic medical records. I know that has been mentioned. That is an area where the VA has performed exemplary. I think it is known that after Hurricane Katrina, not one veteran's record was lost. That is what we need to put in place that will match the Department of Defense. But frankly, it is the Department of Defense that needs to match the VA so that that seamless transition of medical records occurs, and I hope that—it was started under Secretary Peake—I hope that you will continue and bring that home.

I was so pleased that you support the research that we know is necessary for the kind of war that we have and the kinds of injuries that we have that are somewhat different from past wars, and particularly Gulf War research, which my colleague, Senator Sand-

ers, also has mentioned. He has been a champion of that, as have I. I talked to the researcher at UT-Southwestern who is doing that work over the Christmas holidays and he said that now that they have the bigger base to test their initial results, they are finding that there are effects from chemicals. It is showing in the brain scans of people who have had these Gulf War Syndrome symptoms. So we are going to be able to now take the next step to see how we can add the antidote to the lack of an enzyme in a person's brain that makes them susceptible to those chemicals. I am very excited about it and want to make sure that we go forward with this research that is just on the cusp now of showing the results that can be verified so we can protect our warriors who are going to be potentially subject to those.

I thank you for taking this job and I look forward to working with you.

Chairman AKAKA. Thank you very much, Senator Hutchison.

Under the rules of the Committee, the testimony of all Presidential nominees appearing before the Committee shall be taken under oath. General Shinseki, would you now stand for the administration of the oath.

Do you solemnly swear that the testimony you are about to give the Senate Committee on Veterans' Affairs is the truth, the whole truth, and nothing but the truth, so help you, God?

General SHINSEKI. I do.

Chairman AKAKA. Thank you.

General Shinseki, will you please begin with your statement.

STATEMENT OF GENERAL ERIC K. SHINSEKI, U.S. ARMY (RETIRED), PRESUMPTIVE NOMINEE TO BE SECRETARY OF VETERANS AFFAIRS

General SHINSEKI. Thank you very much, Mr. Chairman. Chairman Akaka, Senator Burr, and distinguished members of this Committee on Veterans' Affairs, I am deeply honored by President-elect Obama's nomination for me to serve as the Secretary of this Department, this Department of Veterans Affairs.

I want you to know that I am fully committed to doing the best I can in this job and of fulfilling the vision—the charge—that he passed to me, and that is to transform Veterans Affairs into a 21st century organization.

Over the last several weeks, I have had the opportunity to meet with many of you individually and I want to express my deep appreciation for sharing your concerns with me, and what came very clearly through those conversations were your concerns for and your unwavering support both of our veterans and the good people who go to work every day in the Department of Veterans Affairs. I listened carefully to your concerns and your advice and I benefited from your counsel and I look forward to delivering on the promises that we arrived at.

Mr. Chairman, let me just take a moment and thank you for the courtesy of—although it has been a little while now—introducing my family: my wife, Patty; and my son-in-law, Tim Heaphy, who are here this morning. The Shinsekis are usually 13 in strength when we gather as a family and today we are a little unrepresented. That is because my daughter, Lori, is taking care of her

three children in Charlottesville. My son and his wife, Barbara, and their four daughters are in New Jersey. But the rest of the family is here and we are very proud of all of them.

I just want you to know, 43 years ago, my wife, Patty, married a soldier, and that is about all she understood she was doing. Not having come from a military background, we weren't quite sure where things were going to lead, but here 43 years later, we are still sitting side-by-side and looking to serve our country.

She has changed our family addresses 31 times in my 38 years in the military, something on that order, so she has an appreciation for what spouses and families of our military personnel go through. She is as caring and as devoted to soldiers today as she was when I married her. She has stood at my bedside and helped me to learn to walk again and gave me back the confidence to put my professional life back on track when I faced a service-disqualifying injury.

And so I just wanted to take a moment to register for all of us, as the Members of this Committee know so well, that none of us has the privilege of doing what we do without the love and support of families who sacrifice far more than most understand; who sacrifice so that we have our opportunities to serve. It was that way for my 38 years as a soldier and it will be that way again, if I am confirmed—to serve both our veterans and the good people at the Veterans Affairs Department as their Secretary.

Again, I am playing a little catch-up here, but I would like to also express my great honor of having had the rare privilege of being introduced to the Committee by two of our Nation's premier public servants, Senator Inouye from my home State of Hawaii, and former Senator Dole from Kansas, both veterans, and both distinguished themselves in battle during World War II. Both, as they related, suffered through long and painful recoveries under the nurturing care of the VA, and then returned to public service to help lead our Nation in its rise as a global leader in the last half of the 20th century. I am humbled by their presence here this morning, I want you to know that, that they took the time to introduce me and to publicly display their trust and confidence in this nomination.

I would also like to acknowledge the presence of representatives of many of our Veterans Service Organizations here today. They are essential partners to assure the best possible service and support for those who, in President Lincoln's words, shall have borne the battle, and for his widow and for his orphan.

And so, to all veterans present this morning—those in this room sitting either there on the dais with you or those here in the audience, and those who may be watching these proceedings from distant and remote locations in the country—I want to express my thanks for their service, their sacrifice for our country. I would be honored to be their Secretary and their advocate at the Veterans Affairs Department, if confirmed.

Mr. Chairman, distinguished Members of the Committee, transformation is always challenging for any organization and I use the particular term here "transformation" rather than incremental change, transformation, and looking at all of our fundamental and comprehensive processes that make up any organization of the size

and complexity of the Department of Veterans Affairs. So, transformation is always challenging for any organization, particularly ones with complex missions which are steeped in tradition, as is this particular Department.

I would suggest that we faced similar challenges about 10 years ago as we began the transformation of the United States Army; a process that continues today. We found that positive leadership, dedication, and teamwork on the part of all in the organization allowed what was considered to be challenges when we began to be redefined for all of us as opportunities for innovation and increased productivity, and it is up to leadership to help with that redefinition. With your support, I am confident we will succeed.

If confirmed, I intend to articulate a concise strategy for pursuing a transformed Department of Veterans Affairs reflecting the vision of President-elect Obama. I have much to learn about the Department and I look forward to gaining the valuable input and insights from its dedicated employees as well as from the veterans they serve and the organizations who serve those veterans.

As Senator Wicker mentioned earlier, there are three fundamental attributes for me that mark the start point of framing a 21st century organization for Veterans Affairs. It will be people-centric. It must be results-driven. And by necessity, it must be forward-looking.

First, about people, veterans will be the centerpiece of our organization, our clients, as we design and implement and sustain programs which serve them. Through their service in uniform, veterans have sacrificed greatly, investing of themselves in the security, the safety, and the well-being of our Nation. They are clients, and I use that term particularly, not just customers of our service. They are clients whom we represent and whose best interests are our sole reason for existence. It is our charge to address their changing needs over time and across a full range of support that our government has committed to providing them.

Equally essential, the Department's workforce will be leaders and standard-setters in their fields. There is a long tradition of the VA having exercised that leadership role, and my interest is ensuring that we continue where we lead and regain the leadership where we do not today. From delivering cutting-edge medical treatment to answering the most basic inquiries, we will grow and retain a skilled, motivated, and client-oriented workforce. Training and development, communications and team building, continuous learning will be components of that culture.

Second, results. At the end of each day, our true measure of success is the timeliness, the quality, and the consistency of services and support we provide to veterans. We will set and meet objectives in each of those performance areas—timeliness, quality, consistency. We will all know the standards and perform to them. Our processes will remain accessible, responsive, and transparent to ensure that the differing needs of a diverse veteran population are addressed. Success also includes cost effectiveness. As stewards of taxpayer dollars, we will ensure that appropriate metrics are included in our quality assurance and our management processes.

Finally, third, forward-looking. To optimize our opportunities for delivering best services with available resources, we must contin-

ually challenge ourselves to look for ways to do things smarter and more effectively. We will aggressively leverage the world's best practices, its knowledge base, its emerging technologies to increase our capabilities in areas such as health care, information management, and service delivery.

If confirmed, I will focus on the development of a credible and adequate 2010 budget request as soon as I arrive in the office, and that will be an immediate priority in the first 90 days. The overriding priority will be to make the Department of Veterans Affairs a 21st century organization, singularly focused on the Nation's veterans as its clients.

I thank this Committee for its long history of unwavering commitment to those veterans, and if confirmed, I look forward to working closely with you in that commitment.

Thank you, Mr. Chairman, and I look forward to your questions. [The prepared statement of General Shinseki follows:]

PREPARED STATEMENT OF ERIC K. SHINSEKI, SECRETARY-DESIGNATE
OF VETERANS AFFAIRS

Chairman Akaka, Senator Burr, Distinguished Members of the Committee on Veterans Affairs: Thank you for scheduling this hearing so expeditiously. I am honored to be before you today seeking your endorsement to become the Secretary of Veterans Affairs. Over the last several weeks, I have had the opportunity to meet with many of you individually and deeply appreciate the Committee's concern for and unwavering support for our Veterans and for the mission of the Department of Veterans Affairs. I've listened carefully to your concerns and advice, and have benefited from your counsel.

I deeply appreciate the confidence of President-elect Obama in this nomination and am fully committed to fulfilling his charge to me—that is, transform the Department of Veterans Affairs into a 21st Century Organization. I am acutely aware that transformation is a challenging task—particularly in an organization as complex and as steeped in tradition as is the Department of Veterans Affairs. We faced similar challenges nearly 10 years ago in beginning the transformation of the United States Army. Leadership, commitment and teamwork enable the challenges of transformation to become opportunities to innovate and better serve our Veterans. With your support, I am confident we will succeed.

If confirmed, I will quickly finalize and articulate a concise strategy for pursuing a transformed Department of Veterans Affairs, reflecting the vision of President-elect Obama. I have much to learn about the organization and look forward to gaining valuable input and insights from its civilian workforce as well as from the Veterans Service Organizations. However, three fundamental attributes mark the starting point for framing a 21st Century Organization: people-centric, results-driven, forward-looking.

- First, Veterans will be the centerpiece of our organization—our client, as we design, implement, and sustain programs. Our support to veterans and their enrolled family members must go beyond that of servicing customers to a relationship based on trust and positive results over a lifetime. Through their service in uniform, Veterans have sacrificed greatly, investing of themselves in the security, safety, and well-being of our Nation. They are clients, whom we represent and whose best interests are our sole reason for existence. It is our charge to address their changing needs over time and across the full range of support that our Government has committed to provide to them. Equally essential, the Department's workforce will be leaders and standard-setters in their fields. From delivering cutting-edge medical treatment to answering the most basic inquiries, we will grow and retain a skilled, motivated, and client-oriented workforce. Training and development, communications and teambuilding, and continuous learning will be key components of our workforce culture.

- Second, at the end of each day, our true measure of success is the timeliness and excellence of services and support provided to Veterans. Thus, we will continuously strive to set and meet sound performance benchmarks in these areas. Workforce leaders and providers alike will know the standards and perform to them. Our processes will remain accessible, responsive, and transparent to ensure that the many needs of a diverse Veterans population are met. An integral part of measuring

success includes assessing cost-effectiveness. As stewards of taxpayer funds, this issue will be central to our quality and management processes.

- Third, to optimize our opportunities for delivering best services with available resources, we must continually challenge ourselves to look for ways to do things smarter and more effectively. We will aggressively leverage the world's best practices, knowledge, and technology, which are providing ever-increasing capabilities in health care, information management, service delivery, and other areas. We already know that a portion of today's youth will be tomorrow's servicemen and women, and the next day's Veterans. Thus, we will seek to identify and embed transformational initiatives as part of our culture as we care for Veterans, present and future.

While developing a strategy for transforming the VA into a 21st Century Organization, we will address immediately a set of complex, near-term challenges that face us, as well:

1. Successfully implement the New GI Bill (Post-9/11 Veterans' Educational Assistance Act).
2. Streamline the disability claims system, increase quality, timeliness and consistency of claims processing, and update the Disability Rating Schedule, while maintaining veterans' rights.
3. Ensure adequate resources and access points to meet the health care needs of all enrolled Veterans, as well as those OEF/OIF Veterans and Priority Group 8 Veterans, who will be joining the system.
4. Leverage the power of Information Technology to accelerate and modernize the delivery of benefits and services.

If confirmed, I will focus on these issues and the development of a credible and adequate 2010 budget request during my first 90 days in office. The overriding challenge, which I will begin to address on my first day in office, will be to make the Department of Veterans Affairs a 21st Century Organization focused on the Nation's Veterans as its clients.

I thank this Committee for its long history of unwavering commitment to Veterans. If confirmed, I look forward to working closely with you in fulfilling that commitment.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO GENERAL ERIC SHINSEKI, NOMINEE TO BE SECRETARY, DEPARTMENT OF VETERANS AFFAIRS

Question 1. What do you see as the biggest challenges facing VA at this time? What will be your emphasis in the first 90 days?

Response. The overarching challenge that the VA faces is its transformation into a 21st Century organization as called for by the President-elect. I am acutely aware that transformation is a challenging task particularly in a complex organization, steeped in tradition; we faced similar challenges in the transformation of the United States Army.

I believe that the biggest challenges the VA faces are:

1. Successfully implementing the New GI Bill (Post-9/11 Veterans' Educational Assistance Act).
2. Streamlining the disability claims system, increasing quality, timeliness and consistency of claims processing and updating the Disability Rating Schedule while maintaining veterans' rights.
3. Ensuring adequate resources and access points to meet the health care needs of all enrolled Veterans as well as those OEF/OIF Veterans and Priority Group 8 Veterans, who will be joining the system.
4. Utilizing cost effective Information Technology to improve and modernize the delivery of benefits and services.

If confirmed, I would focus on these issues and the development of a credible and adequate 2010 budget request during my first 90 days in office. However, the overriding challenge which I will start addressing the first day in office is to make the Department a VA for the 21st Century, a VA in which Veterans truly are the centerpiece of the organization

Question 2. Former Secretary of Defense Donald Rumsfeld said, in describing you and General Jack Keane, "they say what they believe, and they tell the truth." Is it safe to expect that you will bring the same honest and outspoken forthrightness, about both the good and bad, to your role as Secretary?

Response. Yes. If confirmed, I'll always provide my best, professional judgment on the requirements of the Department to the President, the Congress, the public, and the Veterans the Department is charged to serve.

Question 3. What is your view on the role of the Secretary of Veterans Affairs? If confirmed, would you seek to be an independent advocate for veterans or would you be the executor of the Administration's policies relating to veterans?

Response. I do not believe these roles as described in the question will be in conflict. If confirmed, I intend to be a forceful advocate for Veterans. The President-elect charged me to ensure that Veterans receive the benefits and services they earned and that the Nation expects.

Question 4. One of the Secretary's major roles on an annual basis is developing and then defending VA's budget for a given year. Do you anticipate working within the limits established by the Office of Management and Budget or going to the President to advocate for the level of funding that is needed to fully fund the Department in the coming year?

Response. I will be an aggressive advocate for the fiscal needs of the Department. I anticipate that the OMB will offer advice and assistance in fulfilling the vision and direction of the President-elect with respect to the needs of and promises to the Nation's Veterans. It is my expectation that OMB will be prepared to assist me in presenting to the President a proposed budget in any given year that is consistent with those needs and promises. I will not hesitate to inform the President of any serious concerns that I have.

Question 5. What lessons did you learn as Chief of Staff of the Army that you plan to apply to leading VA? Do you anticipate that you will have to change your leadership style to manage a civilian department?

Response. The Army taught me the value of leadership and strategic thinking. It trains its leaders to focus on goals and measurable results, while performing under pressure. I understand that there may be inherent differences between military and civilian organizations. The President-elect has made very clear the need to modernize the VA and to make it an organization that is more effective in meeting the needs of all Veterans. I share that view and, if I am confirmed, the strategic direction I set for the Department will focus on that goal. In order to transform the VA, I will draw on my experience, and I will seek the experiences of the professionals in the VA, as well, to collaborate on approaches for addressing our most challenging issues quickly. Both the VA, as an institution, and I, as its Secretary, will go through a period of teambuilding and adaptation. At the end of that period, I expect we will be a cohesive organization serving the needs of Veterans with an elevated sense of urgency.

Question 6. Are you more of a "hands-on" manager or do you tend to rely on significant delegation? Do you seek to achieve consensus with those on your management team before making a decision or do you generally gather relevant information and input, and then make a decision?

Response. Depending on circumstances, either style might be appropriate. I understand that organizations as large as the VA require the delegation of certain authorities. I expect the management team to exercise initiative, demonstrate competence in doing so, innovate as appropriate, and ensure that matters of policy are brought to my attention. Again, the President-elect has made very clear the need to modernize the VA and to make it an organization that is more effective in meeting the needs of all Veterans. In order for any organization to achieve the kind of rapid change that approaches being transformational, competence, collaboration, and innovation are important. More important, however, is trust—trust that is built on the integrity and accountability of every member of the team. Trust is foundational to achieving the kind of excellence in every aspect of organizational performance that aspires to be transformational. For the VA, the single focus for transformational change should be the Veteran—providing for generations of Veterans, who have done their duty, the support and services they have earned and we have promised.

Question 7. If confirmed, what portion of your time do you expect to devote to visiting VA facilities?

Response. If confirmed, I expect to initially devote a good portion of time to visiting facilities to improve my understanding of the VA systems and Veterans' needs. Recognizing the importance of face-to-face relationships and interchanges, I expect to devote that amount of time that is appropriate, necessary and productive. I believe that in addition to interactions with facility management and employees, it is most important that I have the opportunity to interact with and listen to the Veterans the VA serves. My visits to VA facilities will afford me the opportunity to gain a first-hand view of the good work being done and the challenges managers and em-

ployees face, to get feedback from the front lines of the VA, and, to begin developing with them a shared vision for the Department.

Question 8. If you were able to have a one-on-one meeting with every VA employee, what would you say? If confirmed as Secretary, how will you implement this message in terms of policies and actions?

Response. To transform the VA into a 21st Century service delivery organization, as envisioned by the President-elect, I will need to call on the support, knowledge, experience, and assistance of every VA employee. People are the most important element of any organization; the centerpiece of the VA is and always will be people: the Veterans the department serves and the employees, who deliver those services. The care, compassion, intellect, and dedication of VA employees are what enable the Department to uphold President Lincoln's charge. This is my message to the VA's employees, and I will ask all senior leaders, managers, and supervisors in the Department to reinforce this message, not only in words but in deeds.

Question 9. Do you plan for the Deputy Secretary to be VA's Chief Operating Officer?

Response. Yes. The Deputy will be a significant partner in the transformation of the VA to a 21st-Century institution.

Question 10. How do you plan to work with the General Counsel? Will he or she be a key member of your management team?

Response. The General Counsel will be a principal member of the VA leadership team. I will value the legal guidance of the General Counsel in all matters and I expect that the General Counsel will be a participant in all deliberations on programs and issues and will bring to my attention the legal implications that must be considered in the design and execution of programs.

Question 11. Do you have any concerns with the dual responsibility of VA Inspector General—answering both to the Secretary, as the head of the Department, and to Congress?

Response. I do not have any concerns. I recognize that impartiality is the key to the effectiveness of any Department's Inspector General. The dual accountability of the IG helps to ensure and protect the IG's independence and objectivity.

Question 12. VA has long had the reputation of being a "stove pipe" organization. Please describe how you intend to work with the three Under Secretaries and with the Assistant Secretaries to ensure that all components of the Administrations and organizations are working together to achieve a "One VA" focus.

Response. If confirmed, my first priority will be to understand the roles of the Under Secretaries and the Assistant Secretaries and the organizations they manage. It will also be important for VA to engage other Federal agencies, in particular the Departments of Defense, Labor, Health and Human Services, Education, Housing and Urban Development, and Small Business Administration to generate the kind of collaborative synergy that puts Veterans at the center of its focus. Doing so would also facilitate developing that long sought and critically important "One VA" mindset. Achieving "One VA" would be an early and continuing priority, if confirmed.

Question 13. Are you satisfied with the current alignment of Assistant Secretaries or do you anticipate proposing any changes to the number of Assistant Secretaries or to their responsibilities?

Response. It is premature for me to make any specific judgments until I have had a personal opportunity to see how VA functions. I will be pleased to share my views once this review is completed and I will certainly bring forward any proposals for changes that I find will improve the effectiveness of the Department. I believe that a strong and consistent strategic communications plan is critical in the Department, and I believe my review of the organization should include input from all of the VA's stakeholders—Veterans, spouses, families, employees, Congress, Veteran Service Organizations, the media, and others, who are committed to seeing Veterans receive the benefits they've earned.

Question 14. Do you anticipate meeting with VSO representatives on a regular basis?

Response. Yes, I intend to meet with them regularly. They are important advocates for Veterans, and I will seek their advice, counsel, input, and support routinely and when particular needs arise.

Question 15. What difficulties confronting wounded, injured and ill service-members transitioning from the military to the VA system are the result of DOD policies and practices? Of VA policies and practices? Of some combination?

Response. At this time, I cannot speak to what or whose policies and practices specifically may make transitioning difficult for wounded, injured and ill service-

members. However, I can offer an observation: it is difficult under any circumstances to navigate health care systems and to transition between systems; this can only be made more difficult when one is simultaneously dealing with leaving active duty and applying for additional benefits. Certainly this is further complicated by being wounded, injured, or ill. My focus, if confirmed, will be to begin eliminating those obstacles and to ensure Veterans get those benefits they have earned.

Question 16. If confirmed, what do you believe you will be able to do to enable VA to ensure that separating servicemembers are made aware of the benefits and services that are available to them?

Response. If confirmed, I believe that I can ensure that VA will do everything possible to communicate with separating servicemembers and provide them timely, accurate and consistent information about available benefits and services. I understand that it will be critical for the VA to work very closely with the DOD to determine the most effective points in the separation process to communicate with servicemembers. This may or may not be at the time of discharge or release from active duty.

Question 17. As part of the effort to respond to the problems identified at Walter Reed Army Medical Center and to address the recommendations from the President's Commission on Care for America's Returning Wounded Warriors (popularly known as the Dole-Shalala Commission) and other panels, VA and DOD created the Senior Oversight Committee (SOC), which was co-chaired by VA and DOD's Deputy Secretaries. As a result of this alliance, the two Departments raised the level of collaboration and cooperation between VA and DOD in addressing a wide-range of issues affecting wounded warriors. The 2009 Defense Authorization Act contains a provision directing the Departments to maintain the SOC into the incoming Administration. If confirmed as Secretary, what would your priorities be for the SOC and joint VA/DOD activities affecting wounded warriors?

Response. Initially, I would expect that the Deputy Secretary—who I believe co-chairs the SOC with the Deputy Secretary of Defense—and I would assess the status of activities which the SOC is overseeing and determine whether SOC efforts should be re-prioritized. I am also aware that the Joint Executive Council, established by law, helps to identify opportunities to enhance mutually beneficial services and resources and oversees the Health and Benefits Executive Councils. In short, I would explore all opportunities to put Veterans first and maximize collaboration with DOD and other departments to expedite delivery of earned benefits to those Veterans.

Question 18. Many recommendations have been made concerning modernization of VA's rating schedule. One suggestion is to have an organization within the Veterans' Benefits Administration associated with a major medical school and with expertise in rehabilitative medicine that might develop a rating schedule that reflects modern, scientifically-based assessments of impairment, including a quality review component for compensation and pension medical examinations. What are your views on this suggestion?

Response. Without a thorough understanding of the disability rating schedule and the bases for recommendations that it be modernized, I will only say that this suggestion and all others will be fully evaluated.

Question 19. Currently compensation and pension medical examinations are done by VA employees, local medical providers who contract with local VA facilities, and by providers associated with organizations pursuant to national contracts. Please discuss your views of the pros and cons of these various approaches to C&P exams.

Response. The VA has been utilizing both VA and contract exams for some time. The important issue in my mind is whether the exams are performed in a prompt, thorough, accurate manner that provides all the relevant information needed by VBA in order to rate the claim.

Question 20. The current staffing model used in VBA regional offices results in significant handing off of work among separate units, individuals, and offices. Additionally, claims files have no index and are not organized by subject matter. What modifications would you consider to better organize the files, reduce the number of hand-offs, and prepare the claims adjudication system to move toward an electronic environment?

Response. I would look to my Under Secretary for Benefits for any recommendations. It seems to me, however that the important task is to reexamine business rules in the context of moving rapidly to a paperless processing system in order to best support Veterans.

Question 21. Current law provides for a relaxed evidentiary standard in the case of claims from veterans who served in combat areas. VA defines “combat” very narrowly when applying this standard, requiring a veteran claimant to produce proof of direct combat with an enemy. This approach focuses on the exposure to an actual, specific engagement with the enemy, in contrast to the impact of serving in a location where records are not made, maintained, or transmitted due to combat conditions. What steps can be taken to improve recognition of areas where combat conditions interfere with record keeping?

Response. If confirmed, I will ensure that there is sufficient guidance given to claims personnel; I am advised that the applicable statute requires that due consideration of the places, types, and circumstances of any Veteran’s service. It is my current view, that if a Veteran is shown to have served under circumstances which may have interfered with record keeping, that should be taken into account in deciding his or her disability claim.

Question 22. Failure to provide medical examinations and opinions before denying claims for service-connected disabilities is a common problem noted during Committee oversight visits and in remands by the Board of Veterans’ Appeals. If confirmed, what will you do to encourage regional offices to obtain such examinations and opinions before denying a claim?

Response. I understand that the Department’s responsibility for providing medical examinations and opinions is specified in the statute. If regional offices are not in compliance, that clearly would be unacceptable. I look forward to learning more about compliance with these requirements and overseeing whatever fixes are necessary. Every Veteran’s request will get a full and fair hearing in the timeliest manner we can provide it.

Question 23. VHA has had considerable success using electronic health records. Social Security has successfully developed an electronic file system relying on a significant cadre of inhouse programmers with limited contract support. VBA relies almost entirely on support from a variety of contractors and has spent years developing VETSNET, which is not expected to be completed for several more years and by the time it is finished, some of the computer platforms on which the system is built will be outdated. What are your views on the proper balance between using Federal employees and contractors within VBA in order to expedite development of an electronic claims record and maintain institutional know-how in this critical area?

Response. While it may make sense to consider having routine tasks and certain highly specialized skills delivered by contractor personnel these tasks should be performed under the direction and supervision of government employees who are held accountable for their performance. In short, the Department needs the ability to clearly define its IT requirements and the skills to oversee and manage their execution in order to retain the responsibility and accountability for delivering the Department’s mission and caring for those who have borne the battle.

Question 24. An integral part of the VA’s health care system is its electronic health record system. As Secretary what steps would you take to ensure that VA’s electronic health record system is totally integrated with DOD records in order to create a truly seamless health experience as servicemembers transition from active duty to veteran status?

Response. Fundamentally, this issue is about leadership—leaders have to direct the technological handshake. Currently VA doctors, nurses and other health care professionals have access to much of the available, relevant DOD electronic health care records for active duty soldiers. Work continues between the two organizations to identify additional data that can be shared. I intend to take an active interest in the progress of these efforts; a seamless care experience would be one of my top priorities.

Question 25. Draft legislation presented by the current Administration in response to recommendations from the Dole-Shalala Commission would create a multi-tiered disability system. This has been met with criticism, both from some in Congress and from veterans’ advocates.

a. Do you believe that a disability system that treats veterans of different generations differently is desirable?

b. Do you believe that veterans of prior conflicts should be given a lower priority in claims processing than veterans of current conflicts?

c. Do you believe that claims resulting from combat versus non-combat injuries or diseases should be prioritized differently?

d. How would you ensure that any changes to the current disability system are fair, equitable, and uniformly administered for all veterans?

Response. Doing what is right and fair for the Veteran is most important. From my perspective, it would seem that as a general rule it should be the nature of the disability rather than where or when it was incurred that is the primary consideration. I understand that appropriate exceptions have been and should continue to be made. It seems to me that the VA's practice of providing processing exceptions for the very severely wounded and terminal (or otherwise "in extremis") Veterans is humane and appropriate.

Question 26. Economic Systems, Inc., recently completed a six-month study that addresses transition benefits, loss of earnings, and quality of life issues for service-connected veterans. This study was recommended by the Dole-Shalala Commission. In connection with this study, do you believe that the Secretary has authority to implement changes to the disability compensation schedule generally? Do you believe that the Secretary has the authority to distinguish between multiple systems of compensation and how they are to be applied to different groups of veterans?

Response. Given the importance of disability compensation to Veterans and the Nation as a whole, I believe any fundamental change to the system should require the involvement and approval of Congress. I understand the Secretary is currently authorized to maintain a schedule for rating disabilities based upon impaired earning capacity, and to pay disability compensation at statutorily determined rates based upon the ratings that result from application of that schedule. My further understanding is that the Secretary does not currently have authority to compensate Veterans on other bases, or to differently compensate various groups of Veterans having the same levels of disability.

Question 27. In October 2007, the Disability Benefits Commission (VDBC) released a report on its 2½-year analysis of the benefits and services available to veterans, servicemembers, their survivors, and their families to compensate and provide assistance for the effects of disabilities and deaths attributable to military service. That report contains 113 recommendations. Do you believe that VA's response to the VDBC's recommendations thus far has been adequate and appropriate?

Response. I have not had an opportunity to have an in-depth briefing on the recommendations of the Disability Commission chaired by General Scott. The extensive work that went into this study deserves careful consideration by the Department and me. Once the review is completed I will be in a position to judge the adequacy and appropriateness of the response to date.

Question 28. VA's vocational rehabilitation and employment program is one of the smallest, yet most important, programs within the Department. It is the linchpin for helping veterans who incur service-connected disabilities achieve a fulfilling and gainful future. I am deeply committed to making sure that this program lives up to its full potential, especially when individuals who have sustained serious injuries in combat are concerned. What are your thoughts on the role that vocational rehabilitation plays in terms of the total rehabilitation of an individual recovering from severe combat-related injuries and on how VA's current efforts might be improved?

Response. From what I know of the VR&E program, I share your view of its importance to the successful future of service-connected disabled Veterans. I understand that recently enacted Pub. L. 110-389 requires the VA to study those measures that assist and encourage Veterans to complete their vocational rehabilitation as well as to conduct (subject to funding) a longitudinal study of certain vocational rehabilitation program participants. I assure you that we will undertake these studies with an eye toward improving the VR&E program and meeting the rehabilitation needs of the severely injured veterans who have earned the best services we can provide.

Question 29. In 2004, a blue-ribbon panel completed an exhaustive review of VA's vocational rehabilitation and employment program. In its findings, it made more than 100 recommendations. Of those, VA reports that nearly all of them have been implemented to some extent. I remain concerned, however, that there are far too many eligible veterans who do not apply, complete the evaluation process, have a rehabilitation plan developed, or complete their plan. No one seems to really know why there is such a low completion rate when measured against the number of veterans who apply and who are determined entitled. What priority do you believe VA should place on determining why the successful completion rate for individuals in this program is so low?

Response. It is my understanding that VA has conducted a survey the results of which were to assist in establishing effective procedures for reducing the number of Veterans who do not complete their vocational rehabilitation program. I will expect to be briefed on this effort and the extent to which these procedures are successful. Further, I believe that the study required by Pub. L. 110-389 will further

inform the issue of low completion rates and help VA in its efforts to assist Veterans to attain successful rehabilitation.

Question 30. The active-duty military has become increasingly more reliant on the Reserve components to accomplish its missions. What will you do, if confirmed, to ensure that governmental services, such as pre-, during, and post-deployment services, including transition services, are available to National Guard and Reserve veterans in the same way as they are available to those who serve in the active forces?

Response. I expect that VA should better coordinate with the States, including Transition Assistance Advisors in many State National Guard programs, and with the Departments of Defense, Labor, and Education, among others, to find the best opportunity for educating Veterans effectively about available benefits and services.

Question 31. In your view, how long should a veteran have to wait to have his or her initial claim for compensation adjudicated?

Response. If confirmed, my starting point would be the strategic goal set by the Department. I understand that most of the claims processing time involves evidence gathering or compliance with legal procedural requirements over which the VA has little control. Re-examining business rules as VA transitions to paperless processing should also offer opportunities to expedite processing time. Increasing the number of claims processed under the Benefits Delivery at Discharge (BDD) will result in earlier decisions for those currently leaving the service.

Question 32. VBA has been criticized for the lack of timeliness of its claims' processing. While VBA has made progress in improving timeliness and accuracy of disability claims processing, further improvement is needed. VBA has turned its attention to decreasing the amount of time it takes to process a claim, but that improvement seems to be at the cost of a decrease in the quality of its decisionmaking. Do you have any views on how to better balance the need to timeliness with the requirement that decisions be as accurate as possible?

Response. I have much to learn with respect to the specifics of the claims process, but it seems to me that timeliness and quality should be primary concerns in the decisionmaking process. If there is a growing problem with the quality of decisions, I believe that the solution rests with better review and oversight by managers of decisions prior to issuance together with increased training to avoid future errors.

Question 33. Accurate forecasting of usage of veterans benefits is essential in planning for resources to administer those benefits. If confirmed, what would you do to ensure that VA provides accurate and timely forecasts of the need for additional staffing resources so that Congress is able to appropriate resources in a timely manner?

Response. It is my understanding that VA continues to enhance its actuarial models for forecasting usage of benefits and services. I agree with the assertion that accurate forecasts are essential and will work to improve VA's efforts to provide such forecasts as well as efforts to survey Veterans so as to obtain data to support forecasting modeling.

Question 34. All Federal agencies have certain responsibilities to maximize contracting opportunities for veteran-owned small businesses and especially service-disabled veteran-owned small businesses. In general, it appears that VA has a better record than most other Federal agencies. However, there are concerns that, in order to meet the goal of increased contracting with these businesses, there has been increasing reliance on partnerships between large corporations and small service-disabled veteran-owned businesses, in which the involvement of the SDVOB is really only on paper. If confirmed, what will you do to ensure that VA contracts with small service-disabled veteran-owned businesses truly involve and benefit these firms in the actual contracted activity?

Response. It is my understanding that the VA's Center for Veterans Enterprise is a unique program serving SDVOBs. Additionally, I'm told that VA has a unique buying authority that permits it to set-aside requirements for Veteran-owned small businesses and generally provides VA with more latitude in non-competitive contracting. Significantly, VA's large prime contractors will be required to use businesses that have been officially verified to be SDVOBs once pending regulations are effective. These factors helps VA to ensure that SDVOBs are both in a position to benefit and actually do benefit from contractual activities. I would expect to see these programs and efforts to continue and to expand appropriately. It is important for the VA to try to follow the letter and spirit of the law when it comes to veterans preferences.

Question 35. The Institute of Medicine submitted a report to the VDBC entitled Evaluation of the Presumptive Disability Decision-Making Process for Veterans in

which IOM recommended a new process for VA to follow in establishing presumptions. Please comment on the IOM proposal.

Response. I'm aware that a distinguished panel of the Institute of Medicine conducted an extensive review of the presumptive disability decision process and made several recommendations for improving it, including greater transparency in how the Department reached its decisions. It's my understanding that the VA has yet to make an official response to those recommendations. If confirmed, I intend to ensure that the VA seriously considers those recommendations and develops an appropriate response to this complex issue.

Question 36. With respect to presumptive disability decisionmaking, IOM recommended a standard of "causal effect." In some cases, servicemembers may have been subjected to multiple potential exposures of uncertain dosage. If causation is unclear, should evidence of increased incidence of certain disabilities be a basis for service-connection?

Response. As noted in my answer to question 35, I await the review of the IOM recommendations by the Department.

Question 37. At the present time, military recruiters are actively recruiting servicemembers from countries in the Pacific Islands, such as the Federated States of Micronesia. Some veterans' benefits, such as vocational rehabilitation services, VA home loans, and health care, are not normally provided outside of the United States. In your view, what obligation does the government have to provide non-citizen disabled veterans benefits and services needed to compensate for and overcome the disabilities which they incurred after being recruited into United States military service?

Response. I am interested in learning the original reasons for the restrictions you identify, and whether they remain valid today. If changes are warranted, I would be an advocate for them.

Question 38. In the last Congress, there was legislation introduced that would provide some who were in the merchant marines during World War II with a tax-free annual pension of \$1,000 a month. This payment would be based upon neither disability nor financial need.

a. What is your opinion about VA providing certain groups with entitlement to a monetary payment that is based neither on being disabled nor in need?

b. Should VA provide such special compensation to a group without doing the same for similarly situated groups?

Response. I am not yet familiar with the history of Veterans' benefits and services for former members of the Merchant Marine.

Question 39. Under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), employers—including the Federal Government—have certain responsibilities to re-hire individuals who are seeking to return to their jobs following a period of active service. It is particularly troublesome to me that an individual who has been sent into battle by the government would need to do battle with that same government for the right to regain a job and its associated benefits. However, it does happen and it happens far too often. Indeed, according to Department of Labor, more than thirty claims of violations of USERRA were lodged against the Department of Veterans Affairs in fiscal 2006. This should be embarrassing to the agency. If confirmed, what steps do you believe you can take to ensure that VA follows USERRA?

Response. I wholeheartedly agree with the premise that VA must set the example among all employers in the hiring and rehiring of Veterans. Even one valid USERRA claim against the Department would be unacceptable, and I look forward to learning more about VA's performance in this regard since 2006. It is imperative that all VA managers and human-resources personnel be familiar with the law regarding the reemployment of deactivated guard and reserve personnel, and follow it to the letter.

Question 40. What are your views on how technology might be used to improve VBA's performance?

Response. VBA must move to an integrated, all electronic claims processing system. If confirmed, I will insist that a plan be developed with reasonably aggressive timelines to validate the current benefits administration business processes with an eye to the role of rules engines. Once the plan is adopted I intend to move expeditiously to acquire the technology and systems to support the delivery of benefits to Veterans.

Question 41. Through VA's vocational rehabilitation program, VA assumes certain responsibilities for the provision of employment assistance to veterans who complete a plan of vocational rehabilitation. This assistance can take a variety of forms. I am

concerned that VA cooperates and coordinates with the Department of Labor's Veterans' Employment and Training Service so that duplication of effort can be minimized. If confirmed as Secretary, what will you do to involve both DOL, and DOD in efforts to ensure that employment-related issues are addressed seamlessly and without duplication of effort?

Response. I am unaware of the extent of duplication of efforts by the Departments but will explore the issue with my counterparts. I understand that Job Fairs around the country which bring the three Departments together have been generally effective, as has the Coming Home To Work program through which servicemembers work with VA, DOD, and DOL staff to obtain Government work experience. Further, I'm advised that VA has Memoranda of Understanding in place with DOL VETS, the Army's Materiel Command, and the Naval Air Warfare Center Aircraft Division that provide for effective coordination of expanded employment opportunities; I believe that the VA should continue and expand on such efforts.

Question 42. VBA has had some success with improving the efficiency of claims processing by consolidating certain services into fewer offices. What are your views on such consolidations?

Response. Increasing timeliness, accuracy and consistency in claims processing must be an important objective of the VA. Appropriate consolidation of services can, I believe, assist in achieving these goals. As we do this, however, it is important to maintain accessible services for veterans. The prompt implementation of electronic processing would greatly facilitate consolidation as well.

Question 43. VA currently uses the criteria of 170,000 un-served veterans within a 75-mile radius for purposes of establishing new national cemeteries. In the past, the Senate has supported this standard and has authorized new cemeteries based upon VA's recommendations. Do you believe this should continue to be the standard practice? In the absence of a VA recommendation, do you believe Congress should legislate the location of new national cemeteries?

Response. VA's current policy was the result of congressionally mandated study undertaken a number of years ago. It appears to be equitable and working well. I understand that currently 80% of Veterans are within 75 miles of a national or State Veterans' cemetery and that this will increase to 90% in 2010. The National Cemetery System has also been given the highest customer service rating according the American Customer Satisfaction Index. I also understand that additional studies have been undertaken which suggest further refinements that might be made in this successful process I would like to have the opportunity to assess and report.

Question 44. One of the biggest challenges that VA is facing is the implementation of the new Post-9-11 GI Bill which was signed into law on June 30, 2008. The full effective date of the new program of educational assistance is August 1, 2009, which means that VA has less than a year to prepare for massive changes. Initially, VA had planned to outsource certain components related to the administration of the new benefit program but has not decided against that and will instead manage with in-house resources.

a. What are your thoughts on how VA might best prepare for implementation of the new program?

b. How do you intend to monitor the implementation to ensure that the transition is as seamless as possible?

Response. It is absolutely critical that the VA be able to deliver the Post-9/11 Veterans' Education Assistance benefits efficiently and effectively on August 1, 2009. If confirmed, I will make it one of my very first actions to initiate an independent, thorough, but expeditious review of the so called short-term solution to assure myself that this program is realistic, sufficient, and on time and to take whatever remedial actions may be necessary to insure that we improve and sustain on the delivery of these benefits to our eligible Veterans, as promised.

Question 45. There is a unique and mutually beneficial relationship between VA medical centers and medical schools that improves the quality of both systems, as well as the quality of care for veterans throughout the Nation. These affiliations draw the best and brightest physicians to VA and also help VA fulfill its research and education missions. I am concerned, however, about the viability of the relationship. Please share your views on the overall value of academic affiliations, including the role affiliates play in staffing VA facilities.

Response. I am aware of VA's long standing affiliations with the Nation's medical schools. I understand that there are currently agreements with 107 medical schools with training in 42 disciplines. While those relationships are strong, I believe it is important to assess the current successes and challenges and develop a future plan. I am aware that Secretary Nicholson appointed a Blue Ribbon Panel on VA Medical

School Affiliations, and I'm anxious to see the panel's findings which are due later this year. In the meantime, I'm informed that VA plans to increase the number of residents completing their graduate medical education in VA and will continue to seek to employ physicians with medical school academic appointments as well as continue their participation in VA research programs.

Question 46. VA faces a growing nursing shortage, as well as vacancies for specialty care physicians. What do you believe VA might do to improve personnel recruitment and retention at VA health care facilities, particularly of nurses? What more can VA realistically do to improve recruitment in areas where there are fewer specialty care providers overall?

Response. If confirmed, I will charge the Under Secretary for Health for a detailed plan with respect to how we will address these issues. I know that the efforts of the Veteran Affairs Committees and the recent recommendations of GAO in a report entitled, "Improved Staffing Methods and Greater Availability of Alternate and Flexible Work Schedules Could Enhance the Recruitment and Retention of Inpatient Nurses" should be significant considerations in the Under Secretary's planning. I am also advised that the issue of recruitment of physicians is not limited to problems in recruiting specialists, but also primary care providers and geriatricians. I believe many of the factors reported about nurse recruitment are similar and I'll seek similar solutions to those of nursing and other shortage category occupation recruitment efforts. Additionally, it may be appropriate to consider programs for physician tuition support and reimbursement in return for a service commitment which could be particularly helpful to ensuring access to health care in the underserved rural and urban areas.

Question 47. Many veterans, especially those with complicated health issues, rely upon the specialized services of the VHA. Many of these services, like spinal cord injury, blind rehabilitation, and prosthetics, are not widely available in the private sector. In an era of declining budgets and decentralization of funds, please describe your views on VA's responsibility to maintain capacity in these programs.

Response. The VA has a longstanding reputation for being a leader in the provision of specialized services like spinal cord injury, blind rehabilitation and other programs where there is little expertise in the private sector. Especially in view of the limited private sector expertise, and the continuing demand from Veterans who require these services, the VA needs to maintain these capabilities and in some areas such as prosthetics needs to regain its position as a world leader.

Question 48. VA has a history of significant waiting times for care, a problem which is particularly acute in specialty care. What are your thoughts on the priority that should be accorded to reducing waiting times?

Response. If confirmed, I will need to develop a greater understanding about how times are measured, and if there has been any benchmarking with other providers with respect to standards. One of my first priorities about this issue would be to have assurance that urgent and emergent patients are seen on a timely basis. Once I have assurance that the VA meets requirements for those patients, I will request waiting time policy recommendations about what is appropriate for routine follow-up and chronic care treatment to include consideration of emerging practices regarding patient provider interaction and monitoring using telehealth and other technologies.

Question 49. In your view, how long should a veteran be expected to wait for a non-emergent health care appointment?

Response. Please see my answer to question 48 above.

Question 50. President-elect Obama has stated that one of his goals for the Department of Veterans' Affairs is to readmit Priority 8 veterans. What is your opinion of this proposal? If it should be pursued, how can it be done most efficiently?

Response. If confirmed, an immediate assignment will be to develop the plan to meet the expectations of the President-elect's goals as they pertain to Priority Group 8 Veterans. I believe the prudent approach will be to validate the estimated number of these veterans, giving appropriate consideration to the potential impact of current economic factors, and then assess the capacity of facilities and staffing and then quickly create a plan to phase these Veterans into VA for care. Overriding considerations must be VHA's ability to ensure a transition where demand can be appropriately met without deterioration in quality of care.

Question 51. There has been increasing pressure in recent years for VA to contract for services in local—especially rural—communities where VA facilities are not easily accessible. Mental health is one area of particular emphasis in this regard. What do you believe is VA's responsibility for meeting the needs, including mental

health needs, of rural veterans? If confirmed, what emphasis would you place on this issue?

Response. The VA has a responsibility to treat these Veterans' injuries and wounds—regardless of where the Veterans live. It is my understanding that the new VA Office of Rural Health will identify local initiatives for pilots which are expected to lead to improved rural health care. While we await the findings from the pilot projects, I would expect a continuing mix of care, the expanded use of telehealth for treatment of mental health needs of Veterans in their homes and CBOCs, and the continuing development of referral approaches and transportation where it is unrealistic to have high level diagnostic and treatment capabilities in the most remote rural areas.

Question 52. Telehealth technologies have proven to be highly effective in terms of quality of care delivered, and efficient at reaching those in underserved areas. As Secretary, what approach would you take to integrating and expanding telehealth capabilities within VA?

Response. I understand the goals for telehealth are for the technologies to become a major factor in the evolution of care models from episodic care to longitudinal care. The ideas about increasing patient involvement in decisions about their care include their active participation in transmitting information, with the use of these technologies that will contribute to changes in care plans and improve care management, as well as producing cost efficiencies and increased patient convenience.

Question 53. Post Traumatic Stress Disorder and other mental health conditions are a major concern for the Committee, both in terms of compensation and health care.

a. As a combat veteran, do you personally know any fellow combat veterans who continue to suffer from PTSD or other mental health conditions related to their service or combat veterans who were diagnosed with these conditions but who are now no longer suffering from them?

Response. Yes. I know those who have suffered and still suffer from PTSD and related conditions. We did not always have a name for it as we do today, but all of us went through our own processes for dealing with combat stress, Post-Traumatic Stress, and Traumatic Brain Injury.

b. Do you believe that it is possible for a non-combat veteran to suffer from these conditions?

Response. Certainly. There are many types of trauma that could play a role in development or worsening of a mental health condition, and it is my understanding that PTSD is not exclusively a combat-related disorder. For example, I understand that the victims of sexual assault, firefighters, law enforcement officers, EMTs and others who deal with, witness, or are the subjects of trauma may suffer from PTSD.

c. VA has significantly decreased its inpatient programs for veterans with PTSD. What do you view as the role of inpatient treatment for PTSD, in particular for veterans with co-morbid substance use disorders?

Response. I applaud the Committee's recognition of the special concerns surrounding co-occurrence of PTSD and substance use and of the importance of expanding research in this area, as required by Pub. L. 110-387. It is my understanding that while the VA may have decreased the inpatient component of its mental health services, they have significantly increased the overall program, particularly outpatient services. As I understand it, this strategy is in keeping with the best thinking in medical treatment patterns, which reserve inpatient care for the most severely ill or those who present a danger to themselves or others. I support this position; however, I will make certain we continue the development of best practices for care through research, and adjust accordingly.

d. Please describe the priority that you believe VA should place on providing care to veterans with PTSD and mental health disorders, or on suicide prevention, and how would you ensure that priority is manifested in budget requests and programmatic planning?

Response. Mental health conditions are widely prevalent among Veterans, and are very disabling. Yet mental health conditions can be treated effectively. Many Veterans are also service-connected for PTSD and other mental health conditions, underscoring the special responsibility VA has in connection with these very serious health problems. Mental health is integral to overall health and mental health conditions often co-occur with other chronic health conditions. Mental health must be a very high priority for the Veterans' Health Administration, and the VA has made significant strides in hiring more mental health professionals during the past year with more increases planned in 2009 to 2011.

e. What are your views on the need for more research into the best treatments for these conditions?

Response. The VA has a unique role as a national leader in clinical care, medical education, and research on PTSD—these efforts deserve strong consideration for additional resources in the future. The VA has a special obligation to wounded warriors which underscores the importance of its working to advance knowledge on best treatments, as well as the best modes of care delivery.

Question 54. Diagnoses for substance use disorders (SUD) in veterans from the current war continue to increase. In your view, does combat play a role in increasing the likelihood for developing an SUD?

Response. I don't know; however, I suspect there may be a connection. I will have to seek expert opinions on questions like this one.

Question 55. Public Law 110–387 makes findings about SUDs and mandates improved services for those suffering from SUDs. Specifically, it contains provisions for the expansion of SUD treatment services, treatment of co-morbid SUD and other mental health conditions, and the two pilot programs. What is your view on how VA should approach treating SUDs?

Response. I am not a mental health expert, and I will defer to such experts and request their advice and recommendations about how to comply with Pub. L. 110–387. I am particularly concerned that substance abuse treatments have as their goal the full reintegration of the patient into society.

Question 56. What is your view of the correlation between combat service and homelessness? Do you believe that VA has a particular obligation to aggressively address homelessness among veterans?

Response. I don't know if there is a correlation between combat and homelessness. But, I do believe homelessness among Veterans is a national tragedy, and yes, VA has a special obligation to address this problem. Combating homelessness among veterans was one of President-elect Obama's priorities when he was a Member of this Committee, and it is one for me.

Question 57. What do you see as VA's role in working with other departments and agencies, especially HUD, through the Interagency Council on Homeless or otherwise, to address the needs of homeless veterans and their families?

Response. The VA has a critical role in cooperation and coordination with HUD and other Federal programs to address the needs of homeless Veterans and to share expertise that is applicable to other homeless issues. I want to learn more about my responsibilities and resources to deal with this important problem and, if confirmed, look forward to meeting with my counterpart at HUD to discuss our shared resources and responsibilities, as well as with other leaders of departments who work with issues of homelessness.

Question 58. VA research not only makes a major contribution to VA's, and the Nation's, efforts to combat disease, but it also serves to maintain a high quality of care for veterans through its impact on physician recruitment and retention. VA research has recently been troubled by lack of oversight and by human subjects protections violations. How do you intend to preserve this valuable VA function while ensuring the highest standards of ethics and care?

Response. I understand that VA research does make a major contribution to VA's and the Nation's efforts to combat disease, and is a major factor in helping physician recruitment and retention. I am aware of a recent disturbing situation at one medical center regarding human subjects' protections violations. That incident does require there be continuing emphasis and training to prevent such situations from happening again. At the same time, I've been informed that this incident is not indicative of an overall superb VA research program. I will expect any allegations of violations of human subject protection policies to be reported immediately to my office.

Question 59. Women constitute an ever-growing segment of the Armed Forces and consequently, the overall veteran population. What do you see as the primary challenges to appropriately treating and serving women veterans in VA facilities? Are there aspects of your experience working with women in the military that can translate into innovative solutions for improving care for women veterans?

Response. I'm advised that the proportion of women serving in the Armed Forces is growing and may exceed 15% of the total population of VA health services users by 2020. The VA will need to continue to respect the different requirements for health care and privacy for women, and take steps necessary to ensure those requirements are met. I understand that the VA has recently required that the position of Women Veterans' Program Manager be full-time at every VA Medical Center and that there are efforts underway to implement appropriate clinic and service en-

hancements. I will look to the Advisory Committee on Women Veterans to continue to assist VA in appropriately responding to the needs of these Veterans.

Question 60. Restructuring and downsizing in several VA health care facilities have led to increased contracting with community providers for care. Also, a large number of existing VA community based outpatient clinics are run by non-VA providers. What do you believe is VA's responsibility for monitoring care furnished by contract providers and how should that monitoring be carried out?

Response. Veterans care provided through the VA should meet the highest standards. I am not yet aware of all the details relative to VA's health care facilities changes or capital plans. I do know there has been increased contracting of care where demand outstripped VA capacity. I am also aware of the current consideration of Health Care Community Facilities (HCCF) and will be interested in learning more about how their implementation would relate to increased contract care and how VA will ensure that its performance standards are met. I understand that with respect to current contract CBOCs, contractors are generally required to meet all VA performance requirements.

Question 61. Recently, VA has developed a strategy for using a combination of long-term facility leases and contract care to provide health care to veterans, in place of constructing new facilities or performing significant maintenance and upgrades on existing facilities. What is your position on this approach, and in general on the role of leases and contract care versus VA-owned facilities and VA-provided treatment?

Response. I have not had an opportunity to review VA's capital plan strategy. I would be pleased to share my views on the appropriate mix of construction and leasing once I've had the opportunity to be briefed thoroughly and better understand how all options and opportunities can contribute to the best possible care for Veterans.

Question 62. What, in your view, is the appropriate role for Federal funding in the construction of medical facilities for VA on land that is leased by the Department? Should VA perform the construction, contribute funds to construction done by private organizations on VA's behalf, or not be involved in this type of situation?

Response. I look forward to being briefed by VA professionals about the pros and cons of various alternatives for developing facilities, and the extent of our legal authorities to pursue them. In general, I believe VA should employ whichever strategy would result in the most fiscally sound delivery of a state-of-the-art facility in a given locality. Ideally, VA would have the discretion to elect any of the strategies your question poses. The strategy we ultimately pursue should be the result of sound business analysis, taking into account the timeline for delivery of care, cost, and Veterans' ability to access the best possible care.

Question 63. What is your view of the VA's CARES process and VA's overall Capital Plan? How will you involve senior Veterans Health Administration leadership, Congress, veterans' service organizations, affiliates, and other stakeholders in the remaining decisions related to the implementation of the Capital Plan as well as on planning for capital facilities generally?

Response. Again, I will need to learn more about the CARES process and the overall Capital Plan before coming to a judgment. I will work closely with Senior VA leadership, Congress, Veterans' Service Organizations, and other stake holders, including Veterans, to make informed decisions about our capital assets.

Question 64. What is your view of the value of non-institutional long-term care? Do you have any personal or professional experience in this area? If confirmed, what steps will you take to promote VA's development of non-institutional extended care?

Response. Most Veterans, like most Americans, prefer non-institutional long-term care, where appropriate to their situation. That was my experience with my parents; my father received long-term care for more than two years, but my mother was able to live independently in her home until her last day. I am aware that VA has been making significant efforts to make such home and non-institutional care more available and, if confirmed, I will endeavor to expand those efforts.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO
GENERAL ERIC SHINSEKI, NOMINEE TO BE SECRETARY, DEPARTMENT OF VETERANS
AFFAIRS

Question 1. With the exception of this past year, Congress has a decade-long record of failing to enact an appropriations bill for the Department of Veterans Affairs (VA) in a timely manner. In the absence of a funding bill VA must operate under a continuing resolution which often results in VA managers delaying hiring,

maintenance, and other operational decisions. One option being considered is to fund VA a full year in advance.

a. What are your thoughts about providing an “advanced appropriation” for VA medical care?

b. What do you think of an alternative plan to simply begin passing appropriations bills for VA on time, or, if that does not happen before the fiscal year begins, putting in place a triggering mechanism that would fund VA health care at the level requested by the President?

Response. I am familiar with the mechanism of advance appropriations. It is my understanding this is now widely supported by VSOs. Consideration of these mechanisms evolved because of the significant management difficulties that result from continuing resolutions. Among the difficulties VA experienced were increased patient waiting times and treatment delays. For these reasons, the President-elect and I support the proposal for advance appropriations. With respect to the timely passage of appropriations bills or triggering mechanisms, I believe that is a matter for consideration by the Congress.

Question 2. VA has recently been exploring an initiative to use construction dollars to deliver more health care closer to where veterans live, e.g., the construction of health care center facilities (HCCF) with the capability of handling 90 to 95 percent of veterans’ health care needs in an outpatient setting, such as primary care, specialty care, and ambulatory surgery.

a. What are your thoughts on this initiative?

b. What do you see as its advantages and disadvantages?

Response. I will need additional time to fully consider the proposals for the HCCF approach to construction. The concept includes the idea that inpatient care will be contracted. That approach needs careful evaluation and stakeholder input, to include quality considerations, evaluation of how out year contracts can be managed to assure reasonable costs, and other alternatives. The concept should also be evaluated to determine if the current proposals are a “one size fits all” approach and if such an approach is both practical and feasible.

Question 3. Evidence indicates that disability ratings for those with PTSD get progressively worse over time. The Veterans’ Disability Benefits Commission recommended that Congress create a “new, holistic approach to PTSD . . . coupl[ing] PTSD treatment, compensation, and vocational assessment.” The Disability Commission recommended that “treatment should be required and its effectiveness assessed to promote wellness of the veteran.”

a. Since 2000, there has been a 150% increase in the number of veterans who are in receipt of disability compensation for Post Traumatic Stress Disorder (PTSD). Do you agree with the Disability Commission’s conclusions and recommendations with regard to PTSD?

b. Do you believe that PTSD is treatable, and do you believe that VA has the effective treatment programs in place to improve a veteran’s mental illness or, at the very least, stop it from getting worse?

Response. I have not had an opportunity to have an in-depth briefing on the recommendations of the Disability Commission chaired by General Scott. The extensive work that went into this study deserves careful consideration by the Department and me.

PTSD can be a profoundly disabling condition. But it can be treated effectively. VA has a special responsibility to help properly diagnose Veterans suffering from PTSD and to treat them. I am aware that if PTSD goes undiagnosed or untreated, there are likely to be significant consequences. In this regard, I believe that Mental Health must be a very high priority for the Veterans’ Health Administration.

Question 4. VA currently sends to the National Instant Criminal Background Check System (NICS) the names of beneficiaries (veterans, surviving spouses, children, and parents of veterans) for whom VA has appointed a fiduciary. Once on the NICS, beneficiaries are prohibited from exercising their Second Amendment right to purchase a firearm. There are a number of concerns that have been raised about this process: (a) VA decisions about whether to appoint a fiduciary are governed solely by whether beneficiaries are able to manage financial affairs; (b) at no point in the process is an inquiry made about whether the beneficiaries are a danger to themselves or others or whether they should be prohibited from purchasing a firearm; (c) government employees at VA (and not courts of law) have the power to, in effect, take away someone’s Constitutional rights; and (d) Social Security does not send the names of its beneficiaries with fiduciaries to the NICS, and States share names with the NICS but typically only after a court of law hears the case.

a. Do you believe that, before VA beneficiaries' Constitutional rights are taken away, they deserve the benefit of an appropriate judicial authority to hear their cases?

b. Do you believe that a veteran who seeks help at VA should be at risk of losing his/her right to bear arms solely because of a fiduciary appointment, when that same veteran would not be at risk if he/she sought help at the Social Security Administration?

c. Will you pledge to work with the Federal Bureau of Investigation and the Bureau of Alcohol Tobacco and Firearms (whose requests for information VA is complying with) to review what I believe is an arbitrary and unfair process?

Response. I support equal treatment for Veterans under the Second Amendment, but I understand that the Brady Act and regulations issued under it by the Department of Justice require VA to send the names it does for inclusion on the NICS list. As your question acknowledges, having determined that a veteran is unable to manage his/her affairs, VA is required to comply with this law and regulations.

I understand individuals found by VA to be incompetent to contract or manage their own affairs can appeal those determinations to the Court of Appeals for Veterans' Claims. I am, however, troubled by the suggestion that Social Security recipients are treated differently than Veterans in this regard. If confirmed I will work with DOJ officials to rectify any inequities pertaining to Veterans.

Question 5. If confirmed, you will have the duty to make enrollment decisions affecting veterans' eligibility for health care. President-elect Obama stated during his campaign that his goal was to reopen the VA health care system to priority 8 veterans. It has been suggested that reopening the system to priority 8 veterans in the face of a health care professional shortage and VA's aging capital infrastructure could cause health care for veterans already in the system to suffer, especially in states where the veteran's population is growing.

a. How will you ensure that care for higher priority veterans, such as the service-disabled and the poor, does not deteriorate as new priority 8 veterans are allowed into the system?

b. What will govern your decision to allow some, none, or all priority 8 veterans to enroll?

c. What performance indicators will you look at to make sure that quality care is still being delivered in a timely way?

d. If waiting times or quality indicators begin to deteriorate, what will be your course of action?

Response. If confirmed, an immediate assignment will be to develop the plan to meet the expectations of the President-elect's goals as they pertain to Priority Group 8 Veterans. I believe the prudent approach will be to validate the estimated number of these veterans, giving appropriate consideration to the potential impact of current economic factors, and then assess the capacity of facilities and staffing and then quickly create a plan to phase these Veterans into VA for care. Overriding considerations must be VHA's ability to ensure a transition where demand can be appropriately met without deterioration in quality of care.

Question 6. What will guide your decisionmaking process when determining whether new VA "Centers of Excellence" should be established? Do you have any thoughts about the process now used to establish new Centers?

Response. I am aware of great success with these Centers of Excellence, but I have not yet been briefed on the process for establishing them. I do believe VA has a duty to be at the forefront in treatment and research in programs particularly important to veteran care.

Question 7. After news reports detailed how some seriously injured servicemembers at Walter Reed endured a lengthy, hard-to-understand, bureaucratic process to try to get their disability benefits, the President's Commission on Care For America's Returning Wounded Warriors was created to examine these and other problems experienced by transitioning servicemembers. In 2007, that Commission, chaired by former Senator Bob Dole and former Secretary Donna Shalala, released a report in which they recommended completely updating and restructuring the VA and Department of Defense (DOD) disability evaluation system to better meet the needs of our Nation's wounded warriors.

a. Do you agree with the Dole-Shalala Commission's findings?

b. Do you support the Dole-Shalala Commission's recommendations?

Response. I am aware of the work of the Dole-Shalala Commission, as well as the Veterans' Disability Commission and a number of other predecessor commissions. I am not yet familiar with all of the findings and recommendations. I would note that any fundamental changes in the disability system would require the involve-

ment and approval of Congress. I look forward to working with the Committee in our efforts to harmonize the recommendations of these several studies and improve the overall system for serving the needs of the Wounded Warriors.

Question 8. Last summer, Congress approved the Post-9/11 Veterans Educational Assistance program. Recently, concerns have been raised about whether VA will be prepared to begin paying benefits when the new program becomes effective in August 2009.

a. If you are confirmed, would you immediately advise Congress if it becomes evident that the new education program will not be up-and running by that deadline?

b. Would you advise Congress if any modifications are necessary to ensure that veterans receive timely, fair benefits under this new program?

Response. It is absolutely critical that the VA be able to deliver the Post-9/11 Veterans' Education Assistance benefits efficiently and effectively on August 1, 2009. I will make it one of my very first actions, if confirmed, to initiate an independent, thorough, but expeditious review of the so called short-term solution to assure myself that this program is realistic, sufficient, and on time. Further, I will also take whatever remedial actions may be necessary to insure that these benefits are delivered, as promised, to our eligible Veterans and sustained over time. I will identify and appoint a senior executive to monitor this program full time and report to me regularly until I am assured that this benefit will be delivered efficiently, effectively, and on time. I will advise Congress promptly, if modifications are necessary.

Question 9. For many years, there have been serious concerns about the backlog of claims at VA, the length of time it takes to process claims, and the accuracy of VA's decisions. In recent years, Congress has responded to this problem by providing more money so that VA can hire more employees. Since 1997, this funding increase has allowed VA to more than double its claims-processing staff. Unfortunately, it is still taking on average about 6 months to get decisions to veterans, which is among the longest processing times since 1997, and the number of pending claims is around 390,000, which is among the highest levels in the past 10 years.

a. If confirmed, will you support and encourage efforts to find better answers and new ideas to solve the backlog problem?

b. If confirmed, will you provide Congress with a candid assessment of the level of productivity that should be expected of the claims processing staff?

Response. VBA must move to an integrated, all electronic claims processing system. While I appreciate that this will not be easy, I also understand that it is essential if we are to modernize and streamline the benefit application, eligibility determination, and benefit administration processes; reduce wait times and backlogs; and deliver the benefits that our Veterans have earned. I will insist that a plan be developed with reasonably aggressive timelines to validate the current benefits administration business processes with an eye to the role of rules engines. Once the plan is adopted, I intend to move expeditiously to acquire the technology and systems to support the delivery of benefits to 21st Century Veterans. Additionally, as the system changes, it will be necessary to reassess current productivity and quality standards, and I will ensure that the Congress is appropriately apprised of those efforts.

Question 10. For many years, veterans' service organizations have expressed concerns that a lack of accountability among VA employees contributes to large backlogs of claims and deficiencies in the quality of decisions that are rendered.

a. Do you believe more steps need to be taken to ensure that employees at all levels are held accountable if quality and timeliness standards are not being met?

b. If so, what changes would you recommend to ensure true accountability?

Response. Accountability is critical, and I believe that the solution rests with better review and oversight by managers of decisions prior to issuance, together with increased training to avoid future errors. It would be my expectation that all managers and employees will be held accountable for adherence to statutory and regulatory provisions. Further, as we have seen used effectively in health care delivery, electronic systems will generally be designed to raise flags for adjudicators and "guide" their actions so as to assist in ensuring compliance.

Question 11. Since the end of the Gulf War in 1991, the Federal Government has spent over \$340 million studying Gulf War illnesses, yet no effective treatments have been identified for the symptoms experienced by many Gulf War veterans. Rather, many of the studies conducted over the years have focused on attempting to identify the causes of those symptoms. But whatever the cause of the health problems experienced by Gulf War veterans, we know they are real.

a. Do you believe that improving the health of these Gulf War veterans should be a priority?

b. Would you support heavily focusing further research on the treatment of Gulf War veterans?

Response. I believe that more research into the Gulf War Illness, particularly treatment, is called for and understand that VA has referred the Research Advisory Committee on Gulf War Illnesses' report to the Institute of Medicine for review and comment. I will be interested in the IOM response. Generally, I would like to see more resources devoted to treatments of Gulf War related illnesses.

Question 12. North Carolina has a number of VA medical centers and outpatient clinics throughout the state, yet it is my understanding that VA-provided medical examinations for purposes of disability compensation are generally provided only at the Winston-Salem VA outpatient clinic. It is my understanding that this may require veterans to drive as many as 4 hours to obtain an examination.

a. If confirmed, will you explore ways that North Carolinian veterans can obtain quality disability examinations closer to their homes?

b. Will you conduct a similar examination on a national level, if confirmed?

Response. If confirmed, I will explore how to ensure that disability exams are reasonably accessible. The VA has been utilizing both VA and contract exams for some time. The important issue in my mind is whether the exams are performed in a prompt, thorough, accurate manner that provides all the relevant information needed by VBA in order to rate the claim.

Question 13. The effective use of information technology will help VA continue to deliver high quality medical care to veterans and can help in the administration of benefits programs for veterans. The challenges VA faces in this area are enormous, both in its intergovernmental operations, such as the development of an interoperable patient record between VA and DOD, and in its internal operations.

a. What is your assessment of the progress VA is making toward an interoperable patient record with the Department of Defense? If confirmed, what will you do to ensure that progress continues to be made in this critical area?

b. What is your assessment of the other key information technology issues confronting VA, e.g., VETSNET; VA's paperless claims initiative; HealthVet; and the department's efforts to use information technology to administer the new Post-9/11 Veterans Educational Assistance program? What, if anything, would you do differently, based on the plans for these initiatives that you have viewed?

Response. It is my understanding that VA doctors, nurses and other health care professionals currently have access to much of the available, relevant DOD electronic health care record for active duty soldiers. Work continues between the two organizations to identify additional data that can be shared. If confirmed, I intend to take an active interest in the progress of these efforts and to insist that data sharing and a seamless experience for the Veteran be top priorities of the Office of Information and Technology.

I will certainly be reviewing the Department's information technology planned initiatives both in health and benefits, but it is premature to provide an assessment at this time.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. PATTY MURRAY TO
GENERAL ERIC SHINSEKI, NOMINEE TO BE SECRETARY, DEPARTMENT OF VETERANS
AFFAIRS

Question 1. What do you see as the biggest challenges facing the VA and how do you plan to tackle them?

Response. The overarching challenge that the VA faces is its transformation into a 21st Century organization as called for by the President-elect. I am acutely aware that transformation is a challenging task particularly in a complex organization, steeped in tradition; we faced similar challenges in the transformation of the United States Army.

I believe that the biggest challenges the VA faces are:

1. Successfully implementing the New GI Bill (Post-9/11 Veterans' Educational Assistance Act).
2. Streamlining the disability claims system, increasing quality, timeliness and consistency of claims processing and updating the Disability Rating Schedule while maintaining veterans' rights.
3. Ensuring adequate resources and access points to meet the health care needs of all enrolled Veterans as well as those OEF/OIF Veterans and Priority Group 8 Veterans, who will be joining the system.
4. Utilizing cost effective Information Technology to improve and modernize the delivery of benefits and services.

If confirmed, I would focus on these issues and the development of a credible and adequate 2010 budget request during my first 90 days in office. However, the overriding challenge which I will start addressing the first day in office is to make the Department a VA for the 21st Century, a VA in which Veterans truly are the centerpiece of the organization

Question 2. What are your personal criteria for assembling your VA management team?

Response. If the transformation of the VA is to be successful it must be accomplished through the efforts of the entire leadership team. I expect my leadership team at VA to be comprised of highly qualified and dedicated leaders who fully understand and will promote the President-elect's and my transformational vision for the VA. They will be competent and disciplined individuals who wholeheartedly believe in the mission of the VA. These will be individuals who have an unmatched work ethic, who have a strong sense of values, who treat others with dignity and respect, who are accustomed to hard work, who are courageous, who thrive on responsibility, who know how to build and motivate teams, and who are positive role models for all around them. These will be individuals who believe as I do that "If you don't like change, you will like irrelevance even less." The VA mission is too important to ever be seen as irrelevant.

Question 3. To what extent will you be looking to former military officers as candidates for key VA positions?

Response. If confirmed, I'll look for the best qualified people who understand Veterans' and Veterans families' needs and are willing to work hard to support them; if they happen to be former military officers that would not disqualify them.

Question 4. During the lead up to the Iraq War, you famously said that our military would need something on the order several hundred thousand soldiers to stabilize post-invasion Iraq, and you were tragically proven right. With the expected withdrawal of US troops from Iraq in the next three years, we need to ensure that the VA is prepared to care for all of the returning veterans who need access to the healthcare and benefits they have earned.

a. If confirmed, what will you do will you do to prepare the VA system to care for the many returning Iraq veterans?

Response. I will promptly validate the VA's information needs to develop a budget that will ensure that the 2010 budget proposal realistically identifies the VA's needs to provide these Veterans the health care they deserve. Further, we will work with the Department of Defense to assess the opportunities to simplify and smooth the transition from active duty to Veteran status of OIF/OEF servicemembers.

b. Have you had the opportunity to sit down with Iraq and Afghanistan veterans to hear about their problems accessing healthcare and getting their benefits?

Response. Anecdotally, yes—not formally. I have had the opportunity to meet with men and women who have served in Iraq and Afghanistan. I have heard from OIF & OEF Veterans and am well aware of their concerns and issues with respect to their health care needs and their issues with the VA.

Question 5. Secretary Peake has spent a great deal of time working to make the transition to the VA truly seamless for servicemembers leaving the military. One of the most critical ways this has been achieved is through the Senior Oversight Committee—the organization that brings the Deputy Secretaries of the DOD and the VA together to tackle transition challenges.

a. If confirmed, will you keep in place the Senior Oversight Committee?

Response. It is my understanding that the 2009 Defense Authorization Act contains a provision directing the Departments to maintain the SOC into the incoming Administration. Together with the Deputy Secretary, I will assess the status of activities which the SOC is overseeing and determine whether SOC efforts should be re-prioritized. Clearly, the SOC is performing a critical function and I am advised that it has been successful in advancing VA/DOD joint efforts. This is in the interest of providing the best service to our wounded warriors. I am also aware that the Joint Executive Council, established by law, helps to identify opportunities to enhance mutually beneficial services and resources and oversees the Health and Benefits Executive Councils.

b. Do you have any ideas on how to improve the transition from the military to the VA?

Response. My ideas, at this point, are formative. It is clear to me that Secretary Gates and I will need to provide significant leadership to the issue of VA & DOD information sharing and technology integration. I intend to speak with Secretary Gates about this. Further, I understand that there is a need to identify appropriate times for effectively conveying benefits information to demobilizing National

Guardsmen/women and Reservists. I believe that we will be successful in determining a resolution to this. In addition to the transition issues I would discuss with Secretary Gates, I would also engage other secretaries and departments regarding employment, housing, education, PTSD, and a range of issues that bear on our Veterans.

c. What are your views on Post Traumatic Stress Disorder?

Response. PTSD can be a profoundly disabling condition. But it can be treated effectively. VA has a special responsibility to help properly diagnose Veterans suffering from PTSD and to treat them. I am aware that if PTSD goes undiagnosed or untreated, there are likely to be significant consequences. In this regard, I believe that Mental Health must be a very high priority for the Veterans Health Administration.

d. Do you see PTSD as a particularly troubling problem of veterans coming back from Iraq and Afghanistan?

Response. I am aware of the RAND Corporation study that has been widely reported that indicated that nearly as many as 20 percent of the returning OIF/OEF servicemembers report symptoms of PTSD. That is a significant finding. I am also aware that VA has reported that it has diagnosed about 120,000 Veterans of OIF/OEF as having mental health problems and about 60,000 of them are receiving PTSD treatment. I recognize that much must be done to eliminate the stigma that many servicemembers believe is associated with this disorder and I am advised that the leadership of the armed services is taking steps to encourage servicemembers to seek help.

e. What are your views on Gulf War-related Illnesses?

Response. Generally, I would like to see more resources devoted to treatments of Gulf War related illnesses than in continued explorations of causes. I am aware that a Congressionally-mandated Research Advisory Committee on Gulf War Veterans' Illnesses reported to the VA in October. The report includes findings that nearly a quarter of the 700,000 servicemembers who served in the 1990–1992 Gulf War have experienced a complex of difficult and persistent health problems since their return home. The Research Advisory Committee further reported that “scientific evidence leaves no question that Gulf War Illness is a real condition with real causes and serious consequences for affected Veterans.” I understand that the VA has sent the report to the Institute of Medicine for its review and recommendations. If confirmed, I will be most interested in IOM’s recommendations and determining appropriate actions.

f. Are you aware of the most recent IOM report that links exposures in the Gulf War to later onset of Gulf War illnesses?

Response. I am not currently aware of this IOM report but will look into the matter.

g. What are your views on the needs of family-member caregivers (including spouses and parents) of severely injured veterans from Iraq and Afghanistan (those with poly-trauma, serious brain injuries, multiple amputations, etc.)?

Response. This is an issue I am very concerned with; if confirmed, I’ll take a hard look at whether additional legislative authorities are needed to support family involvement in treating, rehabilitating, and reintegrating wounded Veterans. The consequences of these serious catastrophic disabilities require VA and the Nation to support the families of these heroes in every possible way to give severely wounded Veterans the services they deserve. We also need to explore the need to provide training and assistance to those family members who provide long-term care to these Veterans and address the mental health issues that those care givers deal with.

h. Do they need services and support from VA they aren’t getting now, and what would you propose to do about it?

Response. I understand that VA often provides various counseling services to family members and VA also has caregiver support groups for spouses of Veterans with disabilities and chronic illnesses. Those services are in support of the treatment of the veteran. I am also aware of VA’s operation of Fisher Houses at a number of VA facilities. As I understand it, VA initiated eight caregiver assistance pilots across the country last year. If confirmed, I look forward to learning about these pilot programs and the extent to which these services and others meet the needs of the Veterans’ family members and what can be done to expand these services.

Question 6. A former VA Secretary centralized all information technology to one Chief Information Officer. While well intentioned, this has created difficulties for the VA health care system—one that internally developed and managed a remarkable health IT system and network over the past 30+ years. Health IT is one of the

key reasons VA health care is so high quality and safe for veterans. Over 6,000 VHA IT personnel were swept up in the centralization, along with IT budget, governance, development and planning. What are your views on centralization, and will you commit to examining the impact of IT centralization on VA health care?

Response. The ability to communicate and exchange information effectively in the 21st Century is critical to any organization's success. It is my understanding that the issue in VA's reorganization of its IT functions is how best to optimize the very significant resources that are devoted to meeting the information technology needs of the entire Department. In order for the Department to meet the needs of the 21st Century Veteran it must effectively and efficiently manage the IT resources we have. I will always be open to adjustments and reasonable compromises to ease the transition of the new IT organization or address safety or quality of care issues. Further, I will want to ensure that the governance structure and practices adopted by the IT organization is consistent with the service role that IT must practice.

Question 7. In 2003, the VA blocked enrollment of new Priority 8 veterans in the VA Healthcare system. Legislation has been introduced in Congress to overturn that decision and Congress recently provided the VA with money to bring more Priority 8 veterans into the VA health care system. During the campaign, President-elect Obama pledged to overturn the Bush Administration's executive order banning enrollment of new Priority 8 veterans.

a. Have you explored this issue and if so, can you share your thoughts on this issue?

b. Will you follow through on Obama's campaign pledge to overturn the ban on new Priority 8 veterans from enrolling, or will you have to study the issue before taking action?

Response. If confirmed, an immediate assignment will be to develop the plan to meet the expectations of the President-elect's goals as they pertain to Priority Group 8 Veterans. I believe the prudent approach will be to validate the estimated number of these veterans, giving appropriate consideration to the potential impact of current economic factors, and then assess the capacity of facilities and staffing and then quickly create a plan to phase these Veterans into VA for care. Overriding considerations must be VHA's ability to ensure a transition where demand can be appropriately met without deterioration in quality of care.

Question 8. Like the military, the VA is facing a shortage of mental health providers across the country. What do you think can be done to effectively recruit more personnel into the system?

Response. I have been advised that VA has added over 4,000 mental health professional FTE in the last two years. Such successful recruitment efforts suggest on the surface that VA has been effective, to date, in recruiting mental health staff. But as VA seeks to add even more mental health professionals I will closely monitor the recruitment efforts and keep you apprised of any problems encountered.

Question 9. Over the past few years, senior VA leadership has been unwilling to stand up to OMB when the Administration has tried to low-ball the cost of care for our veterans. I am really looking for an independent advocate to take the helms of the VA and be honest with Congress about what the agency needs to fully meet the mission of the VA. Can you give me a sense of how you will react if the OMB tries to make you request less funds than you think the VA needs to provide an adequate level of care for our veterans?

Response. If confirmed, I will be an aggressive advocate for the fiscal needs of the Department and will not hesitate to inform the President of any serious concerns that I have. I anticipate that the new OMB Director will be offering advice and assistance in the fulfilling the President-elect's vision and direction with respect to caring for our Nation's veterans. It is my expectation that OMB will be prepared to assist me in presenting to the President a proposed budget in any given year that is consistent with those needs and promises.

Question 10. During the campaign, President-elect Obama advocated changing the way Veterans' healthcare is funded by supporting a legislative mechanism known as "advance appropriations," which provides funding a year in advance. Are you familiar with this concept and will you push for the change if confirmed?

Response. I am familiar with the mechanism of advance appropriations. It is my understanding this is now widely supported by VSOs. Consideration of these mechanisms evolved because of the significant management difficulties that result from continuing resolutions. Among the difficulties the VA experienced were increased patient waiting times and treatment delays. For these reasons, the President-elect and I support the proposal for advance appropriations. With respect to the timely passage of appropriations bills or triggering mechanisms, I believe that is a matter for consideration by the Congress.

Question 11. What are your plans to reduce the backlog of claims and fix the adjudication problems?

Response. It is critical that we reduce the claims backlog as quickly as possible. We must simultaneously ensure that efforts to make the adjudication process paperless are successful and timely. VBA must move to an integrated, all electronic claims processing system. While I appreciate that this will not be easy I also understand that it is essential if we are to modernize and streamline the benefit application, eligibility determination and benefit administration processes, reduce wait times and backlogs and deliver the benefits that our Veterans have earned. I will insist that a plan be developed with reasonably aggressive timelines to validate the current benefits administration business processes with an eye to the role of rules engines. Once the plan is adopted I intend to move expeditiously to acquire the technology and systems to support the delivery of benefits to 21st Century Veterans.

Question 12. As you may know, legislation has been introduced to improve the VA's capacity to care for the increasing number of female veterans who are entering the VA healthcare system. Will you work with the Committee to help make the VA a welcoming place for female veterans; a place that is prepared to meet their unique needs?

Response. I look forward to working with the Committee on this important service component of a transformed veteran-centric VA. I know that the proportion of women serving in the Armed Forces is growing. The active duty OIF/OEF military force is 14% women. I am advised that the proportion of women Veterans using VA services is also growing and is projected to possibly exceed 15% of the total population of VA health services users by 2020. VA will need to continue to respect the different requirements for healthcare and privacy for women, and take steps necessary to ensure those requirements are met. I understand that VA has recently required that the position of Women Veterans Program Manager be full-time at every VA Medical Center and that there are efforts underway to implement appropriate clinic and service enhancements. I will look to the Advisory Committee on Women Veterans to continue to assist VA in appropriately responding to the needs of these veterans.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. BERNARD SANDERS TO GENERAL ERIC SHINSEKI, NOMINEE TO BE SECRETARY, DEPARTMENT OF VETERANS AFFAIRS

Question 1. Can you tell me your view on providing advanced year appropriations for the VA so that it has sufficient, timely, and predictable funding to hire the staff and provide the services our veterans need?

Response. I am familiar with the mechanism of advance appropriations. It is my understanding this is now widely supported by VSOs. Consideration of these mechanisms evolved because of the significant management difficulties that result from continuing resolutions. Among the difficulties the VA experienced were increased patient waiting times and treatment delays. For these reasons, the President-elect and I support the proposal for advance appropriations. With respect to the timely passage of appropriations bills or triggering mechanisms, I believe that is a matter for consideration by the Congress.

Question 2. Do you think the VA should rescreen or contact veterans that returned from Iraq and Afghanistan before the VA had a Traumatic Brain Injury (TBI) screening tool in place?

Response. I believe that could be a good idea, but would solicit the advice of the Under Secretary of Health as to how to proceed in this matter

Question 3. Do you think the VA has done enough research on treating mild or moderate TBIs as well as its co-occurrence with PTSD?

Response. I believe there needs to be more research in this area and have been advised that recent reports, including one by the Institute of Medicine, recommend increased research in this area.

Question 4. What plans do you have to make sure the VA is prepared to handle the surge in veterans that will be coming home due to the redeployment from Iraq?

Response. Accurate forecasting models are the key to correct estimates of the resources needed to treat our Veterans. While returning OEF/OIF Veterans will constitute a relatively small percentage of all Veterans enrolled in VA's health care system, I'm informed that the estimating model has improved in the ability to forecast demand more accurately. Implementation of the new GI Bill is a primary concern of mine, which will receive priority attention. The substantial addition of personnel

to disability claims processing and a concerted move to paperless processing should also assist in meeting the needs of those returning home.

Question 5. What steps will you take to improve access to care for veterans in rural areas, such as in my home state of Vermont? Do you support the use of Community Based Outpatient Clinics and Vet Centers?

Response. Thanks to this Committee and others, I believe the VA has a greater understanding of the needs of Veterans in rural areas. The VA has a responsibility to treat these Veterans' injuries and wounds—regardless of where the Veterans live. It is my understanding that the new VA Office of Rural Health will identify local initiatives for pilots which are expected to lead to improved rural health care. While we await the findings from the pilot projects, I would expect a continuing mix of care, the expanded use of telehealth for treatment of mental health needs of Veterans in their homes and CBOCs, and the continuing development of referral approaches and transportation where it is unrealistic to have high level diagnostic and treatment capabilities in the most remote rural areas.

Question 6. What steps do you plan to take to ensure the VA can handle the needs of both existing and new veterans?

Response. If confirmed, it is my intention to transform the VA into a 21st Century institution, as promised by the President-elect, one that effectively and efficiently delivers benefits and services to Veterans in an accessible manner. I will seek whatever resources are needed to accomplish this transformation.

Question 7. Are you committed to bringing the VA into the 21st Century by moving to an electronic claims processing system to help raters determine claims more quickly and make it easier for veterans to submit claims?

Response. Yes, as indicated in question 6, above, VBA must move to an integrated, all electronic claims processing system. If confirmed, I will insist that a plan be developed with reasonably aggressive timelines to validate the current benefits administration business processes with an eye to the role of rules engines. Once the plan is adopted I intend to move expeditiously to acquire the technology and systems to support the delivery of benefits to Veterans. But, I would add the rating system is only one step in a process that we need to review.

Question 8. Do you support Congress' efforts to bring Priority 8 veterans back into the VA health care system? If so, how do you envision this process taking place?

Response. If confirmed, an immediate assignment will be to develop the plan to meet the expectations of the President-elect's goals as they pertain to Priority Group 8 Veterans. I believe the prudent approach will be to validate the estimated number of these veterans, giving appropriate consideration to the potential impact of current economic factors, and then assess the capacity of facilities and staffing and then quickly create a plan to phase these Veterans into VA for care. Overriding considerations must be VHA's ability to ensure a transition where demand can be appropriately met without deterioration in quality of care.

Question 9. What will you do to ensure the VA is providing appropriate services to our women veterans?

Response. I look forward to working with the Committee on this important service component of a transformed veteran-centric VA. I know that the proportion of women serving in the Armed Forces is growing. The active duty OIF/OEF military force is 14% women. I am advised that the proportion of women Veterans using VA services is also growing and is projected to possibly exceed 15% of the total population of VA health services users by 2020. VA will need to continue to respect the different requirements for health care and privacy for women, and take steps necessary to ensure those requirements are met. I understand that VA has recently required that the position of Women Veterans Program Manager be full-time at every VA Medical Center and that there are efforts underway to implement appropriate clinic and service enhancements. I will look to the Advisory Committee on Women Veterans to continue to assist VA in appropriately responding to the needs of these Veterans.

Question 10. Do you support making the VA a leader in the use of green technologies, energy efficiency, renewable energy, and green building design in VA facilities nationwide?

Response. With an extensive infrastructure including 153 medical centers, 745 Community Based Outpatient Clinics and 225 Vet Centers, it is important for the VA to be an aggressive advocate of green technologies. It is my understanding that VA has for many years been active in efforts to achieve energy efficiency. I'm also informed that \$120 million will be spent in this fiscal year on traditional renewables, cogeneration, and replacement of infrastructure (energy efficient boilers, windows, switches, etc).

Question 11. Will you encourage VA medical centers across the country to use the new authority granted by Congress for the VA to provide mental health services to families of veterans?

Response. I am familiar with the provisions of Public Law 110-387 which extends counseling services to family members. As soon as the necessary regulations are in place, VA facilities will provide these services as appropriate to the treatment needs of Veterans. I believe this issue needs further examination and additional authorities and resources may be required.

Question 12. As you may know, a recently released report by the Research Advisory Committee on Gulf War Veterans' Illnesses, pointed to ingestion of pyridostigmine bromide pills and exposure to pesticides as two causes for the host of illnesses veterans returning from the first Persian Gulf War experience. Given this report and the fact there is still no real treatment for one-fourth of the 697,000 veterans who served in this conflict 17 years later, what steps will you take to develop treatments and open the doors of the VA to these veterans without onerous service-connection requirements?

Response. I strongly agree that more research into the causes and treatment of Gulf War Illness is called for and understand that VA has referred the report you mentioned to the Institute of Medicine for review and comment. I will be interested in the IOM response. With respect to those Gulf War veterans who are seeking medical treatment from VA, it is my understanding that provisions in the National Defense Authorization Act for Fiscal Year 2008 provide that Gulf War Veterans have until January 28, 2011 to enroll in VA's health care system.

Question 13. What role do you think the VA, working in partnership with State Veterans Departments, Veteran Service Organizations, and other entities, including veterans themselves, can play in helping personally contact veterans and their families to make sure they know about and can access VA services?

Response. I believe that VA should take a leadership role in seeking out Veterans and their families concerning VA benefits. If confirmed, I anticipate developing a strategic communications program for VA that will involve more aggressive and innovative outreach utilizing all available technologies including the internet.

Question 14. What steps will you take to make sure that VA employees are paid competitive wages that are so crucial to attracting workers to rural areas, such as in many parts of my State of Vermont?

Response. I will ensure that the VA Human Resources program continues and enhances efforts to evaluate competitive pay and benefits. I understand that VA has special authorities in Title 38 to ensure that it has the ability to pay appropriately competitive salaries for physicians, nurses, and other health care professionals and local labor markets are taken into consideration in those determinations.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. JOHNNY ISAKSON TO GENERAL ERIC SHINSEKI, NOMINEE TO BE SECRETARY, DEPARTMENT OF VETERANS' AFFAIRS

Question 1. As Secretary of Veterans Affairs, how will you continue the progress that has been made in the area of seamless transition between VA and DOD? What programs and efforts have you seen to be successful and which would you expand upon?

In Georgia, the Uptown Augusta VA Medical Center and the Eisenhower Army Medical Center at Fort Gordon seem to have perfected the model for seamless transition between VA and DOD. For example, the Augusta VAMC houses an Active Duty Rehab Unit where our active duty servicemembers are receiving state-of-the-art rehabilitation and therapy. Soldiers at the nearby Warrior Transition Unit located at Ft. Gordon are provided transportation to the VAMC, providing soldiers an opportunity to move and transition seamlessly between the two facilities and organizations. I would like to see this model expanded, not only in Augusta, but around the country. I would appreciate your view on seamless transition between VA and DOD, and in particular how the "Augusta Model" can be expanded.

Response. I have been advised that substantial progress has been made in the transition of patients from DOD to VA. I am aware of the programs that established the Federal Recovery Coordinators, the Recovery Care Coordinators, Transition Patient Advocates, and case management improvements. I've also heard all is not done, and if confirmed, I will personally emphasize the importance of these programs. While I am not familiar with the specifics of the Augusta program, I do know that there is a very good relationship between the Augusta VAMC and Fort Gordon, and I assure you that, if confirmed, I will seek more details about it and the feasibility of its expansion and perhaps emulation in other areas.

Question 2. As Secretary of Veterans Affairs, what are your plans on the implementation of electronic medical records sharing between VA and DOD? Do you see a need for this type of record sharing between the two Departments, and if so, what do you think is the best way to achieve this?

Response. I am aware that significant progress has been made in the electronic sharing of medical record information between DOD and VA. I am troubled by reports about some continuing barriers. If confirmed, I intend to discuss the importance of these information sharing and integration efforts with Secretary Gates, mindful of the requirement to always appropriately protect the privacy and security of Veteran's medical and personal information.

Question 3. Over the past year, Georgia has been fortunate enough to receive several new Community Based Outpatient Clinics, with another one scheduled to come online next year. How do you view the services offered at these sometimes remote facilities? Looking at the types of mental and physical wounds our returning OIF and OEF vets are coping with, do you feel these CBOCs offer adequate and appropriate services? Should more of these clinics be constructed or should the Department be focused on building more medical centers OR BOTH?

Response. It is my understanding that the strategy behind the development and expansion of Community Based Outpatient Clinics was to provide Primary Care and Mental Health Services in locations that would reduce veteran travel time for routine care. This seems to be an effective strategy for improving access to health care. With respect to the specialized needs the many OIF/OEF Veterans have, I will need to learn more about the extent to which the more complex services are available to meet these needs.

RESPONSE TO POST-HEARING QUESTION SUBMITTED BY HON. DANIEL K. AKAKA TO GENERAL ERIC SHINSEKI TO BE SECRETARY, DEPARTMENT OF VETERANS AFFAIRS

Question. Your notable service in the military includes Schofield Barracks and Fort Shafter in Hawaii. I am certain that you would be aware of the healthcare needs of our veterans in the Pacific region. Considering the geographic location and limited healthcare access in the Pacific, can you share with us your views on how you can reach out to provide and to enhance the quality of healthcare services to our veterans in the Pacific?

Response. Yes, I am aware of the challenges facing the provision of healthcare services to veterans in the Pacific. I intend to learn more about the number and needs of these veterans. I have already learned that progress has been made in recent years to improve those services. The VA Pacific Islands Health Care System serves veterans in the Pacific Basin, a geographic service area of 4.8 million square miles. Affiliated with the University of Hawaii and Tripler Army Medical Center (TAMC), the Spark M. Matsunaga Medical Center is a state-of-the-art facility, providing diagnostic, medical, mental health, and specialty care outpatient treatment. Care is provided from its main clinic on Oahu and through five community based outpatient clinics (CBOCs) in the Hawaiian Islands and Guam. Additionally, at a 16-bed Post Traumatic Stress Disorder (PTSD) residential rehabilitation center, veterans receive unique PTSD treatment and education. VA also operates a 60-bed Center for Aging (nursing home) in Honolulu. Currently, hospitalization is provided through a sharing agreement with TAMC and community hospitals. A 19-bed VA-staffed psychiatric ward operates at TAMC facility.

Challenges remain however which may require new approaches and increased use of telehealth and contract care for these veterans. It is my understanding that the new VA Office of Rural Health will identify local initiatives for pilots which are expected to lead to improved rural health care. While we await the findings from the pilot projects, I would expect a continuing mix of care, the expanded use of telehealth for treatment of mental health needs of Veterans in their homes and CBOCs, and the continuing development of referral approaches and transportation where it is unrealistic to have high level diagnostic and treatment capabilities in the most remote areas.

RESPONSE TO POST-HEARING QUESTION SUBMITTED BY HON. RICHARD BURR TO GENERAL ERIC SHINSEKI TO BE SECRETARY, DEPARTMENT OF VETERANS AFFAIRS

Question. You are well aware of the focus that has been placed on ensuring that our wounded servicemembers have a "seamless transition" from military to civilian life. That phrase has been used so often that it's important to come back to exactly what it means. So let me ask: What does ensuring a seamless transition for our

wounded men and women mean to you? What would a seamless transition look like under your leadership? And how do you plan to bring it about? Do you support providing expedited claims development for transitioning servicemembers who file disability claims shortly after their return from a combat theater?

Response. "Seamless transition" can be an elusive term, but at its core I believe that it aims at facilitating the service person's transfer to civilian life and to the earned benefits and services provided by the Nation in a manner that is prompt, comprehensive and as effortless as possible. The details can be complex and I look forward to reviewing and, if necessary, revising the efforts of the Senior Oversight Committee and Joint Executive Council process. Because I believe leadership is a key element of achieving this goal, I plan to meet personally with Secretary Gates in the immediate future to explore how these efforts may be improved and accelerated. I understand that the Disability Evaluation System (DES) pilot program in VA & DOD has recently been expanded to 19 military installations. I am very interested in learning of the effectiveness of this single disability examination pilot. I am also particularly interested in increasing the utilization of the Benefits Delivery at Discharge (BDD) program. It is through programs such as these that VA and the Department of Defense will be able to ensure that seamless transition is a reality.

[The Committee questionnaire for Presidential nominees follows:]

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES**PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC**

1. Name: Shinseki Eric Ken
(LAST) (FIRST) (OTHER)
2. Present Address: P. O. Box 2419 Falls Church, VA 22042
(CITY) (STATE) (ZIP CODE)
3. Position to which nominated: Secretary, Department of Veterans Affairs 4. Date of nomination: 1/20/2009
5. Date of birth: 28 Nov 1942 6. Place of birth: Lihue, Kauai, Hawai'i
(DAY) (MONTH) (YEAR)
7. Marital Status: Married 8. Full name of spouse: Patricia Kasumi Shinseki
9. Names and ages of children
Lori Janine Shinseki (42)
Eric Ken Shinseki, Jr (39)
- 10: Education:
- | Institution
(including city and State) | Dates
attended | Degrees
received | Dates of
degrees |
|---|-------------------|--------------------------------|---------------------|
| <u>United States Military Academy, West Point, NY</u> | <u>1960-1965</u> | <u>BS Degree,
No Major</u> | <u>June 1965</u> |
| <u>Duke University, Durham, NC</u> | <u>1974-1976</u> | <u>MA Degree,
English</u> | <u>June 1976</u> |
11. Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.
- Defense Distinguished Service Medal
 - Distinguished Service Medal (with Oak Leaf Cluster)
 - Distinguished Service Medal (Navy-Marine Corps)
 - Distinguished Service Medal (Air Force)
 - Distinguished Service Medal (Coast Guard)
 - Legion of Merit (with Oak Leaf Cluster)
 - Bronze Star Medal with "V" Device (with 2 Oak Leaf Clusters)
 - Purple Heart (with Oak Leaf Cluster)
 - Meritorious Service Medal (with 2 Oak Leaf Clusters)
 - Air Medal
 - Army Commendation Medal (with Oak Leaf Cluster)
 - Army Achievement Medal
 - Parachutist Badge
 - Ranger Tab
 - Office of the Secretary of Defense Identification Badge
 - Joint Chiefs of Staff Identification Badge
 - Army Staff Identification Badge

12. Memberships:

List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
Armor Association	Past Member	Est 1968-2003
Veterans of Foreign Wars	Past Member	Est 1988-1999
Disabled American Veterans	Life Member	1997 - Pres
Council on Foreign Relations	Member	Est 2001- Pres
Atlantic Council of the United States	Member	Est 2003-Pres
Go For Broke National Education Center	Board of Governors and Honorary Spokesperson	Est 2006-2008
The Rocks, Inc	Honorary Member	Est 2003-Pres
Pan-Pacific American Leaders & Mentors	Honorary Chair	Est 2007-Pres
Association of the U.S. Army	Lifetime Member	Est 1982-Pres
Army-Air Force Mutual Aid	Member	Est 1970-Pres
Military Officers Association of America	Past Member	Est 1985-2004
Army Historical Foundation	Member	Est 2004- Pres
1 st Cavalry Association	Lifetime Member	1984- Pres
25 th Infantry Division Association	Lifetime Member	Est 2004-pres

13. Employment

record: List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

Date	Organization	Location	Position
06/2003-Pres	Pegasus Associates, Inc.	Falls Church, VA	President; 100% Owner
12/2003-12/2008	Honeywell, Inc.	Morristown, NJ	Board of Directors
07/2004-07/2006	BancWest Corporation	Honolulu, HI	Board of Directors
08/2004-12/2008	Grove Farm Company, Inc.	Kauai, Hawaii	Board of Directors
08/2004-12/2008	Haili Moe, Inc	Kauai, Hawaii	Board of Directors
12/2004-06/2008	Cubic Defense Applications	San Diego, CA	Consultant

09/2005-04/2007	U.S. Military Academy	West Point, NY	Visiting Professor
09/2005-12/2008	Guardian Life Insurance Company of America	New York, NY	Board of Directors
03/2006-12/2008	EDS	Plano, TX	Consultant
11/2006-12/2008	First Hawaiian Bank	Honolulu, HI	Board of Directors
01/2007-12/2008	Ducommun, Inc.	Los Angeles, CA	Board of Directors
06/2007-12/2008	Boeing Company	St. Louis, MO	Consultant
09/2007-12/2008	DC Capital Partners, LLC	Washington, DC	Board of Advisors
10/2007-12/2008	National Interest Security Company, LLC	Fairfax, VA	Board of Managers
09/2008-12/2008	Kaseman, LLC	Chantilly, VA	Board of Managers

14. Military service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

Active Duty Service, United States Army, June 1965 – July 2003, General, Retired, Honorable Discharge.

<u>From</u>	<u>To</u>	<u>Major Duty Assignments</u>
06/1965	12/1965	Student, Ft. Benning, Georgia; transition and assignment to 25th Infantry Division, United States Army, Hawaii
12/1965	08/1966	Forward Observer, B Battery, 2d Battalion, 9th Artillery, 3d Brigade, 25th Infantry Division, United States Army, Vietnam
09/1966	04/1967	Patient, Medical Holding Detachment, United States Army Tripler General Hospital, Hawaii
04/1967	08/1968	Assistant Secretary to the General Staff, later Secretary to the General Staff, Schofield Barracks, Hawaii
08/1968	06/1969	Student, Armor Officer Advanced Course, United States Army Armor School, Fort Knox, Kentucky
07/1969	02/1970	Assistant S-1 (Personnel), Base Defense Command, XXIV Corps, United States Army, Vietnam
02/1970	04/1970	Commander, A Troop, 3d Squadron, 5th Cavalry, 9th Infantry Division attached to 1st Brigade, 5th Infantry Division, United States Army, Vietnam
04/1970	04/1971	Patient, Medical Holding Detachment, United States Army, Tripler General Hospital, Hawaii
04/1971	07/1974	Personnel Staff Officer, United States Army Pacific, Fort Shafter, Hawaii
08/1974	06/1976	Student, Duke University, Durham, North Carolina

06/1976	07/1978	Instructor, Department of English, United States Military Academy, West Point, New York
08/1978	06/1979	Student, United States Army Command and General Staff College, Fort Leavenworth, Kansas
05/1980	06/1981	Regimental Adjutant, later Executive Officer, 1st Squadron, 3d Armored Cavalry Regiment, Fort Bliss, Texas
06/1981	06/1982	Force Integration Staff Officer, Office of the Deputy Chief of Staff for Operations and Plans, United States Army, Washington, D.C.
06/1982	06/1984	Commander, 3d Squadron, 7th Cavalry, 3d Infantry Division, United States Army Europe and Seventh Army, Germany
06/1984	06/1985	Assistant Chief of Staff, G-3 (Operations), 3d Infantry Division, United States Army Europe and Seventh Army, Germany
08/1985	06/1986	Student, National War College, Fort Lesley J. McNair, Washington, D.C.
06/1986	09/1987	Chief, Institutional Training Division, Office of the Deputy Chief of Staff for Operations and Plans, United States Army, Washington, D.C.
10/1987	10/1989	Commander, 2d Brigade, 3d Infantry Division, United States Army Europe and Seventh Army, Germany
10/1989	06/1990	Assistant Chief of Staff, G-3 (Operations), VII Corps, United States Army Europe and Seventh Army, Germany
07/1990	06/1992	Deputy Chief of Staff for Support, Allied Land Forces Southern Europe, Verona, Italy
07/1992	07/1993	Assistant Division Commander (Maneuver), 3d Infantry Division (Mechanized), United States Army Europe and Seventh Army, Germany
07/1993	04/1994	Director of Training, Office of the Deputy Chief of Staff for Operations and Plans, United States Army, Washington, D.C.
04/1994	07/1995	Commanding General, 1st Cavalry Division, Fort Hood, Texas
07/1995	08/1996	Assistant Deputy Chief of Staff for Operations and Plans, Office of the Deputy Chief of Staff for Operations and Plans, United States Army, Washington, D.C.
08/1996	07/1997	Deputy Chief of Staff for Operations and Plans, United States Army, Washington, D.C.
07/1997	11/1998	Commanding General, United States Army Europe and Seventh Army/Commander, Allied Land Forces Central Europe, Germany, with additional duty as Commander, NATO Stabilization Force, Bosnia-Herzegovina
11/1998	06/1999	Vice Chief of Staff, United States Army, Washington, D.C.
06/1999	06/2003	Chief of Staff, United States Army, Washington, D.C.

<u>Rank</u>	<u>Promotion Date</u>
2LT	06/09/1965
1LT	09/01/1966
CPT	11/01/1967
MAJ	05/15/1975
LTC	11/12/1980
COL	05/01/1987
BG	07/01/1991
MG	06/01/1994
LTG	08/02/1996
GEN	08/05/1997

15. Government record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

U.S. Government Accountability Office (GAO); Member, Senior Advisory Council to the Comptroller General – March 2003 until December 2008.

16. Published writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

06/23/1999	Intent of the Army Chief of Staff Headquarters, Department of the Army, Washington, DC
07/05/1999	Salute to Our Everyday Heroes Washington Post Article
10/01/1999	"Beginning the Next 100 Years" Army magazine article
10/12/1999	The Army Vision signed by Secretary Caldera and General Shinseki Headquarters, Department of the Army, Washington, DC
11/08/1999	GENERAL SHINSEKI SENDS "The Army's Manning Initiatives" Headquarters, Department of the Army, Washington, DC
05/29/2000	Memorial Day Op/Ed Washington Post
10/01/2000	The Army Transformation: An Historic Opportunity" Army magazine article
11/03/2000	CSA Sends: "The Army Black Beret" Headquarters, Department of the Army, Washington, DC
11/22/2000	Memorandum for Vice Chief of Staff of the Army on "Army Component Commanders' Conference Taskers" Headquarters, Department of the Army, Washington, DC
05/24/2001	CSA SENDS -- TRAINING AND LEADER DEVELOPMENT Headquarters, Department of the Army, Washington, DC
06/29/2001	SA/CSA SENDS -- Secondary Education Transition Study, Headquarters, Department of the Army, Washington, DC
07/12/2001	The CSA Sends: "The Interim Brigade Combat Team Transformation Schedule" Headquarters, Department of the Army, Washington, DC
09/17/2001	Period of Respect Message, Headquarters, Department of the Army, Washington, DC
07/19/2001	E-mail to U.S. Military Academy Class of 1965 Headquarters, Department of the Army, Washington, DC
10/01/2001	"The Army Vision: A Status Report" Army magazine article
12/08/2001	Death of SMA (Ret) Silas L. Copeland Headquarters, Department of the Army, The Pentagon, Washington, DC
03/18/2002	Death of SMA (Ret) Leon L. Van Autreve Headquarters, Department of the Army, The Pentagon, Washington, DC

09/11/2002 CSA/SA Send: "September 11 Commemoration Message to Soldiers" Headquarters, Department of the Army, Washington, DC

10/01/2002 ". . . A Respectable Army . . . One . . . Competent to Every Contingency" Army magazine article

10/17/2002 A Soldier's Farewell, Stephen E. Ambrose Headquarters, Department of the Army, Washington, DC

11/11/2002 CSA/SA Send: "Veterans Day" Headquarters, Department of the Army, Washington, DC

03/20/2003 CSA/SA Send: "The Army at War" Headquarters, Department of the Army, Washington, DC

05/09/2003 CSA Sends: "Military Spouse Day" Headquarters, Department of the Army, Washington, DC

06/09/2003 Foreword to The Army Family Headquarters, Department of the Army, Washington, DC

06/11/2003 Chief of Staff Farewell Message to The Army Headquarters, Department of the Army, Washington, DC

06/14/2003 CSA/SA Send: "228th Army Birthday Message" Headquarters, Department of the Army, Washington, DC

02/01/2004 Be Know Do: Leadership the Army Way, Adapted from the Official Army Leadership Manual by Eric K. Shinseki (USA Ret.) (Introduction), Richard Cavanagh (Foreword by), Frances Hesselbein (Introduction) # Publisher: Wiley, John & Sons, Incorporated Pub. Date: February 2004; ISBN-13: 9780787970833

07/29/2008 The released end of tour letter Headquarters, Department of the Army, Washington, DC --
The letter was intended to be private communications between the Secretary of Defense and an outgoing Chief of Staff. The public release was not authorized by me; however, since it is in the public domain the associated article is included as a reference

17. Political affiliations and activities:

(a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

None

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

None

18. Future employment relationships:

(a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

All connections were severed prior to January 2, 2009 other than noted in (b) below.

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

I am the sole proprietor of my consulting company, which does business as Pegasus Associates, Inc. Upon confirmation, Pegasus Associates, Inc. will cease engaging in any business. During my appointment to the position of Secretary, Pegasus Associates, Inc. will remain dormant and will not advertise. I will not perform any services for Pegasus Associates, Inc., except that I will comply with any requirements involving legal filings, taxes and fees that are necessary to maintain this company while it is in an inactive status. Other than Pegasus Associates, Inc., I have severed all employment

and business relations and have no plans to return to any of the entities with which I have been previously associated as an employee or other business capacity.

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

None.

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

N/A

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

Yes

19. Potential conflicts of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

During the course of the nomination process, I have consulted with the Office of Government Ethics and the Designated Agency Ethics Official of the Department of Veterans Affairs to identify potential conflicts of interest. Any potential conflicts of interest have been resolved in accordance with the terms of the ethics agreement I have entered into with the Department's Designated Agency Ethics Official.

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

See answer to question a. above for my response to question b.

(c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

See answer to question a. above for my response to question c.

(d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

None

(e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

As noted above, any potential conflicts of interest have been resolved in accordance with the terms of the ethics agreement I have entered into with the Department's Designated Agency Ethics Official.

20. Testifying before the Congress:

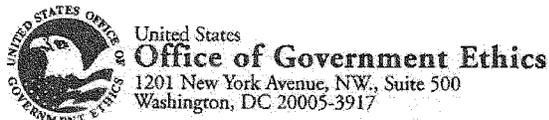
(a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

Yes

(b) Do you agree to provide such information as is requested by such a committee?

Yes

[A letter from the Office of Government Ethics follows:]



January 6, 2009

The Honorable Daniel K. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

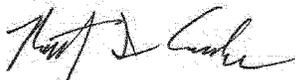
Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Eric K. Shinseki. President-elect Obama has announced his intention to nominate General Shinseki for the position of Secretary of the Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the Department of Veterans Affairs concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated January 5, 2009, from General Shinseki to the agency's ethics official, outlining the steps General Shinseki will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of his confirmation date with any action he agreed to take in his ethics agreement.

Based thereon, we believe that General Shinseki is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,



Robert I. Cusick
Director

Enclosures

[Letter from General Shinseki to the Office of General Counsel,
U.S. Department of Veterans Affairs:]

January 5, 2009

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Secretary of the U.S. Department of Veterans Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I am the sole proprietor of my consulting company, which does business as Pegasus Associates, Inc. Upon confirmation, Pegasus Associates, Inc. will cease engaging in any business. During my appointment to the position of Secretary, Pegasus Associates, Inc. will remain dormant and will not advertise. I will not perform any services for Pegasus Associates, Inc., except that I will comply with any requirements involving legal filings, taxes and fees that are necessary to maintain this company while it is in an inactive status. As Secretary, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Pegasus Associates, Inc. In addition, I will not participate personally and substantially in any particular matter involving specific parties in which a former client of mine is a party or represents a party for a period of one year after I last provided service to that client, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have resigned from my position as a member of the board of directors of Honeywell International, Inc. I will continue to participate in a deferred compensation plan with Honeywell International, Inc., but neither I nor Honeywell International, Inc.

Mr. Walter A. Hall (023)
Assistant General Counsel and
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will make additional contributions to this plan. My interests in this deferred compensation plan currently track several funds, including the Honeywell Common Stock fund; however, in order to reduce the potential for conflicts of interest, I will modify my interests in this plan to track only the Honeywell Common Stock fund. Because I will continue to hold restricted stock, stock options, and an interest that tracks the Honeywell Common Stock fund, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Honeywell International Inc., unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I have resigned from my positions with Ducommun, Inc. and National Interest Security Company, LLC. Because I will continue to have financial interests in these entities, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of either of these entities, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I have resigned from my position with Guardian Life Insurance Company of America (Guardian). I no longer hold a financial interest in Guardian except for a cash interest in deferred compensation, which Guardian will pay in a lump sum in accordance with the terms of the deferred compensation plan. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the ability or willingness of Guardian to make this payment, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). In addition, for a period of one year after my resignation from Guardian, I will not participate personally and substantially in any particular matter involving specific parties in which Guardian is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have resigned from my position with Haili Moe, Inc. A preexisting stock ownership plan requires Haili Moe to repurchase my 0.3 % interest in the company at net book value as of the time of my resignation. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the ability or willingness of Haili Moe, Inc. to make this payment, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). In addition, for a period of one year after my resignation from Haili Moe, Inc., I will not participate personally and substantially in any particular matter involving specific parties in which Haili Moe, Inc. is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have resigned from my positions with DC Capital Partners, LLC; First Hawaiian Bank; Grove Farm Company, Inc.; and Kaseman, LLC. I no longer hold financial

Mr. Walter A. Hall (023)
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 Designated Agency Ethics Official
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interests in these entities. I also have resigned from my positions with the Go For Broke National Education Center. For a period of one year after my resignation from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which that entity is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I will retain my positions as co-trustee of the Eric K. Shinseki Trust, the Patricia K. Shinseki Trust, and the Eric K. Shinseki Insurance Trust. I will not receive any fees for the services that I provide as a co-trustee during my appointment to the position of Secretary. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of any of these trusts or on those of the issuers of securities that they hold, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Sincerely,



Eric K. Shinseki

Chairman AKAKA. Thank you very much, General Shinseki.

I am tremendously pleased that you are committed to transforming VA. During your tenure as Army Chief of Staff, you were able to successfully transform the Army to become more agile to meet a variety of challenges while dealing with a legacy of technologies that already existed and an institution that was wedded to how things were done in the past. I can see clear parallels to VA.

My question to you is, what will be your first order of business to begin VA's transformation, and what do you believe will be the biggest challenge you will have to overcome?

General SHINSEKI. Well, thank you, Senator. I think I would describe the biggest challenge being the process by which we begin and sustain transformation of this Department into a 21st century organization, focused on the things that I have just mentioned—people-centric, results-oriented, and forward-looking. I need to fill in the details on exactly what those priorities will be.

But while that becomes the overarching and long-term objective, there are some near-term issues that I know I will have to deal with. I can't get to the long-term issue unless I deal with these near-term ones.

First, implementation of the new G.I. Bill. There is an August 1 implementation date and I know that there are assurances that the Department is prepared to execute that. I need to find out for myself, get an assessment, seek independent advice, if necessary, but be able to assure you that August 1 we will have checks in hands

of veterans who are looking forward to spending the next year in an academic environment. So that is one of the near-term issues.

Another near-term issue is this, however it is quantified, the size of the backlog that was mentioned here several times and by Senator Murray, as well. I don't understand why 6 months is what we live with. I need to get inside of this. There is, in my opinion, no reason why a veteran submits a claim and then takes a number and waits for 6 months. We need to do something about this. Some of this has to do with business processes and the applications that are currently in place, and if necessary, we must change them. We will.

Along with that is the transition of currently-serving young men and women who are coming back from a combat zone, many of them bearing scars of battle, some visible, many others invisible. We need not add them to the backlog. There must be this seamless transition that we have talked about and has been suggested. If it were easy, I think it would have been accomplished.

Normally when I have run into situations like this, it is a leadership issue. One of my early meetings I am going to request is with Secretary Gates in Defense and seek to continue the partnership that has already been established through the Senior Oversight Committee, where both Deputy Secretaries from our two Departments—Defense and Veterans Affairs—have made significant progress in trying to solve this problem in the last year or so.

I intend to go after this and find a way to approach the seamlessness of the transition. It just seems to me that the technology is there. This is a matter of getting the technology to do the right handshakes.

Even as we do this, we have a requirement to address the issue of Priority 8s who are going to be joining us in our rolls. I need to understand just the size of the population, and I know that with the economic downturn, the size of the population is probably growing. I need to have some good numbers on what the estimates are and to be able to quantify what the resourcing requirements are so that I can make some assessments.

And within the group of Priority 8s, there may be subcategories that are more critical and should be moved forward in the category of Priority 8 veterans, but we need more information. I certainly need more information than I have today. But that is a priority.

Undergirding all of these near-term challenges is a movement to an information technology electronically-based set of business practices and applications that makes us as paperless as possible. I don't know that we will achieve true paperlessness, but there is a lot more that needs to be done that will support our decision-making, our accuracy, our ability to identify veterans and keep them in the system once they are there—all the benefits that now we seem to struggle with.

To do that, very shortly, I have a 2010 budget requirement and so a lot of assessment and a lot of information gathering, decisions in which I have to craft a credible and an adequate 2010 request that achieves the vision that the President-elect has asked me to execute.

Chairman AKAKA. Thank you, General.

We will continue with a 5-minute questioning period and I will call on Senator HUTCHISON for her questions.

Senator HUTCHISON. I think you have covered everything well on the priorities and I particularly appreciate that you are going to jump in on those claims times, because I think it is one of the hardest issues that Senator Akaka and Senator Murray and I have worked on. We have given the money to do that, so we will look forward to a progress report.

I would like to have your thoughts on the research that is being done on Gulf War Syndrome—because I do think that has a great potential for protection of future warriors—and also the other areas that you would stress in research for the kinds of injuries and rehabilitation that we want for our veterans of today.

General SHINSEKI. Senator, my impression is there has been significant money already invested in research about Gulf War Illness. A good portion of that, my sense is, has been causes. I think that research probably needs to continue, but at this point, I think I am more interested in research that will develop treatment for the symptoms that are clearly evident among the population of veterans who went to the Gulf the first time. We may not know exactly the causes, but I think we have enough information that validates that there are symptoms that must be treated; and I am more interested in understanding how we get on with that.

So I look forward to the reports that I will be provided. I don't have the details now, but the reports that are already provided regarding the research, and even the more recent affidavit that you received over the holidays, and I want to see how we can put together treatment for these veterans.

Senator HUTCHISON. Thank you. I agree with you. And I think as this goes forward, we are close to now determining that it is lack of a particular enzyme in the blood and in the brain, so I know that with the great knowledge that we are getting, we could probably have the ability to give that enzyme to people who are going in—or not allow people who don't have it to enter into—an area where there might be chemicals. So, I think we have made the commitment with the funding over a period of 5 years to be able to take that next step and I will look forward to working with you on that.

The other areas that I am interested in: we now have so many more survivors who have lost limbs because of the IEDs; the trauma research; and just to reaffirm that those would also be priorities. And if there are any others that you would like for us to also look at, I would be interested in knowing.

General SHINSEKI. I think really the pace setter right now, in terms of traumatic injuries to our veterans who are currently serving, is probably the Department of Defense, just because they have had that initial return of veterans and they have done tremendous work in terms of—certainly with the amputees on prosthetic research.

I don't know exactly how the Veterans Affairs Department is set in terms of comparable capabilities, but my sense is there is a little catch-up required here. We have a terrific opportunity to partner with what has already been achieved in the Department of Defense and then to take it the next step as those veterans come under the

care of the Department; and if confirmed, that will be one of the things that I will be interested in making an assessment on.

I think there is a requirement for research into brain trauma that we are dealing with—PTSD and TBI. My sense is that there was some level of these injuries in earlier conflicts. They have been pronounced in this one because of the size and the signature of the kinds of weaponry being used to attack individual soldiers. We probably didn't do enough in previous conflicts, and we need to ensure we don't miss this opportunity. More research is necessary in this area, as well.

Senator HUTCHISON. We will support that.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you, Senator Hutchison.

And now, Senator Rockefeller.

Senator ROCKEFELLER. Thank you, Mr. Chairman.

General Shinseki, one of the tragedies of the care of people, generally, in this country is the lack of understanding of mental illness; and it always strikes me when I watch TV advertisements, they are being pushed. They are considered to be a part of the American situation, and some people say as much as 25 percent of people are dependent upon some kind of mental illness help and treatment.

It seems to me that the work that could be done in the veterans' hospitals—and there is already work being done—strikes me as the model of the way to help educate not just physicians, but the American people, because people understand that when people go to war and they come back, they don't come back unwounded one way or another, and particularly when they have been on two or three—

General SHINSEKI. Sure.

Senator ROCKEFELLER [continuing]. Tours. So I am interested in how you see that problem.

America, we are a Nation of such optimism that nobody wants to admit that—because of circumstances or trauma or exhaustion or other matters—that they just get depressed and they can't perform to their ordinary ability. This is a huge matter for the military and for veterans returning, not just the recent veterans, but going back many years. I am interested in your approach to that, because I think that you cannot only help veterans, but you can help the American people come to terms with what people are still reluctant to talk about.

General SHINSEKI. Well, Senator, I think you know that in the active military, we wrestle with that stigma and have for some time. Of late, as much work has been done, there is still the reluctance of young men and women to self-refer. We need better tools in how we reduce that stigma, and I do know that in the Department of Defense, this is a continuing discussion.

A serving general officer who recently described himself as having the effects of PTSD very publicly self-referred himself, and I think that is a tremendous step in being able to deal with the stigma for others.

In the VA, that stigma shouldn't be the same. I mean, we have now transitioned people out of serving units where an upcoming mission may be of concern. Now that they are with the VA, we should be able to deal with this and address the stigma and have

people comfortable in being referred or referring themselves for treatment.

What is clear about PTSD is that it is a debilitating condition, but if treated early, recognized and treated, it responds to that treatment. The alternative is to let these things go unaddressed and more significant problems, maybe even catastrophic problems, occur. And so, I think more research needs to be done in this area, but certainly along with that, to reinforce the treatment we know that works and then to address this issue of making people comfortable with dealing with PTSD and TBI as we deal with other injuries, physical, visible injuries that result from combat, gunshot wounds and so forth. This is one that will have my attention.

Senator ROCKEFELLER. Thank you. I have another question, but my time is up.

Chairman AKAKA. Thank you very much, Senator Rockefeller.

Senator WICKER?

Senator WICKER. Thank you.

General, a Priority 8 veteran is any veterans who received an honorable, general, or under honorable conditions discharge with zero percent disability who earns greater than \$29,402. There are currently eight million veterans enrolled in the system today, of all priority categories. I am told that there are ten million Priority 8 veterans not currently in the system now. Two-point-two million Priority 8 veterans are already enrolled and 1.2 million are actually using the system.

I would just say that I appreciate your statement that in trying to get your arms around this issue, one of the things we are going to have to learn is what resources are available to you, because to move twice as many people into the system in Category 8 is going to be more demanding on the taxpayers than I think some people realize. So I would just offer that.

Let me let my one question be about electronic medical records, and these are statistics provided to me by the VA. Ninety-eight-thousand Americans die each year from medical records errors. One-in-seven hospital admissions occur because a medical record is not available. Twelve percent of physician orders are not executed as written; and 20 percent of laboratory tests are requested because previous studies are not accessible. Now that is society-wide, General. But back to your goal of excellence and cutting-edge leadership to be received by the Department, I would submit to the Members of the Committee and to you that these sorts of statistics are not acceptable.

Now, we have in the DOD/VA a plan called the Information Interoperability Plan, IIP. It has 22 different initiatives with three sets of goals. The IIP describes a path for DOD and VA medical information systems to be shared. What it does not include is a system for a single electronic medical record, which has been a goal that I personally have embraced.

And I realize that you are going to have to go back and familiarize yourself with the details of this, but there are some people who think it is unrealistic to expect this out of DOD and VA. I think if two major corporations in the United States were merging, it wouldn't be at all unrealistic to think that the electronic information systems of both of those corporations would soon be merged

and that we would be able to make it work somehow. Some people think that doctors and providers in DOD and in VA would not use such a system. It would seem to me that, in particular, physician employees of DOD and VA could be required perhaps more easily than other physicians to enforce this sort of thing.

So I would ask you your thoughts about this at this point in time in your education into this new Department. Does a series of systems that will supposedly be interoperable, does that truly benefit the servicemember and his family? Do we need, indeed, a single electronic medical record that you start with in the Army and you continue with in the VA, or are we going to have simply a patchwork of antiquated systems that we try to get to talk to each other?

General SHINSEKI. Senator, that is a great question. I don't know. I am not familiar with the IIP to begin with. I am assuming it is the result of the SOC, the Senior Oversight Committee's work between the two Deputy Secretaries. But I will find out more about it.

To me, it is not a technical or technological issue. It is a leadership issue of agreeing what will serve either or both systems or the individuals within that system.

Just an anecdote. I just happened to have a recent visit to the Walter Reed Army Medical Center here a few weeks ago in preparation for, if confirmed, being transferred over to the VA. I happened to ask two, maybe three of the doctors who looked at me that day and if they knew about the electronic medical system used by the VA, and each one of them said they did and they thought it was an excellent system and they wished they had it. So, maybe there is some hope for some kind of agreement here between the two Departments, and I say that before I go over to make my initial visit with the Secretary of Defense.

But I will look for a way to create this technological, seamless transfer of information. It is not the technology. It is about leadership, in my opinion.

Chairman AKAKA. Thank you, Senator Wicker.

Senator Murray?

Senator MURRAY. Thank you, Senator Akaka.

Thank you very much, General, for your opening statement. I very much appreciated what you called your three fundamental attributes and I look forward to your implementation of that.

I did want to just say I want to thank your family for their tremendous patience sitting here. I don't know who the young gentleman is who is listening very carefully, but he is doing a better job of sitting than most of us up here. I just wanted to tell you I appreciate his willingness to be there and support you, so thank you.

General SHINSEKI. They are family friends, the Fritchey family from Virginia, and John has his two sons here to expose them to the workings of government in a democracy. He thought this was a great way for them to spend the day.

Senator MURRAY. Excellent. Excellent.

General, I wanted to ask you, over the past 8 years, the VA has developed sort of a track record and culture of downplaying some very potentially embarrassing internal issues, whether it is the budget shortfalls that we saw or inaccurate suicide data, really at the expense of the veterans that we are all serving. I wanted you

to share with this Committee how you, as Secretary, can build within the VA a culture that focuses on providing for veterans' needs rather than sort of avoiding public relations disasters. How do you change that culture and what will we see under your administration?

General SHINSEKI. Well, Senator, a good question, and I do think it is about leadership and it is something I will go to work on the day of my arrival, if confirmed by the Senate.

As I said in the beginning, good people go to work every day in the VA, and that is my expectation. So if I were to send a message to the good people who are dealing with the veterans who are our clients, my message would be this, "Treat our veterans with respect and dignity. They are not here begging for a handout."

I am reminded of this statement by a good friend of mine who happens to work for McClatchy newspapers, a fellow named Joe Galloway. Simple message. We serve veterans. Maybe even simpler. The answer is yes. What is the question? Not to oversimplify, but it is to change the attitude by which veterans are treated when they come to us to request that we provide the benefits and services we promised and they have earned.

They are truly our clients. They don't have anywhere else to shop. They are our clients. They retained us to do this and we are going to deliver on that. Treat them with respect. And asking them to take a number and wait; or put up with records that are lost or take 6 months to adjudicate; or even worse, records that are thrown out and destroyed, is not part of the culture that I expect governs what will happen at Veterans Affairs.

You have got to come to work with a passion to do what we are asked to do, as difficult as it is. That is why I took this job. My hopes are that, very quickly, we can go through the period of adaptation and team building and come out the end of that transition with a cohesive organization that is serving veterans.

Senator MURRAY. Well, I look forward to that and I hope that as part of that, your message to all of your team members within the large bureaucracy of the VA is that when potential issues come to light, that sharing them openly and honestly is a better way of treating veterans than to try and figure out how to keep it from coming out.

General SHINSEKI. I agree. I would just add to that, Senator, that not only are we trying to create this much-described "One VA," which is team building and also cohesion, but I think we as a Department have an opportunity to reach beyond our own walls and look to work with Health and Human Services, with the Department of Labor, with Housing and Urban Development, Education, Small Business, to put together comprehensive solutions for what we know our veterans are wrestling with.

In the veteran population, there is this microcosm of all of the other issues that are being handled by other Departments and we need to be smart about how we engage one another and come up with partnering solutions that husband resources and get better results for all of us.

Senator MURRAY. Yes. One issue I wanted to bring to your attention quickly is the issue of suicides and suicide prevention, and the VA has made a little bit of progress on this, but we still aren't able

to get a true handle on that. I have been exploring how we can help get a Memorandum of Understanding or agreement with the Centers for Disease Control and Prevention so that we can get a better handle on numbers. Could I get your willingness to work with me on making sure we understand what the scope of the problem is so we can deal with this in a much better way?

General SHINSEKI. I will, Senator.

Senator MURRAY. Thank you. I have additional questions, but I will wait for the second round.

Chairman AKAKA. Thank you very much, Senator Murray.

Senator TESTER?

Senator TESTER. Thank you, Chairman Akaka.

You know, it is interesting. Not only can they see you on the cameras in their homes today, but I understand the Iraqi and Afghanistan Veterans of America are also blogging this. This is good stuff for the information technology world.

I just want to touch on electronic medical records, and you don't need to make your answers very long, just to the point. We have had several hearings on this seamless transition between DOD and VA, as I mentioned in my opening remarks. Do you think it is important? What kind of urgency are you going to place on it? Is it high on your list, is it moderate or low?

General SHINSEKI. Senator, it is high on my list. I don't think I can address those near-term issues about backlog, about Iraq and Afghanistan veterans being moved from one Department to the next without the electronic records and the information technology backbone that supports that.

Senator TESTER. You said you think it is basically as simple as a leadership issue. I mean, I think that is good news. Do you have people in mind that you can influence in the DOD to make this happen? It is not within our purview.

General SHINSEKI. I am going to begin with my counterpart and then take his lead on that.

Senator TESTER. Super.

General SHINSEKI. My reason for saying it is a leadership issue is that technology—the power of the microprocessor—solves that.

Senator TESTER. I should say it, but when confirmed, what actions would you take to enhance medical, and maybe more importantly, mental health outreach to veterans in rural communities, because we are so short on the mental health stand, especially in rural America?

General SHINSEKI. I know that the delivery of services and benefits in the rural parts of the country is a challenge and will continue to be. I also know that there are some telemedicine opportunities. I am led to believe that there is some promising work maybe even in the mental health arena here. I would rely on our mental health professionals to give me a comfort level that says you can do some, a lot, maybe all of it in this manner.

I do know that in the last 2 years the Department has hired, I think, 4,000 additional mental health professionals with plans to hire several thousand more in the next 2 years, all indicating that there is the understanding this is a huge area for work to be done.

Senator TESTER. Good. We have a large number of veterans who are Native Americans in Montana and they have some health care

issues in Indian Country. There has been some collaboration about potentially working together with the Indian Health Service. What are your views on those kind of issues? Give me an idea if you think that is possible or if it is something that you would work toward.

General SHINSEKI. I would say it is something I probably need to find out more about, Senator. But I don't think I would turn away any opportunity to partner with other agencies as long as the quality that has been established in the VA is met and that timeliness and accessibility for veterans is the benefit.

Senator TESTER. I appreciate that. There is a Rural Veterans Health Advisory Committee. They have met once already, last fall. They meet again in the spring, I believe, in Arizona. Would you commit to giving those folks the resources they need to finish their work as far as making some recommendations on how we can better address—

General SHINSEKI. I will find out a little bit more, but I will commit to supporting the rural health—I think you are referring to the Rural Health Office that has been established?

Senator TESTER. It is a Rural Health Advisory Committee that General Peake appointed, I think it has been about a year ago.

General SHINSEKI. I think we are speaking about the same thing.

Senator TESTER. And then the other thing is, once they get a report, would you commit to actually taking a hard look at it? I am not saying implementing it, but certainly take a hard look at it—

General SHINSEKI. I will.

Senator TESTER [continuing]. To make sure it just doesn't end up another report on the shelf.

General SHINSEKI. I will.

Senator TESTER. Thank you very much.

Chairman AKAKA. Thank you very much, Senator Tester.

General Shinseki, you indicated in response to pre-hearing questions that you would be an aggressive advocate for the fiscal needs of the Department. I am most gratified to hear this. Along with President-elect Obama, you indicated that you would support advanced funding for VA. My question to you is, will the fiscal year 2010 budget contain this funding mechanism?

General SHINSEKI. Good question, Senator. I don't know, but I intend to find out. If confirmed, that will be an initial set of questions that I deal with as we begin to put together that budget.

Chairman AKAKA. There is an interest in the Committee that was mentioned.

General SHINSEKI. I do support the advanced appropriation mechanism. Having lived with continuing resolutions in another life, I know that there is impact, and especially when we are dealing with health care and other issues for veterans. I would prefer to have a mechanism that allows that to continue without interruption.

Chairman AKAKA. Given the IG's dual responsibility to the Secretary as the head of the Department and to Congress, do you believe you will be able to support the IG's work even if a particular job might bring adverse publicity to VA?

General SHINSEKI. I have absolutely no problem with that, Senator. I have lived with the dual reporting responsibility of the In-

spector General. I have always seen the Inspector General as part of my team, helping me to find and solve problems that might not ordinarily come to my attention. So the dual reporting chain does protect the independence and impartiality here, and I think that is important in any organization.

Chairman AKAKA. General Shinseki, I want to follow up on your comments about creating a trusting and positive relationship with veterans and their families. Given missteps in the past on health care matters and the dismal performance in claims processing, how do you begin to foster trust in that relationship?

General SHINSEKI. Senator, that is just a process that begins with me and begins with my opportunity to build a good, strong, and supportive team inside the Department of Veterans Affairs. My experience is that there is nothing that builds trust faster than performance and delivering on promises, and that is what we intend to do. If confirmed, that is what we intend to do.

Chairman AKAKA. Well, thank you very much for your responses.

Let me call on Senator Rockefeller for his further questions.

Senator ROCKEFELLER. One of the great tests of who I know you to be because of what you did in terms of the Armed Services Committee and the effect that that had on the American people was magical. It brought the whole concept of truth and need into a kind of convergence which—maybe that over-dramatizes it a bit—it kind of electrified the Nation. It certainly electrified us here in Washington.

You are going to be Secretary of Veterans Affairs, and that means that every single piece of testimony that you give is going to have to be vetted by the Office of Management and Budget. Peter Orszag is one of the finest men I know. He really is good. He is a lot more than a numbers cruncher. But there will come a time, and I remember when I was Chairman, I used to have real brawls with the White House on funding levels, and won one once, and they told OMB to change their view.

But you are constrained in what you can say and that presents a problem, I think, for a man of your nature and your truthfulness, because as Senator Murray, who is always spot-on, says, telling the truth about the needs is part of what builds confidence in veterans. It also builds confidence in the 220,000 people who will be working for you, many of whom have been there for many, many years and have not changed their ways in many, many years; and that is another subject which I won't get into. How do you establish that you really mean it in a large bureaucracy, and sometimes you have to do that by getting rid of people who are simply unwilling to adhere to what the President-elect and the Secretary of Veterans Affairs wants.

But I really think the business of truthfulness on veterans, I think Senator Murray and Senator Akaka would agree with me that there were two things, and we discussed this in our conversations, two tectonic changes that occurred last year. One was as a result of the Walter Reed Army Hospital Building Number Nine situation, when all of a sudden it came crashing down upon us that we had not been serving veterans, and I have been on this Committee for 24 years and it was just a crushing realization to me, but on the other hand an inspiring one, too, that sometimes you

have to pay for what you are going to get, and when you are dealing with veterans, that puts you into a whole different category of obligation. But the Nation understands, even if the bureaucracy of government does not.

So what I am asking you, and please don't answer because I do want you to get confirmed—

[Laughter.]

Senator ROCKEFELLER [continuing]. Is to say that this is not enough. Thanks mostly to the work of Senator Murray, who you will find is one of the best friends you will ever have, she just got us a whole bunch more money and we all felt pretty good about it—\$2 billion. It actually was more than that—\$3 billion—then when we looked at it, it was wholly insufficient. It was just better than it had been before.

Well, you are not interested in just what is better than it has been before, but you are interested in what is sufficient to make you and 220,000 people roar out of bed every morning and charge off to work because they know they are going to be changing the lives of people in a permanent way.

So I just make that comment to you, that you will soon find yourself, I think, in a trap; and I think it is going to be a particularly hard trap for a man of your integrity and stature. I always make this point before vital testimony so people know that they have to ask themselves the question, am I listening to General Shinseki or am I listening to the Office of Management and Budget. There is not much money around these days after we finish doing whatever we have to do. But I just pray that you will level with us—maybe it doesn't even have to be in a public setting—you will level with us about where you are being shortchanged and where you really want to get things done and the money just is not there.

Government is capable of changing. I think we have a very gutsy new President-elect and I think he wants to see results in the work that you are doing. So I just make that comment and ask you not to comment on it.

Chairman AKAKA. Thank you very much, Senator Rockefeller.

Now we will have Senator Murray.

Senator MURRAY. Senator Rockefeller, thank you very much for that statement. I think we all agree with that and look forward to seeing you implement a real change of culture and heart.

Let me ask you about women veterans because it is an issue that I feel very passionately about. Women make up about 14 percent of the current active-duty force, but women still are such a minority at the VA. A lot of women don't see themselves as veterans. They don't get adequate care when they go in. The VA wasn't built for women, but they now have to be part of that, and I wondered if you could share a little short answer with us about what you hope to do on that front.

General SHINSEKI. Sure. Senator, I watched the Army go through the same process of adjustment and we may be playing a little bit of catch-up, as well, here in Veterans Affairs. When I entered the service, we were primarily male, a draft Army, and I watched the changes for the better that occurred over that time. But we were always playing catch-up. I understand that today, women account for about 14 percent of our deployed formations. Estimates, I am

told, is that the VA by 2020 is going to be 15 percent women. Now is the time for us to anticipate that coming change that we know is going to occur and put in place the kinds of programs so that we will accommodate those changes without playing catch-up. So it is a good time.

I do know that the VA has directed a full-time Women's Veteran Program Manager at each of its 153 hospitals, and so that is recognition. There is also—serving the Secretary—a Women's Advisory Committee, as well, and I look forward to meeting them and getting them—

Senator MURRAY. We look forward to working with you on that.

Over the past 8 years, we have seen the Bush administration propose new health care user fees and increase copays. I saw recently a study by the University of Pennsylvania that found that the VA's pharmaceutical copay increase back in 2002 actually caused a 19 percent drop in medication adherence by our veterans. So it had a very negative effect, and I am hopeful that we don't see from this administration those kinds of proposals for increased copays and fees.

I know it is premature to ask you what your budget is going to look like, but can you tell us what you are planning to do in terms of copays and fees for our veterans?

General SHINSEKI. Well, Senator, I just need to learn more about this. I do know under these economic conditions all of our veterans are under stress, and so I need to get in and understand where we are—

Senator MURRAY. OK. Just as a heads-up, this Senate has turned down those requests every time, so if you want an honest budget, it might be better to come to us without those in them.

Thank you for coming to my office and chatting with me about a number of issues that we talked about, in particular the Walla Walla Outpatient Clinic, which we had a great discussion on. We have made a lot of progress there. We want to keep going and I appreciate your commitment to that.

I did also want to invite you out to my State in particular. We have a number of VA facilities. I noticed that in your responses to pre-hearing questions you said that you wanted to get out to see some of the VA facilities. And I think if you have the time, and once you get settled, I would love to have you come out and see some of the work that we are doing. I know our veterans would appreciate your being out there on the ground.

I did want to ask one last question that I think is important. The VA has been a very passive organization. We are here. You can come to us. It seems to me, particularly with our Iraqi and Afghanistan veterans who are coming home—a different generation—looking at the world differently and how they perceive it, that we are losing a lot of our veterans, particularly with PTSD and TBI—not those visible wounds of war—because it has been a passive organization, and I am concerned about the outcome of that.

Do you share my view that VA needs to start being more of a proactive organization rather than just a passive organization; and if so, how do we get there?

General SHINSEKI. Senator, we can't transform unless we are proactive, and so I think this is part of that larger overarching vi-

sion that I have been provided. In order to get there, the Veterans Affairs Department is going to have to change a bit of the culture and the way that it has been doing business, all for the good. But my responsibility is to lead that change, and proactivity is something I am usually comfortable with.

Senator MURRAY. OK. Well, General, I really do appreciate you taking on being the head of this agency. We want it not to be business as usual. We want to not hear just about a bureaucracy, but about a people organization. You have set that vision out for us and I assure you if you move forward with that aggressively, openly, and honestly with this Committee, we will work as hard as we can with you to make sure our veterans get the care they need. So thank you very, very much.

Chairman AKAKA. Thank you very much, Senator Murray.

Thank you, and mahalo, General Shinseki, for your full and open participation in today's hearing. Every organization needs an unquestioned leader and I am anxious to have you assume that role at VA as soon as feasible.

As I mentioned in my statement, the plan is for your nomination to go directly to the Senate Calendar on Inauguration Day and for the Senate to act on it the same day. If there is no objection, I ask that any member who wishes to submit any post-hearing questions to General Shinseki to do so today and that the nominee return them by close-of-business tomorrow. So we look forward to this speedy action and look forward to your being confirmed.

Again, I want to say thank you to you and your family. We want to wish you well in the future and in the future of our country. We ask God's blessing upon you, your family, and, of course, our country and our new administration.

With that, this hearing is adjourned.

General SHINSEKI. Thank you, Mr. Chairman.

[Whereupon, at 12:24 p.m., the Committee was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF L. TAMMY DUCKWORTH, DIRECTOR,
ILLINOIS DEPARTMENT OF VETERANS AFFAIRS

Mr. Chairman and Ranking Member Burr, Thank you for allowing me the opportunity to submit testimony to this Committee in support of President-elect Barack Obama's nomination of General Eric K. Shinseki to Secretary of Veterans Affairs. I have had the great privilege of testifying several times before you and know that this Committee and its members have often been the final line of defense for Veterans. This Committee has pushed for better benefits for Veterans while understanding the importance of efficiency and expediency in delivering care. In the last several years, it was this Committee, in a bipartisan effort, which led the efforts to allocate the budget truly required by the Dept. of Veterans Affairs to care for our Nation's Veterans, instead of the grossly inadequate levels requested by the administration.

I believe that you will find GEN Shinseki to be exactly the kind of tough, innovative and insightful Secretary that the Department of Veterans Affairs needs at this extremely critical time. The VA is facing increasing demand for its services from Vietnam-era Veterans, returning to the VA as they enter retirement and lose employer-provided health care or have developed service-connected illnesses, such as cancers, which often develop decades after exposure to battlefield conditions. Additionally, after seven years of war, the younger generation of Veterans entering the VA today have demographics rarely seen by the USDVA in its past. The incredible, world-class military medical system has resulted in many more Veterans returning from war having survived severe injuries that were life-ending in the past. Traumatic Brain Injury and Post Traumatic Stress Disorders as well as exposure to contaminants have emerged as significant health issues of the OIF/OEF generation Veteran. We have the first ever generation of young female combat Veterans in our nations' history. Homelessness is also a critical threat. In Illinois, we are already caring for homeless Iraq and Afghanistan Veterans in shelters across the state. When the homeless Veteran is female, there is a much higher likelihood that children will accompany their single parent Veteran into homelessness. Our Nation's Veterans need a Secretary of Veterans Affairs who will be able to address each of these issues while transforming, modernizing, and cutting through the entrenched bureaucracies of the USDVA.

I am very familiar with GEN Shinseki's service to this country, considering I served during his tenure as Army Chief. He is also a combat-wounded disabled Veteran. Most importantly, his military service gives us clear evidence that he will be the innovative, future-looking Secretary of Veterans Affairs that our Nation's Veterans need as we leave behind antiquated systems and embrace new technologies and processes such as electronic medical records that can be shared between DOD and USDVA. As Army Chief of Staff, Gen Shinseki showed his ability to be aggressive and forward-thinking. He is responsible for the Stryker Interim-Force Brigade Combat Teams that have been crucial in combat actions in Iraq and Afghanistan. Additionally, his long-term strategic programs included the Future Combat Systems (FCS) of which various systems emerged, including the Unmanned Aerial Vehicles (UAVs) deployed to Brigade and Battalion levels that protect and serve our troops today in Operations Iraqi and Enduring Freedoms.

Members of the military, and I am sure the Nation, are by now aware that GEN Shinseki is not afraid to stand up for what he believes is the truth. He has testified difficult realities to the U.S. Congress before and our Veterans trust in his ability to do the same in the future. In 2001, he successfully fought against reductions in troop strength in the Army. In fact, General Shinseki has been in the Veterans Affairs business throughout his long career as taking care of your Warriors is one of the cornerstones of an effective military commander.

The treatment and care we give our Veterans is also an issue of military readiness, something that every military commander understands. It is vital to our Nation's missions that the Warrior on the front line knows that should he be hurt or killed, he and his family will receive every benefit promised to him by the United States. We do not want the Soldier kicking down doors on a house-to-house search for the enemy to hesitate because he is concerned that he or his family will not receive the proper care should he be injured. In combat, a moment of hesitation can literally be the difference between life and death. When our Nation's mothers and fathers are approached by their brave young son or daughter, looking to join the military, they must know without a doubt that their child will be cared for, that this Nation will not renege on its promise to our Veterans. President Washington himself addressed this need when he said "The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the Veterans of earlier wars were Treated and Appreciated by their Nation." Simply put, giving Veterans the benefits that they have rightfully earned is more than just a matter of the right thing to do, although that alone should be enough.

Living up to our promises to Veterans is an important component of the readiness of our military to carry out the mission we the people of the United States assign it to complete. I believe that General Shinseki has the skills and commitment to this country and its Veterans we so desperately need in the USDVA. I believe we must jealously guard our Warriors who are our Nation's greatest treasure. Together, by serving those who have served, we can continue to make sure that our Nation keeps its promise to our Veterans.

I thank this Committee and its Members for your effort to improve the lives of those who have served. I urge you to support the nomination of GEN Eric K. Shinseki to Secretary of Veterans Affairs.

VIETNAM VETERANS POST 10583,
VETERANS OF FOREIGN WARS
Waipahu, HI, January 12, 2008.

Hon. DANIEL K. AKAKA,
Chairman,
Committee on Veterans' Affairs,
U.S. Senate, Washington, DC.

Re: Support of Nomination for General Eric Shinseki

DEAR MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: The Vietnam Veterans Post 10583 of the Veterans of Foreign Wars, Honolulu, HI, strongly supports the nomination of General Eric Shinseki as the Secretary of the Department of Veterans Affairs.

General Shinseki has earned the respect and admiration of veterans by his demonstration of courage and ability as a soldier both on and off the battle field. General Shinseki is well known to the veterans of Hawaii. We feel General Shinseki is an excellent choice for the Veterans Affairs Secretary.

It is very important that veterans accessing services from the VA have confidence in the leadership, especially the Secretary. Being active in veterans' affairs and having knowledge of the programs and services our veterans receive, I am aware of some of the shortcomings that still seem to prevail at the VA. While most of our veterans have been very appreciative of your support and efforts in providing the resources and funding necessary for the delivery of these services, there is always room for improvement.

We feel General Eric Shinseki is the right person at the right time who will be able to achieve the level of support necessary to continue and improve VA services. We feel with you as Chair of the Veterans Affairs' Committee and General Shinseki as Department of Veterans Affairs' Secretary, will provide for the best opportunity for the welfare of our veterans.

The veterans of Hawaii stand in solidarity with all of our Nation's veterans, as there are two of our own veterans serving in the highest levels of veterans affairs. This gives us a special sense of pride and confidence that our needs are understood at the highest level. Therefore, we highly recommend the confirmation of General Eric Shinseki as Secretary of the Department of Veterans Affairs.

Respectfully Submitted,

RENE BERTHIAUME,
Post Commander.

PREPARED STATEMENT OF EDWARD M. KAWAMURA, A DISABLED AMERICAN VETERAN,
MEMBER OF KAUAI CHAPTER NO. 5, DISABLED AMERICAN VETERANS, LIHUE, HI

INTRODUCTION

Honorable Senator Daniel K. Akaka, Chairman, and honorable Members of this distinguished Committee, Thank you for this opportunity to discuss the nomination of General Eric Shinseki to be Secretary of Veterans Affairs.

I, Edward M. Kawamura, a retired U.S. Army Veteran of the Vietnam War, Disabled American Veteran, of the Department of Hawaii, and a member of Kauai Chapter No. 5, humbly address your august body, to consider favorably, this nomination.

HISTORICAL OVERVIEW

General Eric K. Shinseki, was born and raised on Kauai, Hawaii, from humble beginnings and was inspired in his teens by his uncle, who was a veteran of the distinguished 100th Infantry Battalion and the veterans of the 442nd Infantry Regimental Combat Team of World War II, who were invited to his parent's home and who talked about their experiences on the battlefield of Italy and France. Inspired by these veterans he applied and was appointed as a cadet at West Point. After graduation from West Point he went on to complete a distinguished 42 year career in the Army, from cadet to a 4-star General and Chief of Staff of the United States Army.

General Shinseki has an outstanding combat record. He served as a commander in the Vietnam conflict and was wounded twice in combat. He was severely wounded the second time and lost part of his foot, which ordinarily would have resulted in automatic retirement from the service. But General Shinseki was determined to continue his Army career and with prosthetics, which he wears to this day, and with determination, rehabilitation and exercise, he proved to his superiors that he was in physical and mental condition and he could perform as good as any soldier in the U.S. Army.

From Vietnam he had commands in the United States, in Europe and Bosnia-Herzegovina. He was leading the U.S. Army in the initial incursions in Afghanistan and Iraq. He was later appointed as the Army Chief of Staff and during his tenure; he was instrumental in the transformation and modernization of the United States Army.

CONCLUSION

General Shinseki has shown that he is a true patriot who has experienced the stress and strains of warfare and understands the needs of the veterans of our Armed Forces.

We, the Disabled American Veterans, Kauai Chapter 5, support the nomination of General Eric K. Shinseki and humbly request your support for his confirmation as Secretary of Veterans Affairs.

Respectfully yours,

EDWARD M. KAWAMURA,
Veteran Helping Veterans.

PREPARED STATEMENT OF ROBERT NAKAMOTO, PRESIDENT, JAPANESE AMERICAN
VETERANS ASSOCIATIONTESTIMONY IN SUPPORT OF NOMINATION OF
GENERAL ERIC KEN SHINSEKI, US ARMY (RET) SECRETARY-DESIGNATE,
DEPARTMENT OF VETERANS AFFAIRS.
JANUARY 14, 2009: 10:00 AM, DIRKSEN 106, UNITED STATES SENATE

Mr. Chairman and Members of the Senate Committee on Veterans Affairs,

As the President of The Japanese American Veterans Association, I am pleased to have this opportunity to present our Association's support of General Eric Ken Shinseki, US Army, Retired, for the position of Secretary of the United States Department of Veterans Affairs. We are a non-profit nationwide veterans service organization, established in 1993, to serve the interests of Asian Pacific American veterans as well as those personnel in the National Guard, in the Reserves, and on Active Duty. We are a veterans group that is formally recognized by the Department of Veterans Affairs to represent the interests of Asia Pacific American veterans. Veterans Affairs, using the 2000 Census, reported over 300,000 Asian Pacific American veterans and the Department of Defense has reported there are 29,000 on active duty.

While the primary focus of our Association is on Asian Pacific American veterans, we are a multi-cultural organization whose membership spans just about all ethnic groups. A large portion of our members are Japanese American veterans who served with distinction in combat in Europe during World War II with the 100th Infantry Battalion and the 442nd Regimental Combat Team. Japanese Americans also served throughout the Pacific Theater in the Military Intelligence Service with front line combat units to interrogate POWs and translate captured documents. Overall, approximately 33,000 Japanese Americans served in the US Army during World War II, while over 120,000 persons of Japanese ancestry were forcibly evacuated from the western United States to internment centers built on America's wastelands. We have members who served in the Korean, Vietnam and the recent Gulf Wars as well as other conflicts. Many non-veterans who support our mission are also in our ranks, such as historians, professors, and relatives of veterans.

The Greatness of America is exemplified by the opening of opportunities for future Asian Pacific Americans generations within our society. We have come a long way for Asian Americans to be able to achieve prominence in the military with one, General Shinseki,

being appointed to serve as the US Army Chief of Staff with the full rank of General. Some 70 other Asian Pacific Americans have reached flag rank since World War II.

The Department of Veterans Affairs clearly has a tough job with a mission to provide benefits and care for military veterans and their families who need it, especially with many of the 1,500,000 men and women who have served in Iraq and Afghanistan returning with unexplained illnesses. With 270,000 employees, it is the second only to the Department of Defense in size. The person to head this organization during this time of war will be challenged to build on the innovative changes and state of the art devices developed by dedicated VA professionals and staff members. Some of the difficult and complex veterans issues that await the new Secretary include:

- Treating traumatic brain injury, post traumatic stress disorder, and suicidal tendencies.
- Making the Department of Defense and Veterans Affairs records compatible to ensure a seamless transition.
- Further reducing the backlog of disability compensation claims.
- Providing care for veterans who live in rural areas where VA hospitals and clinics are few.
- Tending to the approximately 200,000 homeless veterans having service-connected disabilities.
- Addressing veterans long term care concerns.

In early December of 2008, President-Elect Barack Obama observed "Many veterans around the country are struggling...General Shinseki is exactly the right person who is going to be able to make sure that we honor our troops when they come home."

The right person to address these and other important issues and to lead such a unique and huge Department is a military veteran - a combat experienced disabled veteran who relates to the pain and suffering incurred by our former servicemen and servicewomen in their service to the nation. The Secretary of Veterans Affairs has got to have the business sense and ability to manage a large and dispersed staff, the sense of accountability, and the ability to hold people accountable for their actions. That ideal person is indeed General Eric Shinseki.

As a combat veteran with 38 years of active duty service, General Shinseki needs little, if any, transition time to be the Secretary of Veterans Affairs. Disabled by a land mine that blew off part of this right foot in Vietnam, General Shinseki is well aware of what the terrors of war can do to our military personnel. While on active duty, he was a vocal advocate for military men and women and it is no surprise to anyone that he would be an outspoken advocate for the same soldiers, sailors, and airmen in their veteran status. For nearly four decades, soldiers and their families have been the centerpiece of General Shinseki's life, guided by the seven Army Core Values: Loyalty, Duty, Respect, Selfless Service, Honor, Integrity, Personal Courage which will carry over to improve the lives of the veterans' families as he has accomplished with Army families. Just as he revitalized the Army recruiting system that produced the all-volunteer Army, he will recruit and

maintain quality, talented people in Veterans Affairs. His commitment and loyalty to active soldiers was total, unwavering, and steadfast, and it will remain the same for them as veterans and retirees with General Shinseki as the next Veterans Affairs Secretary.

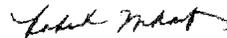
General Shinseki has the advantage of already having first hand, in-depth knowledge of the Department of Defense, a major partner in many Department of Veterans Affairs activities. We can expect that relations between the two biggest government departments will continue to improve for projects like the effort to streamline the maintenance of personnel records and their seamless, secure transfer from DOD to DVA. In his Secretary of the DVA nomination acceptance remarks, General Shinseki made this objective very clear when he said, "(All veterans) deserve a smooth, error-free, no-fail, benefits-assured transition into our ranks as veterans. And that is our responsibility." We know that General Shinseki will keep this promise.

During his tenure as Army Chief of Staff, we have seen that General Shinseki displayed the right business sense in moving forward with changes for the better and with overhauling or terminating marginal projects. He has demonstrated his courage to make huge permanent change in open opposition to the attitude of "we've always done it that way." An example of this was his initiative to form quickly deployable Stryker Brigade Combat Teams on wheeled armored vehicles in spite of opposition from the tracked armored vehicle community. His decision proved right with respect to the urban area fighting in Iraq in which this nation is now engaged. The record shows that when asked for his opinion, he gave straight answers, no matter how unpopular it might be received.

Most recently, in retirement, General Shinseki has further exercised his organizational skills by serving as a director on several corporate and advisory boards in the private sector. As the next Secretary of Veterans Affairs, he will bring new ideas and procedures to the DVA table from industry that will certainly help the Department meet its 21st century challenges efficiently and effectively.

In closing, the Japanese American Veterans Association is grateful to the Senate Committee on Veterans Affairs for this opportunity to express our strong support of General Eric Ken Shinseki to be the seventh Secretary of Veterans Affairs. Because General Shinseki has the same "go for broke" spirit as the World War II Nisei veterans, we are confident he will transition himself smoothly from the profession of arms to the profession of care and will be recorded in history as one of the greatest Secretaries of Veterans Affairs in US history

Respectfully,



Robert Nakamoto, President
Japanese American Veterans Association
1749 Old Meadow Road, Suite 500
McLean, VA 22102

PREPARED STATEMENT OF NELSON N. ANGAPAK, SR., U.S. ARMY VETERAN

**TESTIMONY OF
Nelson N. Angapak, Sr.
nangapak@gci.net
Veteran, United States Army
22 September 1969 to 10 June 1971
U. S. Senate Committee on Veterans Affairs Hearing on the
Confirmation of Gen. Eric Shinseki as
Secretary, United States Department of Veterans Affairs
January 14, 2009**

Introduction

Good morning Chairman Daniel K. Akaka,
Honorable members of the U. S. Senate Committee on Veterans Affairs:

My name is Nelson N. Angapak, Sr., a Yupik Eskimo and an honorably discharged veteran. I served in active duty in the United States Army from 22 September 1969 to 10 June 1971. I am submitting this statement as an individual and a citizen of the United States of America since birth. Presently, I serve as a member of the Advisory Committee on Minority Veterans; and I am employed by the Alaska Federation of Natives as its Vice President.

For the record, I support the confirmation of Gen. Eric Shinseki as the next Secretary of the United States Department of Veterans Affairs. I believe that he will understand the situation of the Alaska Native veterans who live in remote and rural parts of Alaska because they are similarly situated as veterans living in the remote and rural places in the State of Hawaii. Our Alaska Native veterans live in communities that are not connected to any national road systems. The Veterans Administration has a need to increase its presence in rural Alaska.

Delivery of Healthcare and Other Benefits to our Troops in Alaska Native Villages in rural Alaska

The biggest concern that I share with the veterans living in our remote and rural Alaska Native Communities is the delivery of benefits; and in particular, the delivery of healthcare, our Alaska Native veterans were promised upon their inductions into active duty in the United States Armed Forces.

Present paradigm: a veteran living in one of the rural and remote villages in Alaska has to travel to Anchorage or other urban settings for their initial evaluation; and they must pay their own way round trip by airplane since there are no other modes of transportation to Anchorage, Alaska from their village. As an example, the cost of airline ticket from my village of Tuntutuliak, AK to Anchorage, AK is approximately \$850.00 round trip and the cost of lodging and food while in Anchorage may be about \$300 for two nights in Anchorage, AK. They may not have the financial resources to accomplish this; and if they do; and when push comes to shove, the veteran will likely chose to help their family members rather than themselves if they find having to help their families or take care of their personal ghosts.

Recommendations

It is my hope that once Gen. Shinseki is confirmed as Secretary of the Department of Veterans Affairs, he will support finding alternative means of delivering healthcare and other benefits to our veterans living in rural Alaska villages exist and may include, but are not limited to:

1. **Implementation of the Memorandum of Understanding between the VA/Veterans Health Administration and HHS/Indian Health Service of February 25, 2003:** A copy of this MOU is attached for your ready reference to this testimony. In its simplest form, the implementation of this MOU would allow VA to utilize the existing health care facilities that exist in rural Alaska in the delivery of healthcare to our veterans living in remote and rural parts of Alaska with VA reimbursing them for treating veterans in these facilities. This would benefit both the VA as well as our veterans living in remote and rural parts of the State of Alaska.
2. **Utilization of Telemedicine:** VA should consider the utilization of telemedicine where available in rural Alaska assuming VA's system is compatible to what is exists out there; (If VA's software is not compatible to the software utilized by the providers of telemedicine in rural Alaska, it seems such software can be developed for this purpose.) VA, I believe utilizes telemedicine in the "Lower 48" for this purpose. As an example, the Yukon Kuskokwim Health Corporation, based in Bethel, AK, has the state of the art telemedicine infrastructure in place. VA must seriously consider utilizing telemedicine infrastructure that is in place to deliver healthcare to our veterans living in remote and rural parts of Alaska.
3. **Outreach to Alaska Native Veterans:** VA should consider increasing and funding more fulltime positions for the training and hiring of Minority veterans, including Alaska Natives in Alaska in areas where there is a large minority veteran population. I recommend that VA Alaska considers hiring Alaska Natives in policy making positions who understand the needs of the veterans living in rural Alaska, and in particular, the Alaska Natives.

Other Information to Consider

I would like to bring the following points to your attention as part of this statement:

1. As the 20th century closes, there are nearly 190,000 Native American military veterans. It is well recognized that, historically, Native Americans (including Alaska Natives), have the highest record of service per capita when compared to other ethnic groups. The reasons behind this disproportionate contribution are complex and deeply rooted in traditional American Indian culture. In many respects, Native Americans are no different from others who volunteer for

military service. They do, however, have distinctive cultural values which drive them to serve their country. One such value is their proud warrior tradition.¹

2. The Native American's strong sense of patriotism and courage emerged once again during the Vietnam era. More than 42,000 Native Americans, more than 90 percent of them volunteers, fought in Vietnam. Native American contributions in United States military combat continued in the 1980s and 1990s as they served in Grenada, Panama, Somalia, and the Persian Gulf.²

Alaska's Congressional Delegation, and in particular, the Honorable Lisa Murkowski, the Senior U. S. Senator from the State of Alaska has been very supportive of Alaska's veterans and is familiar with the issue of the delivery of healthcare and other benefits to our veterans in remote and rural Alaska. I would humbly recommend that Gen. Eric Shinseki will consider consulting with her as well as the Honorable Mark Begich and Congressman Don Young if he has any questions regarding the veterans living in remote and rural parts of the State of Alaska.

Veterans in Rural Alaska and America

The challenge of providing services to a rural and isolated veteran population extends beyond the boundaries of Native Americans and Alaska Natives; it affects all veterans living in rural and isolated areas of the Continental United States, and its territories. I recognize and compliment the U. S. Department of Veterans Affairs for the strides in identifying and implementing systems and programs for rural and isolated areas; yet, challenges continue to affect that minority veteran population; and in particular, the Alaska Native veterans living in rural Alaska.

I thank you for allowing me to submit this statement; I ask that my oral and written comments be incorporated into this hearing record.

If you have any questions concerning this written statement, please e-mail those questions to me at nangapak@gci.net and I will make an effort to respond to them.

¹ <http://www.history.navy.mil/faqs/faq61-1.htm>

² Ibid

LETTER INTRODUCING THE MEMORANDUM OF UNDERSTANDING



DEPARTMENT OF VETERANS AFFAIRS
Veterans Health Administration
Washington DC 20420

In Reply Refer To:

June 24, 2003

Dear Colleagues in Veterans and Indian Health:

On February 25, 2003, the Department of Health and Human Services (HHS) and the Department of Veterans Affairs (VA) entered into a Memorandum of Understanding (MOU) to provide optimal health care for the more than 165,000 American Indian and Alaska Native veterans in the Nation. This MOU, signed by the Deputy Secretaries of VA and HHS on behalf of Secretary Anthony J. Principi and Secretary Tommy G. Thompson, offers many opportunities to enhance access to health services and improve the quality of health care for Indian veterans. The purpose of our letter is to provide guidance on the intent and potential applications of the MOU. We have enclosed a copy of the MOU for your reference.

The MOU is designed to improve communication between the agencies and Tribal governments and to create opportunities to develop strategies for sharing information, services, and information technology. The technology sharing includes the VA's electronic medical record system, bar code medication administration, and telemedicine. Also, VA and the Indian Health Service (IHS) will co-sponsor continuing medical training for their health care staffs. Significantly, the MOU encourages VA, Tribal, Urban, and IHS programs to collaborate in numerous ways at the local level. We expect that the most progress will be made where effective local partnerships are formed among the IHS, VA, and Tribal governments to identify local needs and develop local solutions. You are encouraged to establish a means for routine and periodic communication between local elements of VA and the IHS. At a minimum, such communication would serve to clarify and share information on which services are provided by each organization and to whom at each location. At its most effective, the communication would include a broader discussion of joint program initiatives in clinical service delivery, community-based care, health promotion, and disease prevention. The management and prevention of chronic disease is a challenge that confronts both Departments; creative solutions in case management, home- and community-based care, and primary prevention activities will improve the health of those we serve.

Collaborations already exist in many locations but the intent of the MOU is to expand these activities where they are and extend them to more communities and facilities. Examples of shared service arrangements already in place include the following: In some locations, specialists from VA provide cost-effective consultation to Indian health facilities; at others, telemedicine capabilities are shared to enhance

Page 2 – Colleagues in Veteran and Indian Health

access to otherwise unattainable services; and continuing education through access to veterans' programs is another shared capability that has been developed in some areas. Other collaborative efforts remain to be developed and might include primary care for non-Indian veterans in exchange for hospital care for non-veteran Indians. The creation of joint community-based care and prevention is another area of collaboration where few models currently exist.

Another principle embodied in the MOU is that collaboration and more creative and effective use of resources will meet the President's management objectives. President Bush has clearly stated his management agenda to improve the efficacy and efficiency of Federal Government activities. Where there are opportunities to fill gaps or eliminate the duplication of effort, collaboration can help with the planning and deployment of resources in the most cost-effective and highest-quality manner. The MOU encourages the development of resource-sharing, within our current legal authority, to enhance the services provided to meet the missions of both Departments. It does not mean that each Department will begin to bill the other for services provided to the other's beneficiaries, except where it is agreed to by both entities. It may mean, however, the development of responsible sharing of services to meet the needs of patients and communities.

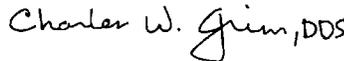
At the national level, the two Departments will continue their very productive collaboration in developing more effective information technologies. Collaboration has led to many advancements in electronic health record systems and quality improvement tools. The MOU should facilitate the engagement of local entities in both Departments that are able to influence national program development in these areas.

In summary, the MOU expresses the commitment of both Departments to expand our common efforts to improve the quality and efficiency of our programs. It provides policy support to local planning and collaboration, and it charges local leadership to be more innovative and engaged in discharging our responsibilities. It is clear that the goal of the MOU is to improve both the quality and quantity of services provided to the populations we serve. Ultimately, it is a tool to elevate the health of our patients, communities, and the Nation.

Sincerely yours,



Robert H. Roswell, M.D.
Under Secretary for Health



Charles W. Grim, D.D.S., M.H.S.A.
Assistant Surgeon General
Interim Director, Indian Health Service

Enclosure

MEMORANDUM OF UNDERSTANDING BETWEEN THE VA/VHA AND HHS/IHS

**Memorandum of Understanding
Between the
VA/Veterans Health Administration
And
HHS/Indian Health Service**

I. Purpose: The purpose of this Memorandum of Understanding (MOU) is to encourage cooperation and resource sharing between the Veterans Health Administration (VHA) and Indian Health Service (IHS). The goal of the MOU is to use the strengths and expertise of our organizations to deliver quality health care services and enhance the health of American Indian and Alaska Native veterans. This MOU establishes joint goals and objectives for ongoing collaboration between VHA and IHS in support their respective missions.

II. Background: The mission of the Indian Health Service is to raise the physical, mental and spiritual health of American Indians and Alaska Natives to the highest level. The IHS goal is to assure that comprehensive, culturally acceptable personal and public health services are available and accessible to American Indian and Alaska Native people.

The mission of the Department of Veterans Affairs is to "care for him who shall have borne the battle and his widow and orphan." Those words were spoken by Abraham Lincoln during his second inaugural address and reflect the philosophy and principles that guide VA in everything it does. The Veterans Health Administration six strategic goals, are: put quality first until we are first in quality; provide easy access to medical knowledge, expertise and care; enhance, preserve, and restore patient function; exceed patient's expectations; maximize resource use to benefit veterans; and build healthy communities.

The IHS and the VA enter into this MOU to further their respective missions. It is our belief, that through appropriate cooperation and resource sharing both organizations can achieve greater success in reaching our organizational goals.

III. Actions:

A. This MOU sets forth 5 mutual goals:

1. Improve beneficiary's access to quality healthcare and services.
2. Improve communication among the VA, American Indian and Alaska Native veterans and Tribal governments with assistance from the IHS.
3. Encourage partnerships and sharing agreements among VHA headquarters and facilities, IHS headquarters and facilities, and Tribal governments in support of American Indian and Alaska Native veterans.
4. Ensure that appropriate resources are available to support programs for American Indian and Alaska Native veterans.
5. Improve health-promotion and disease-prevention services to American Indians and Alaska Natives.

- B. To further the goals of this MOU, VA and IHS agree to:
1. Facilitate collaboration on effective healthcare delivery for American Indian and Alaska Native veterans and shared responsibility for implementation of appropriate health promotion and disease prevention efforts. Ensure that IHS and VA facilities develop and provide effective linkages between facilities to support health promotion for American Indian and Alaska Native veterans that benefit their communities.
 2. Identify needs and gaps between the VA and the IHS to develop and implement strategies to ensure optimal health for the American Indian and Alaska Native veteran population.
 3. Promote activities and programs designed to improve the health and quality of life for American Indian and Alaska Native veterans.
 4. Develop and implement strategies for information sharing and data exchange.
 5. Collaborate in the exchange of relevant programmatic communications and other information related to American Indian and Alaska Native veterans.
 6. Co-sponsor and provide reciprocal support for Continuing Medical Education, training and certification for IHS and VA healthcare staff.
 7. Develop national sharing agreements, as appropriate, in healthcare information technology to include electronic medical records systems, provider order entry of prescriptions, bar code medication, telemedicine, and other medical technologies, and national credentialing programs.
 8. Create an interagency work group to oversee proposed national initiatives.
 9. Develop a common methodology to track VA and IHS interagency activities and report progress.

IV. Other Considerations:

A. All VA Medical facilities and the IHS will comply with all applicable Federal laws and regulations regarding the confidentiality of health information. Medical records of IHS and VA patients are Federal records and are subject to some or all of the following laws: the Privacy Act, 5 U.S.C. 552a; the Freedom of Information Act, 5 U.S.C. 552; the Drug Abuse Prevention, Treatment, and Rehabilitation Act, 21 U.S.C. 1101, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act, 42 U.S.C. 4541, the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. 1301, VA's Confidentiality of Certain Medical Records, 38 U.S.C. 7332; Confidential Nature of Claims, 38 U.S.C. 5701; Medical Quality Assurance Records Confidentiality, 38 U.S.C. 5705, and Federal regulations promulgated to implement those acts.

B. Care rendered under this MOU will not be part of a study, research grant, or other test without the written consent of both the IHS and the VA facility and will be subject to all appropriate HHS and VA research protocols.

C. The VA and the IHS will abide by Federal Regulations concerning the release of information to the public – and will obtain advance approval from either VA or IHS before publication of technical papers in professional and scientific journals – for articles derived from information covered by this MOU. The VA and the IHS agree to cooperate fully with each other in any

investigations, negotiations, settlements or defense in the event of a notice of claim, complaint or suit relating to care rendered under this VA/IHS MOU.

D. No services under this MOU will result in any reduction in the range of services, quality of care or established priorities for care provided to the veteran population or the IHS service population.

E. The VA may provide IHS employees with access to VA automated patient records maintained on VA computer systems to the extent permitted by applicable Federal confidentiality and security law. Additionally, the IHS will likewise provide VA employees access to Veteran IHS records to the same extent permitted by applicable Federal confidentiality and security law.

F. Both parties to this MOU are Federal agencies and their employees are covered by the Federal Tort Claims Act, 28 U.S.C 1346(b), 2671-2680, in the event of an allegation of negligence. It is agreed that any and all claims of negligence attributable to actions taken pursuant to this MOU will be submitted to legal counsel for both parties for investigation and resolution.

V. **Termination:** This MOU can be terminated by either party upon issuance of written notice to the other party not less than 30 days before the proposed termination date. The 30 days notice may be waived by mutual written consent of both parties involved in the MOU.

VI. **Effective Period:** The VA and the IHS will review the MOU annually to determine whether terms and provisions are appropriate and current.

FOR THE DEPARTMENT
VETERANS AFFAIRS


LEO S. MACKAY, JR.
DEPUTY SECRETARY OF VETERANS
AFFAIRS

FOR THE DEPARTMENT OF
AND HUMAN SERVICES
OF HEALTH


CLAUDE A. ALLEN
DEPUTY SECRETARY OF HEALTH
AND HUMAN SERVICES

Feb 25, 2003
Date

February 25, 2003
Date

**THE NOMINATION OF W. SCOTT GOULD TO
BE DEPUTY SECRETARY OF VETERANS AF-
FAIRS AND THE NOMINATION OF L. TAMMY
DUCKWORTH TO BE AN ASSISTANT SEC-
RETARY OF VETERANS AFFAIRS FOR PUB-
LIC AND INTERGOVERNMENTAL AFFAIRS**

WEDNESDAY, APRIL 1, 2009

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 9:34 a.m., in room 418, Russell Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Committee, presiding.

Present: Senators Akaka, Rockefeller, Murray, Brown, Webb, Tester, Begich, Burris, Burr, Specter, Isakson, Wicker, Johanns and Graham.

**OPENING STATEMENT OF HON. DANIEL K. AKAKA, CHAIRMAN,
U.S. SENATOR FROM HAWAII**

Chairman AKAKA. The United States Committee on Veterans' Affairs will come to order.

Welcome and aloha to all of you.

This morning's hearing is to consider the President's nomination of W. Scott Gould to be Deputy Secretary of Veterans Affairs. Following Mr. Gould's testimony and questions from the Committee, we will then turn to Tammy Duckworth's nomination for the position of Assistant Secretary of Public and Intergovernmental Affairs.

I am delighted that we are finally moving forward on additional nominees for VA. It is critical that VA's leadership team be put in place as quickly as possible. Secretary Shinseki has been the lone representative of the Administration at VA for over 2 months. I am hopeful that this Committee and then the full Senate will move quickly to consider Mr. Gould for Deputy Secretary.

Senator Reed will give more details on Mr. Gould's work and military experience. For my part, I note that he has expertise in information technology, acquisitions, budget, human resources and the management of large organizations. I have received every indication that his combined service in the public sector, private sector and military are well regarded and will support his work at VA.

Last week, I asked Mr. Gould why he would say yes to such a difficult job, especially during this difficult time. Without hesitation, he answered that he welcomed the opportunity to work for

veterans. He also expressed a deep willingness to give VA's 280,000 plus employees the tools they need to do their jobs.

The Deputy Secretary has traditionally been VA's Chief Operating Officer, and Mr. Gould has advised the Committee that, along with Secretary Shinseki, he will strive to create an organization focused on giving veterans results.

Mr. Gould, I tell you the same thing I told Secretary Shinseki during his confirmation hearing. Assuming your confirmation as the next Deputy Secretary of Veterans Affairs, you will face tremendous challenges. In my view, leading VA is one of the most challenging jobs in or out of government, and that is especially true in a time of war.

I look forward to your testimony today and your responses to questions from the Committee Members and to any post-hearing questions. It is vitally important that the position of Deputy Secretary of Veterans Affairs be filled as soon as possible.

Before I move on, I note that Mr. Gould is accompanied by his family and friends as well. We are especially glad to have your wife here since she is scheduled to testify before the Senate Armed Services Committee at this very moment.

Mr. Gould, please introduce your family members to the Committee.

MR. GOULD. I would be delighted to do that, and I thank Michèle for making the effort to be here this morning. We try to share events like this together, and, as you just noted, she is due to testify before the SASC this morning.

Sweetheart, I am glad you are here.

Seated to my left are my children: Alec; youngest son, Aidan; and Victoria. Between Victoria and Aidan is Mireya Vargas, our nanny, with whom our professional lives would not be possible.

And, finally, directly behind me, my mom and cherished grandmother who, at age 80, has made the effort to be here today with us. Welcome.

Chairman AKAKA. Well, Secretary Flournoy, you are, of course, excused to attend your pressing commitment, but thank you so much for coming this morning to this Committee hearing.

Ms. FLOURNOY. Thank you, sir.

Mr. GOULD. Thank you, Senator.

Chairman AKAKA. I would like to recognize the Senior Senator from Rhode Island who is joining us this morning to introduce the nominee to the Committee.

Senator Reed, aloha and welcome to the Committee.

Senator REED. Thank you, Mr. Chairman.

Chairman AKAKA. It is always good to have you and this morning, particularly. I would like to ask you to give the introduction of Mr. Gould.

**STATEMENT OF HON. JACK REED, A UNITED STATES SENATOR
FROM THE STATE OF RHODE ISLAND**

Senator REED. Chairman Akaka, Senator Tester, it is a great privilege for me to be here today to introduce Scott Gould to this Committee as President Obama's nominee for Deputy Secretary of the Veterans Administration.

I have known Scott and his wife, Michèle, and his family now for many years. We have grown, I think, to appreciate the great service that both Michèle and Scott are going to render to the United States. I certainly do.

I am glad his mother is here. She continues the proud tradition. His dad was a school teacher and a stock broker around the Boston area and was a naval officer.

Scott followed in that very proud naval tradition. He won an ROTC scholarship to Cornell University, served as an Active or Reserve Naval Officer for 26 years. His first assignment was aboard the Destroyer, U.S.S. Richard E. Byrd. He was a Surface Warfare Officer.

He continued to serve and was mobilized in 2001, in fact, for operations in Afghanistan. So he brings to the task of being the Deputy Secretary of Veterans Affairs, I think, a major qualification: He is a veteran and an extensive veteran—unusual for a Navy guy. He got his jump wings at Ft. Benning, GA. So it shows more enthusiasm than intelligence, but anyway. [Laughter.]

I say that as a senior parachutist.

Scott has worked in private industry. Currently, he is working at IBM in their Global Leadership Initiative. He has extensive experience in industry, in management, but he has a particular wealth of experience when it comes to public management, which is going to be the focus of his activities. He was the Director of Operations for the city of Chelsea outside of Boston, which was bankrupt; and he and his colleagues—a three-person team—really put that city back on its feet, curing a 25 percent structural deficit, and getting it functioning again.

He was a Deputy Assistant Secretary for Finance and Management at the Department of the Treasury. He has also served as the Chief Financial Officer at the Commerce Department. In all of these activities, he has been recognized, having been awarded the Department of Commerce and Department of Treasury Gold Medals for Distinguished Public Service.

He is superbly prepared for the daunting task you outlined, Mr. Chairman. Part of his preparation is the fact that he has this strong, devoted and loving family: his mother, his wife—Secretary Flournoy, who I will join in a moment at Armed Services—and his children, Alec, Victoria and Aidan. So, I want to commend and thank them all and thank Scott particularly for a willingness to serve the Nation once again.

Thank you, Scott.

Mr. GOULD. Thank you very much.

Chairman AKAKA. Thank you very much, Senator Reed.

Now let me call on Senator Tester for any opening remarks he may have.

**STATEMENT OF HON. JON TESTER,
U.S. SENATOR FROM MONTANA**

Senator TESTER. Thank you, Chairman Akaka. I will make mine very short.

First of all, thank you, Dr. Gould. Thank you for your service and for the service you are about to move forward into. I want to wel-

come your wife and your mother and, more importantly, your children.

If I have my way about it, kids, your dad is going to be doing a very, very important job for the veterans of this country.

You know we met with General Shinseki several times. He is putting together a top-flight team, yourself included in that. I think that your experiences in life bring some important qualities to this job that are necessary.

Your challenge is to move this Agency forward and to ensure that our veterans receive first-rate health care, that claims are cleaned up and expedited, and that we utilize the latest technology, staffing and resources to manage our servicemembers—what we have promised.

We are partners in this—you, me, the Administration, this Committee on both sides of the aisle and the Chairman. I hope that you know that we will be supporting you in your efforts to make this Agency all it can be to support the veterans that served this country so very, very well.

So, with that, Mr. Chairman, I just want to welcome Dr. Gould, and I look forward to your confirmation. I look forward more so to the work you do once you are confirmed.

Mr. GOULD. Thank you, Senator.

Chairman AKAKA. Thank you very much, Senator Tester.

Mr. Gould, I will pronounce the oath here and ask you to now stand and raise your right hand.

Do you solemnly swear or affirm that the testimony you are about to give the Senate Committee on Veterans' Affairs, as well as any answers to any pre- or post-hearing questions, will be the truth, the whole truth and nothing but the truth, so help you God?

Mr. GOULD. Yes.

Chairman AKAKA. Let the record note that the witness answered in the affirmative.

Mr. Gould, please proceed with your statement.

**STATEMENT OF W. SCOTT GOULD, DEPUTY SECRETARY-
DESIGNATE OF THE DEPARTMENT OF VETERANS AFFAIRS**

Mr. GOULD. Thank you, Senator, Mr. Chairman.

I would also like to thank Senator Reed for his kind remarks and, obviously, for the example that he brings to us as a tireless advocate for veterans.

Chairman Akaka, in his absence, Senator Burr, distinguished Members of the Committee—and Senator Tester—on Veterans Affairs, thank you for scheduling this hearing so expeditiously. I am honored to be before you today, seeking your endorsement to become the Deputy Secretary of VA.

During the past several weeks, I have had the opportunity to benefit from the Committee's advice and guidance about how to better serve our veterans and accomplish the mission of the Department. Your support for strong leadership, open communication and positive results for veterans came across in a bipartisan manner.

With your permission, I would like to submit full testimony for the record that is well aligned with that guidance and, instead, make a few brief remarks before taking your questions.

Chairman AKAKA. Your full statement will be in the record.

Mr. GOULD. Thank you, Mr. Chairman.

I am deeply honored by President Obama's nomination to serve as Deputy Secretary at VA, and I deeply appreciate the confidence that President Obama and Secretary Shinseki have in me to help transform the VA into a 21st Century organization. I am acutely aware that transformation is a challenging task, particularly in an organization as large, as complex, and as steeped in tradition as Veterans Affairs.

We faced similar modernization challenges when I was at Treasury and at Commerce in the 1990s. We have dealt with the challenges of transformation and innovation in the private sector at IBM—challenges still ongoing today because, in truth, transformation of large organizations is hard work rarely ever complete. It is an ongoing effort to serve, to improve, and to meet the needs of clients.

My previous experiences, however, give me great confidence that the goal of transformation can be achieved by VA employees with strong leadership, teamwork, and especially the continued help of this Committee.

I feel especially privileged to be considered for this role not only as a veteran of 26 years of Active and Reserve service but for three very personal reasons:

I earned my master's and doctoral degrees with the help of VA benefits. It is my view that educational programs like the new GI Bill can change lives. It changed mine.

I was mobilized to support the war in Afghanistan on short notice. It was my experience that rapid transition from Active to Veteran status is challenging for families. We need to take care of our military families.

And, most importantly, I have experienced what it is like to have my father, a Navy veteran of World War II and Korea, spend the last 11 years of his life as a patient in a VA hospital. This last experience is central to my motivation for serving at the VA.

I would like our veterans to know that my family understands the challenge of dealing with an imposing bureaucracy and wanting the very best for your loved one. Nothing less will do.

I want VA employees to know that I appreciate that much of patient care is given not by doctors but by nurses and nurse assistants who do the bathing and the feeding, who clean the rooms, who offer a kind word. They did a great job caring for my dad and, in so doing, they cared for his family as well.

And, finally, I want to say what we rarely say as veterans, that all through our lives there is a connection with the country, its history and our expectations of each other that comes from military service. My father expressed it just before Alzheimer's took his ability to speak altogether. Long after he had forgotten many things, he remembered a few very important things: my mother's face, fragments of prayers and the belief that somehow the Navy would come to save him.

I believe that the VA carries this elemental trust between veterans and the country on behalf of all of us to their last day.

If confirmed, I will join a leader in Secretary Shinseki who feels the same way. If confirmed, I will work to refine and implement

a basic strategy: to create a people-centric, results-oriented, forward-looking organization. As the Secretary has already said before this Committee, the VA will make veterans the centerpiece of the Organization, invest in our civil service to help them serve veterans, continuously improve the timeliness and quality of services and support to our veterans and embed transformational initiatives as part of the culture as the VA cares for veterans, like my father, present and future.

If confirmed as Deputy Secretary, I will help lead the VA as Chief Operating Officer to accomplish this vision in three ways: first, by synchronizing implementation of the strategy; second, by transforming the management infrastructure that will enable modernization; and, third, by overseeing the main operating units of VA.

This will require leadership, good communication, investment in our civil service and teamwork among the VA's many internal and external stakeholders. It will also require attention to a range of important near-term initiatives. These include successfully implementing the new GI Bill, streamlining the disability claims process that Senator Tester just mentioned, ensuring adequate resources and access points to meet the health care needs of all enrolled veterans and, as you mentioned, Mr. Chairman, leveraging the power of information technology to accelerate and modernize the delivery of benefits and services. And, it will require accountability for our actions to the public and to veterans.

In conclusion, if this Committee chooses to confirm me, I will join a team that shares a strong desire to serve veterans, a team committed to transform the Department into a 21st Century organization, focused on the Nation's veterans as its clients.

I thank this Committee for its long history of unwavering bipartisan commitment to veterans. If confirmed, I look forward to working closely with you to fulfill that commitment.

Mr. Chairman, I am ready to respond to any questions this Committee may have.

[The prepared statement of Mr. Gould follows:]

PREPARED STATEMENT OF W. SCOTT GOULD,
DEPUTY SECRETARY-DESIGNATE OF VETERANS AFFAIRS

Chairman Akaka, Senator Burr, Distinguished Members of the Committee on Veterans Affairs: Thank you for scheduling this hearing so expeditiously. I am honored to be before you today seeking your endorsement to become the Deputy Secretary of VA.

During the past several weeks, I have had the opportunity to benefit from the Committee's advice and guidance about how to better serve our Veterans and accomplish the mission of the Department. Your support for strong leadership, open communication and positive results for veterans came across in a bipartisan manner.

I am honored by President Obama's nomination to serve as the Deputy Secretary of the Department of Veterans Affairs. And I deeply appreciate the confidence that President Obama and Secretary Shinseki have in me to help accomplish their vision of transforming the VA into a 21st century organization.

I am acutely aware that transformation is a challenging task—particularly in an organization as large, complex and steeped in tradition as is Veterans Affairs. We faced similar challenges when I was at Treasury with Internal Revenue Service modernization and at Commerce with National Weather Service modernization efforts in the 1990s. We have dealt with the challenges of transformation and innovation in the private sector at IBM—challenges still ongoing today, because, in truth, transformation of large organizations is hard work rarely ever complete. It is an on-

going effort to serve, to improve and to meet the needs of clients. My previous experiences, however, give me confidence that the goal of transformation can be achieved by VA employees with strong leadership, teamwork and especially the continued help and support of this Committee.

If confirmed, I will join Secretary Shinseki in the Department's efforts to refine and implement a basic strategy: to create a people centric, results oriented, forward looking organization. As the Secretary has already articulated before this Committee, VA will:

- make Veterans the centerpiece of our organization;
- invest in our civil service to help them better serve veterans;
- continuously improve the timeliness and quality of services and support provided to Veterans; and
- imbed transformational initiatives as part of our culture as we care for Veterans, like my father, present and future.

If confirmed as Deputy Secretary, I will help lead the VA to accomplish this vision in three ways. First, by synchronizing the people, process and technology necessary to implement the strategy. Second, by transforming the personnel, budget, acquisition and IT systems that will enable modernization. And third, by overseeing the planning, execution and results of modernization by the main operating units including VHA, VBA and NCA. This will require leadership, good communication, investment in our civil service and team work among the VA's many internal and external stakeholders—including the VSOs. It will also require attention to a range of important near-term initiatives. These include:

- Successfully implementing the New GI Bill (Post-9/11 Veterans' Educational Assistance Act).
- Streamlining the disability claims system—increasing the quality, timeliness and consistency of claims processing, and updating the Disability Rating Schedule, while maintaining Veterans' rights.
- Ensuring adequate resources and access points to meet the health care needs of all enrolled Veterans, as well as those OEF/OIF Veterans and Priority Group 8 Veterans, who will be joining the system.
- Leveraging the power of Information Technology to accelerate and modernize the delivery of benefits and services.

And it will require accountability for our actions to the public.

In conclusion, if this Committee chooses to confirm me, I will join a team that shares a strong desire to serve veterans and is committed to transform the Department into a 21st century organization focused on the Nation's Veterans as its clients. I thank this Committee for its long history of unwavering, bipartisan commitment to Veterans. If confirmed, I look forward to working closely with you to fulfill that commitment.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO
W. SCOTT GOULD, NOMINEE TO BE DEPUTY SECRETARY OF VETERANS AFFAIRS

Question 1. Have you discussed with Secretary Shinseki the duties he would like you to perform, or the role he would like you to assume, as Deputy Secretary if you are confirmed?

Response. Yes. Secretary Shinseki and I both believe that the Deputy Secretary should serve as the Department's Chief Operating Officer, managing day-to-day activities and overseeing the Department's business systems, which are key to transforming VA into a 21st century organization.

Question 2. Will you have a policymaking role at VA independent from the Secretary?

Response. No, except when the Secretary has specifically tasked me to take the lead on a particular issue. My role would be to support the Secretary's policymaking as his partner in the Office of the Secretary. I would owe him my honest opinion based on my own best understanding of the issues, but the authority to make policy resides with him. Once a decision has been made, my job would be to see that it is clearly and consistently communicated to all stakeholders and implemented throughout VA.

Question 3. Will you be VA's Chief Operating Officer? If so, please describe in detail what you understand the position of COO to be, both generally and with specificity as to VA.

Response. Yes. I would be responsible to the Secretary for (1) synchronizing the people, process, and technology necessary to implement the strategy; (2) transforming the personnel, budget, acquisition, and IT systems that will enable the mod-

ernization; and (3) overseeing the planning, execution, and results of modernization by the operating units including VHA, VBA, and NCA. I would be a principal partner of the Secretary in defining the vision, determining the strategy, and communicating the vision, the strategy, and the policy to stakeholders. I would report to the Secretary on the results of our efforts.

Question 4. Apart from what you and the Secretary have discussed with respect to your duties, have you formulated any thoughts on what your specific responsibilities will be as Deputy and how you will approach them? What is your motivation to seek this position?

Response. My motivation for seeking this position is my desire to help the Nation fulfill its commitment to Veterans. I spent 26 years as a Naval Reserve officer, including service in support of the war in Afghanistan. In addition, VA helped pay for my MBA and Ed.D. My father served in World War II and Korea, went to college on the G.I. Bill, and spent his last 11 years in a VA hospital. I believe in the value of public service and have served before in the Federal Government. In the 1990s, I helped modernize the Internal Revenue Service while at the Department of the Treasury and the National Weather Service while at the Department of Commerce. I have dealt with similar transformational challenges in the private sector at IBM. I also recently co-authored a book on the need to strengthen the civil service. As Deputy Secretary, my chief responsibility would be to make transformation happen at VA, so as to fulfill the President's vision of VA as a 21st century organization.

Question 5. What do you see as the biggest challenges facing VA at this time—as to the Department as a whole, and specifically in VBA, VHA, and NCA?

Response. Transformation is a challenging task for any organization, requiring changes in culture, systems, and training that can only come about through strong leadership, commitment, and investment. VA's biggest challenges are successfully implementing the Post-9/11 GI Bill; streamlining and updating the disability claims system; applying Information Technology in cost-effective ways to improve the delivery of benefits and services; and maintaining the same level of high-quality care to Veterans currently in the system while extending care to Priority Group 8 Veterans and reaching out to the Veterans of Iraq and Afghanistan. To meet these challenges, VA will need to modernize its use of people, process, and technology, with Veterans first in mind.

Question 6. What will be your top three priorities after assuming the role of VA Deputy Secretary?

Response. My first need as Deputy Secretary would be to learn more about the Department. My top three personal priorities would therefore be (1) ensuring that the 2010 budget includes adequate funding for Veterans' needs, (2) getting out to the field to learn from VA employees and Veterans themselves about the quality of front-line operations, and (3) reaching out to VA people—labor, front-line employees, mid- and senior-level managers—to assess and build an effective team.

Question 7. What specific experiences from your prior professional positions do you believe have prepared you to manage VA?

Response. My military career and family background instilled in me a spirit of service and personal experience of VA benefits and services. My government career focused on public-sector management in the areas of strategy, budget, financial management, acquisition, and personnel. My corporate career has served public-sector clients in the areas of strategy and change, organizational performance, large-scale IT system implementation, and human capital. I have served as both a COO and CEO of private firms and as a CFO of a major Federal agency, the Department of Commerce. I have also served on the Board of Overseers for the Malcolm Baldrige National Quality Award. In summary, most of my professional career has been spent working on the business end of government. These are the areas where VA needs to modernize to effect the transformation envisioned by President Obama and Secretary Shinseki.

Question 8. What was your experience with respect to VA prior to the election of President Obama, and what have been your efforts to learn more about VA since the election?

Response. Besides being a Veteran and VA beneficiary, I served on three of the Obama campaign's agency teams (VA, OPM, and DHS) and provided briefing memos on these agencies to then-Senator Obama. I also co-chaired the campaign's National Veterans Policy Committee. After the election, I co-chaired the Veterans Agency Review Team for the Presidential Transition Team. As co-chair, I conducted a number of interviews with political and career VA personnel and wrote strategy memos for the President-elect. I also helped prepare Gen. Shinseki for his confirmation hearings. Since the inauguration and intent to nominate, my involvement with VA has

been minimal. I have continued with my responsibilities as an executive at IBM while awaiting vetting and the results of the confirmation process.

Question 9. What were the key areas that you addressed in your report to the President-elect as a result of your work as the co-chair of the VA Agency Review Team?

Response. The VA Agency Review Team apprised the President-elect of key areas to assist him in his early days in office. They include: (1) an overview of VA; (2) a list of high-priority issues to modernize and build a 21st century organization, provide Veterans with better services, and provide resources to match demand for services; and (3) an analysis of management, personnel, organizational, and interagency issues.

Question 10. If confirmed, what efforts will you undertake to make certain that VA is aware of, and responsive to, the needs of the Veterans' community? Do you plan to meet regularly with Veterans' organizations?

Response. Yes, I intend to meet with them regularly. They are important advocates for Veterans, and I value their advice and support. Outreach to Veterans, Veterans Service Organizations, and the full range of VA stakeholders is essential to creating a people-centric, results-oriented, forward-looking VA. Insight into what we must do together and the extent of our success will be known largely by the response of Veterans to VA's care and services. Outreach would not be my principal duty, but I would expect to represent the Secretary on occasion as a member of the VA leadership team, and I would be responsible for overseeing effective outreach by the relevant VA offices.

Question 11. How would you, as Deputy Secretary, work with the Office of Inspector General? The Office of the General Counsel?

Response. I would view the Inspector General and General Counsel as welcome partners in the process of identifying and mitigating risk to improve VA performance. I would meet with each immediately upon my arrival and regularly thereafter. I would respect the IG's impartiality and value the General Counsel's advice. With Secretary Shinseki, I would ensure that the Department upholds the high legal and ethical standards set by the President.

Question 12. Are you more of a hands-on manager or do you tend to rely on significant delegation? Do you seek to achieve consensus with those on your management team before making a decision or do you generally gather relevant information and input, and then make a decision?

Response. I regularly adjust my approach to meet the needs of the organization and its mission. My preference is to collaborate with a team to define the problem, organize the solution, delegate implementation, and follow-up using measurable results and personal inspection. I value consensus as a way to arrive at the best answers and to solicit buy-in by stakeholders, and I believe that top-down bureaucracy is one aspect of the public sector that can keep it from achieving its potential. At the same time, I recognize the responsibility placed on senior leadership for ensuring that the mission is accomplished, and I would make serving Veterans through transformation my governing concern. The single focus for transformational change should be the Veteran—providing those of every generation who have done their duty the benefits and services they have earned and we have promised.

Question 13. VA has long had the reputation of being a stovepipe organization. Please describe how you intend to work with the three Under Secretaries and with the various Assistant Secretaries to ensure that all components of the Administration and organizations are working together to achieve a "One VA" focus.

Response. Stovepipe organizations aren't around for long in the private sector. They are irritating and costly to clients, and so their clients go elsewhere. VA's clients can't go elsewhere and shouldn't have to put up with the extra cost and frustration of a stovepipe system. The remedy is an integrated approach by the organization that puts serving the client first and organizes delivery systems around the principle of creating a high-quality client service experience. This can be achieved by organizing people and tasks in support of a new design and disciplining key managers to break down stovepipes, coordinate activities among operating units, and modernize. VA could benefit from elements of this approach. Leadership, new processes, and training will be required to do it. A cultural change at VA will be required to develop and deliver integrated services to Veterans.

Question 14. If confirmed, do you expect to bring any new staff from outside VA to work with you in the Deputy Secretary's office? If yes, how many new staff do you anticipate bringing on?

Response. The Office of the Secretary operates as one team, with the Secretary and Deputy Secretary sharing many of the same staff. Not being a part of the team

yet, I can't say now what additional staff I might need, but any need that might occur would be identified and validated with the concurrence of the Secretary and the Chief of Staff.

Question 15. What is your view on the role of outside consultants in the management of VA? Do you anticipate relying on direct consultant services if you are confirmed?

Response. At present, I don't know enough about VA's consulting relationships to have an opinion as to what is needed. But my experience in the public and private sectors tells me that I would first need to connect with the career team before leveraging outside consultants as needed. Outside consultants can sometimes help in bringing fresh eyes and extra hands to a problem, but managers must always keep inherently governmental responsibilities and cost-effectiveness in mind when considering consultant services.

Question 16. Do you anticipate having a role in selecting other political appointees to VA? What are your views on the key qualifications for such individuals?

Response. Yes, I would have a role in selecting political appointees. My chief considerations in selecting political appointees would be leadership, competence, and passion to serve Veterans. VA needs the best, the brightest, and the most motivated leaders to work with the career team and tackle the challenge of transformation.

Question 17. While VA did receive its appropriations for FY 2009 prior to the start of the fiscal year, in 19 of 22 years prior to that, VA began the fiscal year without a budget. With that in mind, do you support appropriating funds for two years rather than annually?

Response. I am aware of the interest in advanced appropriations as a way to mitigate management difficulties that result from continuing resolutions. My preference would be for timely enactment of annual appropriations for all VA accounts. I am committed to working with Congress to ensure that timely delivery of quality care and other services is not interrupted.

Question 18. In light of the highly publicized problems with specific VA health care issues over recent months and years, how would you communicate to returning Veterans that, despite these issues, VA as a health care system is still among the best in the world?

Response. It is important for our Veterans to know about the quality of health care available to them. Objective measures by independent bodies such as the Institutes of Medicine and the National Committee for Quality Assurance rate VA health care equal to or better than care provided by the best private health care systems. *The New England Journal of Medicine* lauds overall VA health care when compared to Medicare, and the *Annals of Internal Medicine* rates VA care for diabetes better than commercial managed-care systems in seven out of seven quality measures. Veterans themselves say they are satisfied with VA medical care at rates higher than their non-veteran counterparts using private health care, according to the American Customer Satisfaction Index (ACSI).

In my view, the best advocate and most effective communications medium is a satisfied Veteran. Working with the Department of Defense, VA has many opportunities to create satisfied Veterans among the National Guardsmen and Reservists who are eligible for VA medical care upon demobilization. VA is actively reaching out to these returning Veterans, enrolling them in VA medical care, and making special efforts to meet the unique needs of their recent combat service. The goal should be to return these Veterans to their communities and to their units as satisfied clients who can attest to the quality of VA medical care. This is one facet of Secretary Shinseki's approach to creating a client-relationship management system and culture at VA focused on veterans.

Question 19. There is widespread agreement that there must be real progress in improving the timeliness and quality of VA's claims adjudication process. What changes would you recommend? How would you propose to measure success in this effort?

Response. VA faces real challenges in processing disability claims fairly and compassionately. Disability claims processing has been studied many times inside and outside VA. All of the studies with which I am familiar assert that change is necessary, but not enough change has occurred. I would want to know why this is the case and would work with the Under Secretary for Benefits to overcome the barriers to improvement in disability claim processing. The real standard of success is that each Veteran is satisfied that the process used to adjudicate his or her claim is transparent, responsive, fair, accurate and timely.

Question 20. Despite many efforts, there appear to be continued challenges in communicating effectively with returning OEF/OIF Veterans on the availability of

VA services and benefits. What do you believe VA can do to help ensure that transition from active duty is as seamless as possible and that returning servicemembers know about what VA has to offer them?

Response. Fundamentally, these communications challenges are a leadership issue. I am convinced that VA needs a more effective approach to client relationship management and would work to integrate related strategies, policies, and processes to create such an approach. Building a client relationship with Veterans needs to start when young Americans join the Armed Forces and continue throughout their military careers. Education and training on VA, from both their military leaders and VA experts, using methods we can test and improve, will increase awareness of VA benefits and services among all servicemembers. It will also ensure they know where to go when they need these services as Veterans.

An example of building this client relationship is the initiative by Secretary Shinseki and Secretary Gates to develop a "uniform registration" plan to automatically enroll all military personnel into VA upon entry into the Armed Forces. This is an initiative I hope to implement should I be confirmed.

Question 21. One of the biggest challenges that the VA is facing is the implementation of the Post-9/11 GI Bill, which was signed into law on June 30, 2008. The full effective date of the new program of education assistance is August 1 2009, which means that now VA has less than five months to prepare for massive changes. What role will you play as VA prepares for implementation of the program?

Response. I am aware of the challenge to meet the deadline set by the Post-9/11 GI Bill, and I would want to take a close look at our implementation plan and progress to ensure that VA is on the right track for timely completion. Should I be confirmed, the compressed timeline and scope of the program necessitates my active involvement. I intend to fully support the Under Secretary for Benefits in his role as the principal architect of this important benefits program. My contribution to his efforts would be to anticipate problems from the veteran's perspective, identify risks to meeting their needs, systematically manage risk out, and explore complementary strategies in a collaborative and transparent way.

Question 22. VA does not track decisions made on individual disabilities for which a Veteran files a claim or claims. Data is provided in the aggregate which makes it appear that many more decisions are made to grant benefits than is actually the case when individual claims files are reviewed. For example, a Veteran may file a claim for 12 separate disabilities and be granted benefits on one at a rate of 10 percent, with the other 11 denied. In aggregate reports, this will appear as a grant of the claim, even though 90 percent of the separate disabilities claimed were denied. Data is not readily available at the grant and denial rate for the separate disabilities contained in an overall claim. What actions could be taken to improve VA's ability and support policy initiatives to improve accuracy?

Response. I believe this is a clear case where a small and seemingly subtle difference in what we measure and how we measure it can significantly change our Veterans' perceptions of the fairness and transparency of VA processes. As you know, VA uses many objective measures to monitor the disability claims process, to include accuracy rate, average days to process, and average days pending. In my view, the value of any of these measures is two-fold: first, how do they advance VA's ability to serve Veterans more effectively by creating better outcomes for them; and, second, how do they advance Veterans' satisfaction with the transparency, responsiveness, and timeliness of VA processes. Both of these are keys to VA's client-relationship management challenge.

Question 23. Information from VA's Rating Board Automation (RBA) 2000 provides specific information that the Committee has been able to use effectively in conducting oversight visits to VA regional offices. However, it appears that VA does not routinely compile data on the separate issues decided in a given claim. How can RBA 2000 be modified, or another system created, that would provide such information on separate issues?

Response. In the private sector, when management information tools do not meet the needs of executive decisionmakers, they are modified to provide the desired information cost effectively. Typically, this would begin with an assessment of the information required, the cost to collect it, and its value in use. Then the business process used to collect the information would be modified and agreed to by the participants. As a last step, a software application would be modified or created.

I understand that RBA 2000 is one of our current management information tools used by VBA in the claims adjudication process. Should it need to be modified, I would envision following such a process to achieve the desired goals.

Question 24. VBA has produced an Annual Report that contains helpful information to assist the Committee in evaluating various legislative proposals. Unfortunately, these reports have been considerably delayed in the last several years and the most current versions contains FY 2006 data. The delay is reportedly due to the difficulty of matching Veterans Service Network (VETSNET) data to the Benefits Delivery Network (BDN) data that historically was used to prepare the reports. What steps would you take to improve the accuracy and timeliness of this report?

Response. Good data are important to congressional members, their staff, and VA managers to help inform policy decisions. I infer from this question that the Annual Report is particularly useful to Congress. If confirmed, I would like to understand more fully the technical problems with producing the VBA Annual Report and the requirements to produce a timely and accurate report in order to address this issue.

Question 25. VA's Deputy Secretary currently serves as the Co-Chairman of the VA/DOD Joint Senior Oversight Committee along with the Deputy Secretary of Defense. How would you view your role as Co-chairman? What would be your priorities for improving the level of collaboration and cooperation between VA and DOD?

Response. I know that Secretary Shinseki and Secretary Gates have agreed to chair the first few meetings of the Senior Oversight Committee, and I think the involvement of both Secretaries is an auspicious beginning to results-oriented collaboration and cooperation between VA and DOD in the present Administration. As Deputy Secretary I would certainly follow Secretary Shinseki's lead in working closely with DOD. Joint VA/DOD collaboration is key to solving the problems that develop when active duty personnel transition to veteran status. The SOC is well positioned to address these problems through initiatives like uniform registration and single electronic health records.

Question 26. Recently, it has been reported that there is a high rate of suicide among active duty soldiers. What role do you believe the VA/DOD Senior Oversight Committee could play in bringing VA's expertise in suicide prevention to DOD?

Response. Nothing underscores the need for better outreach and transitioning programs than suicide among Veterans and servicemembers. The Senior Oversight Committee (SOC) can provide an effective structure for leveraging the expertise, capabilities, and resources in DOD and VA to address this problem. The SOC provides a joint governance mechanism that can focus the attention of senior leaders on suicide, access data from both organizations, and coordinate efforts to identify at-risk personnel to provide information and treatment.

Question 27. What is your view of the effectiveness of the centralization of information technology programs and operations under VA's Chief Information Officer? What would be your priorities for improving the integration and use of information technology to improve the delivery of VA benefits and services?

Response. This Committee acted wisely by centralizing IT services at the VA. Like Secretary Shinseki, I am a strong supporter of centralized IT services as a means to break down stovepipes within VA and address obvious shortcomings in performance. My experience in the private and public sectors indicates that the decision to centralize is just the first step. IT policies, priorities, and resources require a disciplined governance process, and sound program management is needed as well. This is achieved through collaboration between the IT organization and the line units they serve. It requires measurement of services provided and accountability for results. It also requires substantial investment in people in the form of training and recruiting. A disciplined governance process provides a systematic way to develop a common understanding of the problem. Centralization, when combined with these steps, will improve mission performance and ensure more cost-effective solutions.

Question 28. If confirmed, what would your role be as Deputy Secretary in brokering differences in priority, policy, and resources between VA's CIO and the Under Secretaries?

Response. My responsibilities as Deputy Secretary would include overseeing the disciplined governance and program management of VA's centralized IT process. But even the most vigorous application of the steps mentioned in my answer to question 27 above can grind to a halt. That is when a trusted point of appeal like the Deputy Secretary can help reach openly a favorable compromise that meets the investment criteria to which the parties have agreed. Centralized control of the VA IT system is already a VA policy. The hard work of implementing the policy has begun. The systems that will deliver substantial benefit to VA in the future will require cooperation, collaboration, and teamwork to make them work and accomplish the mission.

Question 29. Outsourcing was a priority of the previous Administration. What is your view of outsourcing as it applies to VA?

Response. I do not know enough yet about outsourcing at VA to say where we should and where we should not outsource. I can say that inherently governmental services should be provided by government agents, and that Federal employees should be able to compete on a level playing field with contractors. Outsourcing can make sense in some cases, especially where new skills, knowledge, and technology are available to improve government performance. But we should not be outsourcing for outsourcing's sake, and we need to invest in training and skilling our Federal workforce to ensure that when government does outsource, it has capable oversight and achieves desired results.

Question 30. President Obama has stated that one of his goals for VA is to readmit Priority 8 Veterans. What is your opinion of this proposal? If it should be pursued, how can it be done more efficiently?

Response. I strongly support readmitting Priority Group 8 Veterans and commend Congress for its part in prompting this change. At the President's direction, Secretary Shinseki has begun the process of readmitting Priority 8 Veterans, which I would oversee if confirmed. I believe the challenge now is to monitor VA health-care delivery to ensure that VA continues to provide world-class health care to all Veterans enrolled in the system even as we expand the rolls.

Question 31. President Obama has stated that prosthetics is a priority area for his Administration. What do you believe VA might do to improve the developments and delivery of prosthetic devices to Veterans.

Response. Like President Obama and Secretary Shinseki, I understand how important this service is for our Veterans. I believe this area should be a "strategic differentiator" for VA and that VA should be the "Nation's best" in this field. Achieving this goal requires that we ensure quality, foster innovation, and invest in research, highly qualified personnel, and cutting-edge prosthetic and sensory aid equipment for our Veterans. If confirmed, I will work to learn more about the details of the Prosthetics and Sensory Aids Service and the requirements to keep VA at the forefront of quality, technology, innovation, and service.

Question 32. Over one-third of Veterans live in a rural or highly rural areas. How do you believe VA might expand the services available to Veterans in these areas?

Response. VA has a responsibility to treat Veterans' injuries and wounds regardless of where they live. It is my understanding that the new VA Office of Rural Health will identify local initiatives for pilots expected to lead to improved rural health care. In the meantime, I would expect a continuing mix of care, the expanded use of telehealth for treatment of mental health needs of Veterans, and the continuing development of referral approaches and transportation where needed. If confirmed, I will work to develop and maintain a dialog with Veterans so that we understand their needs and expectations. Where possible, I will focus VA's efforts to provide innovative solutions that mitigate the challenges presented by remote and isolated locations.

Question 33. VA spent billions of dollars last year on contracted or fee basis health care. How can VA ensure the quality of the health care delivered in those settings?

Response. I fully support VA's obligation to meet the health care needs of Veterans. I understand that, in some situations, the Veteran's health care needs will be best served through contracted health care. If confirmed, I will ensure that any such health care contract has the proper legal review and includes the appropriate quality controls approved by VA. In addition, getting the right data to determine when fee-basis is the optimal solution and on the quality of the fee-basis care provided will be essential to providing our Veterans with the high-quality health care they deserve.

Question 34. On any given night, 154,000 Veterans are homeless. How will you, if confirmed as Deputy Secretary, work with the Department of Labor and other agencies to help address this problem, including by finding work and housing for these Veterans?

Response. VA has a critical role in cooperation and coordination with HUD and other Federal programs to address the needs of homeless Veterans and to share expertise that is applicable to other homeless issues. I want to learn more about my responsibilities and resources to deal with this important problem and would look forward to meeting with my counterparts at HUD, HHS, SBA, and DOD to discuss our shared resources and responsibilities, as well as with other leaders of private and non-profit organizations who work with issues of homelessness.

Question 35. What is your view of VA's CARES program and VA Capital Plan Overall? How will you involve senior Veterans Health Administration leadership,

Congress, Veterans service organizations, affiliates, and other stakeholders in the remaining decisions related to VA capital infrastructure?

Response. It is essential that we have common processes and decision criteria to which we can all agree. There is more demand than resources, and we must have effective processes and measures to prioritize the expenditure of resources. I need to learn more about the CARES process and the overall Capital Plan before forming an opinion, but I would work closely with Secretary Shinseki, Senior VA leadership, Congress, Veterans' Service Organizations, and other stakeholders, including Veterans, to make informed decisions about our capital assets and modify the CARES system if needed.

Question 36. In light of the national shortage of nurses and doctors, what do you believe VA should be doing to ensure that Department can recruit and retain high quality health care providers?

Response. I support the Secretary's charge to the Under Secretary for Health for a detailed plan to address the issues of recruiting and retaining high-quality health care providers. VA must acquire and retain its fair share of talent. To do this, we must streamline the hiring process, improve flexibility in hiring and retention programs, and create incentives that drive retention and performance. We must also improve the work environment through, for example, training for our managers and cooperation in labor-management partnerships, so that our valued employees look forward to coming to work.

Question 37. Do you agree to supply the Committee with such non-privileged information, materials, and documents as may be requested by the Committee in its oversight and legislative capacities for so long as you serve in the position of Deputy Secretary?

Response. Yes. With Secretary Shinseki and his Chief of Staff, I would work to make sure that any information requested by the Committee would be provided in a timely manner. I can promise to be forthright and direct with you in our joint efforts to put Veterans first.

Question 38. Do you agree to appear before the Committee at such times and concerning such matters as the Committee might request for so long as you serve in the position of Deputy Secretary?

Response. Yes. VA's chief concern is the Committee's chief concern—taking care of Veterans. I would look upon the Committee as VA's partner in that sacred trust, and I would be forthright and forthcoming with any such request from the Committee.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO
W. SCOTT GOULD, NOMINEE TO BE DEPUTY SECRETARY OF VETERANS AFFAIRS

Question 1. According to the questionnaire you submitted to the Senate Committee on Veterans' Affairs, you have been serving as the Vice President of Public Sector Strategy for IBM Global Business Services since 2004.

A. In that capacity, what interactions, if any, have you had with the Department of Veterans Affairs (VA)?

Response. None.

B. Do you anticipate that, if confirmed as Deputy Secretary, you would have involvement in any decisions regarding IBM?

Response. I will not participate in any matters involving IBM for a period of one year as required in my agency ethics agreement. In addition, I will abide by the requirements in the Executive Order entitled "Ethics Commitments by executive branch Personnel," issued by the President on January 21, 2009.

C. If so, do you see a conflict between your previous job and the one you are being considered for (other than what the Office of Government Ethics identified)?

Response. I see no conflict between my current role as an IBM executive and my prospective role as Deputy Secretary of the VA. Further, I am required to divest all of my IBM holdings under the terms of my agency ethics agreement.

Question 2. In disclosure documents submitted to the Committee, you noted that you are "a non-managing member of Aegis Capital Corp, LLC, a company established to make private equity investments that will support the growth of homeland security-related enterprises in foreign countries."

A. Would you please clarify whether you intend to remain a non-managing member of Aegis if confirmed as Deputy Secretary?

Response. I intend to remain a non-managing member—i.e., a passive investor in Aegis Capital Corp, LLC.

B. If so, would you please explain what your role would be in that firm? Response. I have no management or fiduciary responsibilities. This is not considered an outside position for the purposes of the financial disclosure report.

Question 3. In your disclosure documents, you noted that, if confirmed, you “will retain, in name only, [your] position as a fellow in the National Academy of Public Administration” and that you “will not participate personally and substantially in any particular matter involving specific parties in which the Academy is a party or represents a party,” unless you are first authorized to do so.

Would you please clarify what types of matters you would not participate in? For example, do you anticipate that you would be involved in implementing recommendations from the National Academy of Public Administration’s recent report, entitled “After Yellow Ribbons: Providing Veteran-Centered Services”?

Response. I will not be involved in any contract or other specific party matters involving NAPA. I have been briefed on the results of the NAPA report, which contained a number of insightful recommendations. It is my understanding that I can make use of the content in these reports without conflict under the terms of my ethics agreement.

RESPONSE TO POST-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO W. SCOTT GOULD, NOMINEE TO BE DEPUTY SECRETARY OF VETERANS AFFAIRS

Question 1. In your book, “The People Factor,” you stated that the government has a hierarchical organizational structure that inhibits “innovation and rapid activity.” You recommended the government to adopt the core-ring approach and the matrix structures. Can you explain how and where you would incorporate the two models to improve the Department’s efficiency and management of its workforce?

Response. *The People Factor* discusses a range of options for governmentwide organizational structure that could be used to improve organizational performance in the Federal Government. Structure alone is not sufficient to transform a government agency; strategy, people, process and technology changes are required as well. Consequently, a decision to incorporate a particular option like the core-ring model or matrix structures is highly dependent on the specific VA mission and the strategy, people, processes and technology already in place. If confirmed, I look forward to evaluating which of these options might help improve organizational performance at VA. There is no formula here that could encompass all of the unique needs of VA. Nor is there an option to choose without the opportunity to consult with VA stakeholders, evaluate alternatives and reach an informed decision on whether—and if so how—to employ these organizational options at VA.

Question 2. According to your book, you claim that Chief Human Capital Officers (CHCO) do not participate in key agency decisions in planning and recommended that CHCOs be made full partners in senior management teams of every agency. If confirmed, how would you ensure that the Department’s CHCO would have a central leadership role in planning?

Response. When Secretary Shinseki made “people centric” the first element of his strategic vision for VA, he aligned the organization with a key success factor for transformation of large agencies. People are essential to successful change management in any agency. This means not only involving them in decisionmaking but communicating the case for change and their role in it. The VA Chief Human Capital Officer can help make this happen by developing the workforce; anticipating new knowledge, skills and abilities for employees; and developing plans to hire, train, develop and recruit personnel to transform VA. Enabling the VA CHCO to make this unique contribution to transformation would require knowledge of sound practice in the field; a “seat at the table” in important governance committees; access to enterprise-wide data on personnel to inform policy decisions; the authority to make department-wide policies; and the obligation to provide prompt, high-quality service that supports VA line units.

Question 3. You recommended de-layering government agencies of its hierarchical organization to help speed up decisionmaking. You claimed that a flatter organizational structure would improve the process of decisionmaking because employees that are closer and more familiar to the issue can act quickly without going through the layers of management.

a. Do you think that de-layering the Department is the most appropriate means of improving decisionmaking?

Response. As I mentioned in my response to question number one above, *The People Factor* discusses a range of options for governmentwide organizational structure that could be used to improve organizational performance in the Federal Govern-

ment. Structure alone is not sufficient to transform a government agency; strategy, people, process and technology changes are required as well. Consequently, a decision to incorporate a particular option like layering is highly dependent on the specific mission of the organization and the strategy, people, processes and technology already in place. If confirmed, I look forward to evaluating whether—and if so how—layering could be used to improve performance at VA.

b. If not, what steps would you take to improve the speed of the decisionmaking process?

Response. Many things could be done to improve the relative speed of decisionmaking at VA. Much depends on the type of decision being made: which issue, with what information, who will make it and on what authority. And all depend on the quality of information, knowledge and responsibility of the decisionmaker.

But as a general principle, where there are knowledgeable and responsible employees in place, decisions that can be made on the front line should be made on the front line. This empowers VA employees to serve Veterans more effectively. Within the limit of law and regulation, employees should have the discretion to make decisions that serve Veterans on the spot. Empowering the front line and middle management to make—and be held accountable for, these decisions can reduce the volume of decisions and eliminate bottlenecks for decisionmaking at the top level of the organization.

In general, there are several potential ways to improve decisionmaking at VA. For example, the decisionmaking process could be streamlined in several ways including the following. First, the leadership team can set higher standards for fast, informed and transparent decisions. Second, the agency can create a governance process that it can use to identify and analyze risks, discuss options and make recommendations on a repeatable basis that bring the parties together to air and settle issues. Third, the agency can use data to track progress on performance and share it with other decisionmakers thereby creating a trusted basis for sound decisions. This ensures that decisions are based on the same information, which tends to focus disagreement on differences in other assumptions or desired outcomes. Fourth, based on common data, the agency can conduct performance reviews of decisions and their outcomes to learn how to make better decisions over time. Making better decisions and making them faster is a skill that organizations can develop.

If confirmed, I look forward to evaluating which of these approaches to speed decisionmaking might be applicable to VA.

[The Committee questionnaire for Presidential nominees from Mr. Gould follows:]

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

1. Name: Gould (LAST) William (FIRST) Scott (OTHER)
2. Present Address: 6725 Honesty Dr. (CITY) Bethesda (STATE) MD (ZIP CODE) 20817
3. Position to which nominated: Deputy Secretary
4. Date of nomination: TBD
5. Date of birth: 19 (DAY) July (MONTH) 1957 (YEAR)
6. Place of birth: Boston, MA
7. Marital Status: Married
8. Full name of spouse: Michèle Angelique Flournoy

9. Names and ages of children

William Alexander Flournoy Gould	11	Aidan Campbell Flournoy Gould	6
Victoria Morgan Flournoy Gould	9		

10: Education:

Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
The Roxbury Latin School	1971 - 75	H.S.	1975
Cornell University	1975 - 79	A.B.	1979
University of Rochester	1983 - 85	M.B.A.	1985
University of Rochester	1985 - 87	Ed.D.	1987

11. Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

- The U.S. Department of Commerce Medal
- The Treasury Medal
- Navy Meritorious Service Medal
- Navy Commendation Medal with four gold stars in lieu of fifth award
- Navy Achievement Medal with two gold stars in lieu of third award
- Navy Expeditionary Medal
- Army Airborne Jump Wings
- Surface Warfare Officer Pin
- Kappa Delta Pi, National Academic Honorary

12. Memberships List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
National Academy of Public Administration	Fellow	2005 – Present
Malcolm Baldrige National Quality Award Board of Overseers	Member	1999 – 2002
National Security Agency Technology Advisory Panel	Member	2001 – 2002
Captain, U.S. Navy Reserves (Intelligence)	Commanding Officer ('97-'99 and '99 - '01)	1979 – 2006
William E. Simon School of Business Administration	Board of Advisors	1996 – 1999
The Roxbury Latin School Annual Fund	Class Agent	1987 – Present
Board of Directors, Institute for Sport Coaching	Member	2003 – 2005
Kennedy School of Government, Harvard University	Guest Lecturer	2003 – Present
Council for Excellence in Government	Member	2003 – Present
UNITECH Member	Member, Board of Directors and Chair, Audit Committee	2003 – 2008
Time Domain	Member, Board of Directors	2004 – Present
Aegis Capital Corporation	General Partner	2003 – 2004
Naval Criminal Investigative Service (NCIS) Advisory Group, Department of Defense Retirement Jobs.com	Advisor	2004 – 2006
AVA Partners (a consulting firm)	Managing Director,	2008 – Present 2003-present

W. Scott Gould and Michèle Angelique Floumoy Revocable Trusts	Co-Trustee	2006 Present	-
Christ Church, Georgetown	Parishioner	1995 Present	-
Dolores C. Gould Irrevocable Trust	Trustee	1987 Present	-

13. Employment

record: List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

Vice President, Public Sector Strategy, IBM Global Business Services (10/04 – present)

Formulate strategy for IBM's public sector defense, intelligence and homeland security business. Lead Global Leadership Initiative focused on innovation to anticipate and serve customer needs in the public sector. Leverage IBM's deep commitment to innovation and experience in business consulting services and information technology to help all branches of government address their most demanding challenges.

6710 Rockledge Dr.
Bethesda, MD 20817

Managing Director, AVA Partners (1/04 – present)

Delivered management consulting services to a variety of corporate and non-profit clients including: Georgetown University Medical Center, Boston Consulting Group, Civitas Group and BNX Systems.

6725 Honesty Dr.
Bethesda, MD 20817

President and CEO, The O'Gara Company (5/02 – 12/03)

Provided strategic investment and advisory services in the homeland security market. Developed strategic partnerships with major security, systems integrators and consulting service providers. Raised investment capital. Implemented branding campaign.

1250 24th St, NW
Washington, DC 20037

Intervening active duty military service (10/01 – 5/02) (See Item 14 below.)**Executive Vice President and Chief Operating Officer, Exolve, Inc. (2/99 – 10/01)**

Provided leadership and accountability for a web start-up. Delivered value to the firm's stakeholders as the company developed software and served clients with next generation web-based knowledge business products and services. Operationalized strategy. Executed on milestones. Optimized asset allocation. Built implementation team.

2009 N 14th St., Suite 701
Arlington, VA 22201

Chief Financial Officer and Assistant Secretary for Administration at the U.S. Department of Commerce
(9/97 – 2/99)

Appointed by the President and confirmed by the Senate. Responsible for financial management, IT, telecommunications, budget formulation and execution, HR, civil rights, security, management analysis, administrative services, and financial assistance programs for the \$5 Billion Department of Commerce and its 35,000 personnel. Direct management control of 550 employees.

Herbert Hoover Building
14th and Constitution Ave., NW
Washington, DC 20230

Deputy Assistant Secretary, Department of the Treasury (Departmental Finance and Management)
(9/94 - 9/97)

Responsible for the formulation of a \$10.5 billion budget; oversight of \$2.1 billion of procurement activities; downsizing of Treasury's 11 bureaus and 165,000 personnel; development of personnel policy for all SES positions; and, implementation of a change management portfolio that included a range of management, customer service and strategic planning initiatives. Direct management and control of 200 employees.

15th and Pennsylvania Ave., NW
Washington, DC 20220

White House Fellow (9/93 to 9/94)

Conducted staffing and management review of 20 departments in the White House for the White House Chief of Staff, Office of Management and Administration. Developed recommendations on staffing and management for the Assistant to the President for Management and Administration, Deputy Chief of Staff and Chief of Staff.

712 Jackson Pl., NW
Washington, DC 20503

Assistant Receiver and Director of Operations, Office of the Receiver, Commonwealth of Massachusetts, City of Chelsea (11/91-8/93)

Appointed by the Governor of Massachusetts to conduct a financial and operational work-out of the city of Chelsea, the first municipality in the state to be placed in receivership by the general court. Direct management of 170 personnel.

City Hall
500 Broadway St.
Chelsea, MA 02150

Managing Associate, Theodore Barry & Associates (TB&A), Management Consultants (9/88 - 11/91)

Project Manager for a variety of consulting engagements including: strategic planning, cost-benefit analyses of new technology, capital improvement programs, and organizational efficiency and effectiveness.

50 Rockefeller Plaza
Suite 1035
New York, NY 10020

Intervening active duty military service (10/01 – 5/02) (See Item 14 below.)

14. Military

service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

Deputy to the Director for Modernization, Naval Criminal Investigative Service and Captain, United States Navy: Recalled to Active Duty for Operation Noble Eagle (10/01 – 5/02). Honorable discharge.

Reported to the Director, Naval Criminal Investigative Service (NCIS). Envisioned, designed and implemented a broad set of human and technical capabilities to enhance NCIS mission accomplishment in the areas of anti-terrorism and counter intelligence.

Navy Reserve Intelligence. Series of positions on increasing responsibility from Department Head to Unit Executive Office to Commanding Officer (2/88 – 6/06). Honorable discharge to retired list.

Assistant Professor of Naval Science, University of Rochester, College of Arts and Science and Lieutenant, United States Navy (6/83 - 6/87) Honorable discharge from active duty to active reserve.

Responsible for the personal and professional development of officer candidates. Instructed university students in management and leadership courses.

Division Officer, Guided Missile Destroyer, United States Navy (6/79 - 6/83)

Sequence of positions with increasing responsibility, managing personnel of diverse ages and backgrounds to accomplish complex, team-oriented missions.

15. Government

record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

Special Governmental Employee as member of the National Security Agency Technology Advisory Panel from 2001 to 2002.

16. Published

writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

Debt Issues in the Private Sector of the Education Industry, 1986; Dissertation

The Homeland Security Market: Corporate and Investment Strategies for the Domestic War on Terrorism First and Second Editions; Coauthor; Monograph; 2003

Global Movement Management: Securing the Global Economy; 2006; coauthor

Getting the Federal Workers We Need; Linda Bilmes and W. Scott Gould; The Washington Post; August 31, 2005; pg A23

Secure Freight or Data Overload?; *Journal of Commerce*; author; 2007; pg 42

From Vision to Reality: Aligning Business and Government Interests in Maritime Domain Awareness and Global Movement Management; 2007; coauthor

Global Movement Management 2.0: Commerce, Security and Resilience in a Networked World; 2008; coauthor

Defending Cyberspace: A Framework to Improve Global Performance, Resiliency and Security in the Global Supply Chain; 2008; coauthor

Managing Government Effectively in a Complex Environment: Influencing Networks through the Network Campaign; book chapter CSIS; Pierre Chao, et. al. 2008

Influencing Government Networks through the Network Campaign; *Public Sector Manager*, 2008

The People Factor: Strengthening America by Investing in the Public Service; Brookings Institution Press; 2009; coauthor

After a diligent search, I was unable to find transcripts of testimony that I provided to Congress during the annual budget process while working at the U.S. Departments of Treasury and Commerce between 1995 and 1999

17. Political affiliations

and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

Co-chair, Veterans Agency Review Team, Presidential Transition Team (11/08 – 1/09)

Chair, OPM Agency Team; Member DHS Agency Team; Member VA Agency Team (9/08 – 10/08)

Co-chair, National Veterans Policy Team, Obama for America (8/07 – 11/08)

Financial contributions: Obama for America and Obama Victory Funds \$4500 in 2007 and 2008
Donatelli for Congress \$500 (Illinois) 2009

Tom Conroy for State Representative \$1000 (Massachusetts) 2006 and 2008
John Kerry for President \$2000 in 2004

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

None.

18. Future employment relationships: (a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

Yes.

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

No.

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

None.

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

Yes.

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

Yes.

19. Potential conflicts of interest: (a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

I will receive my executive bonus from IBM for the calendar year 2008 in June of 2009. The bonus will be issued for performance evaluated at the end of 2008 using a standard policy for payout.

Lockheed Martin will continue final payments to purchase UNITECH Corporation in which I owned stock options. UNITECH was sold to Lockheed Martin in January 2009. Scheduled payments will be made in 2010 and 2011 in accordance with the terms of the sale to an agent of UNITECH and further distributed to stock owners in proportion to their ownership.

Brookings Institute Press will make royalty payments to me and my coauthor, Prof. Linda Bilmes at Harvard University for a book entitled People Factor. The book will be published and available in book stores in March 2009.

I will divest stocks which I currently own, or which are owned by the Dolores Gould Irrevocable Trust in which I am a remainder beneficiary, including: Microsoft Corp.; Oracle Corp; Prudential Financial; and, Cantel Medical Group.

I have been advised that the duties of Deputy Secretary may involve particular matters affecting the interests of Coca Cola and United Parcel Service. The Department has determined that it is not necessary at this time to divest my interest in these entities because the likelihood that my duties will involve any such matter is remote.

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veteran's Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official.

- (c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veteran's Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official.

- (d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

I have not engaged in any lobbying activity.

- (e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veteran's Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official.

20. Testifying
before the

- Congress:
- (a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

I agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee.

- (b) Do you agree to provide such information as is requested by such a committee?

I agree to provide such information as requested by such committee

[A letter from the Office of Government Ethics follows:]



United States
Office of Government Ethics
1201 New York Avenue, NW, Suite 500
Washington, DC 20005-3917

March 12, 2009

The Honorable Daniel K. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by William Scott Gould, who has been nominated by President Obama for the position of Deputy Secretary of the Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the Department of Veterans Affairs concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated February 17, 2009, to the agency's ethics official, outlining the steps Mr. Gould will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of his confirmation date with any action he agreed to take in his ethics agreement.

Based thereon, we believe that Mr. Gould is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert J. Cusick".

Robert J. Cusick
Director

Enclosures

[Letter from Mr. Gould to the Office of General Counsel, U.S. Department of Veterans Affairs:]

February 17, 2009

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Deputy Secretary of the U.S. Department of Veterans Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I will retain my unpaid position as Managing Director in AVA Partners which I own with my spouse. Upon my appointment AVA Partners will cease doing business and remain dormant during my tenure as Deputy Secretary. Neither my spouse nor I will manage or provide services for AVA Partners, except that we will comply with any requirements involving legal filings, taxes and fees that are necessary to maintain the Partnership while it is in an inactive status. Currently, there are no outstanding receivables owed to the partnership. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of AVA Partners, unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1).

I currently serve as Vice President, Public Sector Strategy for IBM Global Business Services. Upon confirmation I will resign this position. I currently hold the following IBM equities: stock; unvested and vested stock options; and vested and unvested restricted stock units. I will forfeit the unvested stock options and unvested restricted stock units upon resignation. Within 90 days of my appointment I will divest of my stock, vested stock options, and vested restricted stock units. I will not participate personally and substantially in any particular matter that has a direct and predictable affect on the financial interests of IBM until I have divested of these interests, unless I first obtain a written waiver

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
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pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Following my resignation from IBM, I will receive a cash bonus for my performance during calendar 2008. IBM will calculate this bonus pursuant to its bonus matrix. Pursuant to the Company's standard practice year end bonuses are not paid until June of the following year. Until I receive this payment, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the ability or willingness of IBM to make this payment, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Subsequent to divestiture of these IBM assets I will still have a "covered relationship" with IBM for a period of one year from the date of my resignation as Vice President, Public Sector Strategy. Hence for a period of one year after my resignation from IBM I will not participate personally and substantially in any particular matter involving specific parties in which IBM is a party or represents a party, unless I am first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

I will divest my interests in the following entities, within 90 days of my appointment: Cantel Medical Corp.; Microsoft, Corp.; Oracle, Corp.; Prudential Financial; Retirement Jobs.com and Time Domain. With regard to each of these entities I will not participate personally and substantially in any particular matter that has a direct and predictable affect on the financial interests of the entity until I have divested of it, unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I understand that I may be eligible to request a Certificate of Divestiture for the above assets and my IBM assets, and that a Certificate of Divestiture is effective only if obtained prior to divestiture. Regardless of whether I receive a Certificate of Divestiture, I will divest these assets within 90 days of my confirmation and will invest the proceeds in non-conflicting assets.

I have been advised that the duties of the position of Deputy Secretary may involve particular matters affecting the interests of Coca Cola and United Parcel Service. The Department has determined that it is not necessary for me at this time to divest my interests in these entities because the likelihood that my duties will involve any such matter is remote. Accordingly, I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on the financial interests of either of these entities unless I first

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
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obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I am a non-managing member of Aegis Capital Corp, LLC , a company established to make private equity investments that will support the growth of homeland security-related enterprises in foreign countries. I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on the financial interests of Aegis or any of its underlying assets unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Lockheed Martin recently purchased Unitech Corporation, in which Company I was a principal and a Director. Lockheed Martin has already paid me 70 percent of the purchase price for my interest in Unitech. Lockheed Martin is deferring payment of the remaining 30 percent of the purchase price with payments to occur in January 2010 and January 2011. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the ability or willingness of Lockheed Martin to make these payments, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

The Brookings Institution Press has published a book which I coauthored *The People Factor: Strengthening America by Investing in the Public Service*, currently available on line and due in bookstores March 4, 2009. The Brookings Institution will pay me royalties based on the sale of this book. I will not participate personally and substantially in any particular matter involving specific parties in which the Brookings Institution is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Upon appointment I will resign from the following positions: class agent for Roxbury Latin School Annual Fund; trustee of the Dolores C. Gould Irrevocable Trust, and member of the Board of Directors of Time Domain Corporation and Retirement Jobs.com. For a period of one year after my resignation from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which that entity is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). I note the additional recusal I have in connection with particular matters affecting the interests of Time Domain Corporation and Retirement Jobs.com until I divest of my interests in those companies.

Mr. Walter A. Hall (023)
 Assistant General Counsel and
 Designated Agency Ethics Official
 Page 4

I will retain, in name only, my position as a fellow in the National Academy of Public Administration. I will not participate personally and substantially in any particular matter involving specific parties in which the Academy is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I will also retain my position as co-trustee of the W. Scott Gould and Michele Flournoy Revocable Trusts. I will not receive any fees for the services that I provide as co-trustee during my appointment to the position of Deputy Secretary. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of the trusts or on those of the issuers of securities that they hold unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Sincerely,



William Scott Gould

Chairman AKAKA. Thank you very much for your statement, Mr. Gould.

Mr. Gould, you spent some time immersing yourself in VA's inner workings during the President's transition, but you are not a VA insider nor are you coming from a veterans advocacy group. How can you begin to establish your credibility and gain trust and acceptance—elements that we consider critical to success?

Mr. GOULD. Senator, I think that is an age-old process of listening, of treating people with unfailing positivity and respect, and reaching out to the many stakeholders in the VA community: the veterans service organizations; the veterans themselves; and, I think as importantly, our front-line employees who have a lot to tell us.

Chairman AKAKA. Thank you. If confirmed, you will be at the top of Secretary Shinseki's leadership team. How will you tap the obvious knowledge and policy strength that is already in place and will indeed exist long after you have moved on?

Let me just say that I raise this in light of the recent proposal to bill insurance companies for service-connected care. I cannot imagine any of the long-time policy experts in VA proposing such a thing.

Mr. GOULD. No, sir, and they did not. And I know that Secretary Shinseki vigorously worked to avoid that announcement. And, I am pleased to say that I think at our final point the Administration reached out to the veterans service organizations, to the commu-

nity, tested those ideas, found them lacking and quickly withdrew them.

But your overall point, sir, is that we need to be listening to our career civil servants, our team there: over 280,000 employees, 20,000 physicians, 60,000 nurses. This is a core team with deep knowledge. We need to be approaching them with respect and as members of the team, and listen to their advice and counsel.

Chairman AKAKA. In your recently released book—we chatted about this—you argue that VA employees should be seen as strategic resources with ability to seek new solutions by reaching out to fellow government employees, VSOs and vendors in the private sector. I am wondering how practical this suggestion would be. For example, if Jim, the claims processor in your book, stops what he is doing and does what you suggest, who does his work in the meantime and what happens to the claims backlog?

Mr. GOULD. I just, Mr. Chairman, believe so strongly that we need to stop thinking about civil servants and government employees as a cost and start thinking of them as an investment.

And the point that my co-author, Linda Bilmes, and I were raising in the book is a simple one: that change—that the opportunity to transform, the opportunity to advance the cause of veterans at the VA—I believe, will come in large part from the men and women who are serving veterans every day. What that means, practically, is that we need to have mechanisms that will allow them to contribute their ideas and their creativity.

Now does that mean, practically speaking, everybody takes a 6-month holiday and we go figure out a new strategy for the VA? No. I think what it does mean is that you look to the civil servant population. You ask for volunteers and you hope to find those few bright sparks who say I want to lend some ideas, I want to create some new forward momentum in this organization. And you engage them and bring them in that process. And you listen and come to good decisions and then move forward.

Chairman AKAKA. Well, thank you for all your responses. I have questions also based on your book, but let me call on Senator Tester for any questions he may have.

Senator Tester.

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

Dr. Gould, the new GI Bill takes effect August 1st. This is April 1st. How will you ensure that those benefits are delivered on time over the next 4 months?

Mr. GOULD. With only 4 months to go, it is, as they say, a sporty course. The bill was enacted almost 7, 8 months ago now, and the VA, to the best of my knowledge, has been working vigorously and with all seriousness to make sure that the organization meets the August 1, 2009, deadline.

In my work as Co-Chair of the Agency Review Team, I had an opportunity to do a lot of analysis on the program at that point. I have to say that in the last 60 days I have not had that same level of access nor opportunity to delve into the progress of the GI Bill.

I think it is fair to say that it is a high-risk project, that it has presently the full attention of the leadership team, and, if given the

opportunity to be confirmed, I will delve into that program and project immediately to satisfy myself that we will meet that deadline.

Senator TESTER. Do you support advance appropriations for the VA?

Mr. GOULD. I support a steady, predictable source of funding for an Organization that badly needs to know when it can hire people and when it will get the money to serve our veterans.

Senator TESTER. OK. So does that mean you support advance appropriations?

Mr. GOULD. Senator, as I mentioned earlier, just a moment ago, it means that the outcome of a process I think traditionally owned by Congress is one that needs to play out here, and what I would envision is the need for a stable and consistent funding that we can predict.

Senator TESTER. OK. So let's assume that taking all the politics out of it, that we go forth with an advanced appropriation budget for the VA, how will you project that budget to ensure it meets the needs of our veterans?

Mr. GOULD. Senator, thank you for the opportunity to answer the question in that way. Very carefully, we will work to make it work. We have a very fine budget team and career civil servants who will help us work with the models, a Milliman Model as an example, to develop the best predictor of utilization at the VA.

I must share with you that that is a model that has some weaknesses in it, and the further out in time that you endeavor to predict, the higher likelihood there will be a gap between what you predict and what you need. So that process of projecting now, not just 12 or 18 months but double that period of time, is the challenge that I think everyone is most concerned about.

Senator TESTER. All right. Disability benefits. You know as well as anybody in this room that Iraq and Afghanistan veterans in particular return with some pretty severe disabilities. The VA's rating process in my opinion is outdated. It really has not evolved with the modern technologies or the new kinds of injuries that our troops are facing, particularly neurological and psychological injuries.

How do you plan to modernize the VA to meet the needs of those folks; and, furthermore, as brought up earlier, really tackle not only the neurological and psychological problems, but tackle the backlog in claims itself?

Mr. GOULD. Senator, this is a problem that has been long acknowledged. It is a problem that, to the best of my knowledge, has been studied in depth by a number of blue ribbon panels and by management teams for many years. The consistency of the recommendations in those documents is fairly clear, and I will talk about those in a minute.

The thing that concerns me is the lack of execution against those recommendations, and, clearly, the ability to adopt them requires the agreement of this Committee, of the veterans service organizations, of veterans themselves and the contribution of VA employees to make it all work. But, for one reason or another, that has not happened.

There are three levels of analysis that I think make sense, if I am confirmed, to conduct inside the VA:

The first is to ask ourselves the question: Is this rule set too complex to manage effectively? Can the rules be changed?

The second with respect to business process: Can we streamline the business processes that are currently being used at the VA so that, within the guidance of law, we more rapidly reach conclusion and can respond to veterans' needs?

And last, I am very hopeful about the potential for the use of new technology such as the paperless environment that has been mentioned previously by the Chairman in his introductory remarks.

Senator TESTER. I look forward to your meeting those goals and do that assessment.

My last question, and I have a bunch of them, and we may put some of them through, but I ultimately think that you are the right man for this job anyway.

Mr. GOULD. Thank you, sir.

Senator TESTER. Chairman Akaka asked a similar question about you being at the top of the team with General Shinseki and others. You have a pretty clear direction of where you are going to go from the experiences you bring to this position.

I guess the question I have is how do you get your goals and your views and your vision for the VA to the ground where the people, for the most part, are doing some really good work, but every once in a while you guys and gals want to move in a different way, and it does not necessarily transfer to the ground? How do you get it to the ground?

If you want me to clarify the question because it was a little vague.

Mr. GOULD. No, no. It is the question in transformation of any large organization. I just want to share with you the experience I had as Co-Chair of the Agency Review Team.

I probably did 100 interviews, reviewed a lot of documents, and so on, got a little bit of a sense, initial sense over a 2-month period of the VA. On a uniform basis, I have to say how impressed I was with the commitment, the passion, the belief that Federal employees have in the VA for doing the job that they are doing.

In my view, that is the thing for which there is no substitute. Once it is there and you can enter into a conversation, a dialog with employees in much the fashion that I have described earlier, then I think you have the opportunity for finding, in the front line, creative ideas and innovations that can be brought forward and brought up the chain of command and engaged in that fashion.

You asked an even harder question which is, what if you get to the nine out of ten that are ideas that are readily adopted, you got a tenth that has got to go through? Very simply, I would say you look to the incentives of the individuals involved. So, explain the value of what you are doing. Work to communicate, to develop understanding—frankly, to negotiate.

This is a very, very large organization, lots of people involved. It is very, very rare that a "my way or the highway" type of approach will succeed.

That said, when it comes to issues of accountability in the organization, I believe that Secretary Shinseki and, if confirmed, I will join him in the process of demanding that we hold people accountable for the results that they achieve.

Senator TESTER. All right. Very good. Thank you very much.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Tester.

Now I would like to call on our Ranking Member for his statement and his questions.

Senator BURR. Mr. Chairman, aloha. Thank you.

Chairman AKAKA. Aloha. Good to see you.

**STATEMENT OF HON. RICHARD BURR, RANKING MEMBER,
U.S. SENATOR FROM NORTH CAROLINA**

Senator BURR. I apologize to you, and I apologize to Scott. My schedule had this starting at 10. I think you upped it, and when I found that out I could not reschedule the mayor of my home town who was going to do everything he could to see me today. So I apologize for that. [Laughter.]

Mr. Chairman, let me say at the beginning I had the opportunity to spend some time with the nominee this week. I found it to be enlightening and fulfilling, and it is my belief that we should move this nomination as quickly as we can.

As I sat here and heard you answer Senator Tester's last question, though, Scott, it made me realize in the South we like to make sausage. It is pretty easy to make, but as long as you stuff it in the traditional thin skin it is not as easy to make it into what we are accustomed for generations and generations and generations to serve.

You know it sort of reminds me a little bit about government. We have a lot of good people and a lot of good ideas, but we consistently try to stuff it into the old framework of something that is antiquated and has proven time and time again will not allow innovation and creativity because it has no flexibility.

Let me just ask you to drill down a little bit and, specifically, what recommendations would you make to General Shinseki with your knowledge of, one, where we need to go; and, two, a very good understanding of where we are here? How does it structurally have to change?

Mr. GOULD. Senator, you have asked a very challenging question.

I have spent the last 4 years at IBM, leading an effort on innovation within the company, and I will just describe it to you briefly and then try to relate it to the prospective opportunity here.

The company called IBM has been number 1 in the world in the creation of intellectual property for the last 13 or 14 years in a row, does it very, very well, and it has done it primarily in the hardware and software arena.

Some of the senior executives in the government practice recognized that they needed to figure out how to do innovation in the services industry. So we created something called the Global Leadership Initiative, identified a series of the toughest challenges and went about trying to solve those on a portfolio basis.

Like that, in my view, innovation that gets outside the box—your point—that is not stuffed into the old sausage skin and looks like

and comes in the same serving size as we are used to, really requires a dialog with front-line employees and with stakeholders about what those net new solutions could be.

And then, you have to put a dedicated team on figuring out how to make that happen—developing the idea, building the business case to make sure the benefit net of cost is really going to sustain interest over time, and then engaging people in that process of maturing the idea and turning it into an investment-grade solution.

Senator BURR. You have a huge challenge, and I think you will find all Members of this Committee more than willing to help remove any impediments that you might find because I believe the solution is in an architecture that we have yet to create. And our success is dependent upon our ability to begin to construct that architecture of the VA of the 21st Century.

In your book, *The People Factor*, you note that it is “very difficult to fire, demote, or even deny a pay raise to an individual who is not performing well” in the Federal Government. This “is one of the biggest complaints of Federal workers.”

Well, I have to ask you. Is this a concern that you have at VA and, if so, how do you plan to address it?

Mr. GOULD. Thank you, Senator.

As you may have noted or folks on your staff, one of the case studies that we presented in the book was an analysis of change within the strictures of Title 5, that is within the rules and regulations that exist today. And it is my view that entirely within Title 5 it is possible to do innovative and important work in government, using those requirements.

Specifically, number 1, we need an improved labor-management partnership at the VA. We need to reach out to our unions. We need to involve them in a process that will have them contributing their creativity and input into that strategic planning process I mentioned a moment ago.

Number 2, we need leadership. There is a difference between leadership and management, and I believe that Secretary Shinseki is a leader, someone who is setting high goals for the organization, establishing a vision and working hard with Congress to make sure that there are adequate resources to make that happen.

So those are two specific things. A partnership with the folks on the front line who make it all go and leadership at a high level, combined with the resources to be able to make that happen, make me confident that change can occur in the VA.

Senator BURR. As I know from my conversation with you, you have been in and out of government, and you understand the difficulty, the cultural challenges within our workforce regardless of what agency you are in. I commend you for understanding that and encourage you not to back off from any attempts to begin to change it, because it is those that excel that should be rewarded and it is those that are complacent that we should find a means to either punish or reward, whichever is appropriate.

Mr. Chairman, you have been awful kind. I am going to ask one last question, if I could; and again I apologize to you and to Scott and, more importantly, to his family on this day that I was not here at the beginning.

You highlighted in your testimony the importance of transforming the VA into the 21st Century. What do you see as your greatest challenge in that transformation process?

Mr. GOULD. I think the greatest standard that we are seeking to achieve here is a standard that is in the hearts and minds of every veteran served by the VA. The future vision that the Secretary has outlined—having to do with people and results and a forward-looking organization—all turn around our capacity to meet the high expectations of the veterans that we serve.

I would envision a VA that is much easier to access, that has higher quality health care and economic benefits to offer our veterans and that, ultimately, is more cost-effective and productive in how we do that work. The clear image of that is something, deliberately, we want to involve employees with, the veterans service organizations, and this body to come to a crystal clear understanding of what that will be, and that is out of deference to and appreciation for the consultative process that we are going to have to go through to commit to that firm goal.

But the broad parameters are there. Secretary Shinseki has laid that out, and now the job of his Chief Operating Officer, if I am confirmed for that position, will be to implement, to execute, and to make that happen.

Senator BURR. Well, I thank you for your willingness to serve the public, and I feel very confident, under the Chairman's leadership, the future of this nomination is not in question.

I thank the Chair.

Mr. GOULD. Thank you, Senator.

Chairman AKAKA. Thank you. Thank you very much, Senator Burr.

I would like to go back to the book, Mr. Gould. Your book suggests that 90 percent of initial claims for compensation are granted. I believe that actually the percentage of specific claims items is much lower.

How would you suggest that VA compensate veterans if VA finds that roughly half of their claim conditions are not deemed service-connected at first look?

Mr. GOULD. Mr. Chairman, I would obviously defer to the Chairman's view of what that precise number is and offer to you the spirit in which that observation was made in the book. And that is that I share a belief along with my co-author, Harvard professor, Linda Bilmes, that there are opportunities in this process to streamline it, to make it better, to serve veterans more efficiently and effectively and that one of the ways that we can make that process more streamlined is to recognize when additional tasks add no value to a process.

So, if it is the case that some significant percentage of applications that are put into a process where an individual has requested a particular outcome, in fact, have no additional value added provided by the organization reviewing them, that is a candidate—in my experience in a business process redesign world—to shed. It is to recognize that there is an opportunity to move that process forward more quickly because we do not have to expend the resources to make that happen.

Chairman AKAKA. That is great.

Despite the historic increases in VA's budget and the need to quickly bring on new staff, I understand that all new hiring decisions in VHA are being reviewed by the incumbent VHA leadership through a human resources committee. I have been told that the local managers are being asked to provide lengthy justifications for new hires with a focus of potentially contracting the position out. What is your view of this process?

Mr. GOULD. Mr. Chairman, obviously, one of the most sensitive sets of decisions that can be made in an agency in government is who to hire and when, by what criteria we make that decision. And, under Title 5, there are a set of strict standards about how that should be done, particularly with respect to our career civil servants who, in my view, should be protected.

You are raising new information to me. Frankly, I was unaware that there was that kind of control being exercised. And, with your permission, I would like to, if confirmed, have the opportunity to dig into that, get an answer back to you that would reflect more of the facts on the ground.

Chairman AKAKA. Thank you for that.

Now let me move to training, Mr. Gould. Training and retraining staff is an absolutely necessary and worthy endeavor, but it is expensive both in terms of direct costs and opportunities lost. How do you believe VA's workforce should be trained, with these concerns in mind?

Mr. GOULD. Mr. Chairman, you have seen me levitate about six inches off the chair on that issue, and you would be right. I do not think many people in our country understand that government spends \$700 billion a year—a year—on personnel. That is like one TARP going out of government every 12 months, and yet we spend about $\frac{1}{3}$ of the amount of money that the private sector does on training.

To me, it stands to reason that if you are going to have all those people and you are going to ask them to do new things and respond to new technology and redesign and transform and you are really putting a lot of challenges at them, then, at a minimum, government—in our case, for our conversation here today, VA—has an obligation to invest in our career civil servants to provide them training.

The point of the question, obviously, is how do you do that and where do you come up with the money to make that happen? That is where Congress comes in. And I hope and believe that Secretary Shinseki and I will have an opportunity, if confirmed, to make that business case.

I would point out that in the book we make an economic argument on just those grounds. How is it that additional money to train can result in cost savings, cost avoidance and better performance down the road and that we ought to be making those investments now?

It is the same logic that we use for our veterans for education and training and vocational rehab and so on. We are reaching out. We are investing in them, in the hope and belief that they will contribute back to society, have richer lives as a result of that. Analogously, I think a career civil servant is in that same position, that

our investment in them can create value for our country down the road.

Chairman AKAKA. Thank you very much.

Senator Tester, any further questions?

Senator TESTER. No further question. Thank you, Mr. Chairman.

Chairman AKAKA. Well, I want to thank you very much. You have responded real well. We are looking forward to moving you. I hear our Ranking Member about moving this as quickly as we can, and we certainly will.

I thank you so much, and it is great to have your family here.

It is good to be looking forward to the 21st Century and what we can do for our veterans, and that is what this Committee is all about too. As was mentioned by our Ranking Member, we certainly want to move the impediments or whatever obstacles there may be that would prevent improvement and progress and work together with you and Secretary Shinseki, the VSOs, and all those who are concerned about veterans.

So, thank you very much for being here. Thank you and aloha to you and your family.

Mr. GOULD. Thank you so much. You made us feel very welcome.

Thank you, Senator Burr.

Thank you, Senator Tester.

[Recess.]

Chairman AKAKA. The Senate Committee on Veterans' Affairs will be in order.

We will move now to the nomination of Tammy Duckworth to be the Assistant Secretary for Public and Intergovernmental Affairs within the Department of Veterans Affairs.

**STATEMENT OF HON. DANIEL K. AKAKA, CHAIRMAN,
U.S. SENATOR FROM HAWAII**

Chairman AKAKA. I want to say aloha and welcome to you, Ms. Duckworth. You are no stranger to this Committee. You have been here many times, most recently in November 2007 when you offered your thoughts on the issue of seamless transition. As someone with deep roots in my home State of Hawaii, I know that you bring the spirit of aloha which will serve you well if confirmed by the Senate.

As part of the newest generation of veterans, Ms. Duckworth continues to triumph over obstacles in her way. She demonstrates on a daily basis the strength and courage that marks the best of this new class of American servicemembers.

In many respects, the Assistant Secretary for Public and Intergovernmental Affairs is the public face of VA. When there is good news to be shared, this person advises and represents the Secretary. When there is unpleasant news for which VA must take responsibility—and we all know that there will be—this is the person who must step forward and make every effort to be open and honest with the public. There must be trust and confidence in VA if it is to serve the veterans effectively.

We recently heard of instances in Florida and Tennessee where thousands of veterans were potentially exposed to infections following colonoscopy procedures. There are serious situations, and

these are serious. I have asked the Inspector General to investigate the facts and circumstances.

As upsetting as such mistakes are, the public's trust in VA comes from its willingness to disclose those errors and to work to fix them. I have no doubt there are private sector health care institutions making the same types of mistakes, but we simply do not hear about them in the same way. When there is a problem at one or two VA facilities, it can tar the entire VA system.

VA's constituency ranges from those who, like me, started during World War II, to the newest generation of veterans returning from Iraq and Afghanistan. VA beneficiaries live in urban areas, in remote and rural areas, and everywhere in between. Some veterans return from service with no scars. Others have lost limbs or suffer from the invisible wounds of PTSD. When we talk about reaching all veterans, there must be an effort to include their families as well.

In addition to being the public face, the Assistant Secretary also represents VA across the entire Federal Government as well as with State and local governments. If confirmed, Ms. Duckworth will need to interact effectively with many agencies, from DOD to SBA, to represent the issues and interests of veterans including on matters such as homelessness, unemployment, housing, disability policy and health care.

Undoubtedly, this is an important job, and I look forward to your testimony and hearing about your plans.

At this time, I would like to yield to my Ranking Member, Senator Burr, for his opening statement.

**STATEMENT OF HON. RICHARD BURR, RANKING MEMBER,
U.S. SENATOR FROM NORTH CAROLINA**

Senator BURR. Thank you, Mr. Chairman.

Major Duckworth, welcome. We look forward to the opportunity to share some time with you, and you could not have a more standup person, I think, to introduce you than the guy to your right and to our left. We welcome our colleague, Dick Durbin.

The position you seek is one of the most important roles in ensuring that veterans and their families are being well served by the VA. As the Assistant Secretary of Public and Intergovernmental Affairs, one of your most important responsibilities is to provide veterans and, more importantly, their families with up-to-date information about VA activities, benefits, and services. This is critical because VA programs cannot help improve the lives of veterans if veterans do not know about them.

In this role, you would be responsible for fostering partnerships with organizations around the country that are willing to work with VA in carrying out its noble mission. We have veterans in all corners of the Nation including very rural areas, and many could benefit tremendously from these efforts.

Mr. Chairman, I intend to have several written questions that I am going to give Major Duckworth to clarify for me some things on the Committee questionnaire which I am not going to ask in today's hearing. I have some general questions that I will ask.

I look forward to hearing more about your thoughts on how we take the VA forward, how we make sure that we share with the

veterans and, more importantly, the communities that they come from of the wide array of services that the VA has provided for them, and, hopefully, that they can then utilize.

I thank you for being here, and I thank you, Mr. Chairman.

Chairman AKAKA. Thank you.

At this time, I would like to ask for the introduction of the Senators from Illinois, and I would like to now recognize the honorable and distinguished Assistant Majority Leader and Senior Senator from Illinois, who is joining us this morning to introduce the nominee to the Committee. I welcome Senator Durbin. We have had a long relationship beginning from the House, and it has been a good one.

Senator DURBIN. It sure has.

Chairman AKAKA. And I look forward to that continuing. So, Senator Durbin, aloha and welcome, and we look forward to your statement.

**STATEMENT OF HON. RICHARD J. DURBIN, A UNITED STATES
SENATOR FROM THE STATE OF ILLINOIS**

Senator DURBIN. Chairman Akaka, thank you very much for giving me this opportunity to introduce Tammy Duckworth as a nominee for the Veterans Administration Assistant Secretary of Public and Intergovernmental Affairs.

Senator Burr, thanks for those kind words.

And, to my colleague, Senator Burr, good to see you and Senator Tester. I would say to all of the Members of the Veterans' Affairs Committee, this is a rare opportunity to be part of the appointment of someone of real quality, who can serve this Nation as she has so many times before.

Four years ago, in 2005, we had an occasion that President Bush gave the State of the Union Address. We each get a couple of tickets for people/visitors to sit in the gallery for that historic moment. We have made a tradition in our office to call Walter Reed hospital and ask: Are there any Illinois vets who can come in and take these seats? We would like to have them come by.

And so, that night of the President's State of the Union Address, I was told that there were, in fact, two people coming from Illinois, Major Tammy Duckworth and her husband, Bryan Bowsbey, both of whom were members of the Illinois National Guard. I had never met her before. She literally came rolling into the office in full dress uniform and then told me her story.

Ten weeks before, Tammy Duckworth had been an activated member of the Illinois National Guard and was piloting a helicopter over Iraq when a rocket-propelled grenade was shot into the cockpit and exploded. As a result, Tammy lost both of her legs, and her right arm was shattered to the point there was a serious question as to whether or not she would be able to keep that arm and use it in the future.

When I heard that story, I could not believe it because she was sitting in front of me with this big smile on her face, 10 weeks after being shot down, after going through countless surgeries, and she seemed to be as happy and composed as any person I had ever seen—her husband right by her side pushing the wheelchair.

I did not realize until long afterwards that she had an IV running under her dress uniform coat which was the only way that she could come and visit that night, and it had to be changed by Bryan during the course of the evening. But, for her, it was a big smile and a welcome to everyone.

A reporter came in, Lynn Sweet of the *Chicago Sun-Times* and asked Major Duckworth a hard question. She said: Major Duckworth, what do you think of these people who are protesting against this war, who say it was a mistake, we should not have gone to war. After what you have been through, what do you think of these people?

And she said, is not that why we are fighting this war, so that Americans can express their point of view and have freedom of speech?

I was taken aback by that answer. I could not believe the insight and courage that that answer entailed that she gave, and I thought to myself, this is a special person.

I did not know her full family background at the time, but she was born into a military tradition. She is the daughter of a Marine. She is a second generation Purple Heart recipient in her family.

After completing his service, Tammy's father worked for the United Nations. Tammy spent her childhood, much of it, growing up in Southeast Asia before arriving in Hawaii at the age of 16.

She started her military career in 1990, joining the ROTC in graduate school. She was commissioned in the Army Reserve in 1992. She completed helicopter flight school, joining the Illinois National Guard in 1996.

In her civilian career, she has worked on lung cancer prevention at Northern Illinois University Center for Nursing Research and was a Global Manager for Rotary International. In 2004, she was a doctoral student when she requested to be deployed to Iraq. And it was on the afternoon of November 12, 2004, while she was on her last mission of the day in Baghdad when her helicopter was shot down.

She made it out of that helicopter somehow. I have had a chance to meet her co-pilot that day. The whole crew was just heroic, bringing that helicopter down safely and transferring her. Her next memory, she says, was waking up at Walter Reed with her husband, Bryan, also a member of the Illinois National Guard, by her side.

I told you about the grievous injuries which she suffered as a result of it. I met her while she was recovering, and I thought to myself, I want to know this person more. This is an exceptional person.

I kept in touch with her. A few months later, in a very weak moment, I made a phone call to her and said, would you consider running for Congress?

She did not say no. She said, I want to think about it.

I said, OK.

She talked it over with Bryan and called me back and said she was going to make the race.

Well, she did not win that race, but she was heroic again in the effort that she made. Fortunately, for her, the Governor of our State turned to her and asked her if she would become the Director

of the Illinois Department of Veterans Affairs, and then she took up that spot in November 2006.

She has done some amazing things there: the Illinois Warriors Assistance Program, requiring additional screening for PTSD and Traumatic Brain Injury; the GI Loan for Heroes mortgage loan program; the Vetscash Grant Program, which provides over \$5 million in grants to veterans service organizations; Veterans Adaptive Activities Day. The list goes on.

She has been totally committed to her fellow veterans and to public service. She has been recognized with the Leadership Conference on Civil Rights Hubert Humphrey Award, a recipient in 2007 along with President William Clinton and the late historian, John Hope Franklin. She has received the Access Living Disability Leader of the Year Award in 2007, was the DAV Disabled Veteran of the Year in 2008 and received the AMVETS Silver Helmet Award in 2009.

Now she has been called into service again by President Obama who is asking her join an extraordinary team at the Veterans Administration, facing extraordinary and historic challenges. She is a person for that job. I have known that from the minute that I met her. I know that she is going to fight for veterans with every ounce of her being and every ounce of her strength.

I know that she, having seen her husband deployed after she returned, knows the sacrifices made by families. Here was Tammy living alone in her situation where she needs a helping hand. Her husband is deployed, and he goes without complaint. They understood what service meant, both in her life and in his life.

He could not be here today because he is at Ft. Gordon, which Tammy will explain. He is on military assignment at this moment, and cannot be with her.

I am just going to close by saying a few words in closing. She had the courage to serve. She had the courage to come home and battle her wounds. And, she has had the courage to carry on in a life of public service. We are blessed in America to have people like Tammy Duckworth.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Durbin.

Now I would like to recognize our newest Committee Member, Senator Burris, for any introductory remarks you would like to make on behalf of Major Duckworth.

**STATEMENT OF HON. ROLAND W. BURRIS,
U.S. SENATOR FROM ILLINOIS**

Senator BURRIS. Thank you, Mr. Chairman, Ranking Member Burr, colleague Tester. I would like to thank you for the time to address this Committee about a good fellow Illinoisan who settled in our great State, Major Tammy Duckworth.

And, we are happy for it, Tammy.

As we consider her nomination for Assistant Secretary for Public and Intergovernmental Affairs for the Department of Veterans Affairs, I would also like to thank my Senior Senator, Senator Durbin, for providing such a fine introduction.

The Department of Veterans Affairs is at a crucial juncture in our history, transitioning from one generation to the next with

changing demographics and shifting priorities. It is a mission of this Committee to ensure that in the nomination process we confirm nominees that will best serve the needs of America's veterans.

I can think of no candidate more deserving of this position or more qualified to help lead the Department of Veterans Affairs than Major Tammy Duckworth. As a member of the ROTC since 1990, the Major has been instrumental in opening doors and leading the way.

After becoming a commissioned officer in the U.S. Army Reserves, Major Duckworth decided to fly helicopters because it was one of the few combat jobs open to women, and she served her country with distinction. For her service in Iraq, Major Duckworth received a Purple Heart, and while recuperating at Walter Reed Center she was presented with an Air Medal and the Army Commendation Medal.

Her service and her sacrifice alone recommend Major Duckworth to lead at the Department of Veterans Affairs, but it is the strength of her ideas and commitment to her fellow veterans that most strongly qualifies her for this post, Mr. Chairman.

Her work as the Director of the Illinois Department of Veterans Affairs was marked by innovation and extraordinary outreach to make programs and resources more accessible for the veteran community, a commitment we will hear reinforced in Major Duckworth's statements today. While the head of the Department, she put in place State programs that offered tax credits for employers who hired veterans of Iraq, Afghanistan and Desert Storm, worked to provide State grants to service organizations benefiting veterans issues and secured backing for below-market mortgages for veterans.

Major Duckworth was also honored by Chicago Access for Living for her extraordinary commitment to veterans with disabilities.

This is the type of leader we need in the Department of Veterans Affairs today because there is just so much that we need to correct in that Department. I am grateful that President Obama has put his faith in Major Duckworth's candidacy, and I know the Department of Veterans Affairs will make great progress under her steady, capable, committed and unwavering leadership.

Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Burriss.

Now I would like to call on Senator Tester for his statement.

**STATEMENT OF HON. JON TESTER,
U.S. SENATOR FROM MONTANA**

Senator TESTER. Well, thank you, Mr. Chairman.

I am going to start with an apology because I am going to have to leave before I get the opportunity to ask you questions. So I am going to ask you questions in my opening statement, and then we will catch it on the record.

First of all, thank you for being here. Thank you for your service. Thank you for what I think will be outstanding service in the VA once you get confirmed.

And, along those lines, Mr. Chairman, I have had Tammy in my front. We have talked about her vision for the VA, and I would

hope that her and Dr. Gould's confirmations would be expedited with the Ranking Member's agreement to that.

So, a couple things, the VA is pretty much a passive system as far as reaching out and letting people know what their benefits are. We have millions of veterans out there that are qualified for benefits that do not get them. I am curious to know how you are going to reach out to those veterans in rural areas—in a State like Montana, that is critically important—female veterans, Native American vets, as there is a high number of them.

The other issue that is very, very important to me is the number of embarrassing issues that have come up in the VA. Whether it is inaccurate suicide data—that comes to mind right off the top—or other things, how are you going to deal with those issues that are very, very uncomfortable and are you willing to tell the leadership in the VA? If they come down and say you know we want to soft pedal this, you say: Now, hold it. The truth will set you free. We need to tell the truth on this stuff.

So I would hope that you would do that as you move forward and how you would integrate yourself into that.

With that, Mr. Chairman, I do have to leave, but I just want to thank, once again, Ms. Duckworth for being here today, and I look forward to working with her for the benefit of veterans throughout this country.

Chairman AKAKA. Thank you very much, Senator Tester, for your statement.

Now, Ms. Duckworth, I will administer the oath to you at this time and ask you to raise your right hand.

Do you solemnly swear or affirm that the testimony you are about to give, as well as any answers to any pre and post hearing questions, before the Senate Committee on Veterans' Affairs, will be the truth, the whole truth and nothing but the truth, so help you God?

Major DUCKWORTH. I do.

Chairman AKAKA. Let the record note that the witness answered in the affirmative.

Major Duckworth, I would like to ask you at this time to introduce your family or your friends who are here.

Major DUCKWORTH. Thank you, Mr. Chairman.

I have six members of what I call my extended family. They are my friends who are here with me: starting with Colonel Michael Yap, retired, a good friend from Hawaii originally. He and his wife started visiting me at Walter Reed when I was first injured.

I have also Mr. Tom Porter, Korean War Veteran who started visiting me before I even woke up from my medically-induced coma at Walter Reed. He is a double amputee who is there to tell the troops at Walter Reed every single Tuesday and Thursday, without fail, that life goes on and you can have a wonderful, wonderful career after you lose your legs. So he was my beacon when I had no hope.

Jim Mayer, the Milkshake Man, a Vietnam veteran, a double amputee, he has walked the halls of Walter Reed for many, many years. He is a former VA employee handing out milkshakes because he knows that when an American GI cannot keep down any food because of their medication, they will suck down a milkshake.

Also, I have Mr. Brian Clauss and Mr. Joe Butler from the John Marshall Law School in Chicago where one of the last things we were able to do at the State of Illinois was establish a veterans legal assistance clinic with law students—a very successful program. They have recently written a textbook on how to establish similar programs across the country.

Did I get everyone? I think so.

Chairman AKAKA. Thank you very much for those introductions and welcome to all of you to the Committee.

At this time, I would like to ask you to proceed with your statement.

STATEMENT OF L. TAMMY DUCKWORTH, DESIGNATE TO BE ASSISTANT SECRETARY OF VETERANS AFFAIRS FOR PUBLIC AND INTERGOVERNMENTAL AFFAIRS, DEPARTMENT OF VETERANS AFFAIRS

Major DUCKWORTH. Thank you, Mr. Chairman, and aloha, mahalo nui loa.

Chairman AKAKA. Aloha.

Major DUCKWORTH. And Ranking Member Burr and distinguished Members of the Committee, thank you for the opportunity to come before you today. I am deeply honored and humbled that President Obama has given me this opportunity to serve our Nation's veterans.

Since my time at Walter Reed, when this Committee first called on me to testify—while I was still a patient—on behalf of my fellow wounded warriors, I have been privileged to answer your questions and assist you in caring for our brave military men and women. I plan on continuing this important partnership with you in my new role at the U.S. Department of Veterans Affairs, should I be confirmed.

A significant part of my duties will be to transform the public affairs function at the Department of Veterans Affairs to fulfill President Obama's and Secretary Shinseki's commitment to a 21st Century agency with candor, transparency and integrity. Not only will we be responsive to this Committee's concerns, we will also be proactive in communicating with you and with our Veterans.

In order to become a 21st Century organization, we will have to change some past methods used in communicating with outside organizations whether they are other government agencies, the media, the legislature or, most importantly, our veterans.

The things that VA already does well, we will continue. However, with the changing demographics of our veteran population, the VA will need to develop the communication strategies that best reach our newest veterans where they live, work and play. It is no longer enough to hand out brochures at demobilization ceremonies. We must develop social networking strategies, non-traditional outlets such as blogs and use a wide variety of new media available to get the message of available benefits out to our veterans.

Just as our Nation learned from our Vietnam veterans that we must love the warrior regardless of our personal stand on the war, we must also learn the lesson of how Department of Veterans Affairs lost contact with so many Vietnam veterans and apply those lessons today. We are in a critical time when we still have the abil-

ity to reach out to the generation of post-9/11 veterans. If we send the message incorrectly, we risk angering or disappointing these vets to the point of their turning their backs on the VA, as was the case of so many of the Vietnam generation.

The upcoming roll-out of the Post-9/11 GI Bill is a critical example. If our vets are not given the correct information on qualifications and application processes, they will become frustrated and have their worst stereotypes of the VA bureaucracy reinforced. Most tragically, if we do not reach out in the correct way to our veterans suffering from Traumatic Brain Injury and Post Traumatic Stress Disorder, they will turn away and not access the care that they need for these wounds.

The second component of my position at VA will be to develop partnerships with other Federal and State agencies as well as with non-governmental organizations. In my past work with Veterans, I recognize that the greatest frustration with the VA is not the quality of the care that is provided. In fact, VA medical care is among the best in the country. The frustration is with gaining access to that care.

Local governmental agencies will become an ally with the Department of Veterans Affairs in helping our vets negotiate that process of accessing and qualifying for VA benefits. In my new job, I hope to use my past experience and relationships with the State Directors of Veterans Affairs, with county veteran service officers, with veteran service organizations as well as with organizations that have not traditionally had a relationship with the VA, such as community service organizations like Rotary International and Lions Clubs or faith-based organizations.

If VA cannot be in every store front of every hometown across America, we will find partners who are and who can help us distribute the tools that our veterans need to gain access to the health care and benefits that they have earned through their service.

No veteran should ever have his access to VA services blocked because of geography. If it did not matter where I lived and where my hometown was when I enlisted, where I live now should not prevent me from getting the VA services that I need and earned. Intergovernmental partnerships will be key in keeping our Nation's obligations to our veterans.

In the Army, my job did not start and end with flying helicopters. My job was to carry out the mission assigned to me and to take care of my soldiers. I view this opportunity to serve in the Department of Veterans Affairs the same way. I am nominated to be Assistant Secretary for Public and Intergovernmental Affairs, but ultimately my job will be to support the mission of serving our veterans.

I live every day knowing that I should have died in that dusty field north of Baghdad, and I am surviving only because my buddies would not leave me behind. I intend to honor their heroism by doing everything that I can to make sure that this Nation stands by those who serve and leaves no veteran behind.

Thank you for this opportunity to come before you today, and God bless our troops who are in harm's way around the world today.

Thank you, sir.

[The prepared statement of Major Duckworth follows:]

PREPARED STATEMENT OF L. TAMMY DUCKWORTH, NOMINEE TO BE ASSISTANT SECRETARY OF VETERANS AFFAIRS FOR PUBLIC AND INTERGOVERNMENTAL AFFAIRS

Mr. Chairman and Distinguished Members of the Committee: Thank you for the opportunity to come before you today. I am deeply honored and humbled that President Obama has given me this opportunity to serve our Nation's Veterans. Since my time at Walter Reed, when this Committee first called on me to testify on behalf of my fellow Wounded Warriors, I have been privileged to answer your questions and assist you in caring for our brave military men and women. I plan to continue this important partnership with you in my new role at the US Department of Veterans Affairs.

A significant part of my duties will be to transform the Public Affairs functions at the Department of Veterans Affairs to fulfill President Obama's and Secretary Shinseki's commitment to a 21st Century agency with candor, transparency and integrity. Not only will DVA be responsive to this Committee's concerns, the Department will also be proactive in communicating with you, and with our Veterans. In order to become a 21st Century organization, DVA will have to change some past methods used to communicate with other government agencies, the Congress, the media, and most importantly, our Veterans. The things that DVA already does well, we will continue. However, with the changing demographics of our Veteran population, we will develop the communication strategies that best reach our newest Veterans where they live, work and play. It is no longer enough to hand out brochures at demobilization ceremonies. We must develop social networking strategies, use non-traditional outlets such as blogs, and employ the wide variety of new media available to get the message of available benefits to our Veterans.

Just as our Nation learned from our Vietnam Veterans that we must love the Warrior regardless of our personal stand on the war, we must also learn the lesson of how DVA lost contact with so many Vietnam Veterans and apply that lesson today. We are in a critical time when we still have the ability to reach out to the generation of post-9/11 Veterans. If we send the message incorrectly, we risk angering or disappointing these Vets to the point where they turn their backs on VA, as so many did after Vietnam. The upcoming roll-out of the Post-9/11 GI Bill is a critical example. If our Vets are not given the correct information on qualifications and application processes, they will become frustrated and have their worst stereotypes of the DVA bureaucracy reinforced. Most tragically, if we do not reach out in the correct way to our Veterans suffering from Traumatic Brain Injury and Post Traumatic Stress Disorder, they will turn away and not access the care that they need for these wounds.

The second component of my position at DVA will be to develop partnerships with other Federal and state agencies as well as with non-governmental organizations. As a result of my past work with Veterans, I recognize that the greatest frustration with DVA is not the quality of the care provided. In fact, DVA medical care is among the best in the country. The frustration is with gaining access to that care.

Local governmental agencies should become allies with the Department of Veterans Affairs in helping our Veterans access their DVA benefits. In my new job, I will use my past experience and relationships with the State Directors of Veterans Affairs, with County Veteran Service Officers, with Veteran Service Organizations as well as with organizations that have not traditionally partnered with DVA, such as Rotary International or the Lions Clubs. If DVA cannot be in every storefront of every hometown across America, we will find partners who are and who can help us distribute the tools that our Veterans need to gain access to the healthcare and benefits that they have earned through their service. No Veteran should ever have his access to DVA services blocked because of geography. Just as it did not matter where my hometown was when I enlisted, where I live now should not prevent me from getting the DVA services that I need and earned. Intergovernmental partnerships will be key in fulfilling our Nation's obligations to our Veterans.

In the Army, my job did not start and end with flying helicopters. My job was to carry out the mission assigned to me and to take care of my Soldiers. I view this opportunity to serve in the Department of Veterans Affairs the same way. I am nominated to be Assistant Secretary for Public and Intergovernmental Affairs, but ultimately my job will be to support the mission of serving our Veterans. I live every day knowing that I should have died in that dusty field north of Baghdad and am alive today only because my buddies would not leave me behind. I intend to honor their heroism by doing everything that I can to make sure that this Nation stands by those who have served and leaves no Veteran behind. Thank you for this oppor-

tunity to come before you today, and God Bless our troops who are in harm's way around the world.

I am happy to answer any questions you may have.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO L. TAMMY DUCKWORTH, NOMINEE TO BE ASSISTANT SECRETARY OF VETERANS AFFAIRS FOR PUBLIC AND INTERGOVERNMENTAL AFFAIRS

Question 1. Have you discussed with Secretary Shinseki, and with Deputy Secretary-designate Gould, the duties and the role you would assume as Assistant Secretary for Public and intergovernmental Affairs if you are confirmed? If so, what specific areas of the job were discussed?

Response. I have discussed the duties of my position with Secretary Shinseki. Specifically, the Secretary emphasized that in addition to being a key spokesperson for the Agency, my job also entails outreach to Veterans and intergovernmental groups. The Secretary stressed to me the importance of building relationships between the DVA and state and municipal governments as well as with non-governmental organizations. In my conversations with Deputy Secretary-designate Gould, we discussed my role in communicating the President's and the Secretary's message to Veterans that the DVA is here to serve them and to make them aware of all the benefits to which they are entitled.

Question 2. Do you anticipate having a policymaking role if you are confirmed?

Response. If asked by the Secretary or the Deputy Secretary to provide advice on policy, I will make sure to do so. I believe that I can be a valuable resource for the SECVA, DEPSEC, and the COS, especially when it comes to insight on our War Wounded, the needs of young Veterans, and partnerships with State governments.

Question 3. Have you formulated any thoughts on what your new job responsibilities will be and how you will approach those responsibilities if confirmed?

Response. If confirmed, my first responsibility will be to serve the President and the Secretary. I will take their lead as to my role and capacity within the Department. I see my role as an integral part of the senior management team consisting of two main components:

a. Public Affairs and Intergovernmental Affairs. In this capacity, I see my main focus as emphasizing outreach to our Veterans, an effort just as important, if not more so, than outreach to media and other institutions. I understand that Public Affairs is responsible for all of the DVA's communications and is therefore the leader in efforts to communicate to our Veterans.

b. Building Partnerships. I see the second critical component of my job as strengthening existing partnerships and forming new partnerships with organizations around the Nation that serve our Veterans. Under the direction of the Secretary, I plan to identify Federal agencies, local governments, and non-governmental organizations that share our goal of better serving Veterans, and then to work with these partners to achieve our shared goal.

Question 4. If confirmed, what would you most like to accomplish in your new position? What would you hope your legacy to the Department would be?

Response. If confirmed, I would most like to develop the DVA's methods for communicating with Veterans and to establish relationships with organizations that seek to better serve Veterans. I want to provide insight and guidance on how to develop the DVA's use of new media to bring our young Veterans into the DVA family. The Vietnam Veteran generation taught us the valuable lesson that we have a limited period of time when our Veterans return home to reach out to them and enroll them into DVA services. We must be careful in how we communicate so that we do not lose the latest generation of Veterans, as we lost so many Vietnam Veterans. We must never again miss the opportunities we lost after Vietnam. Finally, I hope that my legacy will be one of a facilitator, expanding services to our clients by bringing together organizations that may never have partnered with one another in their efforts to serve Veterans.

Question 5. How would you describe your management style and how is it suited to this particular position?

Response. My management style is based on my military training. It is my responsibility to make sure that members of my staff have the knowledge and tools to complete the tasks I delegate to them. While I will delegate authority to perform certain functions, the responsibility of all that occurs in my department remains with me. If confirmed, I intend to always give my staff a clear mission and intent for accomplishing that mission. As in my piloting days, I am a hands-on leader and manager, and I will roll up my sleeves to work alongside my people—without doing

their jobs for them. Ultimately, a successful team is one with clear leadership as well as trust and confidence between and among all of the team members. As we say in the Army, "One Team One Fight."

Question 6. How does your experience as Director of the Illinois Department of Veterans Affairs contribute to your qualifications for this new position?

Response. My work at the State of Illinois gave me experience running a government agency. Prior to that job, my background has been in not-for-profit corporations and the military. Running one of the largest state Veterans' agencies in the country gave me a diverse tool set for work at the Federal level. The State of Illinois Dept. of Veterans Affairs had a budget of \$105 million, 1200 employees, 51 offices, four Veterans' Homes, a Homeless Veterans program, as well as numerous boards and advisory committees. In the two years that I served at IDVA, working with a bipartisan group of legislators, we implemented over \$70 million in new initiatives, many of which were the first of their kind in the Nation. These included new programs for Mortgage Loans, Homelessness, PTSD, and TBI.

I am also very proud of our work in reaching out to non-governmental organizations. Using the revenue-neutral Vets Cash Grant Program, we gave out over 80 grants to organizations that assist Veterans with services ranging from free dental care to transportation and homeless programs. We used the grant program to help establish Veterans Legal Assistance services at the John Marshall Law School and at Southern Illinois University. As a result, John Marshall Law School has written a textbook explaining how to establish and run Veterans Legal Assistance Centers that will be used by other law schools across the country.

One of my last projects as Director was to help establish a Veterans Court system in Chicago to divert Veterans suffering from PTSD and TBI into counseling and treatment programs instead of incarceration. We also turned to the state networks specializing in TBI and PTSD to create the Illinois Warrior Assistance Program. By partnering with the Rehabilitation Institute of Chicago and asking for assistance from the Illinois Brain Injury Association, we tapped into civilian expertise on these conditions and developed a training program on PTSD and TBI from military trauma that we then used to create our unique program to treat and screen Illinois' Veterans. The training program is used to train medical professionals throughout Illinois, which is a largely rural state, so that Veterans can access appropriate, trained care near their homes. The Illinois Warrior Assistance Program provides resources from counseling to pharmaceuticals and brain surgery to all Illinois Veterans who do not have access to Federal DVA resources, live more than 75 miles away from a VA facility, or must wait more than three weeks for a DVA appointment. The program now screens 100% of all redeploying National Guardsmen. Veterans or family members from any era can pick up the phone 24 hours a day to call our counseling hotline. When they do so, the phone is answered by a trained counselor with a Masters degree instead of a phone tree, as is the case with many hotlines.

I am obviously proud of all that we have accomplished in Illinois. However, I understand that we can always do more to serve our Veterans. I intend to take what I learned in Illinois and bring it to the DVA. My job will be to use all my experiences to assist the Secretary as he carries out the transformation of the Department into a 21st century organization that provides services and benefits equal to our Veterans' sacrifices.

Question 7. "A VA for the 21st Century" has been a rhetorical slogan for many in recent years. However, as we near the end of the first decade of the century, it seems that that goal is still quite far away. How do you view your role in moving VA forward in this regard?

Response. If confirmed, I will view my role as a right hand of support for Secretary Shinseki and his Deputy Secretary. I will assist them in achieving the mission of moving the DVA forward into the 21st century. First, with the direction I am given I will present new forms of communication with Veterans, building on existing methods. We need to reach out to Vets where they live, work, and play. That will involve social networking, a more extensive web presence, as well as reaching into communities across America regardless of their size or isolation. In order to do so, the DVA can partner with local organizations that have a presence in these locations, whether they are a local post of a Veterans Service Organization or a branch of local government. Second, I will echo Secretary Shinseki's message that the DVA health care system is among the best in the Nation. Many perceive the DVA as overly bureaucratic and difficult to access. What is less known is the excellent quality of DVA health care and benefits. In my daily external communication, I intend make it common knowledge, especially among Veterans, that the DVA is above the best when it comes to caring for Veterans. The goal is to attract Veterans to re-

engage with the DVA and access the services that they have earned through their military service.

Question 8. As the official who will be responsible for the public face of the Department, you most likely will need to deal with situations where an incident at one VA facility generates substantial negative press and public interest that seems to tarnish the entire Department. How would you respond to such an incident?

Response. President Obama and Secretary Shinseki have made it clear that this administration will be transparent and accessible. I will work closely with my counterparts to make sure that there is an accurate and transparent accounting of any incident that may occur.

Question 9. One of the issues which you sought to address during your time in Illinois was outreach to veterans in order to make sure that they were aware of their benefits and their eligibility for services. As the individual responsible for public affairs for VA you will be in the position to make a significant impact in this regard. Assuming that you agree that VA needs to be more aggressive in this area, what is your thinking as to what you will be able to accomplish as Assistant Secretary?

Response. Under the guidance of SECVA, DEPSEC and the COS, I look forward to creating a forward-thinking strategic communications plan that includes outreach efforts with VSO's, various service organizations, traditional media, and new media.

Question 10. I am particularly interested in addressing the needs of the members of the National Guard and Reserves who return from deployments and often return to their communities without being aware of the services and benefits to which they may be entitled and for which they may be in need of—for example, PTSD counseling. As a member of the National Guard, you surely are aware of the unique issues involved in reaching out to these men and women. What thoughts do you have on ways in which the VA can do a better job of meeting the needs of a Guard member returning to Kaua'i, for example?

Response. One of my great frustrations as a state Director of Veterans Affairs was the difficulty in partnering with the DVA. It often appeared that the DVA was primarily interested in inspecting and making demands but was often unwilling or unable to lend a hand in making connections with DOD. Secretary Shinseki has already begun to remedy this, having had several meetings with Secretary Gates on this issue. My experience is that one of the best and easiest things that can be done is to enter into a partnership with the National Guard and Reserves. In Illinois, I was able to reach out to the Department of Military Affairs and enter into memorandums of agreement so that I could have Service Officers present at the reintegration events. We made it mandatory for 100% of all Illinois Guardsmen to take the Illinois Warrior Assistance TBI/PTSD screen. By making it mandatory, we eliminated the stigma of singling out individuals for the screening. Partnering with state and local institutions is vital to reaching out to serve our Guardsmen and Reservists. At one time, over 50% of the forces on the ground in Iraq were Guard or Reserves. Our Nation's military can no longer be effective without our Citizen Soldiers. In this new reality it is no longer acceptable to leave them without services simply because they do not live near a DOD or DVA facility. We must understand that though the DVA cannot be everywhere, we can certainly reach out to and partner with organizations that have a presence in hometowns across America.

Question 11. As you are well aware, our shared home state of Hawaii has some isolated veteran communities on the neighbor islands. Other Members of the Committee represent states that have significant rural and isolated veteran populations. What new strategies do you believe could be implemented to ensure effective communication with veterans living in rural communities?

Response. In addition to the existing communications programs, I feel strongly that we should look to new media solutions to communicate with our Veterans. The DVA's Web page could be updated and additional information incorporated on the site to answer questions that are not currently being answered. The goal would be to create a comprehensive Web site that will provide guidance on all DVA resources, and also help direct Veterans to other avenues they might want to explore. The DVA site could serve as a one-stop shopping location for our clients. I learned from my time in the State of Illinois that nothing beats having a real live human being present to answer questions and even to handle problems on the spot. Under the direction of Secretary Shinseki I plan to explore the possibility of having itinerant or periodic visits by DVA representatives to communicate the DVA's available services to isolated communities.

Question 12. It is estimated that by 2010, women are expected to represent 14% of the veteran population. Although VA has been treating women veterans for many years, we know that some women veterans are reluctant to seek care at a VA facil-

ity. What thoughts do you have on how to communicate to women veterans that VA is prepared to provide gender-specific care?

Response. I understand first hand what the ups and downs are for women within our DVA facilities. I can commiserate with women being reluctant to seek care at a DVA facility. But I also know the beauty and honor of recovering with your buddies—the men and women who understand firsthand what you experienced while at war and what you are going through in order to recover and reclaim your life. I look forward to being an advocate and helping identify how we can better serve the needs of our women Veterans.

Question 13. There are various means of communicating with different generations of veterans and their families. How can VA best communicate with the broad spectrum of the American public that the Department serves, especially with the newest veterans who rely on an array of new modes of communications? Please describe specific media outlets and other communication media that you would seek to use.

Response. Secretary Shinseki has made it clear that one of his goals is to speak to all of our Veterans. His vast experience and expertise prove that he is a tremendously effective communicator. I look forward to learning from and working with the Secretary to identify how we can best communicate the DVA's mission both internally and externally. As a previous Army Chief of Staff he knows better than most what it is going to take to communicate effectively with our younger generation of Veterans. He has made it clear that part of embracing and pursuing a 21st century DVA will be to identify the various ways our Veterans are receiving information and to ensure that the information they need is contained within those mediums. We will explore every alternative and method in order to improve communication with our clients.

Question 14. As the individual with principal responsibility for Intergovernmental Affairs at VA, if confirmed you will have a major role in coordinating many issues, responses, initiatives, and a wide variety of things with many other Federal agencies—including but not limited to employment and training with the Department of Labor, the Indian Health Service within the Department of Health and Human Services, the Small Business Administration, and many others. What are your expectations for how you will interact with these and other departments and agencies?

Response. If confirmed, it will be my responsibility to follow the direction of President Obama, Secretary Shinseki, and the Deputy Secretary of Veterans Affairs. The President and the Secretary have created a mission to bring the DVA into the 21st century, and I would be honored to be a part of that change. As a Soldier, one of the most essential lessons I learned is that when you are charged with being the principle driver of an initiative you must move forward with clear objectives and goals that are defined by your superiors and in line with achieving the organization's overall mission. I look forward to the opportunity to become a valuable asset to the DVA and an advocate for effective communication between the DVA and various other departments and agencies.

Question 15. What do you see as VA's role in working with other departments and agencies, especially HUD, through the Interagency Council on Homeless or otherwise, to address the needs of homeless veterans and their families?

Response. Currently I am not privy to the specifics of how interaction works between the DVA and various departments and agencies. However, I believe one of my first critical tasks will be to learn how the various departments and agencies interact and engage with the DVA. Next, I will need to work with the SECVA, DEPSEC and COS to evaluate what potential changes need to be made. Under the direction of the Secretary, I believe one of my key roles will be to help facilitate open, clear, and effective communication in order better serve our homeless Veterans.

Question 16. Secretary Shinseki has placed emphasis on improving the level of collaboration and cooperation between VA and DOD. What do you believe will be your role in dealing with areas of concern involving the two departments?

Response. I look forward to taking direction from Secretary Shinseki, DEPSEC, and the COS to improve VA collaboration with DOD. I believe my role will be to work with the team to help provide potential solutions as to how we can improve internal and external communications that will foster better cooperation and collaboration between the two departments.

Question 17. Do you agree to appear before the Committee at such times and concerning such matters as the Committee might request for so long as you serve in the position for which you now seek confirmation?

Response. I welcome and encourage an open discussion with the Committee. If confirmed, I look forward to sharing a common goal with you—caring for our Vet-

erans. A dialog between the Committee and the Department of Veterans Affairs will be essential. Together we can make the DVA a more effective organization that better serves our clients in a manner that our Nation expects and our Veterans deserve.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO L. TAMMY DUCKWORTH, NOMINEE TO BE ASSISTANT SECRETARY OF VETERANS AFFAIRS FOR PUBLIC AND INTERGOVERNMENTAL AFFAIRS

Question 1. As you know, the Senate Committee on Veterans' Affairs (Committee) received two versions of your "Questionnaire for Presidential Nominees," the form that the Committee requires every nominee to complete and submit. Certainly, we all make mistakes. But, given that both versions of the questionnaire were signed and notarized and will become part of the Committee's official record, I think it's worth asking you to clarify, for the record, the status of each of these versions.

A. Would you please explain why two different versions of the questionnaire were submitted to the Committee?

Response. When I first submitted the questionnaire, I was unaware of the level of detail that was being requested. When Committee staff followed up with a request for more information, I wanted to be as responsive as possible, so I submitted the second form with more detailed answers.

B. Is there any information in either of these versions (Part I or Part II) that, on a second look, you believe is not accurate? If so, would you please explain?

Response. I believe all my submissions have been accurate. However, the follow-up versions have a level of detail that the first version did not.

Question 2. In the March 18, 2009, version of the questionnaire, you responded "YES" to this question: "State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate."

Given that you also serve as a safety officer for the Illinois State Army Aviation Office, would you please also clarify whether you intend to resign from that position if confirmed?

Response. I am currently in the Illinois National Guard, and I drill as required. I currently do not receive pay from the National Guard because of restrictions with my disability pension, but I do receive retirement points toward my military retirement. I do not intend to resign from this position. I have consulted with the Department's ethics officials, and I have been advised that this does not present a conflict of interest.

Question 3. On that questionnaire, you listed three organizations for which you were a board member during the past five years. In your letter to the Assistant General Counsel and Designated Agency Ethics Official at the Department of Veterans Affairs, you stated that you have already resigned from or will, if confirmed, resign from leadership and/or board positions of two of those organizations. Your status as to the third organization was not indicated.

A. Would you please clarify whether you are currently a board member/leader of any organizations and, if so, whether you intend to remain in any such role if confirmed?

Response. If confirmed, I plan to resign from all boards of organizations I serve on, including those I serve in a purely honorary role.

B. If you do intend to remain in any such role, would you please explain the anticipated nature of your continued involvement?

Response. I do not intend to remain in such a role.

Question 4. Recently, you were a defendant in a lawsuit filed by two individuals who worked for the Illinois Department of Veterans Affairs while you were the Director. In light of the fact that the court dismissed that case without ruling on the merits, it may be helpful for the Committee to hear directly from you about what took place, so that we will have all the right facts. Would you please explain the circumstances surrounding that lawsuit?

Response. While I was Director of the State of Illinois Department of Veterans Affairs, a lawsuit was filed in Federal court against me and an administrator of one of the Illinois State Veterans Homes. The suit was brought by two employees who claimed they were punished for reporting perceived wrongdoing. They alleged First Amendment retaliation violations, state ethics violations, and intentional infliction of emotional distress. A Federal court dismissed the lawsuit, denying the First Amendment claim on the merits, and dismissing the other claims for procedural rea-

sons. *Butler v. Duckworth*, 2008 U.S. Dist. LEXIS 100747; 2008WL5221103 (S.D. Ill. 2008). Plaintiffs then filed a similar lawsuit in Illinois state court, but without the First Amendment claim. The State has filed a motion to dismiss that is pending. *Christine Butler and Denise Goins v. Tammy Duckworth*, unpublished Illinois Circuit Court case # 09L2.

Question 5. In the March 18, 2009, version of the questionnaire, you answered "NONE" to this question: "Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy." I understand that this question may have been a little unclear (and I will work with Chairman Akaka to address that situation). In the meantime, to make sure the Committee's record is complete, I'd like to follow up briefly.

A. Would you please clarify whether your answer was meant to convey that you did not engage in any such activities solely in your personal capacity or whether it also was meant to convey that you did not perform any such activities as a representative or board member of any organization?

Response. I have never been a registered lobbyist, and to the best of my knowledge, I have not worked for or advocated on behalf of any registered lobbyist organization in any capacity.

B. Although you may not have been acting as a registered lobbyist (as the questionnaire may have suggested we were inquiring about), were there any activities you engaged in to attempt to influence Federal policy over the past 10 years? If so, would you please describe any such activities?

Response. Ever since I fought and was wounded in Iraq and then spent a year in Walter Reed Army Medical Center, I have been an advocate on behalf of Veterans. I have testified in front of Congress four times. As a candidate for Congress and as the Director of Illinois Department of Veterans Affairs I continued to advocate on behalf of Veterans in any way possible so that our current and returning Veterans receive the best services possible.

Question 6. During 2008, you were mentioned as a possible candidate to be appointed to the U.S. Senate by former Governor Blagojevich. Given the controversy surrounding the filling of that Senate seat, would you please describe any discussions or involvement you had regarding the filling of that Senate seat?

Response. I had no conversations with former Governor Blagojevich regarding filling the Senate seat. I was informed by his then-chief of staff that I was under consideration, but I was never called for an interview. I have not had any contacts with former Governor Blagojevich in over seven months.

Question 7. According to a March 11, 2009, Associated Press report, "[s]ince 2005, numerous reports and even an unsuccessful attempt by [former Governor] Blagojevich to fire two personnel workers for alleged illegal hiring have revealed efforts by his administration to hire friends and contributors by skirting the high court ruling and laws giving military Veterans first chance at jobs." I have no doubt that any such hiring practice would have been offensive to you as a decorated, severely wounded combat Veteran. Would you please describe any actions you took as Director of the Illinois Department of Veterans Affairs to protect the employment rights of Veterans?

Response. One of my first acts as the Director of the Illinois Department of Veterans Affairs (IDVA) was to promote absolute Veterans Preference in the Illinois Department of Transportation (IDOT). This was an agency that often received complaints regarding the discrimination against hiring Veterans. Within the first week of taking over as Director, I had partnered with the Director of IDOT to promote a Veterans hiring event. Throughout my time at the State of Illinois, I promoted Veterans employment and pursued many avenues to ensure that both Veterans and employers were educated on Veterans' employment rights. I also advised state legislators on Veterans employment programs such as the employers' tax credit for hiring Gulf War-era Vets. Finally, I partnered with the John Marshall Law School and Southern Illinois University Law School to create pro-bono Veterans legal assistance centers that help Veterans fight for their rights.

RESPONSE TO POST-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO L. TAMMY DUCKWORTH, NOMINEE TO BE ASSISTANT SECRETARY OF VETERANS AFFAIRS FOR PUBLIC AND INTERGOVERNMENTAL AFFAIRS

As you know, the Senate Committee on Veterans' Affairs requires all nominees to complete a two-part questionnaire. From you, we received two versions of Part

I of the questionnaire and three versions of Part II. Certainly, I could understand if mistakes were made in filling out these fairly complicated forms and you needed to submit new forms to correct errors. But, in response to pre-hearing questions, you made this statement: "I believe all my submissions have been accurate."

Question A. Are you saying that all of the information contained in all three versions of the questionnaire is correct?

Response. The information contained in each version of the questionnaire was correct to the best of my knowledge at the time I submitted it. I submitted more than one version in order to immediately respond to the Committee's requests for more information. In addition, the revised questionnaire incorporates information from year-end summaries I only recently received from my financial advisors.

Question B. If so, I would ask you to explain how that is so, given that the most recent submissions appear to list assets and income streams that were not identified in the original submission and the amounts listed for certain assets, liabilities, and income streams were changed in the later versions?

Response. Initially I completed the questionnaire on my own without any guidance. Because the Committee questionnaire did not include instructions, I based my answers on my understanding of the requested information. After the Committee requested more information, I clarified my answers according to the Committee's guidance. In some instances, I listed the same assets but in different categories. In other instances, I included more detailed figures based on the Committee's requests and updated information I received from my financial advisors. On March 26, 2009, I met with majority and minority Committee staff and explained these issues in detail.

[The Committee questionnaire for Presidential nominees from Ms. Duckworth, submitted twice, follows:]

FIRST SUBMISSION OF PART I OF THE SENATE VETERANS' AFFAIRS COMMITTEE QUESTIONNAIRE WAS INCOMPLETE, BUT REMAINS PART OF THE OFFICIAL RECORD, AND IS REPRINTED IN ITS ENTIRETY

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

1. Name: Duckworth Ladda Tammy
(LAST) (FIRST) (OTHER)

2. Present Address: 1800 Bolleana Court Hoffman Estates IL 60192
(CITY) (STATE) (ZIP CODE)

3. Position to which nominated: Asst Sec of Vet Affairs, Public and Intergovernmental Affairs 4. Date of nomination: 3/16/09

5. Date of birth: 12 03 1968 6. Place of birth: Bangkok, Thailand
(DAY) (MONTH) (YEAR)

7. Marital Status: Married 8. Full name of spouse: Bryan Wood Bowsbey

9. Names and ages of children

NONE

10: Education:	Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
PhD (ABD)	Northern Illinois U., DeKalb, IL	8/91-05/02		
MA	The George Washington U., Washington, DC	8/89-7/91	MA, Internat. Affairs	Jan 92
BA	The U. of Hawaii	8/85-5/89	BA, PolSci	Jun 89

11. Honors and

awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Honors/fellowships/scholarships

- **Honorary Juris Doctorate**, The John Marshall Law School, 2009
- **National Outstanding Disabled American Veteran of the Year**, Disabled American Veterans, 2008.
- **Woman of the Year**, Asian American Bar Association of Illinois, 2008.
- **Hubert H. Humphrey Civil Rights Award**, Leadership Conference on Civil Rights (LCCR) 2007.
- **Disabled Person of the Year**, Access Living, Illinois, 2007.
- **Sen Paul Simon & Sen Paul Wellstone Awards**, U.S. Action & Citizen Action of Illinois, 2007.
- **Candidate for the United States Congress**, 6th District of Illinois, Democratic Party, 2006.
- **Secretary**, Land of Lincoln Chapter, Army Aviation Association of America. 1998-2002.
- **Full scholarship, the Council On Teaching Indonesian (COTI)**, Advanced Indonesian Abroad. 1996.
- **Foreign Language Area Studies (FLAS) fellowship** for study of SEA languages. 1992-1993, 1996-1997.
- **Smithsonian Fellow**, Department of Asian Ethnology, 1989-1991.

Military Awards/Decorations: Purple Heart, Air Medal, Meritorious Service Medal, Army Commendation Medal, Senior Aviator Badge, Aviator Badge.

12. Memberships List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
Iraq and Afghanistan Veterans of America	Board Member	2005
Vote Vets	Board Member	2008
American Legion	Member	2006
Disabled American Veterans	Life Member	2005
AMVETS	Life Member	2006
Experimental Aircraft Association	Member	2008
Veterans of Foreign Wars	Life Member	2005
Access Living	Board Member	2009

13. Employment record: List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

- 2006-Present State of Illinois: Director of Illinois Dept. of Veterans Affairs, State of Illinois. Member of Governor's Cabinet. Responsible for State Agency in charge of providing services to Veterans. Agency budget of \$105 million included operation of 4 Veterans Homes, 51 Offices and 1300 staff.
- 2001-2003 Rotary International, Manager, Club and District Administration, Asia/Pacific, Evanston, IL. Managed department providing services to all Rotary International service clubs in Asia Pacific Region. Supervised staff in Japan, S. Korea, Australia and India. Provided advice to Rotary Board and commissions on service projects and emerging nations in Asia. Helped to establish the Rotary clubs in Afghanistan and Timor Leste.
- 1998-2001 Northern Illinois University, Coordinator, Center for Nursing Research, DeKalb, IL. Managed the Center for Nursing Research. Assisted faculty in research projects. Was primary researcher on research project on environmental radon and lung cancer risk perception. Published articles in peer-reviewed nursing journals as well as textbook chapter on cancer nursing.

- 1991-1998 Graduate Assistant, Northern Illinois University, DeKalb, IL graduate Assistant, taught courses and assisted Professors in research projects.
- 1990-1991 Assistant to the Curator, Smithsonian Institution, Washington, DC Assisted Curator for Asian History in mounting exhibits on Indonesia as well as planned scholarly conference at the Museum of Natural History.
- 1989-1990 Military Equipment Researcher, Periscope Military Database, MD. Researched, wrote and maintained database articles tracking worldwide development, usage and tradwe of military sensor technologies ranging from radars to sonars and electronic warfare countermeasures.

14. Military service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

2006-present. SAFETY OFFICER, Illinois State Army Aviation Office. Safety inspector of air and ground units.

2005 Patient, Walter Reed Military Hospital

2003-2004 BATTLE CAPTAIN/ASSISTANT OPERATIONS OFFICER, Illinois Army National Guard. Planned, assigned and tracked all combat aviation missions of 500-soldier aviation taskforce in Balad, Iraq. Flew over 200 combat hours as a Blackhawk assault helicopter pilot.

2000-03 COMMANDER of 15-ship UH-60A Blackhawk Helicopter Company.

1997-2000 LOGISTICS OFFICER Managed all logistical operations of an Army Aviation Battalion to include food, fuel, and maintenance of \$1,731,311,072.87 in equipment.

1996-1997 DETATCHMENT COMMANDER Commanded Platoon-sized detachment of 5 UH-60A Blackhawk Helicopters and Crew.

1991-1996 PLATOON LEADER for a 10-ship UH-1H Huey Helicopter Platoon.

15. Government record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

N/A

16. Published

writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

Duckworth, L. Tammy, 2008, "Caring for Veterans: How Modern Warfare and Demographics have Changed the Needs of Veterans in the 21st Century," in *The Changing Landscape of Veterans Affairs: Government Officials on Educating Veterans on Entitled Benefits, Protecting Veterans' Rights, and Initiating Needed Reform*, Aspatore Books, Boston, MA.

Duckworth, L. & Frank-Stromborg, M., 2002, Chapter 11. Unrecognized Environmental Risk: Radon, in Haas, M., (ed). *Contemporary Issues in Lung Cancer*. Jones & Bartlett.

Duckworth, L. & Frank-Stromborg, M., Oleckno, W., Duffy, P., & Burns, K., 2002, Relationship of Perception of Radon as a Health Risk and Willingness to Engage in Radon Testing and Mitigation. *Oncology Nursing Forum*.

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Duckworth, L. & Frank- Stromborg, M., 2001, Student Nurses Participate in Landmark Radon Research Program, *Nursing Spectrum* 14 (81L), 32.

17. Political affiliations

and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

NONE

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

Candidate, US Congress, Democratic Nominee, Illinois 6th District November 2006

8. Future

employment relationships:

(a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

YES

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

NO

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

NONE

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

YES

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

YES

19. Potential conflicts of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans' Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official.

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

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- (c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

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- (d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

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- (e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

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20. Testifying before the Congress:

- (a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

YES

- (b) Do you agree to provide such information as is requested by such a committee?

YES

AFFIDAVIT

LADDA Tommy DUCKWORTH being duly sworn, hereby states that he/she has read and signed the answers to the foregoing Questionnaire for Presidential Nominees and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

Ladda T Duckworth
Signature of Nominee

Subscribed and sworn before me this 17th day of March, 2009

Donna M. Fisher
Notary Public

Donna M. Fisher
Notary Public, District of Columbia
My Commission Expires Jan. 1, 2012

SECOND SUBMISSION OF PART I OF THE SENATE VETERANS' AFFAIRS COMMITTEE QUESTIONNAIRE WAS COMPLETE. AND IS REPRINTED IN ITS ENTIRETY

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

1. Name: Duckworth Ladda Tammy
(LAST) (FIRST) (OTHER)

2. Present Address: 1800 Botleana Court Hoffman Estates IL 60192
(CITY) (STATE) (ZIP CODE)

3. Position to which nominated: Asst Sec of Vet Affairs, Public and Intergovernmental Affairs 4. Date of nomination: 3/19/09

5. Date of birth: 12 03 1968 6. Place of birth: Bangkok, Thailand
(DAY) (MONTH) (YEAR)

7. Marital Status: Married 8. Full name of spouse: Bryan Wood Bowlsbey

9. Names and ages of children

NONE

10: Education:	Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
PhD (ABD)	Northern Illinois U., DeKalb, IL	8/91-05/02		
MA	The George Washington U., Washington, DC	8/89-7/91	MA, Internat. Affairs	Jan 92
BA	The U. of Hawaii	8/85-5/89	BA, PolSci	Jun 89

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2005	Patient, Walter Reed Army Medical Center
2003-2005	Active Duty Military: See question 14
2001-2003	Rotary International, Manager, Club and District Administration, Asia/Pacific, Evanston, IL. Managed department providing services to all Rotary International service clubs in Asia Pacific Region. Supervised staff in Japan, S. Korea, Australia and India. Provided advice to Rotary Board and commissions on service projects and emerging nations in Asia. Helped to establish the Rotary clubs in Afghanistan and Timor Leste.
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Taught courses and assisted professors in research projects.
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- 2003-2004 BATTLE CAPTAIN/ASSISTANT OPERATIONS OFFICER, Illinois Army National Guard.
Planned, assigned and tracked all combat aviation missions of 500-soldier aviation taskforce in Balad, Iraq. Flew over 200 combat hours as a Blackhawk assault helicopter pilot.
- 2000-2003 COMMANDER of 15-ship UH-60A Blackhawk Helicopter Company.
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- 1991-1996 PLATOON LEADER for a 10-ship UH-1H Huey Helicopter Platoon.

15. Government record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

Senior Advisor to the Secretary, Department of Veterans Affairs
March 2009

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Duckworth, L. & Frank-Stromborg, M., Oleckno, W., Duffy, P., & Burns, K., 2002, Relationship of Perception of Radon as a Health Risk and Willingness to Engage in Radon Testing and Mitigation. Oncology Nursing Forum.

Duckworth, L. & Frank- Stromborg, M., 2002, Continuing Education Article: Indoor Radon Health Risks, A New Field for Nurses, Nursing Spectrum.

Duckworth, L. & Frank- Stromborg, M., 2001, Student Nurses Participate in Landmark Radon Research Program, Nursing Spectrum 14 (81L), 32.

17. Political affiliations

and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

Spoke at 2008 Democratic National Convention
National Surrogate Barack Obama, Illinois, Michigan, Iowa
Surrogate, Debbie Halverson for US Congress
Event Host, Dan Seals for Congress

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

Candidate, US Congress, Democratic Nominee, Illinois 6th District November 2006

18. Future

employment

relationships:

(a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

YES

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

NO

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

NONE

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

YES

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

YES

19. Potential

conflicts

of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other

continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

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NONE

(d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

NONE

(e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items: (Please provide a copy of any trust or other agreements involved.)

N/A

20. Testifying before the Congress:

(a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

YES

(b) Do you agree to provide such information as is requested by such a committee?

YES

AFFIDAVIT

Ladda Tammy Duckworth, being duly sworn, hereby states that he/she has read and signed the answers to the foregoing Questionnaire for Presidential Nominees and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

Ladda Tammy Duckworth
Signature of Nominee

Subscribed and sworn before me this 18th day of March, 2009

Patricia M. Davis
Notary Public

PATRICIA M. DAVIS
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires February 28, 2013

[A letter from the Office of Government Ethics follows:]



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

March 17, 2009

The Honorable Daniel K. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Ladda T. Duckworth, who has been nominated by President Obama for the position of Assistant Secretary for Public and Intergovernmental Affairs, Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the Department of Veterans Affairs concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated March 3, 2009, from Ms. Duckworth to the agency's ethics official, outlining the steps will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of her confirmation date with any action she agreed to take in her ethics agreement.

Based thereon, we believe that Ms. Duckworth is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick
Director

Enclosures

[Letter from Ms. Duckworth to the Office of General Counsel,
U.S. Department of Veterans Affairs:]

Date: 3 March, 2009

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position at the Department of Veterans Affairs of Assistant Secretary for Public and Intergovernmental Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

If I rely on a *de minimis* exemption under 5 C.F.R. § 2640.202 with regard to any of my financial interests, I will monitor the value of those interests. If the aggregate value of interests affected by a particular matter increases and exceeds the *de minimis* threshold, I will not participate in the particular matter, unless I first obtain a written waiver under 18 U.S.C. § 208(b)(1).

I resigned from my position as Director, State of Illinois Department of Veterans Affairs on February 6, 2009. If confirmed, for a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which the State of Illinois Department of Veterans Affairs is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Upon confirmation, I will resign from my position as a member of the board of directors of Access Living. For a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving

specific parties in which Access Living is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I resigned from my position as a member of the board of directors of Iraq and Afghanistan Veterans of America. For a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which Iraq and Afghanistan Veterans of America is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Sincerely,



L. Tammy Duckworth

Chairman AKAKA. Thank you very much, Major Duckworth, for your testimony.

I certainly appreciate the enthusiasm and creativity that you will be bringing to your new position if you are confirmed by the Senate.

In your appearances before this Committee and in other public forums, you have sometimes been critical of VA. In your new position, you will be called on to defend VA when others express their criticism. How will you handle this situation?

Major DUCKWORTH. Sir, I plan on approaching my job with the utmost level of transparency and accessibility. One of the great frustrations I had as a State Director, as someone from outside the VA organization, was that complete opaqueness. Oftentimes, when I wanted information or when I asked simple questions, I could not get the answer, and I think that is one of the greatest criticisms. That was certainly something that I had, which was just tell me what I am asking so that I can go about the business of helping veterans.

I know that is a great frustration, and so I hope to approach my job with openness, transparency, and just being always available to be asked questions. And, if I do not know the answer, I am going to tell you I do not know the answer. I am certainly not going to hide that, but I am going to get back to you, do the research and get that information back out.

Chairman AKAKA. Thank you for that response.

I am aware of many initiatives that States have undertaken to address the needs of veteran residents, and I know that you have said that coordination and outreach to the States will be one of your top priorities. Do you have specific ideas, for example, for ways in which the States and Federal agencies can collaborate to address the needs of veterans with TBI or PTSD?

Major DUCKWORTH. Yes, sir. In Illinois, we started the Illinois Warrior Assistance Program, and that was out of the recognition that so many Illinois veterans who deployed were National Guardsmen and Reservists who did not live near a large military installation like in many other States and that once they came home they

then returned to very rural communities that were far away from the nearest installation.

So, with the Illinois Warrior Assistance Program, we accessed our local network of mental health providers, and we partnered with nongovernmental organizations—the Illinois Brain Injury Association and the Rehabilitation Institute of Chicago—and developed a teaching program on military-caused trauma, brain trauma and PTSD that we then implemented to the network of local providers across the State.

So, under the Illinois Warrior Assistance Program, the service-member who either does not want to go to a Federal facility or who lives more than 1 hour's drive, 75 miles, or has to wait more than 3 weeks for an appointment with the VA, will get full access to care from his local provider who has been trained on military trauma. And so, it is that partnership between State government, not-for-profit organizations like the Illinois Brain Injury Association, and also with nongovernmental entities like the Rehabilitation Institute of Chicago, coming together to reach out and have those services.

And then we advertised it through partnerships, not just with our own offices but with county organizations, with veterans service organizations. Sometimes the first word of advice a young vet gets occurs when he walks into the local VFW post and talks to a Vietnam veteran. And so, part of my job will be to make sure we have those partnerships across all of the organizations that are interested in caring for vets.

Chairman AKAKA. Major Duckworth, in responses to my pre-hearing questions, you indicated an interest in looking at improved ways of communicating with this newest generation of veterans. Could you please describe in more detail what you envision?

Major DUCKWORTH. Yes, sir. The VA does some things very well. It does a great job, a wonderful job of sending out newsletters, monthly publications, taping video messages that get played on Armed Forces channels, those very traditional methods of reaching World War II and Korean War vets.

The largest population of internet users among the veterans communities are actually Vietnam veterans, and I would like to see the VA move forward in that realm of the internet—Facebook pages, blogs, social networking sites—accessing our partners in the veterans service organization community and just getting the word out—so, accessing nontraditional media; basically going to where the vets live, work and play.

You know, if military recruiting has moved toward using NASCAR and blogs and video games, well, that is because it is effective. The VA needs to think along the same lines in terms of reaching our veterans where they live and where their family members live, because the other group that often gets the information to the veteran is his family members.

Chairman AKAKA. Thank you very much.

Senator Burr.

Senator BARR. Thank you, Mr. Chairman.

Major, I am going to go to a similar area in your testimony because you were very clear, and I will quote you: "No veteran should ever have his access to DVA services blocked because of geography. Just as it did not matter where my hometown was when I enlisted,

where I live now should not prevent me from getting the DVA services that I need and earned." I think that is an extremely important point.

And, you covered what you did as the State Director to expand services and the criteria that was used: geographical distance, length of time for an appointment. Let me ask you, honestly, should we not extend this across the Department of Veterans Affairs?

I happen to represent a State that, if you look at it, 50 percent of it is very rural. There are many areas where we have yet to reach an outpatient facility within a reasonable distance of where veterans live, yet I have the highest percentage increase of retired military in my State of any State in the country. So we know what is coming down the road.

And, I have to say that the past Secretary and the current Secretary are working aggressively to make sure that we address the facility needs that we have. But, in the interim, there are services that you cannot provide at every outpatient facility, mental health is one of them.

There are certain specialties that, once you get outside of the hospital, you might not be able to provide, but could be done if a health care professional is contracted with. Should we expand our contract basis care in this country to be able to take care of rural veterans?

Major DUCKWORTH. Sir, well, my position, should I be confirmed, will be to make sure that veterans know of all the options that are available to them.

In my own case, I go to Hines VA for most of my care, but I actually go to a contractor for my prosthetics care, as an example, because I use very high-tech prostheses, very much on the cutting edge and I, personally, was not satisfied with what was provided at the prosthetic department when I first came out of Walter Reed because Walter Reed has this really high standard. So I actually go to a contractor for my prosthetics care.

Part of my job is going to be to make sure that our veterans, wherever they are, understand that there is that combination available, that there are some things the VA does very, very well, that I would never go anywhere else for—spinal cord rehabilitation, blind rehabilitation, for example. And, there is an intangible of being served by people who work with veterans and being taken care of next to one another, so you can sit there and tell war stories in the waiting room. So, there is that combination.

My job, my position will be to make sure that we access community providers, that we enter into partnerships with nongovernmental organizations, whether they are veterans service organizations that are willing to drive veterans to appointments, or working with State government.

I hope to really look very closely, should I be confirmed, at exploring all of those possibilities. We had a similar challenge in Illinois also. You know, you think of Illinois, you think of Chicago, but that is only 50 percent. The rest of my veterans live in places like Anna, Illinois and Plano, Illinois and El Paso, Illinois, with very small populations and great, great challenges with accessing care.

Senator BURR. Though the policy side is not necessarily under your role in the capacity that you are going to serve in, I think it is a unique opportunity to have somebody that has been there, done this, that can be the voice of not just reason from a standpoint of our policy but can also help us to focus on that future, that 21st Century that I truly believe that General Shinseki is focused on and how we structure it architecturally so that we deliver that same quality of care in a way that veterans can geographically access it, and sometimes that will be out of the box.

Major DUCKWORTH. Yes, sir.

Senator BURR. It will be out of the VA facility. It will be with somebody who meets the standards that we set but may not receive a government paycheck week in and week out, and I hope you will be that voice.

You also said earlier in your testimony, "In order to become a 21st Century organization, DVA will have to change some past methods used to communicate with other government agencies, the Congress, the media, and most importantly, our veterans."

And you listed a couple. You talked about social networking. You talked about blogs. Are there any others that come to your mind right now which are areas that we do not utilize but that veterans and, more importantly, their families have become reliant on and we need to consider tapping into?

Major DUCKWORTH. Yes, sir. Well, at the State, those partnerships were really important with those nongovernmental organizations. I worked with everybody from your traditional veterans service organizations to churches. Oftentimes, when a veteran's family is getting into where they need counseling, they turn to their local pastor. A lot of times, it is going to schools and letting school counselors know of programs so that they can keep their eyes on the veteran's children if they see behavioral problems. So you really need to reach out across the entire broad spectrum of our society.

And, a lot of times, the information, you cannot get it directly to the veteran because our veterans, God bless them, are stubborn; and they would not be good American GIs if they were not stubborn because that is what gets the mission accomplished. But, a lot of times, they are the last person to admit that they need help and that they have a problem.

By getting information through whatever form that you can—to their family members, their employers, the community—you increase the likelihood that the veteran will eventually get that information when he needs it. When he sits down and he thinks, oh, I really need to go get some counseling, his wife will have the flyer that was handed out at Sunday School or his employer will ask if he knows that there are these services from the State because the State has reached out to the employer.

Senator BURR. I would urge you to be very imaginative as you enter into this role as to how we communicate, again, not just with veterans but with veterans' families who are absolutely crucial in every case to the healing process, both physically and mentally.

Let me assure you, in the professions we are in, if we are called stubborn, that would be a generous thing than some of the things we are typically called. [Laughter.]

Mr. Chairman, I will have several additional questions that I will ask in writing to help clarify some of the information on Committee's questionnaires, but at this time I would yield the floor.

Chairman AKAKA. Thank you very much, Senator Burr.

And now I would like to call on Senator Burr for your questions.

Senator BURRIS. Thank you, Mr. Chairman.

Just a couple questions, Major. I think that this may not necessarily fall under your jurisdiction or your title, but I know that you have that aggressiveness and you and General Shinseki are going to run that Department. Are you familiar with the situation in Joliet, Illinois, where that hospital is being vacated by the hospital owners, and the veterans are now trying to get that hospital turned over to the Department of Veterans Affairs so that those veterans in that area do not have to go to Hines or to Jesse Brown or, God forbid, North Chicago?

Are you familiar with that problem in Joliet at all?

Major DUCKWORTH. I am familiar with it from my work as a State Director but not from the Federal VA perspective.

Senator BURRIS. Would you be able to assist in any way in your capacity, should you be confirmed, in seeing whether or not we can get that hospital in Joliet turned into a veterans hospital?

I understand it is a very modern facility. It is an updated facility, and a lot of the veterans organizations are seeking to have that hospital made into another veterans hospital so that they will not have to commute those hour and 2 hours to Hines or to Jesse Brown.

Major DUCKWORTH. Well, the position that I am nominated for, should I be confirmed, sir, will involve me aiding in the discussions with the veterans in that community and communicating the VA's criteria for new hospitals and also getting input from them and having them have a source of expressing their concerns. So I will certainly be glad to help in that process of dialog.

Senator BURRIS. And, of course, coming from Illinois and with your expertise, I am pretty sure you could get to the other colleagues in the Department of Veterans Affairs and give them a little nudge in that direction.

Second, I ran across another issue, Major, when I was visiting Jesse Brown the other day—which this does not fall under your category either—but the information that the veterans do not have, and that is the dental care issue. This question seems to come up, of how do we get information to the veterans about what benefits they get in dental care. That seems to be a major problem.

You might want to look at how you can promote, should you get confirmed, better information to the veterans on what dental care is available, because what your primary physicians will tell you is that lack of dental care leads to other types of medical problems. If you do not take care of your teeth, then it is going to lead to all types of other health ailments.

And, third, we have a piece of legislation that is coming about, and, Mr. Chairman, I do not know where we are with that legislation, but it deals with the family, the care of how we can get money to the those families also giving care to those veterans, similar to the other caregivers. If a family member has to leave his or her job

to take care of that veteran, then that family member should also be compensated as any other caregiver would be compensated. We are hoping that we can get that legislation passed.

So, I just hope that you would be instrumental in assisting us in getting information out to veterans when we are working on that piece of legislation to help those caregivers that, as you said in your testimony, are so much needed and taking care and giving them some peace of mind too, where someone is home who is able to take care of them and keep them in their environment.

Major DUCKWORTH. Thank you, sir.

Senator BURRIS. Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Burriss.

Major Duckworth, Senator Tester asked this in his opening, and I want to give you an opportunity to answer it. How will you handle those times when you personally disagree with a policy under consideration by the Secretary?

Major DUCKWORTH. Sir, should I be confirmed, I will become an advisor to the Secretary, and I will be very up-front and honest in expressing my opinion when asked on issues. When I was Director of the State of Illinois Department of Veterans Affairs, I valued most my advisors who said, here is what I see as the reality, and I may not agree with you, but I am going to stand up for what I think is right. And I hope to play that role within the Secretary's cabinet.

I think one of the great things about being able to work with General Shinseki—when he was nominated, I said I would go mop floors for him if he asked me to—is that he is that kind of a leader. He is that kind of a leader who wants input. He is that kind of a leader who wants you to stand up and express your frank opinion so that we can come to the best decision for our veterans, and I hope to continue in that capacity with him.

Chairman AKAKA. Thank you.

In your pre-hearing responses, Major Duckworth, you wrote not only about how updated web-based resources are essential but also how important it is to have a real live person available to help. Do you believe that VA can do both and, if so, how?

Major DUCKWORTH. Yes, sir. There are many approaches that the VA can take.

At the State level, we started our own hotline for Post Traumatic Stress Disorder and Traumatic Brain Injury. When you call that hotline at the State level, you actually reach a real live counselor with a master's degree. You do not get a phone tree. You do not get "push nine," or whatever.

That is critical when veterans are calling these hotlines asking for help because it is so easy to turn them off. And so, we need to make sure that we train anybody that has direct customer service contact working with veterans to make sure that they understand the sensitivity of some of these issues.

I hope, should I be confirmed, to be part of that program to review how the VA does things with customer service, review how we interact with our veterans and make sure that we provide the information that they need in the way that they need it because you know we learned this from the Vietnam generation.

We had a whole generation of vets who came in, were not treated with respect, perhaps did not get the message correctly, so they turned around, and they walked away from the VA for 30 years. For 30 years they suffered, and that is simply not acceptable. If I am confirmed, I am going to make sure that we do not do that to the post-9/11 vets.

Chairman AKAKA. Just yesterday, the President signed into law a new Serve America Act which expands the mission of the Corporation for National and Community Service in a number of ways. The new law includes the Veteran Service Corps that is designed to help Active Duty servicemembers and veterans. Would you please report back to the Committee within 30 days on your efforts to reach out to the Corporation and your involvement in this new program?

Major DUCKWORTH. I will be happy to do so, sir.

Chairman AKAKA. Well, thank you very much. This has been a great hearing for the Committee.

Let me ask Senator Burris whether you have further questions.

Senator BURRIS. I am fine, Mr. Chairman.

Chairman AKAKA. Well, I want to thank you very much, Major Duckworth.

Senator BURRIS. Just to congratulate our new nominee, and we are going to make sure she gets confirmed, sir.

Major DUCKWORTH. Thank you.

Chairman AKAKA. Thank you very much. This Committee will try its best to move your nomination and try to confirm it. We will let the Committee and the Senate do that.

But thank you again for your full and open participation in today's hearing. Your service to this country is greatly appreciated, and we truly believe you will be an outstanding voice for the Nation's veterans and their families in the role of Assistant Secretary for Public and Intergovernmental Affairs in the VA.

With this in mind, I would like to bring Major Duckworth's nomination before the Committee and full Senate as soon as possible.

As I said previously for Mr. Gould's nomination, I ask that any post-hearing questions for Major Duckworth be sent to the Committee's legislative clerk by this afternoon.

This has been a great hearing for us and for the country and for the veterans. And I want to say thank you, mahalo nui loa, for what you are and the responses you made and what you will be for our veterans.

Major DUCKWORTH. Thank you.

Chairman AKAKA. This hearing is adjourned.

[Whereupon, at 11:20 a.m., the Committee was adjourned.]

A P P E N D I X

LETTER FROM JAPANESE AMERICAN VETERANS ASSOCIATION IN SUPPORT OF
MAJOR L. TAMMY DUCKWORTH



TESTIMONY IN SUPPORT OF NOMINATION OF
MAJOR L. TAMMY DUCKWORTH, USAR,
ASSISTANT SECRETARY-DESIGNATE,
PUBLIC AND INTERGOVERNMENTAL AFFAIRS,
DEPARTMENT OF VETERANS AFFAIRS.

[APRIL 1, 2009; 9:30 AM, RUSSELL 412, UNITED STATES SENATE]

Mr. Chairman and Members of the Senate Committee on Veterans Affairs,

As the President of The Japanese American Veterans Association (JAVA), I am pleased to have this opportunity to present our Association's support of MAJ L. Tammy Duckworth, USAR, for the position of Assistant Secretary, Public and Intergovernmental Affairs, of the US Department of Veterans Affairs (DVA).

JAVA is a non-profit nationwide veterans service organization, established in 1993, to serve the interests of Asian Pacific American (APA) veterans as well as those personnel serving on Active Duty, in the Reserves, and in the National Guard. Our veterans group is formally recognized by the DVA to represent the interests of APA veterans. The DVA reported over 300,000 Asian Pacific American veterans and the US Department of Defense (DOD) has reported there are 29,000 on active duty.

While the primary focus of our Association is on APA veterans, JAVA is a multi-cultural organization whose membership spans almost all ethnic groups. A significant number of our members are Japanese American veterans who served with distinction in combat in Europe during World War II with the 100th Infantry Battalion and the 442nd Regimental Combat Team. Japanese Americans also served throughout the Pacific Theater in the Military Intelligence Service in front line combat units to interrogate POWs and translate captured documents. Over-all, approximately 33,000 Japanese Americans served in the US Army during World War II, during a time when over 120,000 persons of Japanese ancestry were forcibly relocated from the western United States to internment centers built in America's remote interior. Also, JAVA has members who served in the Korean, Vietnam and the recent Gulf Wars as well as many other conflicts. Many non-veteran

members who support our mission are also in our ranks, such as historians, professors, and relatives of veterans.

The Greatness of America is exemplified by the opening of opportunities for APAs within our society. America has come a long way for Asian Americans to be able to achieve prominence in government. Also in the military, some 77 APAs have reached flag rank since World War II.

With a mission to provide benefits and care for military veterans and their families, the DVA clearly has a tough job, especially since many of the 1,500,000 men and women who have served in Iraq and Afghanistan have returned with unexplained illnesses. With 270,000 employees, it is the second only to the DOD in size. The leadership of DVA during this time of war will be challenged to build on the innovative changes and state of the art devices developed by dedicated DVA professionals and staff members.

MAJ Duckworth is eminently qualified to serve as the Assistant Secretary, Public and Intergovernmental Affairs:

MAJ Duckworth has personal experience in knowing what wounded soldiers experienced in returning to the United States. On November 12, 2004, while deployed in Iraq, she was co-piloting a H-60 Black Hawk helicopter when it was hit by a rocket propelled grenade fired by Iraqi insurgents. She lost the lower part of both legs and almost completely destroyed her right arm. Spending many months in Army and DVA hospitals, Duckworth was fitted for prosthetics, is now mobile, and has continued to fly military helicopters.

MAJ Duckworth brings to her job her experience with the effects of wartime stress on the lives of military personnel and families. As assistant operations officer, she was responsible for a 500-soldier aviation task force. She displayed unique leadership skills when her helicopter was downed, displaying an incredible level of composure in spite of the pain and injury. Her courage, commitment and coolness under fire have been greatly admired. She will be a steadying influence in the DVA.

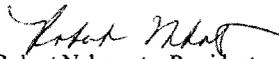
MAJ Duckworth has demonstrated her commitment to veterans. She has served as Director of Illinois Department of Veterans Affairs since November 26, 2008. As Director, she was responsible for serving the interests of one million veterans and their families, nearly 100 veterans services offices, five veterans homes including one dedicated for the homeless, and three state memorials. She has developed state programs which gave tax credits to employers who hire veterans especially those who served in the Middle East wars. She has served as a champion for Illinois veterans, getting for them federal and state benefits including compensation, education, burial, employment, real estate and permits. She has testified before the Illinois state legislature and the US Congress on such matters as health care, housing, and employment, achieving her legislative goals and building goodwill among all parties.

Responding to the President's announcement of Duckworth for this position, DVA Secretary Eric K. Shinseki said, "Effective communications with Veterans and DVA's stakeholders is key to improving our services and ensuring Veterans receive the benefits they deserve. Tammy Duckworth brings significant talent, leadership and personal experience to this important work." Former Senator Bob Dole, said of Duckworth, "... a

brave woman wounded in Iraq, who represents all of those with their own battles ahead of them, and their own stories to tell.”

In closing, JAVA is grateful to The Honorable Daniel K. Akaka, Chairman of the US Senate Committee on Veterans Affairs for this opportunity to express our strong support for MAJ L. Tammy Duckworth. We are confident she will succeed in all facets of carrying out her duties as Assistant Secretary, Public and Intergovernmental Affairs, DVA.

Respectfully,



Robert Nakamoto, President
Japanese American Veterans Association
1749 Old Meadow Road, Suite 500
McLean, VA 22102

PENDING NOMINATIONS

WEDNESDAY, MAY 6, 2009

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 9:01 a.m., in room SR-418, Russell Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Committee, presiding.

Present: Senators Akaka, Burr, Burr, Isakson, and Johanns.

OPENING STATEMENT OF HON. DANIEL K. AKAKA, CHAIRMAN, U.S. SENATOR FROM HAWAII

Senator AKAKA. For the information of all of you here today, we have a long series of votes beginning around 10:40 this morning and I want to ensure that we have a full hearing. This is the reason we are starting sooner than we had planned.

These nominations are important to us. With the Ranking Member's cooperation, we are starting early here this morning. It is my hope that we will be able to finish before the votes, and that is my intent. Should we need additional time, I will work with Senator Burr on finding another opportunity, preferably this week. But, otherwise, we will try to do it within the time before the votes.

That said, let me say good morning, aloha, and welcome to today's hearing to consider four nominations for positions within the Department of Veterans Affairs. This hearing will come to order.

Roger W. Baker, to be Assistant Secretary for Information and Technology; Will A. Gunn to be VA's General Counsel; Jose D. Riojas to be Assistant Secretary for Operations, Security, and Preparedness; John U. Sepúlveda to be Assistant Secretary for Human Resources and Management.

I am delighted to welcome all four nominees, and also your families and friends that are here today.

Just a housekeeping note. After we have completed our opening statements, I will introduce each of the nominees in turn. Following my introduction, I will ask each to introduce family and friends who are here today and then to make his statement. Then, once all four nominees have been introduced and have made their statements, we will begin with our questions.

Each nominee, if confirmed, will play an integral role in the overall management and day-to-day operations of VA, and we are making every effort to put together the VA leadership team so that you can begin to work on VA matters.

Mr. Baker, if confirmed, you will be VA's Chief Information Officer. VA has suffered with continued failures in the ability to deliver

functional computer programs. Your challenge will be to reverse that course. You will also need to work with the Department of Defense to create a unified lifetime electronic health record for members of the armed services, and you will be responsible for resolving any IT issues as VA works to implement the Post-9/11 GI Bill.

Mr. Gunn, if confirmed, you will be responsible for proactive legal advice and representation of the Department. Given your experience in the Judge Advocate General Corps, I am confident that you possess the leadership ability to manage the decentralized VA legal system. You will be looked upon to provide a comprehensive evaluation of legislation both introduced in the Congress and proposed by VA for its legal basis and impact.

Mr. Riojas, if confirmed, you will be responsible for coordinating VA's emergency management, preparedness, security, and law enforcement activities. These activities affect veterans on a daily basis, providing for the security of VA facilities, employees, veterans receiving care, and visitors alike. The important task of preparing and coordinating VA's response to war, terrorism, national security matters, and natural disasters while ensuring continued service to veterans will also be yours. VA has a fine record of emergency preparedness. I trust this will remain the case under your watch.

Mr. Sepúlveda, if confirmed, you will have the task of managing VA's human resources activities during a period when there are many VA employees who are retirement-eligible. Your experience at the Office of Personnel Management, coupled with your general management experience, suggests that you have the qualifications for taking on the massive challenges of this office. When carrying out your responsibility with regard to VA's labor-management relations, I ask that you appreciate the unique relationship that VA employees have with the veterans they serve. This relationship goes beyond the bottom line and is based upon maintaining a workforce, many of whom are veterans themselves, that has a sense of service and dedication.

I thank you all for being here today and look forward to your testimony.

I have the privilege this morning to introduce the four nominees.

Roger W. Baker is the President's nominee for Assistant Secretary for Information and Technology. Mr. Baker has 30 years of experience working in the field of information and technology, including as Chief Information Officer at the Department of Commerce from 1998 to 2001. Prior to joining the Federal Government, Mr. Baker had an extensive career with software and IT firms, including leading the development of Internet and online banking systems at VISA International. He has also been a senior technology management executive at CACI and at General Dynamics. In addition to his B.S. degree in Computer Science, he has a Master's in Business Administration from the University of Michigan.

Mr. Baker, please introduce your family and friends who are here today, and when you are done, please begin with your statement.

Mr. BAKER. Thank you, Mr. Chairman. I am joined by my wife, Karen, and my son, Alex, currently in college at Old Dominion; friends Bob and Ruth Guerra, Robin and Dan Matthews, Phil

Kiveat. And I would really like to thank the members of the Department of Veterans Affairs, in particular, the Office of Information Technology that have joined us today to listen to the testimony and the hearing.

Senator AKAKA. Thank you. Welcome, and good to have your family and friends here.

STATEMENT OF ROGER W. BAKER, NOMINEE TO BE ASSISTANT SECRETARY FOR INFORMATION AND TECHNOLOGY, U.S. DEPARTMENT OF VETERANS AFFAIRS

Mr. BAKER. Thank you Chairman Akaka and Members of the Committee on Veterans' Affairs. It is an honor to appear before you today and to have been asked by Secretary Shinseki and President Obama to serve our Nation's veterans.

I am a technologist and a technology manager. I attended one of our country's finest universities and have worked for some of our country's best companies. Most of my professional career has been in the private sector, where I have had the opportunity to work at the forefront of high-technology industries, including in software development and Internet banking, as you have mentioned.

While many of my friends and members of my family have served in our country's military, I reached military age during a time of peace. I have been blessed throughout my life to live in the comfort and security made possible by the service and sacrifices of our Nation's veterans. I was honored to accept President Obama's nomination to work for Secretary Shinseki and Deputy Secretary Gould and, if confirmed by the Senate, to use my skills to serve the veterans whose sacrifices have made the good life I lead possible.

The Assistant Secretary for Information and Technology at the Department of Veterans Affairs is a challenging position. VA IT is one of the largest single consolidated IT organizations in the world, rivaling or exceeding that of most of the Fortune 20 largest companies. Veterans Affairs has faced a number of highly public technology challenges over the last few years, including the loss of veterans' information and failed systems development programs.

The consolidation of VA's IT assets into a single organization, which has largely been completed over the last 2 years, provides a starting point for addressing those challenges, but the road ahead is long and is unlikely to be incident free. If confirmed, I recognize that I will probably have many "bonding opportunities," as we call them in the private sector, with the Members of this Committee and your staff. Mr. Chairman, I commit to you that you will find me open, earnest, and honest when we have those opportunities to have frank discussions.

President Obama and Secretary Shinseki have expressed a compelling vision of a 21st century VA: a VA that delivers proactive, efficient services to veterans when, where, and how they want them; a virtual lifetime electronic record that supports a seamless transition from servicemember to veteran; an electronic VA that uses all the information available to it to maximize benefits and minimize waiting times and backlog; and a transformed VA that turns the veterans' experience from one of delay to one of delight.

To achieve the President's and the Secretary's vision, VA must have a strong information technology capability. The VA IT organi-

zation must be able to reliably develop and operate the technology solutions that will enable the transformation of VA business processes.

I know there is no easy path, no simple answer, and no shortcut solution to creating a strong IT capability at VA. Achieving this will require hard work, disciplined management, and honest communications. But with the IT consolidation as a starting point, I believe that VA can achieve a substantial strengthening of its IT capabilities over the next 4 years. My guiding vision is that VA, and the veterans we serve, should have the best IT organization in the Federal Government.

In conclusion, if this Committee chooses to confirm me, I am committed to doing my utmost to transform the Department into a 21st century organization, focused on the Nation's veterans as its clients, and providing them with the level of service that they have earned through their service and sacrifices they have made to our country.

Thank you.

[The prepared statement of Mr. Baker follows:]

PREPARED STATEMENT OF ROGER W. BAKER, NOMINEE TO BE ASSISTANT SECRETARY OF INFORMATION AND TECHNOLOGY, U.S. DEPARTMENT OF VETERANS AFFAIRS

Thank you Chairman Akaka, Senator Burr, and distinguished Members of the Committee on Veterans' Affairs. It is an honor to appear before you today, and to have been asked by Secretary Shinseki and President Obama to serve our Nation's veterans.

I am a technologist and a technology manager. I attended one of our country's finest universities, and have worked for some of our country's best companies. Most of my professional career has been in the private sector, where I have had the opportunity to work at the forefront of high-technology industries including software development and Internet banking.

While many of my friends and members of my family have served in our Country's military, I reached military age during a time of peace. I have been blessed throughout my life to live in the comfort and security made possible by the sacrifices of our Nation's veterans. I was honored to accept the President's nomination to work for Secretary Shinseki and Deputy Secretary Gould, and, if confirmed by the Senate, to use my skills to serve the veterans whose sacrifices have made the good life I lead possible.

The Assistant Secretary for Information and Technology at the Department of Veterans Affairs is a challenging position. VA has faced a number of highly public technology challenges over the last few years, including the loss of veteran's information and failed systems development programs. While the consolidation of IT assets completed over the last two years, provides a starting point for addressing those challenges, the road ahead is long and unlikely to be incident free. If confirmed, I recognize that I will have the opportunity for many "bonding opportunities," as we say in the private sector, with the Members of this Committee. Mr. Chairman and Members of this Committee, I commit to you that you will find me earnest, open, and honest when those "opportunities" arise.

President Obama and Secretary Shinseki have expressed a compelling vision of a 21st Century VA:

- a VA that delivers pro-active, efficient services to veterans where, when, and how they want them;
- a virtual lifetime electronic record that supports a seamless transition from servicemember to veteran;
- an electronic VA that uses all the information available to it to maximize benefits and minimize waiting times and backlog;
- a transformed VA that turns the veterans' experience from one of delay to one of delight.

To achieve the President's and the Secretary's vision, VA must have a strong information technology capability. The VA IT organization must be able to reliably develop and operate the technology solutions that will enable the transformation of VA business processes.

There is no easy path, no simple answer, and no short-cut solution to creating a strong IT capability at VA. Achieving this will require hard work, disciplined management, and honest communications. But, with the IT consolidation as a starting point, I believe that VA can achieve a substantial strengthening of its IT capabilities. My guiding vision is that VA, and the veterans we serve, should have the best IT organization in government.

In conclusion, if this Committee chooses to confirm me, I am committed to doing my utmost to transform the Department into a 21st century organization, focused on the Nation's veterans as its clients, and providing them with the level of service that they have earned through their service and sacrifices for our country.

Thank you.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO ROGER W. BAKER, NOMINEE TO BE ASSISTANT SECRETARY OF INFORMATION AND TECHNOLOGY, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. Please describe your vision for VA's Information and Technology system. How do you plan to integrate the competing desires of the separate Administrations within the framework of an overall VA strategic IT plan?

Response. To achieve the Secretary's vision and transform the Department into a 21st century organization, VA must have a strong information technology capability. VA must be able to create and operate technology solutions that enable the Administrations to transform their business processes and deliver pro-active, efficient services to veterans where, when, and how they want them. My guiding vision for IT's role in that transformation is that VA should have the best IT organization in government, and should constantly benchmark itself with industry-leading organizations.

As a former private sector CEO, dealing with competing interests has been a daily occurrence for me. A fundamental first step is ensuring that my organization can be relied upon to deliver on the commitments it makes to its internal customers. A second step is to look for synergistic investments that benefit multiple customers. Finally, hard decisions inevitably have to be made. My approach to making the hard decisions is to communicate with all affected parties, to discuss tradeoffs, to make a decision if consensus can be reached, and to recommend a decision if the decision needs to be elevated.

Question 2. If confirmed, what will be your top priorities for the office you will oversee, and what can Congress do to assist you in your new role?

Response. If confirmed, my recommendation to Secretary Shinseki and Deputy Secretary Gould is that my top priorities should be:

- Ensure that a customer service culture exists within IT, clearly communicating that IT exists to help VHA, VBA, and NCA serve our veterans.
- Continuously increase operational systems reliability and security, eliminate operational errors, and establish and publish metrics for all systems that can impact the business;
- Address and correct the systems development process so that it can be relied upon to deliver functional systems on time and on budget.
- Communicate with employees and internal customers; ensure that an open, constructive communication environment exists both inside IT and with internal customers;
- Value employee skills and abilities; ensure employees are valued based on their abilities, and that skill gaps are addressed through appropriate training.
- Ensure that our vendor partners are treated as partners, helping IT bring the best private sector technologies to bear on the problems faced by VA.

If confirmed, I plan to communicate extensively with Congress, both about ongoing issues and about opportunities and approaches that my organization may be considering. I will appreciate your candid feedback as I work to create a stronger IT capability at VA.

Question 3. What lessons did you learn during your tenure as Chief Information Officer at the Department of Commerce that you hope to bring to your new position at VA?

Response. For a private sector executive coming into government, there are numerous surprises encountered in learning an entirely different "system." Acquisition, personnel, hiring and other processes are substantially different from the private sector, and create real barriers to progress until they are understood. Clearly, my tenure at Commerce gave me the opportunity to learn those lessons so that I can apply them immediately, if confirmed, at VA.

At Commerce, I also learned how to move a large governmental organization toward accepting changes that are needed. Working with people throughout the Department, I was able to gain acceptance and approval of a new IT management structure that was needed to address security and other gaps existent at the time.

Finally, I learned that the key asset I could bring to the organization is a high level of expectation of how things should be. By not accepting the status quo, and by consistently pushing programs to research and understand the market-leading approaches to solving similar problems, I was able to elevate the quality of solutions provided across the organization.

Question 4. How has your private sector work experience prepared you for the position for which you are now nominated?

Response. The most important thing I bring from my private sector experience is an expectation level for the role IT can play in organizational success. In my private sector experience, IT has been key to bringing new opportunities to the business, and was frequently the instigator of positive change. As a member of Secretary Shinseki's team at VA, one of my roles will be to understand and describe the art of the possible with technology, and how it can be used to improve the services VA provides.

Question 5. How would you describe your management style and how is it suited for this particular position?

Response. I have a collaborative management style. I believe in management by walking (and traveling) around. I believe that the combined knowledge of the organization I manage is greater than my own, and that my job is to get the best results possible from that knowledge. I am a customer service oriented manager, and I like to talk to the customers and clients of my organization to understand how our work and policies are affecting them.

Question 6. While working in the private sector, did you, or the companies that employed you, ever directly work with VA? Are there any residual connections with prior employers that could present an appearance of a conflict of interest? If yes, what will you do to remove any such apparent conflicts?

Response. CACI, General Dynamics, and Dataline all have or have had business dealings with VA. Because my employment with Dataline was within the last two years, I will recuse myself from any issues in which Dataline is involved. Other than friendships with former co-workers, I have no ties to any of my former employers.

Question 7. The position of Assistant Secretary for Information and Technology requires cross-Departmental collaboration with the Under Secretaries, Assistant Secretaries, and other key officials. Can you please describe previous experiences that have prepared you for this?

Response. Most of my professional career has been spent in positions that required extensive collaboration in order to succeed. As an executive in high-technology, high-growth companies, my success, and the success of the company, often hinged on the ability of the executive team to work through difficult issues together despite frequent sharp disagreements.

My collaborative management style was clearly on display at the Department of Commerce, as we worked through tough technology management issues with the Census, the Weather Service, and numerous other organizations. While I clearly expressed my views, and frequently made decisions that were not what my peers had argued for, my open style and clear "good government" agenda avoided creating animosity that would hinder future working relationships.

Question 8. The Assistant Secretary for Information and Technology has responsibility for Department-wide IT budget formulation. How would you take into account the needs of the three Administrations while formulating the budget and ensure that the amounts requested are aligned with the Department's IT strategic plan? How would you gather input from the various Under Secretaries?

Response. As a partner with the Under Secretaries in delivering effective services to veterans, I anticipate frequent discussions on how my organization can better serve their needs and help them serve their clients. I anticipate soliciting their input throughout the year and using that input, along with their formal input during the budget cycle and the established governance and selection processes of the Department, to help shape the IT investments recommended to Secretary Shinseki and Deputy Secretary Gould. During the budget cycle, I will work with all concerned to establish a prioritized list of investments for each Administration, and across VA.

Question 9. The Assistant Secretary for Information and Technology oversees the cyber and information security program. After the highly-publicized data theft in May 2006, and the Unisys computer loss in August of that same year, there con-

tinue to be ongoing incidents reported monthly to Congress. What changes do you believe can be made to better protect the security of veterans' personal information?

Response. Information security is fundamentally a matter of processes, controls, and awareness. VA has made great strides since the IT centralization toward controlling access to sensitive information, strengthening the controls over the processing, storage, and transmission of that information, and increasing awareness of information security responsibilities among the employees of VA.

At General Dynamics and at Visa, I was responsible for organizations that had very strong information security programs. These programs constantly reviewed evolving threats and vulnerabilities, researched the best available approaches to reducing the threat, and implemented solutions that worked for the business. If confirmed, I anticipate looking at the IT security programs at other large organizations, in healthcare, insurance, technology, government, and other areas, and incorporating many of the approaches of these organizations into what VA does.

Question 10. VA has attempted to manage its IT functions in various ways over the years. What is your vision of the appropriate way to most-effectively manage VA's IT functions?

Response. Effective IT is essential to the success of VHA, VBA, and NCA in their mission to provide services to our Nation's veterans. I am not "married" to any particular structure for managing IT, but will always look for ways in which the organizational structure can better support efforts to improve the results of our IT investments.

With that said, I believe that the centralization of IT at VA was essential to improving the results of VA's IT expenditures. Centralization provides a starting point that allows institution of standards, processes, and disciplines that will increase the control, innovation, and results of IT investments. If confirmed, one of my main tasks will be to advise Secretary Shinseki and Deputy Secretary Gould on changes, organizational or other, that will improve the results of VA's IT investments.

Question 11. On April 9, 2009, President Obama stated that VA and DOD "have taken a first step toward creating one unified lifetime electronic health record for members of our armed services that will contain their administrative and medical information—from the day they first enlist to the day that they are laid to rest." What is your evaluation of the current state of VA and DOD's ability to deploy electronic medical records that are interoperable, bidirectional, and standards-based? How do you intend to work with DOD to ensure that a streamlined transition of health records from DOD to VA becomes a reality?

Response. It is my understanding that a substantial amount of electronic records, both personnel and health, are currently exchanged between DOD and VA. I believe that the measure of success in this area is whether all needed information is available to the service provider, in a usable format, at the point of service. In other words, the purpose of interoperable records is not to exchange information, but to improve our services to the servicemember and veteran.

If confirmed, I will work closely with members of the DOD, the Joint Executive Committee, the Senior Oversight Committee, Secretary Shinseki and Deputy Secretary Gould, and others, to ensure that appropriate technologies are brought to bear as we work to create a lifetime electronic health record.

Question 12. VA faces a number of substantial issues as it works to implement the Post-9/11 GI Bill, a great many of which are related to IT. What will your role be in terms of both the short-term and long-term initiatives that VA has developed?

Please conduct a quick review of the status of VA's efforts to implement the new program and report back to the Committee within 30 days of your installation as to whether you have identified any additional IT needs or any problems that need to be addressed.

Response. If confirmed, I will use my experience in building and delivering financial transaction systems to suggest steps that can further increase our confidence in our success. However, with less than 90 days remaining, my contributions to meeting that date will be limited. If confirmed, I will provide the Secretary and Congress, within 30 days, with my best assessment of any issues that may arise and possible mitigation strategies.

Longer term, I will review the approach to the proposed "long-term" solution, and pay close attention to the project plan for the on-time delivery of that system to VA.

Question 13. Earlier this month, VA leadership briefed Secretary Shinseki and congressional staff on the failure of the Replacement Scheduling Application (RSA) Development Program. This is just one example of many IT programs that VA invested millions of dollars and years of work into and has arguably nothing to show for it. If confirmed, what would you do to get this and other failed programs on track and fully operational?

Response. The technology organizations I ran at Visa and General Dynamics had substantial success in delivering new programs on time and on budget. While the approach to achieving that success should vary depending on organizational needs, three aspects common to a successful development organization are schedule discipline, frequent deliveries to internal customers, and well understood development and delivery processes.

I understand that Secretary Shinseki has ordered a full review of the programs in the VA development portfolio. If confirmed, I expect to quickly contribute to and review the results of the ongoing review, establish a plan, consult with stakeholders, brief Secretary Shinseki, Deputy Secretary Gould, and congress, and take any actions required to ensure that failures like the RSA Development Program cannot happen.

Question 14. Some of the reasons that VA wasted 8 years and more than \$120 million before admitting failure with RSA were the use of time-and-materials contracts and the divergence between business requirements and project outcomes. What do you see as the appropriate way to plan, manage, and monitor projects that are worked on by contractors?

Response. Contractors must be managed and held to the same schedule, delivery, and process discipline required of a successful internal program. The contract vehicles through which contractor products and services are obtained must provide the government with the ability to monitor, motivate, reward, and terminate the contractor's work based on the quality of their performance. From my brief exposure to the RSA system issue, a primary contributing factor to its failure appears to be the Department's unwillingness to openly and honestly deal with the fact that it was failing. With the support of Secretary Shinseki and Deputy Secretary Gould, I am committed to establishing a culture of open communication, a program management process that exposes failing programs early, and to dealing with problem programs expeditiously.

Question 15. Secretary Shinseki has said that he is committed to fulfilling President Obama's vision for transforming the Department of Veterans Affairs into a 21st century organization. Historically, VA has had one of the worst IT records in government and is criticized for using outdated technology. As Assistant Secretary, in support of the Secretary's commitment, what would you do, that has not already been done, to achieve this goal?

Response. With the help of the Senate, VA has consolidated its IT capabilities over the last two years. That consolidation provides the starting point to address the IT issues created over the last 50 years. There is no quick fix that will rapidly resolve all of VA's IT issues. However, if confirmed, I will provide consistent, experienced IT management; communicate and enact a simple yet strong improvement program; focus on creating an open and honest work environment; and require constant improvement as key parts of my effort to have a long-term positive effect on the results of the VA IT organization.

Question 16. Secretary Shinseki identified that reshaping the way VA handles IT is key to transforming VA. However, multiple reports and investigations over the last few years have stated that within VA there is a culture of resistance to change. If confirmed, what do you believe you will be able to do to overcome this resistance to change so as to promote the success of this transformation?

Response. Communication is key to helping an organization change. If confirmed, I intend to proactively support and communicate Secretary Shinseki's and Deputy Secretary Gould's vision of a 21st Century VA, communicate the role IT plays in that vision, help the people in the IT organization understand the role they play in achieving that vision, and help the organization understand the positive impact that vision can have on the lives of our Nation's veterans. Through management actions, I will also compel change in certain areas of IT where the lack of change is impacting the quality of services we provide.

Question 17. At my request, the VA's Office of the Inspector General is in the midst of an investigation of alleged mismanagement and illegal hiring practices within OIT. What do you believe you might be able to do so as to address personnel problems within OIT?

Response. My previous experience with addressing personnel issues has been that leadership must communicate and enforce high expectations for ethics, interpersonal interaction, and professional conduct. If confirmed, and within the bounds of the applicable personnel systems, I intend to hold myself and my staff to high standards.

Question 18. Do you agree to supply the Committee with such non-privileged information, materials, and documents as may be requested by the Committee in its oversight and legislative capacities for so long as you serve in the position of Assistant Secretary for Information and Technology?

Response. Yes. If confirmed, I will be providing Secretary Shinseki, Deputy Secretary Gould and the VA Chief of Staff with regular briefings on the issues facing VA IT, and will work to make sure that information requested by the Committee is provided in a timely manner.

Question 19. Do you agree to testify before the Committee at hearings if the Committee requests your presence?

Response. Yes.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO ROGER W. BAKER, NOMINEE TO BE ASSISTANT SECRETARY FOR INFORMATION AND TECHNOLOGY, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. In testimony for his nomination hearing earlier this year, now Deputy Secretary Gould stressed the importance of transforming VA into a 21st century organization and the important role information technology solutions will play in that process.

A. What do you see as the greatest challenges in this transformation?

Response. As with changing any large organization, the greatest challenge in VA's transformation will be organizational change management. Training and convincing staff to embrace new ways of working will have impacts across the organization, including in IT. The greatest IT challenge will be establishing a strong IT capability that can reliably deliver the technologies needed for transformation on schedule and on budget.

B. How has your background prepared you to deal with those challenges?

Response. I have dealt with transformational technologies at a number of organizations, including at Visa and General Dynamics. I understand that communicating a vision of the transformed organization, and helping individuals understand their role in both the transformation and in the new environment, is key to achieving acceptance for new technologies. I also understand how to build a strong IT organization, including the disciplines required to bring programs in on schedule.

C. In general, what would you hope to accomplish during your tenure?

Response. My goal is that, by the time I leave, the VA IT organization is recognized as being well along the path to becoming the best IT organization in government. As part of this progress, we will have delivered many of the technology improvements to help transform the operations of the VA to meet the Secretary's vision of a 21st Century VA.

Question 2. A 2008 Industry Advisory Council Transition Study Group report that you co-authored contains this statement: "Today, government is challenged to keep pace with the private sector, lagging an average 10 to 15 years behind in incorporating the latest technologies and processes to improve mainstream operations."

A. What is your general assessment of the state of the technology at VA?

Response. VA is significantly behind where I would expect a similar size private sector organization to be. Like most Federal organizations, VA is slow to embrace new technologies and processes, and does not benchmark itself versus good private sector organizations to determine where gaps exist. As noted in question 3 below, VA has a track record of poor performance on development programs, and has only recently (within two years) begun implementation of a robust IT security program. Only since the IT consolidation have they begun to consolidate their data center operations from numerous small centers into a few large ones. In short, there are many areas where VA can use existing technologies already proven in good private sector organizations to improve itself.

B. What steps would you take to improve the information technology at VA and how would you prioritize any necessary changes?

Response. If confirmed, my recommendation to Secretary Shinseki and Deputy Secretary Gould is that my top priorities and initial steps should be:

- Ensure that a customer service culture exists within IT, clearly communicating that IT exists to help VHA, VBA, and NCA serve our veterans.
- Continuously increase operational systems reliability and security, eliminate operational errors, and establish and publish metrics for all systems that can impact the business;
- Address and correct the systems development process so that it can be relied upon to deliver functional systems on time and on budget.
- Communicate with employees and internal customers; ensure that an open, constructive communication environment exists both inside IT and with internal customers;

- Value employee skills and abilities; ensure employees are valued based on their abilities, and that skill gaps are addressed through appropriate training.
- Ensure that our vendor partners are treated as partners, helping IT bring the best private sector technologies to bear on the problems faced by VA.

Question 3. VA has experienced significant information technology problems in recent years. In fact, it recently came to light that VA has spent over \$120 million on the Replacement Scheduling Application and has produced nothing of value.

A. What precautions do you believe are necessary to prevent taxpayer dollars from being wasted on failed information technology initiatives?

Response. All systems development programs must be constantly measured for adherence to schedule. Any variances must be communicated and understood, along with their long-term impact. The organization must deal honestly with its failures, and be willing to stop work on programs where results are no longer certain.

B. How has your background prepared you to institute and uphold policies to prevent these types of failures in the future?

Response. In my private sector positions, I have been consistently held responsible for meeting my commitments to my management, our customers, and our employees, and for communicating honestly about my status toward achieving those commitments. I expect to hold the VA IT organization to the same expectations. For example, at General Dynamics, I committed to my management that we would cut internal IT costs by 20% in one year without impacting service. I reported monthly on our progress to the President of the company, and was expected to provide a detailed review of where costs had been cut and how. I understood that if I provided misleading information, I would be removed from my position, and probably fired.

RESPONSE TO POST-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO ROGER W. BAKER, NOMINEE TO BE ASSISTANT SECRETARY OF INFORMATION AND TECHNOLOGY, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. The Senate Committee on Veterans' Affairs received an update briefing from OIT at the end of March 2009 regarding VA (CPRS) compliance with Section 508 of the Rehabilitation Act. Please report back to this Committee in the next 60 days with what you determine to be the latest status of the 508 compliance issue.

Response. I will do so.
[See follow-up letter dated June 18, 2009, below.]

Question 2. In an answer to one of my pre-hearing questions, you stated that one of your top priorities is, to “[c]ommunicate with employees and internal customers,” ensuring that an open, constructive communication environment exists both inside IT and with internal customers. How do you plan to create that type of environment?

Response. The most important aspect will be to demonstrate a personal openness to discussion, soliciting views from employees and customers and incorporating them into my thinking. I will also work to foster a management environment where we don't “shoot the messenger,” allowing staff to self-report on bad news without fearing repercussions.

Finally, I will identify management techniques that ensure that IT staff are motivated to communicate with customers and ensure that they are being well served.

Question 3. As Chairman of the Subcommittee on Oversight of Government Management and the Federal Workforce of the Homeland Security and Governmental Affairs, I am deeply committed to making far greater use of telecommuting opportunities throughout the Federal workplace. What are your thoughts on how IT may factor into a plan, especially ensuring the security of sensitive information, if VA expands its telecommuting policy?

Response. I am a strong supporter of telecommuting and virtual workforce capabilities, and will work within VA to ensure that we provide the technical capabilities that allow anyone who is authorized to work remotely to do so. Having worked for a number of “virtual companies” in the private sector, I will be an internal advocate for allowing employees to work remotely. While much of the mission of VA must be accomplished in its hospitals and clinics, IT can provide the tools to allow many parts of the organization to work from remote locations on a permanent, regular, occasional, or emergency basis.

Standard practice for securing sensitive information for remote workers is to require that they be issued government-owned equipment, subject to standard encryption and protection rules, in order to be able to access government networks. Security, while always an area of significant focus, should not be an obstacle that limits telework opportunities.

Question 4. Committee Staff recently conducted a prosthetics oversight visit at the Richmond VAMC. One of the topics discussed during this visit was the staff's use of IT in the day to day operations. The prosthetics' staff finds the databases they use to update the National Prosthetics Patient Data base (NPPD), track work orders, and monitor inventory are cumbersome and not very "user-friendly." In some cases, they claim they have to input the same information into multiple places which is time consuming and tedious. Since you have stated that you are a "consumer service oriented manager," do you plan to talk with the staff at the VAMCs, like Richmond, and listen to their concerns with the current systems?

Response. Yes. If confirmed I plan to make regular visits to VA field facilities to talk to front-line employees and customers. My goal is to stay as grounded as possible in the reality that our employees and customers face every day.

[Mr. Baker's follow-up to Question 1 from Hon. Daniel K. Akaka follows:]



DEPARTMENT OF VETERANS AFFAIRS
ASSISTANT SECRETARY FOR INFORMATION AND TECHNOLOGY
WASHINGTON DC 20420

JUN 18 2009

The Honorable Daniel K. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510

Dear Senator Akaka:

As requested, I am providing an update on the IT status of the Chapter 33 program.

I am currently receiving regular briefings on the progress of the Chapter 33 IT systems, and participating in the weekly status meetings conducted by the Under Secretary for Benefits. Phase I of the IT support system was installed and operational prior to the May 1 date when VA began accepting Veteran's applications for the program. This system allows benefits personnel to process the applications and issue a certificate of eligibility based on existing VA and the Department of Defense (DoD) information as well as Veteran supplied information.

Phase II of the IT support for Chapter 33 is on schedule to be installed in production over the weekend of July 4, 2009. Significant testing of this release is currently ongoing, and the development staff is addressing any coding errors uncovered by the testing. This release will provide process improvements for application processing, as well as supply the capabilities needed to process payments. With the installation of Phase II, sufficient IT functionality will be in place to allow the program to meet the August 1, 2009, date successfully.

Neither Phase I nor Phase II is an optimal IT solution, and benefits processors will continue to perform a substantial amount of manual work to process each application and payment. Phase III of the IT solution, due to be installed in mid-September, will provide further optimization of the process. Requirements for this release are still being discussed with benefits personnel.

I have only begun to look at the long-term solution for Chapter 33 processing, and cannot yet express a view on that program with any confidence. I will keep your staff informed on the status of that program as I gain further information. Please do not hesitate to call me at 202-461-6911 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger W. Baker".

Roger W. Baker

[The Committee questionnaire for Presidential nominees from Mr. Baker follows:]

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

1. Name: Baker Roger William
(LAST) (FIRST) (OTHER)

2. Present Address: 2804 Mustang Drive, Herndon VA 20171
(CITY) (STATE) (ZIP CODE)

3. Position to which nominated: Assistant Secretary for Information and Technology,
Department of Veterans Affairs

4. Date of nomination: 4/20/2009

5. Date of birth: 12/05/1956
(DAY) (MONTH) (YEAR)

6. Place of birth: Owosso, MI

7. Marital Status: Married

8. Full name of spouse: Karen Michele Baker

9. Names and ages of children

Alexander W. Baker	<u>20</u>	_____	_____
Lauren M. Baker	<u>17</u>	_____	_____

10: Education:

Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
<u>The University of Michigan Ann Arbor, MI</u>	<u>9/1975 to 4/1979</u>	<u>BS, Honors in Computer Science</u>	<u>4/1979</u>
<u>The University of Michigan Ann Arbor, MI</u>	<u>9/1980 to 4/1983</u>	<u>MBA</u>	<u>4/1983</u>
_____	_____	_____	_____

11. Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

None

12. Memberships List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
Obama-Biden Transition Project	Member, VA transition team Member, Technology team	11/2008 to 1/2009
Industry Advisory Council	Co-chair, Transition Study Group	3/2008 to 1/2009
Federal CIO Council	Co-chair, Security, Privacy, and Critical Infrastructure Committee	6/1999 to 5/2001
Dataline, LLC	Board of Directors	5/2007 to 5/2008
FirstGov (GSA)	Board of Directors	10/2000 to 5/2001
Government Information Technology Council	Board of Advisors	3/2006 to 1/2009
Council for Excellence in Government	Principal, SAGE Member	2002 to 2009

13. Employment record: List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

- Self Employed (management consultant), Herndon VA, 4/2008 to 1/2009
- CEO, Dataline, LLC, Norfolk VA 5/2007 to 5/2008
- Vice President and CIO, General Dynamics IT, Fairfax, VA 1/2004 to 5/2007
- Executive Vice President, CACI, Chantilly, VA 10/2001 to 1/2004
- CIO, U.S Department of Commerce (SES-6), Washington DC 7/1998 to 5/2001
- Vice President, Meta Group, Reston, VA 2/1998 to 7/1998
- COO, Bluegill Technologies, Ann Arbor, MI 9/1997 to 2/1998
- Vice President, VISA International, Herndon, VA 7/1994 to 1/1998
- Vica President, US Order, Herndon VA 5/1994 to 7/1994
- Vice President, Verdix Corp, Herndon VA 10/1988 to 5/1994
- Regional Manager, Harris Corp, Vienna, VA 5/1983 to 10/1988
- Engineer, Electrocon, Intl, Ann Arbor, MI 9/1980 to 8/1982
- Programmer, NCR, Dayton, OH 5/1979 to 8/1980

Trackman, Grand Trunk Railroad, Durand, MI 4/1978 to 8/1978

14. Military service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

None

15. Government record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

None

16. Published writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

"Federal IT needs a real champion: An IT Czar" Federal Times, Dec. 27 1999

"FirstGov Falling Short" Government Executive, November 1, 2001

Testimony before the House Committee on Government Reform on the need for the e-Gov Act, September 18, 2002

"The Next Management Agenda" www.meritalk.com, April 28, 2008

"Time to get Wiki or Face Extinction" www.meritalk.com, July 7, 2008

"Microsoft can Solve the Energy Crisis" www.meritalk.com, Sept. 19, 2008

"Using federal IT as a strategic weapon to strengthen the Economy" IAC Transition Study Group, Dec. 11, 2008

"Returning Innovation to the federal government with IT" IAC Transition Study Group, Dec. 11, 2008

17. Political affiliations and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

Contributions: Obama for America (2008) \$1,750

Obama for America (primary) \$2,300

Friends of Mark Warner (2008) \$1000

James Webb (2006) \$1000

Mark Warner (2006) \$500

Ohio Kerry Campaign (2004) \$2000

3

David Worley (2002) \$250

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

None

4

18. Future employment relationships:

(a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

Yes

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

None

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

None

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

N/A

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

Yes

19. Potential conflicts of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

(c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you

have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

- (d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

None

- (e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

20. Testifying before the Congress:

- (a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

Yes. _____

- (b) Do you agree to provide such information as is requested by such a committee?

Yes. _____

AFFIDAVIT

Roger W. Baker being duly sworn, hereby states that he/she has read and signed the answers to the foregoing Questionnaire for Presidential Nominees and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

Roger W. Baker
Signature of Nominee

Subscribed and sworn before me this 22nd day of April, 2009

Kenneth M. Greenberg
Notary Public

Kenneth M. Greenberg
Notary Public, District of Columbia
My Commission Expires 3/14/2011

[A letter from the Office of Government Ethics follows:]



United States
Office of Government Ethics
1201 New York Avenue, NW, Suite 500
Washington, DC 20005-3917

April 21, 2009

The Honorable Daniel A. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Roger W. Baker, who has been nominated by President Obama for the position of Assistant Secretary for Information and Technology, Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick
Director

Enclosures

[Letter from Mr. Baker to the Office of General Counsel, U.S. Department of Veterans Affairs:]

April 17, 2009

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Assistant Secretary for Information and Technology of the U.S. Department of Veterans Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I have been advised that the duties of the position of Assistant Secretary may involve particular matters affecting the financial interests of Endeca Inc, a company in which I hold an equity interest. The agency has determined that it is not necessary at this time for me to divest my interest in this entity because the likelihood that my duties will involve any such matter is remote. Accordingly, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of this entity, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I will divest my interests in the following entities within 90 days of my confirmation: Cisco and CACI, International. With regard to each of these entities, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of the entity until I have divested it, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I understand that I may be eligible to request a Certificate of Divestiture for these assets and that a Certificate of Divestiture is effective only if obtained prior

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Mr. Walter A. Hall (023)

to divestiture. Regardless of whether I receive a Certificate of Divestiture, I will divest these assets within 90 days of my confirmation and will invest the proceeds in non-conflicting assets.

Upon confirmation I will transfer my holdings in my General Dynamics 401(k) plan that are currently invested in the General Dynamics Stock Fund (containing only General Dynamics common stock) to other investment options offered by the plan that are diversified.

I resigned from the position of CEO with Dataline, LLC, effective May 2008. I will have a "covered relationship" with Dataline LLC for one year from the date of my resignation. During that time, I will not participate personally and substantially in any particular matter in which Dataline LLC is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have ceased all operations of Roger Baker LLC, my sole proprietorship consulting firm, as of January 2009. I will not participate personally and substantially in any particular matter in which a former client of Roger Baker LLC is a party or represents a party, for a period of one year after I last provided service to that client, unless I am first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

My spouse is employed by Infinity Conference Group of Herndon, VA. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my spouse's compensation or employment with Infinity Conference Group. I also will not participate personally and substantially in any particular matter involving specific parties in which Infinity Conference Group is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Sincerely,



Roger W. Baker

Senator AKAKA. Thank you very much, Mr. Baker.

I want to now welcome Will A. Gunn. Colonel Gunn has been nominated to be VA's General Counsel and is currently an attorney representing military members and veterans in private practice in Northern Virginia.

Colonel Gunn is a graduate of the United States Air Force Academy and graduated with honors from Harvard Law School. He also has a Master of Law degree in Environmental Law from the George Washington University School of Law and a Master of Science degree in National Resource Strategy from the Industrial College of the Armed Forces.

We welcome you, Colonel Gunn, and would ask you to introduce your guests. When you are done, please begin with your statement.

Colonel GUNN. Thank you, Chairman Akaka. I believe, if I am not mistaken, my guests are en route for the most part. However, one of my fellow alumni from the Academy, Mr. Gary Kao, joins me today. So, I am pleased with respect to that.

Senator AKAKA. Welcome.

STATEMENT OF WILL A. GUNN, COLONEL (RET.), U.S. AIR FORCE, NOMINEE TO BE GENERAL COUNSEL, U.S. DEPARTMENT OF VETERANS AFFAIRS

Colonel GUNN. Chairman Akaka and other Members, I would just like to thank you for scheduling this hearing today.

I am honored by President Obama's and Secretary Shinseki's choice to nominate me for the position of General Counsel in the Department of Veterans Affairs. I greatly appreciate the confidence that they have in me to help accomplish their vision of transforming this Department into a 21st century organization. I look forward to the opportunity, and I consider it a sacred trust.

I believe my professional and life experiences have well prepared me to serve as the General Counsel for Veterans Affairs. You see, veterans hold a special place in my heart. I am named after one of my mother's brothers who died in the Korean War, and my wife, Dawn, she and I are both veterans, and veterans do hold a very special place in our hearts. Her father, for instance, was an enlisted man in the Army during World War II, and he served as an officer in the Korean War. In addition to that, a lot of other family members have also served in the military.

Chairman, I put on the military uniform for the first time 33 years ago when I entered the Air Force Academy in the summer of 1976. At that time I was part of the class of 1980, which was the first Academy class with women. I graduated 4 years later with military honors and was commissioned as a second lieutenant. I then served as an admissions advisor in the Academy's Office of Minority Affairs, and I later spent 2 years as a contract negotiator. I was then blessed to attend Harvard Law School, and while I was there, I was elected President of the Harvard Legal Aid Bureau, an organization that provided legal services to low-income individuals.

After graduating from Harvard in 1986, I spent the next 19 years in a variety of challenging and rewarding assignments as a member of the Air Force JAG Corps. I prosecuted cases; I defended military members; I represented the Air Force in Federal court; and I served as a White House Fellow. I also taught as a JAG School instructor and served as a supervising attorney in several settings. For example, I was the staff judge advocate for Pope Air Force Base in North Carolina, and I served as Chief Defense Counsel for Air Force defense counsel over an 11-State area. I then went on to serve as the Executive Officer to the Air Force Judge Advocate General, which essentially meant that I was the chief of staff for a department with over 1,000 attorneys.

I concluded my military career as the first ever Chief Defense Counsel in the Office of Military Commissions with the responsibility of establishing a defense function and effectively representing

the detainees at Guantanamo Bay, Cuba—those that were brought before military commissions.

In addition to my military service, last year I established my own law firm to focus on military law so that I could provide service to military members and veterans.

My first exposure to the Department of Veterans Affairs came in 1990 when, as a White House Fellow, I was assigned as a White House liaison to VA's Office of the Secretary. During that year, I gained an appreciation for several issues affecting the Department, and I have followed these issues from afar over the years.

If confirmed, I will join President Obama and Secretary Shinseki in their efforts to transform VA into a 21st organization that is more people-centric, results-oriented, and forward-looking than ever before. In addition to my being a veteran and my awareness of some of the issues affecting the Department, I would like to say that I am also committed to developing leaders—a function that will be critical to transforming the Department. Moreover, when I served in the Air Force, the service endorsed the values of integrity first, service to others before self, and excellence in all we do. I went on to adopt those values as my own personal guide stars, and I am going to bring those values with me to the Department of Veterans Affairs.

In conclusion, if I am confirmed, I will join a Department that has, for more than 75 years, cared for the men and women who have fought this Nation's battles. I look forward to working closely with the Members and staff of this Committee to address issues affecting veterans and their families. I also look forward to working with the Veterans Service Organizations and VA's other stakeholders in order to advance the President's and the Secretary's vision for a 21st century VA.

Thank you very much.

[The prepared statement of Mr. Gunn follows:]

PREPARED STATEMENT OF WILL A. GUNN, GENERAL COUNSEL NOMINEE,
U.S. DEPARTMENT OF VETERANS AFFAIRS

Chairman Akaka, Senator Burr, Distinguished Members of the Senate Committee on Veterans' Affairs: Thank you for scheduling this hearing so expeditiously to consider my nomination as General Counsel of the Department of Veterans Affairs.

I am honored and humbled by President Obama's appointment to serve as VA's General Counsel and I greatly appreciate the confidence that the President and Secretary Shinseki have in me to help accomplish their vision of transforming VA into a 21st century organization. I consider this a sacred trust.

I believe my professional and life experiences have prepared me well to serve as the Department's general counsel. The military and veterans hold a special place in my heart and in the hearts of my family members. I am named for one of my mother's brothers who died in the Korean War. My wife's father served as an Army enlisted man in World War II, and as an officer in Korea. In addition, many other family members have served this Nation through military service. I first put on a United States military uniform in the summer of 1976 when I graduated from high school and entered the Air Force Academy as part of the class of 1980—the Academy's first class with women. Four years later, I graduated with military honors and was commissioned as a second lieutenant. I then served as an admissions advisor in the Academy's Office of Minority Affairs and later spent two years as a contract negotiator. I was then blessed to attend Harvard Law School through the Air Force's Funded Legal Education Program and I graduated cum laude from Harvard in 1986.

After law school, I was proud to spend the next 19 years in a variety of challenging and rewarding assignments as a member of the Air Force JAG Corps. I prosecuted cases, defended military members, represented the Air Force in Federal

court in military personnel disputes, served as a White House Fellow, taught as a JAG School instructor, and served as a supervising attorney in several settings. I was the staff judge advocate (principal legal advisor and supervising attorney) for Pope AFB in North Carolina, Chief Defense Counsel for Air Force defense counsel over an eleven state area in the center of the country, Executive Officer (Chief of Staff) for the Air Force Judge Advocate General, and in my last military assignment I was asked to serve as the first Chief Defense Counsel in the Office of Military Commissions with the responsibility of establishing a defense function and providing effective representation for Guantanamo detainees brought before military commissions.

Since retiring from the military in 2005, I have served as President and CEO of Boys and Girls Clubs of Greater Washington, one of the largest affiliates of Boys and Girls Clubs of America. In addition, last year, I established my own modest law firm to focus on military law and I have represented members of the military, veterans, and civilians working for or with the Federal Government.

My first exposure to the Department of Veterans Affairs occurred in 1990 when, as a White House Fellow, working in the White House Office of Cabinet Affairs, I was assigned responsibility to serve as a liaison to the VA's Office of the Secretary. Over the course of that year, I gained an appreciation for a wide range of issues affecting the Department. I have followed many of these issues from afar in recent years and am excited to be considered to serve as the Department's senior lawyer and as the Secretary's chief legal advisor.

If confirmed, I will join President Obama and Secretary Shinseki in their effort to transform VA into a 21st century model of veteran care, a VA that is more people-centric, results-oriented, and forward-looking than ever before. Due to the nature of the General Counsel function, lawyers will be involved in virtually all aspects of the Department's transformation initiatives. Becoming a 21st century Department will take communication and transparency, as well as commitment. In addition to my being a veteran, and my awareness and familiarity with some of the issues affecting veterans, I am also committed to developing leaders—another function that will be critical to transforming the Department. Moreover, I served in the United States Air Force, where the values of integrity, service, and excellence were my guideposts. I long ago adopted these values as my own and will bring them with me to VA.

In conclusion, if I am confirmed, I will, with enthusiasm and sense of purpose, join a Department that has, for more than 75 years, cared for the men and women who have borne the battle. I look forward to working closely with the members and staff of this Committee to address issues affecting veterans and their families. I also look forward to working with the Veterans Service Organizations and VA's stakeholders in order to advance the President's and Secretary Shinseki's mission for a 21st century VA. Thank you.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO
WILL A. GUNN, NOMINEE TO BE GENERAL COUNSEL OF THE U.S. DEPARTMENT OF
VETERANS AFFAIRS

Question 1. Have you and Secretary Shinseki discussed the role he would like you to assume as General Counsel if you are confirmed? Will you be a key member of the Secretary's management team?

Response. Secretary Shinseki and I have briefly discussed the role he would like me to assume if I am confirmed. He has asked me to not only lead the Department's legal staff but to serve as a key advisor to him and to the rest of his leadership team.

Question 2. What role do you believe the General Counsel plays in evaluating legislation, both introduced in Congress and proposed by VA, for legal sufficiency and impact? While the various program offices can provide valuable information on the intent, background, or implementation of a particular bill, I believe that it is vital for the General Counsel to provide an expert analysis on the legal implications. Do you agree?

Response. I believe that it is appropriate for the Office of General Counsel to provide advice on the legal implications of proposed legislation but I am not fully familiar with the role VA's General Counsel currently plays in this regard. It is my understanding that lawyers in the General Counsel's office work closely with the Office of Congressional and Legislative Affairs to coordinate on and review pending legislation. Should I be confirmed, I will make it a priority to evaluate the effectiveness of OGC's activities, and the effectiveness of the processes in this area.

Question 3. The General Counsel must send a clear message to Regional Councils that they must work with and support field program personnel. I urge you to consider a proactive type of interaction that will prevent problems and litigation, rather than waiting until lawsuits are filed. How might this be accomplished?

Response. During my career as a lawyer in the Air Force JAG Corps, I sought to emphasize preventive law in every position that allowed me the opportunity. Similarly, I believe that it is appropriate for OGC to be involved in preventive law activities. By being proactive, identifying risks and communicating preventative strategies with clients and customers we may be able to reduce costs, save time, avoid liability and provide better service. If I am confirmed, and subsequently discover that this approach is lacking within OGC, I would seek to advance this philosophy by using a variety of methods to communicate it to VA's regional counsels and to our clients.

Question 4. Should VA have another data security breach, similar to the May 2006 incident, do you have a clear idea of what the General Counsel's role is in VA's response? In the event of a significant data breach, risk analysis plays a critical role in how VA will respond. What is your understanding of the role the General Counsel plays in VA's risk analysis process?

Response. The protection of personal privacy is always paramount, particularly in this age of electronically-stored and transmitted data. As VA's General Counsel, should I be confirmed, I will have that philosophy front and center in all matters related to security breaches. Veterans' information—their privacy—must be protected. Likewise, in security matters of concern to VA employees, their privacy must also be respected. I am not certain how I would apply a risk-analysis process to such matters, so I would like to defer a fuller answer to your question until I have the opportunity to examine first-hand OGC's practices. However, I see two related roles for a General Counsel in these matters. The first would be to provide legal advice to ensure that the law and regulations detailing VA's duties for responding to these situations are followed. The second would be to advise Department officials on how to mitigate any potential legal liability that could arise from the breach.

[See revised comments in Attachment A following Question 18.]

Question 5. What do you see as the biggest challenges facing the General Counsel's office at this time?

Response. As a career Air Force lawyer, I know Government counsel must constantly adjust to evolving client needs and ever-changing legal frameworks. New laws, regulations and court precedents come on the books every day, challenging counsel to not only keep current but to be able to clearly communicate sound advice to clients regarding the increasingly complex legal guidelines within which they must operate. If I am confirmed as General Counsel at VA, I would ensure the office is organized so as to be able to timely communicate both within OGC and to clients any significant changes in law.

Question 6. Last year, VA was involved with the issue of providing voting registration services to veterans in the Department's care. What are your views on VA's role in assisting veterans who are residing in long-term care facilities with voting?

Response. Veterans take their civic responsibilities very seriously. It was, after all, our veterans who protected our rights—including our right to vote—with their lives. I am sure their sense of civic duty does not diminish when they become VA patients. VA should do what it can to ensure that veterans who wish to vote are able to exercise that right while residing in its long-term-care facilities.

Question 7. Currently VA submits VBA records on veterans determined to be mentally incompetent to the FBI for inclusion in the National Instant Criminal Background Check System (NICS). What are your views of VA's responsibility, under current laws and regulations, to report names to Justice for inclusion in NICS?

Response. I am not yet sufficiently familiar with the law and regulations involving the "NICS" or with the Government's implementation of it to offer an opinion of VA's responsibilities in this regard. If confirmed, I would ask for an early briefing on this issue.

[See revised comments in Attachment A.]

Question 8. The former General Counsel expressed the view that GSA's overall authority to prescribe policies and methods of procurement and supply of personal property for VA, despite delegating several Federal Supply health care-related schedules to VA, is not open to debate. And that, in light of that, GSA must approve any changes contemplated by VA that might impact the Federal Supply program from a policy standpoint. Do you agree with this position?

As part of your answer, please review IG Report No. 05-01670-04, Final Report—Special Review of Federal Supply Schedule Medical Equipment and Supply Contracts Awarded to Resellers.

Response. This is another issue with which I am unfamiliar, but if confirmed I would seek to obtain a thorough briefing in short order.

[See revised comments in Attachment A.]

Question 9. Are you more of a “hands-on” manager or do you tend to rely on significant delegation? Do you seek to achieve consensus with those on your management team before making a decision or do you generally gather relevant information and input, and then make a decision?

As an example, please describe the degree to which you anticipate actively managing the work of Regional Counsels.

Response. During the last ten years of my Air Force career, I served in a variety of positions and in which I employed varied management and leadership strategies. My duties went from serving as the senior lawyer for a single military installation (1996-99), to serving as Chief Defense Counsel for Air Force Bases in the central United States with attorneys assigned at more than 20 bases over an eleven state area (1999-2001), to serving as Executive Officer for the Air Force Judge Advocate General (2002-2003). In this last position, I served essentially as the JAG Corps’ Chief of Staff and coordinated policy for more than a thousand lawyers spread out all over the world. Those that I have supervised and worked with in these positions generally describe me as a manager and leader who likes to be kept well-informed of matters within my purview but also as one who believes in empowering members of my team so that they can do their jobs and grow as leaders. With that in mind, I seek to listen to a variety of views and seek consensus whenever possible. I anticipate that I would employ these same strategies in overseeing the work of the Regional Counsels. Nevertheless, I understand that if I am confirmed I would be ultimately responsible and accountable for the activities of OGC.

Question 10. What are your first impressions of Professional Staff Group VII’s representation of the Department in cases before the Court of Appeals for Veterans Claims?

Response. I have not yet formed an opinion of the quality of Professional Staff Group VII’s work.

[See revised comments in Attachment A.]

Question 11. If confirmed, how do you envision collaborating with the Board of Veterans’ Appeals, and specifically, with its Chairman?

Response. I am not fully familiar with how the Board of Veterans’ Appeals and OGC currently collaborate. As a result, I have not formed an opinion as to how such collaboration should proceed in the future. However, if I am confirmed I will make it a priority to evaluate this relationship.

[See revised comments in Attachment A.]

Question 12. What role do you believe the Office of General Counsel should play in ensuring that VA understands and complies with decisions of the U.S. Court of Appeals for Veterans Claims and other courts?

Response. The General Counsel is the chief legal officer of the Department. As such, he or she is the ultimate VA authority with regard to the correct legal interpretation of court decisions. If confirmed, I would work to ensure that those interpretations are promptly and clearly communicated to all within VA who have a need to know.

Question 13. What role should the Office of General Counsel play in determining whether a specific disease or illness should be presumed service-connected?

Response. Before responding substantively to this question, I would have to become aware of and study whatever laws and regulations may apply to this issue. I have not yet had that opportunity.

[See revised comments in Attachment A.]

Question 14. The Committee has a strong interest in improving collaboration and cooperation between VA and DOD. As far as you are aware, are there any existing legal impediments to the two Departments engaging in comprehensive sharing?

Response. I know that Secretary Shinseki is a strong advocate for a VA/DOD collaboration that will ease the active-duty-to-veteran-status transition with respect to the electronic sharing of health records. I am not aware of any legal impediments to such a VA/DOD collaboration in matters affecting the healthcare of veterans or the sharing of their health records. If I become aware of any, I would advise the Secretary and, as he would direct, work toward enactment of appropriate legislation.

Question 15. In recent years, there have been situations in which a significant issue has been under review by the Court of Appeals for Veterans Claims or, after

appeal from that court, by the Court of Appeals for the Federal Circuit. Meanwhile, claims involving the same issue continue to come to VA. Do you have any recommendation on how to manage claims that are pending a court decision?

Response. This is another issue with which I am currently unfamiliar. If I am confirmed, I would be very diligent in coming up to speed on the issue.

[See revised comments in Attachment A.]

Question 16. With ever-increasing numbers of older veterans in VA long-term care facilities, do Regional Counsels have any role in working with these veterans to assist them with estate planning or referring them to local attorneys who might provide such assistance?

Response. I agree with the premise of the question, which is that it would be useful to veterans in long-term care facilities if VA could at least help them access community resources for purposes of estate planning. During my JAG career, I found that the “legal assistance” on personal legal matters we provided to military members and their families (in such matters as simple contracts, estate planning, and family law) was highly valued by them and was greatly appreciated. I’m certain that our veterans in long-term care facilities would also appreciate this type of assistance. I would have to know more about VA’s current statutory authority before I could offer an opinion on the feasibility of its providing estate-planning services in-house.

[See revised comments in Attachment A.]

Question 17. Do you agree to supply the Committee with such non-privileged information, materials, and documents as may be requested by the Committee in its oversight and legislative capacities for so long as you serve in the position of General Counsel?

Response. Yes.

Question 18. Do you agree to appear before the Committee at such times and concerning such matters as the Committee might request for so long as you serve in the position of General Counsel?

Response. Yes.

ATTACHMENT A

FULL RESPONSES TO CERTAIN PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO WILL A. GUNN, AT HIS NOMINATION HEARING TO BE GENERAL COUNSEL OF THE U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 4. Should VA have another data security breach, similar to the May 2006 incident, do you have a clear idea of what the General Counsel’s role is in VA’s response? In the event of a significant data breach, risk analysis plays a critical role in how VA will respond. What is your understanding of the role the General Counsel plays in VA’s risk analysis process?

Response. The Office of the General Counsel assists in the response to VA data breaches in several ways. VA is required by information-security statutes to respond to a data breach by arranging for an independent risk analysis (IRA) by the VA Office of Inspector General or a non-VA entity to determine the potential for misuse of any sensitive personal information compromised by the incident. If the analysis indicates that there is a reasonable risk of harm, the Department must provide credit-protection services in accordance with VA regulations.

VA regulations also authorize VA to provide an accelerated response without an IRA if an immediate and substantial risk of identity theft or other harm to individuals is identified. In those cases, OGC staff assist the Office of Information Technology (OIT) in conducting risk analyses, interpreting the results, and responding to incidents as soon as feasible through notices to affected individuals and, if appropriate, credit-protection services.

OGC serves as a member of the Incident Response Governance Board (IRGB) of OIT’s Office of Protection and Risk Management, which provides oversight and policy direction for data-breach analysis and reporting. As a member of the Data Breach Response Team of the IRGB, OGC helps determine whether a data breach has occurred and sensitive personal information has been compromised. OGC also assists in the documentation of VA’s responses to breaches and the retention of relevant records.

Question 5. What do you see as the biggest challenges facing the General Counsel’s office at this time?

Response. After briefings by OGC managers and supervisors, I believe the answer I initially provided remains a valid statement of the office’s principal challenges.

OGC attorneys must constantly adjust to evolving client needs and to ever-changing legal requirements. New laws, regulations and court precedents are constantly coming on the books, challenging counsel to not only keep current but to be able to clearly communicate sound advice to clients regarding the increasingly complex legal framework within which they must operate. OGC is challenged to find the necessary information and clearly communicate needed legal advice when it is needed. Good intra-office collaboration among OGC staff across the country is critical to success.

Question 7. Currently VA submits VBA records on veterans determined to be mentally incompetent to the FBI for inclusion in the National Instant Criminal Background Check System (NICS). What are your views of VA's responsibility, under current laws and regulations, to report names to Justice for inclusion in NICS?

Response. Federal law (18 U.S.C. § 922(g)) renders nine categories of individuals ineligible to receive or possess firearms, including:

"(4) any person . . . who has been adjudicated as a mental defective . . ."

The "Brady Handgun Violence Protection Act" (Brady Act) requires the Attorney General to compile and maintain a list of names of ineligible persons in a National Instant Criminal Background Check System (NICS), which gun dealers are required to query before selling firearms. The Brady Act authorizes DOJ to request that Federal agencies provide any information they possess regarding such individuals, and mandates agency compliance with DOJ's requests ("On request of the Attorney General, the head of such department shall furnish such information to the system").

DOJ's Bureau of Alcohol, Tobacco and Firearms has promulgated regulations which define "adjudicated as a mental defective" for this purpose to mean:

A determination by a court, board, commission, or other lawful authority that a person, as a result of marked subnormal intelligence, or mental illness, incompetency, condition, or disease:

- (1) is a danger to himself or to others; or
- (2) lacks the mental capacity to contract or manage his own affairs.

27 CFR 478.11. At DOJ's request, VA has since 1998 been supplying it information about persons eligible for VA cash benefits who VA has administratively adjudged to be "mentally incompetent" and is therefore paying benefits on their behalfs through fiduciaries. VA's determinations of incompetency are made pursuant to 38 U.S.C. § 5502, which authorizes payment of monetary benefits to fiduciaries on behalf of mentally incompetent or insane VA beneficiaries. VA's definition of mental incompetency for this purpose closely tracks the DOJ definition of mental defectives:

A mentally incompetent person is one who because of injury or disease lacks the mental capacity to contract or to manage his or her own affairs, including disbursement of funds without limitation.

38 CFR § 3.353(a). VA is fulfilling its responsibilities under the Brady Act by supplying this information to DOJ as requested, and would be without legal authority to withhold it.

Question 8. The former General Counsel expressed the view that GSA's overall authority to prescribe policies and methods of procurement and supply of personal property for VA, despite delegating several Federal Supply health care-related schedules to VA, is not open to debate. And that, in light of that, GSA must approve any changes contemplated by VA that might impact the Federal Supply program from a policy standpoint. Do you agree with this position?

As part of your answer, please review IG Report No. 05-01670-04, Final Report—Special Review of Federal Supply Schedule Medical Equipment and Supply Contracts Awarded to Resellers.

Response. The written delegations from GSA to VA, under which VA manages several health care-related schedules of the GSA Federal Supply Schedules Program (FSS), generally reserve to GSA the authority to make policy for the schedules. Consequently, after being briefed on this matter by OGC staff, I agree with my predecessor that GSA must approve any changes contemplated by VA for its schedules that might impact the FSS Program from a policy standpoint.

Question 10. What are your first impressions of Professional Staff Group VII's representation of the Department in cases before the Court of Appeals for Veterans Claims?

Response. I have received briefings on Group 7's operations, to include its procedures for case preparation and supervisory approval of its pleadings. My first im-

pressions are that their procedures are sound, and I am impressed with their dedication to duty and level of effort. However, theirs is a very big area of our practice and I need to see more of their work product and learn more from various sources, including CAVC judges, before I will have a well-informed opinion of their overall effectiveness.

Question 11. If confirmed, how do you envision collaborating with the Board of Veterans' Appeals, and specifically, with its Chairman?

Response. The Office of the General Counsel provides legal advice and assistance to the Board of Veterans' Appeals as needed to support the Board's ability to make accurate, consistent, and timely decisions on appeals. OGC advises the Board on the requirements of statutes, regulations and judicial precedents and when requested by the Chairman, provides formal legal opinions that may be designated as having precedential effect throughout the Department. We assist the Board in preparing regulatory amendments to improve its appellate processes and in addressing legislative proposals affecting its mission. Collaboration among OGC, the Board, and other VA components is essential to ensuring the benefit-adjudication process works efficiently and provides fair and consistent results. To that end, senior OGC managers regularly meet with the Chairman and other Board officials as well as with senior members of the Veterans Benefits Administration and the Veterans Health Administration to discuss significant matters concerning the benefit-adjudication system. I will continue and build upon this collaborative process and work closely with the Chairman to ensure that the Board functions as Congress intended.

Question 13. What role should the Office of General Counsel play in determining whether a specific disease or illness should be presumed service-connected?

Response. As the General Counsel, I am responsible for advising the Secretary regarding the requirements of any statutes or other legal authorities that may guide or constrain the Secretary's discretion in establishing presumptions of service connection by regulation and for assisting in preparation of any needed legislative proposals. Beyond those functions, the General Counsel historically has collaborated closely with other VA officials to ensure that the Secretary is given the best possible demographic, medical and scientific information concerning potential presumptions of service connection. For example, existing statutes require that the Secretary periodically determine whether new presumptions are warranted for specific diseases or illnesses based on an association with exposure to herbicides used in Vietnam or with exposure to hazards associated with Gulf War service. The General Counsel serves with other senior VA officials on a task force charged with evaluating the relevant evidence in relation to the statutory standards and making recommendations to the Secretary based on those evaluations. I look forward to participating in that process.

Question 15. In recent years, there have been situations in which a significant issue has been under review by the Court of Appeals for Veterans Claims or, after appeal from that court, by the Court of Appeals for the Federal Circuit. Meanwhile, claims involving the same issue continue to come to VA. Do you have any recommendation on how to manage claims that are pending a court decision?

Response. I believe the Secretary needs considerable latitude to hold claims in abeyance during the pendency of legal challenges to court precedents having wide application. For example, VA prudently held in abeyance a large number of claims of blue-water Navy veterans while it pursued an appeal of CAVC's decision in the *Haas* case. Had it not done so, and instead awarded benefits based upon the CAVC opinion which would later be reversed, it would not only have unnecessarily caused the Department to have to revisit and correct those decisions but also sowed unnecessary confusion among veterans.

Question 16. With ever-increasing numbers of older veterans in VA long-term care facilities, do Regional Counsels have any role in working with these veterans to assist them with estate planning or referring them to local attorneys who might provide such assistance?

Response. VA is not currently authorized to provide estate-planning services to veterans. However, Regional Counsels and other VA employees can and do refer veterans and their fiduciaries to resources within the community capable of providing this and other social services.

**Department of
Veterans Affairs****Memorandum**

Date: JUN 2 2009
From: Chairman, Board of Veterans' Appeals (01)
Subj: Action Plan for Tracking Expedited Treatment of Remanded Claims
To: General Counsel (02)

1. This is in response to a May 27, 2009, memorandum from the Deputy Secretary, in which he asked the Board of Veterans' Appeals (BVA or Board) to develop and provide you with plans for tracking compliance with expedited handling of remanded claims under 38 U.S.C. §§ 5109B and 7112. This request was made in order to aid in preparing a response to Senator Daniel Akaka, Chairman of the Senate Veterans Affairs Committee (SVAC), in regard to a matter that he raised at your confirmation hearing before the SVAC on May 6, 2009. At that hearing, Senator Akaka stated that, on a visit to the Board, his staff had learned that "there is no tracking system to ensure that claims remanded from the Court of Appeals for Veterans Claims or [BVA] comply with the statutory mandate that some claims be adjudicated more quickly than others."

2. The Board is fully cognizant of our duty "to provide for the expeditious treatment by the Board of any claim that is remanded to the Secretary by the Court of Appeals for Veterans Claims" (Court). 38 U.S.C.A. § 7112 (West Supp. 2008). As explained in detail below, an effective system is in place to both track and process cases remanded to the Board by the Court. The Board has a Litigation Support Office whose sole purpose is to monitor and process cases that are remanded to the Board from the U.S. Court of Appeals for Veterans Claims (Court). This office consists of a supervisory attorney, three paralegals, and one legal assistant. This office is under the direct supervision of the Board's Chief Counsel for Operations. In addition, we carefully track Court remands in "VACOLS" (Veterans Appeals Control and Locator System), an automated system for tracking individual appeals, including remands, and extracting pertinent data in response to a wide range of queries. VACOLS is a Departmental appellate tracking system which is used not only by the Board, but by the Veterans Benefits Administration and Professional Staff Group VII of the Office of General Counsel.

3. The Board monitors the Court's orders on a daily basis to ensure that we take action as quickly as possible in cases that are returned to us from the Court. After the Court issues an order vacating and remanding a Board decision, the Board cannot act on that remand until it has jurisdiction to do so. The Court generally issues judgment 21 days after the decision, and mandate generally issues 60 days later, thus evidencing that the judgment has become final and that the matter has not been appealed to the U.S. Court of Appeals for the Federal Circuit.

4. After jurisdiction in the case transfers to the Board, the Board prepares the case for adjudication by obtaining the appellant's claims file, as well as complete copies of any briefs that were filed in connection with the appeal before the Court. The time involved for this process varies, depending on the availability of the claims file and

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General Counsel (02)

briefs. The Board sometimes faces serious challenges in obtaining these items from other VA components.

5. Once the Board has in its possession the claims file and the briefs, the Board is required to send the appellant and representative in the case a notice letter, which informs them that their case has been returned to the Board by the Court for readjudication. The appellant is given a period of 90 days in which to respond to that notice letter with any evidence or argument. See *Kutscherousky v. West*, 12 Vet. App. 369, 372 (1999). The appellant may waive this 90-day period and ask the Board to proceed with their appeal, or they may also ask for an extension of this time period. Extension requests are normally granted without question the first time, but subsequent extension requests are left to the discretion of the Veterans Law Judge assigned to the case.

6. After the 90-day notice period expires, or the appellant responds to the letter, whichever comes first, the case is then forwarded to the Board's Central Case Storage, where it awaits call up to a Veterans Law Judge. The case is typically sent up to a Veterans Law Judge within a few days. Once assigned to a Veterans Law Judge, the case is usually dispatched rather quickly.

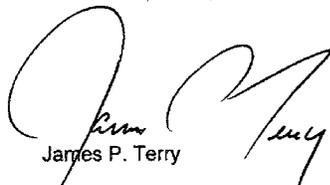
7. Each Court remand case is carefully tracked in VACOLS. We have a series of reports that we run in VACOLS for processing Court remand cases, which helps us keep track of the various stages of processing these cases. Additionally, each claims file is physically flagged by a blue-colored paper flash that is attached to the exterior of the file for easy identification, and receives special handling. At the beginning of every month, the Board runs a report of Court remand cases that are assigned to specific locations at the Board, to see if any cases have been in that location in excess of 30 days. Any cases appearing on that list are resolved with priority, to the extent possible.

8. In summary, the Board currently has a detailed processing and tracking system in place to ensure compliance with the expedited handling of remanded claims. We take this requirement very seriously, and are constantly looking for ways to improve and achieve greater efficiencies in processing Court remands. While we are at a loss to understand how the SVAC staffer that recently visited the Board left with the idea that we had no tracking system in place for these cases, we welcome this opportunity to help correct this misimpression.

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General Counsel (02)

9. I hope that this information will assist you and the Deputy Secretary. Please let me know if you require additional information or if I can otherwise be of assistance.

A handwritten signature in black ink, appearing to read "James P. Terry". The signature is stylized with large, sweeping loops and a long, thin tail extending downwards and to the left.

Cc: Deputy Secretary (00)

Department of
Veterans Affairs

Memorandum

Date: June 25, 2009

From: Under Secretary for Benefits

Subj: Action Plan for Tracking Expedited Treatment of Remanded Claims

To: General Counsel

1. This is in response to the Memorandum from the Deputy Secretary concerning VBA's plan for tracking compliance with expedited handling of remanded claims under 38 U.S.C. §§ 5109B and 7112.
2. The Appeals Management Center (AMC) utilizes a number of systems to track and manage the expedited processing of claims remanded by the Court of Appeals for Veterans Claims (CAVC) and Board of Veterans' Appeals (BVA). The following systems are utilized by the AMC: Veterans Appeals Control and Locator System (VACOLS), Control of Veterans Records System (COVERS), and VETSNET Operations Reports (VOR). Each of these reporting systems have features that allow certain cases, such as remands, to be distinguished from other claims tracked through these systems. COVERS records the location of a claims file; all remands are electronically flashed in COVERS with an expedite abbreviation (EXP) informing each person handling the file that expedited action is required. VACOLS is a tracking system unique to appeals that includes the ability to specifically track remands through the entire appeals process. VOR is used to track all claims for benefits and also has functions applicable to appeals that reflect the status of current appeals as well as those that have been resolved by the AMC.
3. All cases received at the AMC are quickly reviewed to determine whether or not it is a remand or other priority. If a case is determined to be a remand or other priority, an "EXPEDITE" sheet is attached to the front of the file and the necessary annotations are made within the electronic tracking systems. Any case with this distinction is handcarried through the entire process.
4. The AMC has a workload management plan that specifically addresses priority case processing. AMC management regularly examines reports from COVERS, VACOLS, and VOR to assess compliance.
5. The AMC is dedicated to providing timely service to all veterans and continues to look for additional ways to improve our decision processes.



P. W. Dunne

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO WILL
A. GUNN, NOMINEE TO BE GENERAL COUNSEL, U.S. DEPARTMENT OF VETERANS AF-
FAIRS

Question 1. Under the Gun Control Act, individuals "adjudicated as mental defective" are prohibited from purchasing a firearm. This definition includes those with mental illnesses who are a danger to themselves or others, or lack the mental capacity to manage their own affairs. The Brady Act gives the Attorney General discre-

tion to request of any Federal agency the names of individuals who fall under this definition for inclusion on the National Instant Criminal Background Check System. Under an agreement with the FBI, VA sends to the FBI the names of individuals whom VA determines need help managing their own financial affairs. I am concerned about the arbitrariness of the existing process and fact that veterans have been singled out among all Federal beneficiaries. But I'm also concerned that the Attorney General could request that VA send the names of additional categories of persons who have been "adjudicated as a mental defective," and I'd like to know what your legal analysis on the matter is.

A. Is it your judgment that a person "adjudicated as a mental defective" could, at some future point, be construed as encompassing individuals who have been rated by the Veterans Benefits Administration as service-disabled for a mental illness, such as Post Traumatic Stress Disorder?

Response. My limited understanding of the "NICS" issue at this point is that VA currently sends FBI the names of all veterans on its benefit rolls that VA has determined lack the mental capacity to contract or manage their own financial affairs due to injury or disease of any kind. I further understand that under current law, VA is legally obligated to comply.

B. What, in your judgment, would be the effect on veteran's willingness to file a claim or seek treatment for mental illness if their 2nd Amendment rights were compromised as a result?

Response. If confirmed, I hope to learn more about Veterans' needs and what may either motivate them to seek VA benefits and services or operate as a disincentive to their doing so. However, in principle I would be very skeptical of any policy that would interfere with individuals' ability to exercise their constitutional rights.

Question 2. Your biography mentions that, as part of your private law practice, you currently represent veterans.

A. What type of veterans' cases have you handled?

Response. I have primarily represented veterans in attempts to correct their military records. The representation has been provided before the Board for Correction of Military Records and other administrative bodies related to DOD. For example, I have represented individuals seeking to obtain a military retirement, an individual seeking to upgrade a military officer grade determination, and an individual seeking to have an Officer Evaluation Report removed from his records.

B. Have you assisted any veterans who were seeking benefits from VA?

Response. Since opening my law firm last summer, I have consulted with several individuals who were at various stages of seeking disability benefits from VA. While I have not taken any of these cases, I have had a number of discussions with veterans and their family members who were seeking legal representation.

C. If so, did you learn any lessons from that experience that would aide you in serving as General Counsel?

Response. In the cases in which I have consulted with potential clients, I have learned that individuals are often frustrated with the disability benefits process. Among other things, potential clients have talked to me about what they perceived to be the arbitrariness of some rating decisions and about the length of time it has taken them to get a decision. Another frustration that individuals have voiced to me is that they have been frustrated by not being able to get timely feedback on where they were in the claims process. I believe that all of the feedback I have received will be helpful to me in serving as General Counsel. Secretary Shinseki has indicated that he wants to transform VA into 21st Century organization that is people-centric, results oriented, and forward looking. If VA is to be "people-centric," we have to change perceptions among some of our customers to the extent they believe we are not providing high quality customer service.

[The Committee questionnaire for Presidential nominees from Mr. Gunn follows:]

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

1. Name: _____
(LAST) (FIRST) (OTHER)
2. Present Address: _____
(CITY) (STATE) (ZIP CODE)
3. Position to which nominated: _____
4. Date of nomination: _____
5. Date of birth: _____
(DAY) (MONTH) (YEAR)
6. Place of birth: _____
7. Marital Status: _____
8. Full name of spouse: _____

9. Names and ages of children

10. Education:	Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
	US Air Force Academy	1976-1980	BS	1980
	Harvard Law School	1983-1986	JD	1986
	George Washington University Law School	1993-1994	LL.M.	1994
	Industrial College of the Armed Forces	2001-2002	MS	2002

11. Honors and awards:

List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Graduated from US Air Force Academy with Military Honors (1980);
Graduated from Harvard Law School cum laude (1986);
Legion of Merit, Meritorious Service Medal (4 oak leaf clusters);
Air Force Commendation Medal (1 oak leaf cluster);
White House Fellow (1990-91);
Selected as One of "Forty Lawyers Under 40" by National Law Journal (1995)
Inducted into National Bar Association's Military Law Attorney Hall of Fame (2002);
National Bar Association's Presidents Award for Outstanding Service (2005);
ABA Military Law Committee's Outstanding Attorney Award (2005);
Harvard Legal Aid Bureau Outstanding Alumni Award (2006);
ABA Criminal Law Section Outstanding Service Award (2007);

Human Rights Award, The Law Office of the Southern Center for Human Rights (2007);
Tobriner Award from the Legal Aid Society of San Francisco (2008);

12. Memberships List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
<u>American Bar Association (ABA)</u>	<u>Chair, Youth at Risk Commission</u>	<u>2007-Present</u>
<u>Christian Service Charities</u>	<u>Board Member</u>	<u>2004-Present</u>
<u>US Air Force Academy Way of Life Alumni Group</u>	<u>Board Member</u>	<u>2003-Present</u>
<u>ABA & National Institute of Military Justice Commission on Military Justice</u>	<u>Member</u>	<u>2009</u>
<u>The Constitution Project Liberty and Security Committee</u>	<u>Member</u>	<u>2008-09</u>
<u>Young Presidents Organization</u>	<u>Member</u>	<u>2006-2008</u>
<u>Harvard Legal Aid Bureau Alumni Advisory Board</u>	<u>Member</u>	<u>2008-Present</u>

13. Employment record. List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

Owner/Principal, The Gunn Law Firm (2008-Present)

President & CEO, Boys and Girls Clubs of Greater Washington (2005-2008)

14. Military service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

Commissioned as a Second Lieutenant in US Air Force in 1980 and retired with an honorable discharge as a colonel in 2005.

ASSIGNMENTS:

- Admissions Advisor (US Air Force Academy, 1980-81);
- Contract Negotiator, AF Electronic Systems Division, (Hanscom AFB, MA, 1981-83);
- Law Student (Harvard Law School, 1983-86);
- Asst. Staff Judge Advocate (323rd Flying Training Wing, Mather AFB, CA, 1986-87);
- Area Defense Counsel, AF Legal Services Agency, Mather AFB, CA, 1988-89);
- Circuit Defense Counsel, 5th Judicial Circuit, AF Legal Services Agency, Travis AFB, CA, (1989-90);
- White House Fellow, Executive Office of the President, (1990-91);
- Trial Counsel, AF General Litigation Division, (1991-93);
- Law Student in Environmental Law Program (George Washington University Law School, 1993-94);
- Instructor (AF JAG School, Maxwell AFB, AL, 1994-96);
- Staff Judge Advocate (43 Airlift Wing, Pope AFB, NC, 1996-99);
- Chief Circuit Defense Counsel (Central Circuit, AF Legal Services Agency, Randolph AFB, TX, 1999-2001);
- Student (Industrial College of the Armed Forces, National Defense University, 2001-2002);
- Executive Officer to the Judge Advocate General (Air Staff, Pentagon, 2002-03);
- Chief Defense Counsel (DoD Office of Military Commissions, 2003-05);

15. Government

record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

None.

16. Published

writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

- "Military Commissions: How Can You Possibly Defend *Those People*," The Reporter, Air Force JAG School, 2004;**
- "From the Landfills to the Other Side of the Tracks, Developing Empowerment Strategies to Alleviate Environmental Injustice," Ohio Northern Law Review, 1996;**
- "Supplementing the Defense Team: A Primer on Requesting and Obtaining Expert Assistance," Air Force Law Review, 1996.**

17. Political affiliations

and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

Presidential Campaign Committee to Elec: Barack Obama, Donated \$250 (2008);
Presidential Campaign Committee to Elec: Sam Brownback, Donated \$300 (2007);
Committee to Elect Nadine Hankerson to Ft Lauderdale City Commission, Donated \$250 (2008).

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

None.

18. Future employment relationships:

(a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

Yes

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

I have not made any plans in this regard.

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

None.

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

N/A

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

Yes.

19. Potential conflicts of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

- (c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

- (d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

None.

- (e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official.

20. Testifying before the Congress:

- (a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

Yes.

- (b) Do you agree to provide such information as is requested by such a committee?

Yes.

AFFIDAVIT

Willie A. Cowan, being duly sworn, hereby states that he/she has read and signed the answers to the foregoing Questionnaire for Presidential Nominees and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

Willie A. Cowan
Signature of Nominee

Subscribed and sworn before me this 24th day of April, 2009.

Kenneth M. Greenberg
Notary Public

Kenneth M. Greenberg
Notary Public, District of Columbia
My Commission Expires 3/14/2011

[A letter from the Office of Government Ethics follows:]



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

April 21, 2009

The Honorable Daniel A. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Will A. Gunn, who has been nominated by President Obama for the position of General Counsel, Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

Robert I. Cusick
Director

Enclosures

[Letter from Mr. Gunn to the Office of General Counsel, U.S. Department of Veterans Affairs:]

Will A. Gunn
Attorney at Law

The Gunn Law Firm
901 North Pitt Street, Suite 320
Alexandria, VA 22314
Fax: (703)549-7233
www.willgunnlaw.com

20 April 2009

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of General Counsel of the U.S. Department of Veterans Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

Upon confirmation, I will resign my positions with the following entities: Christian Services Charities; Way of Life Alumni Group; the Commission on Military Justice (sponsored by the American Bar Association and the National Institute of Military Justice); the American Bar Association Youth at Risk Commission; the Harvard Legal Aid Bureau Alumni Advisory Board; and The Constitution Project. For a period of one year after my resignation from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which that entity is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I am the sole proprietor of my law firm, which does business as The Gunn Law Firm. All of my cases involve claims against the United States. Upon confirmation, I will cease providing legal services to my clients. I will not accept, direct or assign any payment related either to my services to these clients or to their claims after I have assumed the duties of the position of General Counsel. If I refer these clients to other attorneys, I will not accept any referral fee. Upon confirmation, I will dissolve my law firm. In addition, I will not participate personally and substantially in any particular matter involving specific parties in which a former client of mine is a party or represents a party, for a period of one year after I last provided service to that client, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Finally, I understand that as an appointee I am required to sign the Ethics Pledge (Exec. Order No. 13490) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this and any other ethics agreement.

Sincerely yours,



Will A. Gunn

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Senator AKAKA. Thank you very much, Mr. Gunn.
Before I introduce Mr. Riojas, I am going to call on the Ranking Member, Senator Burr, for his opening statement.

**STATEMENT OF HON. RICHARD BURR, RANKING MEMBER,
U.S. SENATOR FROM NORTH CAROLINA**

Senator BURR. Mr. Chairman, I am going to ask that my opening statement be made a part of the record. But I would say to the Chair, and for the purposes of other Members, that I had an opportunity this morning to sit down with all four of our nominees, to look extensively into their backgrounds, their experience, to see the areas that they will fill at the VA. I feel extremely confident that we are the most fortunate at VA to have four incredibly qualified and passionate individuals chosen to be at the VA. And I look forward to this Committee moving these nominations as quickly as possible.

Thank you.

[The prepared statement of Senator Burr follows:]

**PREPARED STATEMENT OF HON. RICHARD BURR, RANKING MEMBER,
U.S. SENATOR FROM NORTH CAROLINA**

Thank you, Mr. Chairman. Welcome to you and our colleagues. I also want to welcome our four nominees and their families. Congratulations on your nominations and thank you all for your willingness to serve our Nation's veterans in the important and challenging roles you have been nominated to fill.

If confirmed, you would carry out one the noblest missions in government—caring for the men and women who have served and sacrificed on behalf of us all. But, as we'll discuss today, you would face many challenges in carrying out that mission. Our job is to make sure you are aware of the upcoming challenges and are prepared

to meet them, so that our veterans and their families will be well-served by VA, now and in the future.

For you, Mr. Baker, if confirmed as the Assistant Secretary for Information and Technology, one of your most pressing tasks would be to make sure VA has the IT solutions it needs to get the new GI Bill program up and running by this fall. At a minimum, this means that VA must be able to pay the benefits that veterans have earned on time and without frustrations or delays.

On top of that, you would play a critical role in VA's efforts to transform its paper-based claims process into a modern, electronic system. It's clear that the current process causes frustrations and confusion among veterans—including many from back home in North Carolina. So, if you are confirmed, I hope you will aggressively move toward a modern benefits system that will better meet the needs of veterans and their families.

Turning to you, Colonel Gunn, if you are confirmed as General Counsel, your responsibilities would touch on virtually every facet of VA. You would be called on to interpret the law, evaluate proposed legislation, and advise on health care and benefits issues. You would also be responsible for representing VA before the Court of Appeals for Veterans Claims. With the court's caseload at record levels, one of your challenges will be to help make sure veterans get timely and fair decisions on their cases.

General Riojas, if confirmed as the Assistant Secretary for Operations, Security, and Preparedness, one of your most critical functions would be to keep veterans and their families safe while they are receiving care at VA facilities. Clearly, VA cannot fulfill its mission of caring for those who have served, if veterans are hesitant to come to VA when they are in need.

On a broader scale, you would be responsible for coordinating VA's efforts to help the Nation deal with public emergencies, like the H1N1 flu outbreak we are confronting today. The issue of our Nation's preparedness has been a priority of mine for a long time. So, I look forward to hearing your thoughts on whether VA could take on a larger role in providing medical support to the Nation during an emergency.

Finally, Mr. Sepúlveda, if confirmed as Assistant Secretary for Human Resources and Administration, your charge would be among the most critical at VA—fostering a high-quality, dedicated, and well-trained workforce. VA employees are, without question, the backbone of the health care and benefits systems. They will be vital in making sure veterans are getting the benefits and services they need in a quick, effective, and hassle-free way. So, if confirmed, one of your challenges would be to ensure that VA has a robust plan for recruiting, training, and retaining the necessary workforce.

Mr. Chairman, these are just a few of the challenges these nominees would face, if confirmed. I look forward to hearing more about how they would tackle those and other challenges. Also, I look forward to working with you to ensure that VA has a full complement of leaders who will work every day to improve the lives of our Nation's veterans and their families.

I thank the Chair.

Senator AKAKA. Thank you very much, Senator Burr.

Let me welcome Jose D. Riojas, the President's nominee for Assistant Secretary for Operations, Security, and Preparedness. After graduating from the United States Military Academy at West Point, his 30-year military career included numerous and significant operational assignments throughout the world, including the U.S. Army War College. I say with pride that General Riojas spent part of his career with the 25th Infantry Division in Hawaii.

General Riojas, aloha and welcome to today's hearing. Please take a moment to introduce your guests, and when you are done, please begin with your statement.

General RIOJAS. Thank you, Mr. Chairman. I would like to introduce my wife of nearly 28 years, Susan, sitting in red to my left.

Senator AKAKA. Welcome.

**STATEMENT OF JOSE D. RIOJAS, BRIGADIER GENERAL, (RET.),
U.S. ARMY, NOMINEE TO BE ASSISTANT SECRETARY FOR OP-
ERATIONS, SECURITY, AND PREPAREDNESS, U.S. DEPART-
MENT OF VETERANS AFFAIRS**

General RIOJAS. Mr. Chairman, thank you for the kind introduction. Mr. Chairman, Mr. Burr, and other Members of the Committee, I am a veteran, and I am honored to be before you today seeking your endorsement to become the Assistant Secretary for Operations, Security, and Preparedness for the Department of Veterans Affairs.

I consider it a privilege to have been nominated by President Obama to serve at VA, and I appreciate the confidence that he and Secretary Shinseki have in me to help provide the best service possible to our veterans and to help transform the Veterans Affairs Department.

I fully support President Obama's vision for change and Secretary Shinseki's effort to transform the Department of Veterans Affairs into a 21st century organization. I also fully support Secretary Shinseki's operating principles that call for VA to be people-centric, results-driven and forward-looking. I believe my leadership experience in transforming organizations and using these principles in the past would serve me well should I be confirmed.

I appreciate the time and attention you and your staff members have shown me in the past several weeks. I have given and will continue to give your guidance very serious consideration. It is clear to me that we jointly share a passion for serving veterans. If confirmed, I look forward to working continuously with you to constantly improve the care and attention that our veterans deserve.

My life has been shaped by those who have worn the military uniforms of our Nation. Family members who are veterans, including my father, instilled in me a sense of patriotism and love of country which caused me to want to serve and protect this great Nation of ours. I was fortunate to have been able to wear the uniform of a soldier for over 30 years. During that time I was awed by the sacrifice of countless men and women who performed remarkable feats during extraordinary conditions in peacetime and in combat.

Today my wife, Susan, and I have a son, Joshua, who is an Army Captain serving in the Special Forces community at Fort Bragg, North Carolina. On the 28th of this month, I will commission our daughter, Christina, as an Army Captain, and she will soon thereafter begin her service as a surgeon at Fort Gordon, Georgia. So, my past has been and my future is being influenced by those who have, are, and will be serving our great Nation. Veterans have served me well and, quite frankly, made me successful. I would consider it an honor to play even a small role in serving them and would consider it a highlight of my professional life.

Should I be confirmed, I would like veterans to know that I would be committed to ever improving the operations, security, and preparedness within the VA so that continuous support can be given regardless of the conditions, to include before, during, and after any natural or manmade disaster. The VA must be at its best during times of extreme circumstances.

I would like all the members of the VA team to know that I would be committed to providing positive leadership to improve the efficiency and effectiveness within the Department so that support to veterans can be maximized.

And I would like members of the interagency community to know that I would seek to establish open lines of communication and maximize collaboration and integration between our organizations.

Finally, I would like all the Members of this Committee to know that I would be committed to working with you as a partner in serving veterans.

Please know that, if confirmed, I am prepared to serve as the Assistant Secretary of Operations, Security, and Preparedness with the utmost of dedication, commitment, and passion. In short, if this Committee sees fit to recommend my confirmation, I look forward to serving veterans in the best manner possible.

Chairman Akaka and distinguished Members of this Committee, thank you again for your consideration, and I look forward to any questions that you may have for me.

[The prepared statement of Mr. Riojas follows:]

PREPARED STATEMENT OF JOSE D. RIOJAS, DESIGNEE FOR ASSISTANT SECRETARY FOR OPERATIONS, SECURITY, AND PREPAREDNESS, U.S. DEPARTMENT OF VETERANS AFFAIRS

Chairman Akaka, Senator Burr, Distinguished Members of the Committee on Veterans' Affairs: I am a Veteran and I am honored to be before you today seeking your endorsement to become the Assistant Secretary for Operations, Security, and Preparedness for the Department of Veterans Affairs.

I consider it a privilege to have been nominated by President Obama to serve at VA and I appreciate the confidence that he and Secretary Shinseki have in me to help provide the best service possible to our Veterans and to help transform the VA into a 21st Century organization.

I fully support President Obama's vision for change and Secretary Shinseki's effort to transform the Department of Veterans Affairs into a 21st century organization. I also fully support Secretary Shinseki's operating principles that the Department of Veterans Affairs be; people-centric, results-driven and forward-looking. I believe my leadership experience in transforming organizations and using these principles in the past would serve me well should I be confirmed.

I appreciate the time and attention you and you staff members have shown me in the past several weeks. I have given and will continue to give your guidance very serious consideration. It is clear to me that we jointly share a passion for serving Veterans. If confirmed, I look forward to working continuously with you to constantly improve the care and attention that our Veteran's deserve.

My life has been shaped by those who have worn the military uniforms of our Nation. Family members who are Veterans, including my father, instilled in me a sense of patriotism and love of country which caused me to want to serve and protect my country. I was fortunate to have worn the uniform of a Soldier for over thirty years. During that time I was awed by the sacrifice of countless men and women who performed remarkable feats during extraordinary conditions in peacetime and in combat.

Today my wife Susan, also a Veteran and I have a son, Joshua who is an Army Captain serving at Fort Bragg, N.C. On the 28th of this month our daughter Christina will be commissioned as an Army Captain and begin her service as an Army Surgeon at Fort Gordon, GA. So my past has been and my future is being influenced by those who have, are and will be serving our great Nation. Veterans have served me well and quite frankly, made me successful and I would consider it an honor to play even a small role in serving them and would consider it a highlight of my professional life.

Should I be confirmed, I would like:

- Veterans, to know that I would be committed to continuously improving the operations, security and preparedness within the VA so that continuous support can be given regardless of the conditions: to include before, during and after any natural

or man-made disaster. The Department of Veterans Affairs must be best prepared to perform during times of extreme circumstances.

- I would like all the professional members of the VA team to know that I would be committed to providing positive leadership to improve the efficiency and effectiveness within the Department so that support to Veterans can be maximized.
- I would like all the Members of this Committee to know that I would be committed to working with you as a partner in serving Veterans.
- And I would like members of the interagency community to know that I would seek to establish open lines of communication and maximize collaboration and integration between our organizations.

Please know that if confirmed, I am prepared to serve as the Assistant Secretary of Operations, Security and Preparedness with the utmost of dedication, commitment and passion. If this Committee sees fit to recommend my confirmation, I look forward to serving Veterans in a very positive manner.

Chairman Akaka and distinguished Members of this Committee thank you again for your consideration and I look forward to any questions that you may have for me.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO JOSE D. RIOJAS, NOMINEE TO BE ASSISTANT SECRETARY FOR OPERATIONS, SECURITY, AND PREPAREDNESS, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. How would you define the job of Assistant Secretary for Operations, Security, and Preparedness?

Response. I believe the job of the Assistant Secretary for Operations, Security, and Preparedness is to ensure that the Department of Veterans Affairs is able to perform its mission of support to Veterans on a continuous basis regardless of the conditions. This includes having a leading role in ensuring that VA is an agile and adaptive organization particularly before, during and after the occurrence of any potential man-made or natural disaster. The job also calls for helping the VA set the standard in continuous, efficient and effective inter-agency collaboration.

Question 2. Have you and Secretary Shinseki discussed the duties and the role you would assume if you are confirmed? If so, what specific areas of the job were discussed?

Response. Secretary Shinseki and I have worked together over the years and most recently during his last two and a half years as Chief of Staff of the Army. If confirmed, I look forward to being an active member of the VA leadership team. I would be in charge of the coordination and development of Department policies and implementing those policies regarding the Department's inter-agency role in emergency management, continuity of operations, domestic incident management and national security emergency programs. I would be responsible for the oversight of the transformation of the Department's operations center into a 21st Century organization improving the leadership team's situational awareness and operational decision-making. Additional responsibilities would include developing training and exercises that enhance VA's preparedness programs and security mission.

Question 3. How do you believe your background has prepared you for this job?

Response. I had the privilege of serving as a Soldier for over 30 years. I spent the majority of that time in command and operational leadership positions, in peacetime and in combat. For the past year and a half, I have served as the Executive Director of the Department of Homeland Security's, National Center for Border Security and Immigration—a job that has called for extensive work in voluntary institutional collaboration and cooperation. I believe these experiences have prepared and would serve me well for this job.

Question 4. Regarding training and medical response, please describe how you anticipate working in a complementary manner with VHA, and in such a manner that your efforts will not unnecessarily overlap or interfere with the VHA activities.

Response. One of my first priorities would be to assess the efficiency and effectiveness of ongoing operations and collaboration between the Office of Operations, Security, and Preparedness and other members of the VA team to include the VHA. I would begin this process by ensuring that an open line of communication exists between OSP and other offices including VHA. This assessment would take place without interrupting ongoing operations. The goal would be to identify how OSP could help other members of the VA team do their jobs better. Any potential improvements as a result of that assessment that would increase efficiencies and effectiveness would be made at my level if I had the authority or if necessary be recommended to the Secretary or the Deputy Secretary for decision.

Question 5. Regarding the Office of Security and Law Enforcement, please describe how you will ensure that VA police officers are trained and equipped to meet the needs of Veterans Health Administration facilities. As part of your answer, please indicate how you expect to work with the Under Secretary for Health to define VHA's needs in this regard.

Response. Police officers would undergo training at the Law Enforcement Training Center in accordance with well established standards so that the officers could best perform for the Veterans Health Administration. An open line of communication would be established and maintained with the Under Secretary for Health Administration to ensure that officers were meeting his needs.

Question 6. What are your thoughts on the ability of VA to deal with increasing numbers of retirees over the next several years and what will you do to prepare for the loss of experienced personnel?

Response. I believe this question is one relevant to all of VA. I look forward to working with my colleague, the Assistant Secretary for Human Resources and Administration, in addressing the issue. In general, I believe that potential personnel shortfalls should be identified as soon as practical. Then succession programs should be put into place in order that well qualified individuals inside or outside VA could be identified to fill those shortfalls.

Question 7. What do you believe are the most pressing challenges confronting the Office of the Assistant Secretary for Operations, Security, and Preparedness?

Response. One of my first priorities would be to conduct an assessment of the Office in order to identify any challenges. However, any action that would improve our efficiency and effectiveness and supports the Secretary's, people-centric, results-driven, and forward looking, and transformation principles would be a top priority. Additionally, I believe that VA has a critical operational and preparedness role in supporting the other Departments such as Department of Homeland Security mission requirements.

Question 8. How would you describe your management style and how is it suited to this particular position?

Response. I have a participative leadership style. I seek and value the opinions and recommendations of the entire team. I also give guidance and empower team members to make decisions within that guidance. I retain authority to make high risk decisions. This style would be important because of the diversity of duties and responsibilities of the position.

Question 9. Do you anticipate having a policymaking role if confirmed?

Response. I am familiar with and admire Secretary Shinseki's leadership style and I am confident that I would be able to participate in senior leader discussions about VA policy on a routine basis. I am confident that I would be asked for my professional opinions and be able to make recommendations in a timely manner. I am also confident that I would be expected to be an active member of the inter-agency community representing VA's interests. I am comfortable in the inter-agency environment and I welcome that opportunity.

Question 10. What are your immediate and long-term priorities for the office?

Response. I would immediately work to establish open lines of communication and develop trust and confidence between the Office and our stakeholders. I would also immediately review operational plans and procedures and conduct an assessment of the Office to identify any short falls in efficiencies and effectiveness in support of Veterans for which the Office has responsibility. My long-term priorities would include: operating the Office so that support to Veterans is maximized regardless of conditions; having a significant role in the transformation of the VA in becoming a model 21st century Department; and having a significant role in VA being seen as a model Department of inter-agency collaboration and cooperation.

Question 11. How do you view the Assistant Secretary's role in dealing with VA responsibilities, under section 8111A of title 38, to furnish health care services to members of the Armed Forces during a time of war or national emergency?

Response. The Assistant Secretary would have a leading role in helping VA achieve one of its key strategic objectives. "Improve the Nation's preparedness, for response to war, terrorism, national emergencies, and natural disasters by developing plans, and taking actions to ensure continued service to Veterans as well as support to national, state, and local emergency management and homeland security offices."

Question 12. What do you see as VA's principal challenges in recruiting, training, and retaining a high quality police force?

Response. We would be committed to providing excellent training to prospective and current members of the police force. From my past experience, equalities in pay,

authorities and entitlement systems are important factors in recruiting and retaining a high quality work force.

Question 13. In reading your resume, I noticed that, although you have years of experience in emergency preparedness and management, you do not have significant background in either law enforcement or security. What do you view as the biggest challenges of assuming responsibility for VA's Police Service and Law Enforcement Training and Security Investigation Center?

Response. I believe that the fundamentals of successful emergency preparedness and management, and law enforcement and security are basically the same. The keys to success are good leadership, establishing clear metrics for success, identifying quality individuals, training them and rewarding performance. I am confident that the VA's Police Service and Law Enforcement Training and Security Investigation Center will serve as an outstanding organization for other institutions to emulate.

Question 14. Secretary Shinseki has placed an emphasis on improving the level of collaboration and cooperation between VA and DOD. What do you believe will be your role in dealing with areas of concern involving the two departments?

Response. Secretary Shinseki's vision for greater collaboration between VA and DOD, notably with respect to a single electronic health care record, represents real transformation in the way our Nation cares for its Veterans and active-duty personnel. The importance of secure inter-agency communications between VA and DOD under all conditions is critical to the success of that transformation. I would welcome all opportunities to improve that communication bond—that transformation—and I would be committed to making that happen.

Question 15. Do you agree to supply the Committee with such non-privileged information, materials, and documents as may be requested by the Committee in its oversight and legislative capacities for so long as you serve in the position of Assistant Secretary for Operations, Security and Preparedness?

Response. Yes, I would work with Secretary Shinseki and VA leadership to ensure that any information requested by the Committee would be provided in a timely manner. I can promise to be forthright and direct with you in our joint efforts to put Veterans first.

Question 16. Do you agree to appear before the Committee at such times and concerning such matters as the Committee might request for so long as you serve in the position for which you now seek confirmation?

Response. Yes, I would consider our priority to be the same, to do what is right for our Veterans, and I would welcome the opportunity to work with this Committee as a partner in that endeavor.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO JOSE D. RIOJAS, NOMINEE TO BE ASSISTANT SECRETARY FOR OPERATIONS, SECURITY, AND PREPAREDNESS, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. The Assistant Secretary for Operations, Security, and Preparedness has a wide range of important responsibilities.

A. What do you see as the key responsibilities of this position?

Response. I believe that my key responsibilities will include ensuring that the VA will be able to provide support to Veterans regardless of the conditions—particularly prior to, during and after any man-made or natural disaster. I also believe that I will have a leading role in helping VA set the standard in inter-agency collaboration and partnership formation.

B. How do you believe your background has prepared you to take on each of those responsibilities?

Response. I believe I have been well prepared for this position. I was blessed to have served as a Soldier for over 30 years. Most of that time was in command and operational positions in peacetime and in combat. Additionally, for the past year and a half, I have served as the Executive Director of the Department of Homeland Security's, National Center for Border Security and Immigration—a job that has called for extensive work in voluntary institutional collaboration and cooperation

Question 2. As you know, VA has over 1,000 sites of care across the Nation, with medical personnel already on the ground at these sites and, importantly, existing relationships with other community providers.

A. Do you believe that VA's role in the overall Federal effort to respond to natural disasters, chemical or biological agent attacks, or flu pandemics, like we are seeing now, is sufficiently appreciated?

Response. In the last several weeks, I became aware for the first time of several great VA success stories from previous emergency situations. If confirmed, I would look forward to helping to tell such stories of VA capabilities and successes.

B. Could VA take on a larger role in providing medical support to the Nation during an emergency or perhaps take on a lead role?

Response. I do not have detailed information as to VA capabilities relative to other organizations charged with medical support nor do I have an opinion as to whether lead responsibilities are properly assigned. I am confident that if confirmed I would have an active role in the Department's inter-agency role in emergency management, continuity of operations, domestic incident management and national security emergency programs.

Question 3. You may have read recent news accounts of a VA law enforcement officer who was fired based on an accusation of using excessive force against an elderly veteran.

A. What steps do you believe are necessary to ensure that situations of this type are avoided?

Response. I am not familiar with this particular situation. In general, training individuals in accordance with clear standards and then supervising and appropriately recognizing their level of performance relative to those standards can serve to significantly minimize sub-performance.

B. What in your background has prepared you to effectively handle this type of problem?

Response. I believe that my experience as a Soldier for over thirty years—having trained and led individuals in countless operational situations—will serve me well in this position if confirmed.

RESPONSE TO POST-HEARING QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO JOSE D. RIOJAS, NOMINEE TO BE ASSISTANT SECRETARY FOR OPERATIONS, SECURITY AND PREPAREDNESS, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. In response to one of my pre-hearing questions, you stated that one of your first priorities would be to assess the efficiency and effectiveness of ongoing operations and collaboration between the Office of Operations, Security, and Preparedness and other members of the VA team to include the VHA. Within 60 days, please give me your assessment regarding that efficiency and effectiveness.

Response. Yes, I will.

[See follow-up letter dated June 23, 2009, below.]

Question 2. How do you envision the Office of Operations, Security, and Preparedness will support the Departments of Homeland Security and Health and Human Services?

Response. I believe this would be accomplished by the Office of Operations, Security, and Preparedness ensuring that both departments are aware of VA capabilities, and ensuring that VA is included in any planning, training or exercises related to emergency management, continuity of operations, domestic incident management and national security emergencies.

Question 3. What actions will you take to determine the most pressing challenges confronting the Office of Operations, Security, and Preparedness?

Response. I would determine the most pressing challenges confronting the Office of Operations, Security, and Preparedness (OSP) by soliciting input from various individuals and stakeholders. These would include individuals from within the OSP team, stakeholders within VA such as VHA, VBA and NCA and stakeholders outside of VA such as, but not limited to, the Department of Homeland Security and the Department of Health and Human Services.

Question 4. How do you envision playing a significant role in transforming the VA into becoming a model 21st century department?

Response. I believe Secretary Shinseki would count on me being an active member of the VA leadership team. Specifically, I would be responsible for the oversight of the transformation of the Department's operations center into a 21st Century organization by improving the leadership team's situational awareness and operational decisionmaking. I would be in charge of the coordination and development of Department policies and the implementation of those policies regarding the Department's inter-agency role in emergency management, continuity of operations, domestic incident management and national security emergency programs. Additional responsibilities would include developing training and exercises that enhance VA's preparedness programs and security mission.

Question 5. The VA Office of Operations, Security, and Preparedness performs a number of very important services for this country. To most effectively do so, it is important for you to work hand-in-hand with other government agencies. What would you do as Assistant Secretary to ensure that all other relevant agencies are aware of and can trust the capabilities of the VA Office of Operations, Security and Preparedness?

Response. I would first establish open lines of communications with other government agencies. I would then work to maintain those open lines of communication by exchanging routine information and ensuring that VA is an integral part of inter-agency planning, training and exercises. Operating in this manner will help to maximize VA's inter-agency effectiveness prior to, during and after times of emergency.

[Follow-up to Question 1 of Post-Hearing Questions from Hon. Daniel K. Akaka]

U.S. DEPARTMENT OF VETERANS AFFAIRS,
OFFICE OF OPERATIONS, SECURITY, AND PREPAREDNESS,
Washington, DC, June 23, 2009.

Hon. DANIEL K. AKAKA,
Chairman,
Committee on Veterans' Affairs,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter is in response to the Committee's direction during my confirmation hearing that I provide an assessment of the efficiency and effectiveness of ongoing operations and collaboration between the Office of Operations, Security and Preparedness (OSP) and other members of the VA team including VHA. I appreciate the opportunity to provide the results of my assessment.

My initial (?) assessment of OSP is that it is a team filled with very talented and dedicated professionals.

As a result of numerous conversations I have had with Under Secretaries (VHA included), Assistant Secretaries, Medical Center Directors and other leaders within VA, I have found that there is an overall satisfaction with the level of performance by OSP with respect to VA's emergency management, preparedness, security and law enforcement activities. Additionally, all of them were supportive of our mission to prepare and coordinate VA's response to war, terrorism, national security matters and natural disasters, while ensuring continued service to Veterans. I consider these initial conversations to be the foundation for an effective and ever improving working relationship between me and each of these leaders as well as between our teams.

My assessment of the efficiency and effectiveness of ongoing operations and collaboration between my office and other VA organizations is most encouraging. I believe we have established a strong foundation of mutual respect and mission focus that will result in continued growth of our efforts to improve Veteran care.

Sincerely yours,

JOSE D. RIOJAS,
Assistant Secretary.

- Joint Service Commendation Medal
- Army Commendation Medal
- Army Achievement Medal
- Parachutist Badge
- Air Assault Badge
- Army Staff Identification Badge
- Meritorious Service Medal (with 5 Oak Leaf Clusters)

12. Memberships List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
United States Military Academy Association of Graduates	None	1976- Present
Association of the United States Army	None	1976- Present
Military Officer's Association of the U.S.	None	2004 -Present
Field Artillery Association	None	1980- Present
25th Infantry Association	None	1998- Present
U.S. Army War College Alumni Association	None	2003- Present
University of Texas at El Paso Alumni Association	None	2009- Present

13. Employment record: List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

- Vice President, University of Texas at El Paso
- 500 W. University Ave
- El Paso, TX 79968
- 11/06 - Present

14. **Military service:** List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

Served in U.S. Army from 1976 through 2006. Honorable Discharge.

Ranks: 2nd Lieutenant, Jun 1976; 1st Lieutenant, Jun '78; Captain, Aug '80; Major, Aug '87, Lieutenant Colonel, Mar '93; Colonel, Jun '98; Brigadier General, Oct '03.

June '76 – Jan '77: Student, Office Basic Course, Fort Sill, OK

Jan '77 – Jul '77: Reconnaissance and Survey Officer, 2nd Battalion, 12th Field Artillery, Fort Sill, OK

Jul '77 – Sep '79: Fire Direction Officer, Executive Officer and then Battery Commander, B Battery 2nd Battalion, 12th Field Artillery, Fort Sill, OK

Oct '79 – May '80: Student, Field Artillery Officer's Advanced Course, Fort Sill, OK

Jun '80 – Jun '81: Counterfire Officer, Division Artillery, 2nd Infantry Division, Korea

Aug '81 – Jun '83: Commander, D Battery, 6th Battalion, 80th Field Artillery, 7th Infantry Division (Light), Fort Ord, CA

Jun '83 – Jun '84: Aide-de-Camp to the Commanding General, 7th Infantry Division (Light), Fort Ord, CA

Jul '84 – Apr '85: Operations Officer, 5th Battalion, 15th Field Artillery, Fort Ord, CA.

Jun '85 – Jun '88: Assistant Professor of Military Science, later Senior Assistant Professor of Military Science, Bowling Green State University, Bowling Green, OH.

Jul '88 – Jun '89: Student, U.S. Army Command and General Staff College, Fort Leavenworth, KS

Jun '89 – Aug '91: Operations Officer, later Executive Officer, 4th Battalion, 3rd Field Artillery Regiment, 2nd Armored Division (Forward), U.S. Army Europe and 7th Army, Germany and OPERATIONS DESERT SHIELD/STORM.

Aug '91 – Dec '91: Operations Officer, 2nd Armored Division (Forward), U.S. Army Europe and 7th Army, Germany

Jan '92 – Jun '94: International Political and Military Affairs Officer, U.S. Arms Control and Disarmament Agency, U.S. Department of State, Washington, D.C.

Jun '94 – Jun '96: Commander, 5th Battalion (Air Assault), 8th Field Artillery Regiment, XVIII Airborne Corps, Fort Bragg, NC.

Jul '96 – Jun '97: Student, U.S. Army War College, Carlisle, Barracks, PA

Jul '97 – May '98: Deputy Chief, Extending the Littoral Battlespace-Advanced Concept and Technology Demonstration Division, U.S. Pacific Command, Camp H.M. Smith, HI.

Jun '98 – Jul '00: Commander, Division Artillery, 25th Infantry Division (Light), Schofield Barracks, HI

Jul '00 – Apr '01: Chief, Requirements and Assessments Division, Force Development Directorate, Office of the Deputy Chief of Staff for Programs, U.S. Army, Washington, DC

Apr '01 – Jul '03: Executive Officer to the Chief of Staff, U.S. Army, Washington, DC

Jul '03 – Jul '04: Assistant Division Commander, 3rd Infantry Division (Mechanized), Fort Stewart, GA

Aug '04 – Sep '06: Commander, Joint Task Force North, U.S. Northern Command, Fort Bliss, TX

15. Government

record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

Texas Emerging Technology Advisory Committee (Serving as Advisor)

16. Published

writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

NONE

17. Political affiliations

and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

NONE

(b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

NONE

18. Future employment relationships:

(a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

I will sever all connections with my present employer.

(b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

At this time I do not have plans to resume my current employment.

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

NONE

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

N/A

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

Yes

19. Potential conflicts of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

NONE

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

- (c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

- (d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

NONE

- (e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

20. Testifying before the Congress:

- (a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

Yes _____

- (b) Do you agree to provide such information as is requested by such a committee?

Yes _____

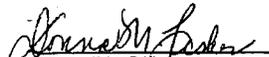
AFFIDAVIT

Jose D. Riojas, being duly sworn, hereby states that he/she has read and signed the answers to the foregoing Questionnaire for Presidential Nominees and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

Subscribed and sworn before me this 23rd day of April, 2009



Signature of Nominee



Notary Public

Donna M. Fisher
Notary Public, District of Columbia
My Commission Expires Jan. 1, 2010

[A letter from the Office of Government Ethics follows:]



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

April 22, 2009

The Honorable Daniel K. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Jose D. Riojas, who has been nominated by President Obama for the position of Assistant Secretary for Operations, Security and Preparedness, Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick
Director

Enclosures

[Letter from Mr. Riojas to the Office of General Counsel, U.S. Department of Veterans Affairs:]

March 13, 2009

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

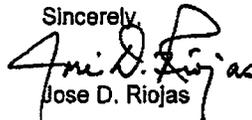
The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Assistant Secretary for Operations, Security and Preparedness of the U.S. Department of Veterans Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I currently serve as a Vice President of the University of Texas at El Paso (UTEP). Upon confirmation I will resign this position. For a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which University of Texas is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I also serve on an unpaid basis as a member of the Texas Emerging Technology Advisory Committee, as a member of the Regional Economic Development Corporation, and as an advisor to DNA Total Profile. Upon confirmation I will resign from these three positions. For a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which any of these entities is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Sincerely,


Jose D. Riojas

Senator AKAKA. Thank you very much for your statement.

Finally, we turn our attention to John U. Sepúlveda, who has been nominated for Assistant Secretary for Human Resources and Administration. Mr. Sepúlveda brings over 25 years of experience as an innovative leader in the public and private sectors. He served as Deputy Director of the Office of Personnel Management, a position for which he was nominated in 1998 by President Clinton. I can share that I served as Ranking Member of the Subcommittee of the Governmental Affairs Committee that considered his nomination back then. It goes without saying that our Committee, now Homeland Security and Governmental Affairs, favorably reported his nomination to the full Senate at that time. Mr. Sepúlveda earned two Master's degrees from Yale University and a B.A. degree from Hunter College.

Welcome again, and please share with us those accompanying you this morning. When you are done, please begin with your statement.

Mr. SEPÚLVEDA. Thank you, Mr. Chairman. I am proud to introduce my wife, Awilda Rodriguez-Sepúlveda, who is here, as well as several friends: Jody Greenblatt, Danielle Johnson Kutch, Candace Reddy, and Joe Mancias.

Senator AKAKA. We welcome your family and friends.

STATEMENT OF JOHN U. SEPÚLVEDA, NOMINEE TO BE ASSISTANT SECRETARY FOR HUMAN RESOURCES AND ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Mr. SEPÚLVEDA. Thank you. Chairman Akaka, Senator Burr, thank you for the honor and privilege of testifying before you today.

I am deeply honored to be nominated by President Obama to serve as Assistant Secretary for Human Resources and Administration at the Department of Veterans Affairs. I am also honored to have Secretary Shinseki's trust and confidence to serve in this important position. I would also like to express my profound gratitude to my wife Awilda Rodriguez-Sepúlveda, who has encouraged and supported my love and passion for public service for many years.

To better serve those who have served this country with courage, dedication, and sacrifice—our Veterans and their families—President Obama and Secretary Shinseki have called for the transformation of the Department of Veterans Affairs into a 21st century organization.

Key to achieving the VA's transformation will be the strategic development and management of the Department's human capital—the more than 280,000 employees at VA who work to serve our veterans and their families every day. In other words, we must make sure that we have the right people doing the right job at the right place at the right time, at all times. If confirmed as Assistant Secretary, I will be responsible for providing leadership and management of the Department's human capital assets and policies, working closely with the Deputy Secretary and the executive team.

As Deputy Secretary Gould has already testified, VA must invest in its workforce to better serve our veterans and to support the transformation of the Department. This investment must include taking the following steps:

First, increasing professional training opportunities for employees, including managers.

Second, greater use of automation and technology to efficiently and securely process and manage all personnel actions, including hiring, performance evaluations, employee benefits and records.

Third, promoting new and existing work-life initiatives within VA to increase productivity and morale.

And, fourth, expanding succession planning and executing new and creative recruitment strategies to better prepare for the large numbers of retirements that will impact the Department in the coming years.

If confirmed, these are some of the specific aspects of the human capital investment agenda at VA that I look forward to addressing.

VA must continue to strive to be a model employer of choice for veterans, people with disabilities, women and minorities. Indeed, increasing efforts to expand the numbers of veterans employed at VA is and will continue to be a top priority.

I have been a public servant for much of my adult life, having served at the local, State, and Federal levels. I know firsthand how our public servants carry out their jobs each day with dedication and professionalism. Consequently, I will ensure that all VA employees are treated with the respect that they deserve.

I also hope to lead the Department's efforts to provide customer service training to all employees, especially those providing direct services to our veterans. We must make sure that all veterans seeking informational services from the Department are always treated with the consideration and respect that they have earned and that they deserve.

I know that changing an organization as complex and as large as VA will be difficult, especially given that the Department has to, in the short term, launch several major new programs and initiatives. However, if given the opportunity to serve, I would bring the necessary Government experience and leadership skills in human resources and change management to contribute substantially to accomplishing the goal of a 21st century VA.

While serving as the Deputy Director of the U.S. Office of Personnel Management, the Federal Government's primary human resources agency, I had the opportunity to lead or work on several internal and governmentwide civil service reform initiatives.

My nearly 5 years of service on an advisory panel to the intelligence community—which focused on diversity and human resources issues—familiarized me with many of the current human capital challenges facing Federal agencies, including VA.

My experience in Federal program transformation includes my participation and leadership in the successful modernization of two major programs at the Federal Housing Administration in the early 1990s, including the restructuring of 81 field offices and the creation of two processing centers.

If confirmed, I look forward to working with this Committee to ensure that the Department of Veterans Affairs successfully meets our Nation's obligations to our veterans and their families no matter who they are and no matter where in our great country they may live.

Thank you.

[The prepared statement of Mr. Sepúlveda follows:]

PREPARED STATEMENT OF JOHN U. SEPÚLVEDA, NOMINEE FOR ASSISTANT SECRETARY FOR HUMAN RESOURCES AND ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Chairman Akaka, Senator Burr and Distinguished Members of the Committee on Veterans' Affairs, Thank you for the opportunity to testify before you to today.

I am deeply honored to be nominated by President Obama to serve as Assistant Secretary for Human Resources and Administration at the Department of Veterans Affairs. I am also honored to have Secretary Shinseki's trust and confidence to serve in this important position. I would like to also express my profound gratitude to my wife Awilda Rodriguez-Sepúlveda, who has encouraged and supported my love and passion for public service these many years.

To better serve those who have served this country with courage, dedication and sacrifice, our Veterans and their families, President Obama and Secretary Shinseki have called for the transformation of the Department of Veterans Affairs into a 21st century organization. Such an organization would be completely and exquisitely focused on meeting the needs of our Veterans; deploying state-of-the-art technology, efficient delivery systems and dedicated and well-trained employees to provide to our former warriors comprehensive, effective and expedited benefits, mental health programs and medical services whenever and wherever they are needed.

Key to achieving the transformation of Veterans Affairs is the effective and strategic management and development of the Department's human capital: the 280,000 employees at VA who work hard each day to serve our Veterans and their families. In other words, we must make sure that we have the right people doing the right job at the right place at the right time, at all times. If confirmed as Assistant Secretary for Human Resources and Administration, I will be responsible for providing leadership, direction and management of the Department's human capital assets and human resource policies, working closely with the Deputy Secretary and executive team.

As Deputy Secretary Gould has already testified, VA must invest in our civil servants to better serve our veterans now and to support the transformation of the Department. This investment must include expanding training opportunities for employees, including managers, using a broad spectrum of delivery systems and media. Greater use of automation and technology to efficiently, expeditiously and securely process and manage all personnel actions, including hiring, performance evaluations, employee benefits and records. Promoting new and existing work-life initiatives within VA to help maintain productivity and morale. Preparing for the large numbers of VA employee retirements that will be coming with effective succession planning and proactive recruitment strategies must also be part of this overall investment agenda. These are among the specific areas of human capital development that I look forward to addressing if confirmed.

Moreover, VA must continue to strive to be a model employer of choice for veterans, people with disabilities, women and minorities. Indeed, strengthening efforts to increase the numbers of veterans employed at VA is and will continue to be a priority.

I have been a public servant for much of my adult life, having served at the local, state and Federal levels. So I know first hand how our public servants strive each day to carry out their jobs with dedication, professionalism and integrity. If given the opportunity to serve as Assistant Secretary, an ongoing priority for me will be to make sure that all VA employees are treated with the respect that they deserve.

Working with the Deputy Secretary, my colleagues on the executive team, and VA H.R. teams throughout the country, I will help lead efforts to make available appropriate and updated customer service training to all employees, especially those providing direct services to Veterans and their families. We must make sure that all Veterans seeking information or services from the VA are treated, at all times, with the respect and consideration that they have earned and deserve.

I am under no illusion that changing an organization as large and complex as Veterans Affairs will be easy, simple and quick, especially given that the Department must, in the short-term, also accomplish several major new programs and initiatives, including implementing the New GI Bill this summer; successfully integrating hundreds of thousands of Priority Group 8 and OEF and OIF Veterans into the disability claims and health care systems; and significantly improving the quality and timeliness of claims processing; among other immediate challenges. However, I believe if given the opportunity I would bring the necessary experience and leadership skills in human resources and change management to contribute significantly to ac-

completing the goal of a 21st century VA set by President Obama and Secretary Shinseki.

While serving as the Deputy Director of the U.S. Office of Personnel Management, the Federal Government's primary human resources agency, I had the opportunity to lead or work on several internal and governmentwide civil service reform initiatives.

My nearly five years of service on an advisory panel to the Intelligence Community focused on diversity and human capital issues helped to familiarize me with many of the current human resources challenges facing virtually all Federal agencies, including Veterans Affairs.

My experience in Federal program transformation includes my participation and leadership in the successful modernization in the early 1990s of two major programs at the Federal Housing Administration, including the restructuring of 81 field offices and the creation of two processing centers achieved with the support of HUD's labor unions.

Deputy Secretary Gould noted in his earlier testimony before this Committee that among his first steps would be "synchronizing the people, process and technology" in order to achieve the people centric, results oriented and forward looking VA that Secretary Shinseki is committed to delivering to the American people. If given the opportunity, I look forward to being part of the Secretary's executive team that will no doubt achieve this synchrony on behalf our Veterans.

I would like to close by again thanking this distinguished Committee for giving me the opportunity to testify. If confirmed, I look forward to working with this Committee to ensure that the Department of Veterans Affairs successfully meets our Nation's obligation to our Veterans no matter where they may live.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY DANIEL K. AKAKA TO JOHN U. SEPÚLVEDA, NOMINEE TO BE ASSISTANT SECRETARY FOR HUMAN RESOURCES AND ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. Have you and Secretary Shinseki discussed the duties and the role you would assume as Assistant Secretary for Human Resources and Administration if you are confirmed? If so, what specific areas of the job were discussed?

Response. Yes. Secretary Shinseki expressed to me his strong commitment to making VA a high-performing, 21st century organization, focused on the mission of effectively serving Veterans and their families, and that the role of human capital at VA is critical to that mission. He expects the Assistant Secretary for Human Resources and Administration, working with the Deputy Secretary, to take the lead in transforming VA's workforce into the most efficient client-oriented, veteran-centric, and forward looking Department it can possibly be. Should I be confirmed, my priorities will be: improving recruitment, hiring and retention procedures, staff training, and performance evaluation. The Secretary will also look to me to establish initiatives for achieving a high-quality and diverse management team to help position VA to better meet its responsibilities to veterans and their families.

Question 2. Do you anticipate having a policymaking role if you are confirmed?

Response. While I look forward to providing policy advice and recommendations to the Secretary and Deputy Secretary, especially concerning human resources and administration, I will not have a policymaking role independent of the Secretary, since he is the only one authorized to make policy decisions on behalf of the Department of Veterans Affairs. At the point at which the Secretary makes a decision on a specific policy, particularly in the area of human resources, my job will be to ensure that the policy is fully executed to the best of my abilities.

Question 3. Have you formulated any thoughts on what your job responsibilities will be and how you will approach those responsibilities if confirmed?

Response. The Assistant Secretary for Human Resources and Administration at VA has responsibilities for administration, human resources management, diversity management and EEO, labor-management relations and resolution management. My first priority will be to ascertain what resources and changes the Secretary and Deputy Secretary will require from those program areas to support the transformation of VA, which will include the modernization of VHA, VBA and NCA, the upgrading and centralization of the agency's IT system, etc.

As part of that effort, I will assess the current state of VA's human capital, including personnel levels, recruitment and hiring procedures, training programs, staff evaluations and overall morale to determine what gaps need to be filled to ensure a work force fully capable of carrying out the transformation of the department.

Question 4. If confirmed, what would you most like to accomplish in your new position? What would you hope your legacy to the Department would be?

Response. Generally speaking, I look forward to helping the Secretary and Deputy Secretary make the personnel, organizational, structural and cultural changes needed to assure our Veterans and their families that VA of the 21st century will always be able to meet their needs. To support this transformation, VA will need a proactive, innovative and strategic human resources team. My goal is to leave such a team in place to benefit VA's clients, employees and programs for years to come.

Question 5. How would you describe your management style and how is it suited to this particular position?

Response. In my more than 25 years of leadership and management experience in the public and private sectors I have had to employ various management styles, guided by these principles: 1) respecting employees working for me, trying to understand their concerns and seriously considering their suggestions; 2) stressing a collaborative team approach to problem solving; 3) delegating authority and trusting in the team to carry out its core responsibilities; 4) leading by example and by walking around; 5) providing my staff with clear direction and support so they can get their jobs done; and 6) accepting full responsibility for whatever happens in my area on my watch.

Given my extensive public sector experience and strong leadership abilities, if I am confirmed, I am confident that I will implement a management approach best suited to help Secretary Shinseki achieve his vision of a VA positioned to effectively serve our country's Veterans and their families for decades to come.

Question 6. How does your experience at the Office of Personnel Management contribute to your qualifications for this new position?

Response. My experience at OPM and elsewhere, including as a member of an advisory panel to the Director of National Intelligence concerning diversity and human capital issues, has helped familiarize me with many of the strategic human resources challenges facing all Federal agencies, including VA. Serving as the deputy director at OPM, the chief human resources agency for the entire Federal Government, I had the opportunity to serve on or lead various major civil service reform initiatives. I also had responsibility for labor issues, facilities management at headquarters, diversity recruitment, succession planning, and much more, including policy and program areas pertinent to the responsibilities of the Assistant Secretary for Human Resources and Administration at VA. I have developed considerable management experience with effecting structural change in government programs. This experience will help me support the Secretary's transformation and modernization of VA in the coming months and years.

Question 7. "A VA for the 21st Century" has been a rhetorical slogan for many in recent years. However, as we near the end of the first decade of the century, it seems that that goal is still quite far away. How do you view the role of the Office of Human Resources and Management in moving VA forward in this regard?

Response. I see the Office of Human Resources Management playing a crucial role in virtually all transformational activities, including recruiting and hiring the appropriately skilled staff to carry out existing program and restructuring activities, and securing needed technical and management training to support transition to a truly 21st century VA. Ensuring that successful transformation of the Federal Government's second-largest department begins and ends with the department's personnel. With the right levels of staffing, training, performance evaluations and incentives, organizational efficiencies and streamlining, forward leaning leadership among all middle and senior managers, state-of-the-art, user-friendly technology, and an outward looking culture that always centers on veterans, a 21st century VA is an achievable goal.

Question 8. As the official who will be responsible for managing the human resources of the Department, you most likely will need to deal with delicate situations that impact the lives of many. What skills do you bring with you to this new position that will help you handle such cases?

Response. As a result of many years of leading and managing diverse workforce populations in the public and private sectors, I believe I have developed a range of skills that will enable me to successfully address a wide range of delicate personnel issues. Should I be confirmed, I will bring sensitivity, compassion, discretion, and strong communications abilities to my job. I have an unshakeable respect for public servants, acquired over the many years that I served in local, state and Federal agencies. I always approach any delicate individual or department-wide human resources matter with clearly expressed respect for the employee or employees involved. I have found over the years that by beginning with open and respectful com-

munication, most situations can be negotiated or otherwise resolved quickly and without long-term difficulties or rancor.

Question 9. What strategies that might be implemented to ensure effective communication with all VA employees?

Response. If confirmed, I will actively support efforts of the Secretary and Deputy Secretary to promote communication and synchrony among and across all of VA's administrations. VA is already employing a variety of media to communicate with its employees across the country, including the VA Web site, video newscasts, emails, and a variety of publications. I am certain that the new Assistant Secretary for Public Affairs will soon establish new methods and channels for communicating with veterans, VSOs, other Federal, state, and local agencies, and the general public that can also be used to strengthen communication with employees within VA.

Question 10. What are your thoughts on the ability of VA to deal with increasing numbers of retirees over the next several years and what can the Department do to prepare for the loss of experienced personnel?

Response. Succession planning is a crucial element of any Federal department's Human Resources strategy; there is no question that we must be proactive in assuring that the Federal workforce remains vibrant and refreshed at every level. While I am not familiar, specifically, with the internal capacities of VA to be able to comment on its ability to meet the challenge of mass retirements in the coming years, if confirmed, I will assess the quality of the department's current centralized and/or unit-level succession and workforce planning efforts to determine whether they are adequate to meet this challenge.

Question 11. Secretary Shinseki has placed an emphasis on improving the level of collaboration and cooperation between VA and DOD. What role do you see for Office of Human Resources and Management in dealing with areas of concern involving the two departments, such as at the proposed new Federal Health Center in Chicago?

Response. While I am aware of VA and DOD collaborative efforts to share health care resources, I am not familiar enough with such joint projects to comment on the HRM issues related to them. Should I be confirmed, I will come up to speed very quickly on this topic because I know Secretary's Shinseki is committed to achieving a seamless health care system that will serve both active-duty personnel and veterans. I'm sure that the H.R. issues, though they may be complex, are well within the abilities of VA's and DOD's HRM offices to resolve jointly, to the mutual benefit of the men and women both departments serve.

Question 12. Are there any specific problems or challenges that you have already identified that you would like to tackle in this new position?

Response. Supporting Secretary Shinseki's goal of a truly 21st century VA requires addressing a number of short- and long-term challenges. If confirmed I would work closely with the Deputy Secretary and the other assistant secretaries, to determine what specific human resources support will be needed to: 1) move expeditiously on filling critical vacancies to improve delivery of vital services to veterans and their families; and 2) to assist in the overall transformation of VA.

Question 13. This position puts you in a position of being responsible for a vast array of issues, an enormous numbers of problems, and a virtual army of personnel all attempting to meet the needs of more than 23 million veterans and their families—and ideally do it all with compassion, caring and committed attitude. How will you approach this challenge?

Response. Veterans have sacrificed much to protect our country. They have earned our respect, gratitude and support to help them live their lives as fully and productively as possible. They, and their families, rightfully expect much of VA, and we have to deliver on our promise to care for them. Because I believe in the "walking around," principle of management, if confirmed, I will visit VA medical centers, clinics, regional offices and national cemeteries, and meet with VSOs and individual veterans in order to better understand the scope of my work. I will listen carefully to the concerns and recommendations of veterans and VA staff who are working hard each day to serve them. With that knowledge in hand, I will be better prepared to lead the Office of Administration and Human Resources, and provide our employees with the H.R. services they need to get their jobs done.

Question 14. What emphasis do you place on having a diversified workforce?

Response. I fully agree with the Secretary's goal of having a high-quality and diverse workforce as part of his vision for a new, people-centric, result-driven and forward-looking VA. Indeed, for most of my Federal career I have worked on various efforts to promote greater diversity within the civil service in order to ensure a government that reflects the richness of our country. At OPM I led various initiatives

to increase diversity within that and other agencies. During the past five years I served on an advisory panel under the Director of National Intelligence that focused on identifying human capital strategies, programs and policies to increase diversity throughout the Intelligence Community.

If confirmed, I will work with my colleagues at VA to ensure that the department is seen as a highly visible employer of choice for veterans, people with disabilities, women and minorities from all parts of the United States.

Question 15. Veterans are afforded specific protections under the Uniformed Services Employment and Reemployment Rights Act. What emphasis will you place on striving to make VA the model employer at the Federal level so that veterans who have fought for the Nation do not have to come home and fight for their jobs and benefits?

Response. I will make certain that our veterans know that VA is, in fact, a model employer, and that, under Secretary Shinseki's leadership, veterans will always be respected and encouraged to join the VA workforce. Already, veterans make up nearly 30 percent of all VA employees, and I will, if confirmed, make sure that our doors remain wide open to our Nation's defenders. Wherever, and whenever, issues arise that could impede any veteran's opportunity to work for VA, I will aggressively seek resolution of those issues with all the authority of my office.

Question 16. The Committee has been advised that every new hire in the Central Office is currently being examined by the Secretary's office as part of a "top to bottom" review that is currently in place. Once the Deputy Secretary for Human Resources position has been filled, what changes do you foresee in the current hiring process and structure?

Response. Secretary Shinseki transformation vision for the 21st century VA is "People-centric, Results driven, and Forward looking." I support this vision and the current effort of "top to bottom" review of hiring, especially in light of the unprecedented growth of the organization over the past year and a half. More than 25,000 new employees joined VA in 2008, with another 17,000 expected to be hired in 2009. The hiring review allows VA to ensure that the right people with the right skills to support the delivery of benefits and services to our Nation's Veterans and their families are where they can do their best work.

Question 17. During a Congressional briefing on VA's current hiring practices, a VA official mentioned that an initial review revealed that a number of available policies are not currently being implemented. For example, VA has the ability to hire immediately veterans who are rated at least 30% service-connected disabled. How do you plan to ensure that managers are not only aware of this authority, but that they will utilize it in appropriate situations?

Response. As I have studied VA's accomplishments, I have learned that VA has a long and distinguished record of achievement as it pertains to Veterans' employment. VA is second only to the Department of Defense both in the raw number of Veterans in our workforce, as well as the overall percentage—As of 30 March, 85,556 (29.74%) of our 287,672 employees are Veterans and 23,473 (8.15%) are disabled Veterans. If I am confirmed, I will be firmly committed to hiring veterans not just because regulations encourage it, but because it is the smart thing to do for the department. If VA is not applying all available authority to bring veterans on board, I will work to remedy that deficiency.

Question 18. What will your emphasis be on using VA's special hiring authorities—for example, veterans' preference, Veterans Readjustment programs, Disabled Veterans affirmative action programs, and others—to facilitate the employment of veterans?

Response. As I have stated, if I am confirmed, I will be committed to hiring veterans not just because regulations encourage it, but because it is the smart thing to do for the department. If VA is not applying all available authority to bring veterans on board, I will work to find out why, and address the problem.

Question 19. There have been reports from former Committee staff that in certain cases, employees who have left the Committee and joined VA have experienced lengthy delays in effecting the transition between the two workplaces, including long waits for crediting prior service, no telephone or computer availability, and non-transfer of benefits. I am concerned not only by these specific reports but also interested to know if these types of situations are typical of other new hires within VA. Please comment on what you believe should be the normal experience for new VA employees?

Response. I believe that any new hire—in any Federal department—should be accorded a timely and respectful process. When a new employee comes on board, he or she should be able to work productively from day one. This means they should have all the tools available to them, and that includes the support systems as well

as the usual computers, phones, and supplies. It also means helping them meet with their colleagues and their managers from the first day and letting them know that they can access all the services they need to do their job to the fullest.

Question 20. How will you ensure that field H.R. offices are familiar with, and utilize, all of VA's programs providing recruitment and retention incentives for health care providers?

Response. While I don't know enough about this issue or any actions being taken at VA to address it in detail, from my own H.R. experiences, I believe that any program that deals with recruitment and retention must have a good communications component. That includes providing the most timely training materials and other media appropriate to educating managers and staff in the best practices of attracting, hiring, and retaining the best possible employees. If confirmed, I will look into this matter to determine, in consultation with the Deputy Secretary and the Under Secretary of Health, the appropriate course of action that Human Resources Management should take to help achieve the needed level of health providers throughout the VA system.

Question 21. How will you make potential applicants aware of recruitment and incentive programs such as the Health Professional Scholarship Program, the Nurse Education Tuition Reimbursement Program, the Employee Incentive Scholarship Program, the Education Debt Reduction Program, VA Nursing Academy, the VALOR Program, and the Travel Nurse Corps Program?

Response. As I understand it, VA currently communicates information to potential applicants regarding these programs in a variety of ways to include press releases to the news agencies, VA internet Web sites; national recruitment advertising campaigns both online and print; and as topic areas in recruitment brochures and literature that target both new graduates and mid career professionals; and where programs apply, information is contained in job announcements. I will, if confirmed, build on the most successful elements of VA's recruitment strategies, and seek out other communications channels to improve VA's outreach to potential employees in these critical areas.

Question 22. Currently, offers of employment for health care providers do not routinely include determinations as to whether VA can offer them loan repayment through the Education Debt Reduction Program. How can this program work as a recruitment incentive if such a guarantee is not included in an initial offer of employment?

Response. I agree that hiring incentives are valuable tools for bringing individuals with much-needed healthcare skills into the Federal workforce, particularly VA. As I understand the EDRP, applicants for VA employment in critical needs, or hard-to-recruit areas, are advised that EDRP may be offered, though they still must complete an EDRP application. If confirmed, I will look into how information about the proper use of this tool can be better disseminated among hiring officials and potential eligible candidates.

RESPONSE TO PRE-HEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO JOHN U. SEPÚLVEDA, NOMINEE TO BE ASSISTANT SECRETARY, HUMAN RESOURCES AND ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. The Department of Veterans Affairs (VA) is our country's largest civilian agency. If confirmed, you would have the enormous task of overseeing personnel and administrative issues for nearly 300,000 employees.

A. How do you plan to approach that challenge?

Response. If confirmed, I will draw on my more than 25 years of leadership and management experience in the private and public sector to carry out my responsibilities. I will work within the priorities and strategic parameters set by the Secretary to carry out those duties, especially concerning the transformation of the VA. I will work closely and consistently with the Deputy Secretary, the executive team and VA's career staff to build on the successful management systems already in place, and to reform policies and practices that are ineffective or obsolete. Whenever possible I will ensure that new and readily available technology and training resources are leveraged to support effective management and administration of VA's human capital assets. Finally, I will work with the executive team to meet the current hiring priorities and ensure that significant attention is given to planning for the mass retirements that will affect VA in the years to come.

B. What lessons would you bring with you from your experience at the Office of Personnel Management?

Response. At OPM I had the opportunity to work on various human resources policy issues and civil service reform initiatives that provided me with experience in such relevant areas as: labor-management relations; alternative dispute resolution; diversity management; succession planning, especially concerning the Senior Executive Service; the development of new management training; the need for greater technology to streamline the recruitment, selection, hiring and retention of mission critical employees; and emergency and contingency planning.

Among the lessons I would bring from OPM include the importance of having all of the key stakeholders at the table before developing and launching a major organization restructuring or reform initiative; ensuring that vital (actionable) information is fully and consistently shared with employees at all levels; being consistently clear with all employees who the agency's ultimate customer is (e.g., the veterans for VA); making sure that consideration and respect are shown to all employees at all times; understanding, respecting and complying with the letter and spirit of any legislation passed by Congress at all times; and the importance of always respecting the executive oversight responsibilities of the Congress.

C. What would you hope to accomplish during your tenure?

Response. I look forward to helping the Secretary and Deputy Secretary make the personnel, organizational, structural and cultural changes needed to achieve a 21st Century VA that will effectively and efficiently meet the needs of Veterans and their families. To support this transformation in short and long-term, a proactive, creative and strategic human resources team at VA will be needed. I hope to leave such a team in place when I leave VA.

Question 2. My staff from the U.S. Committee on Veterans' Affairs has been briefed about a top-to-bottom review of personnel procedures that Secretary Shinseki initiated. It is my understanding that, during this review, new personnel will not be hired without approval from the Office of the Secretary.

A. Have you discussed this review with Secretary Shinseki?

Response. No.

B. If so, what are your thoughts about this approach?

Response. I generally believe it is always appropriate to conduct a careful review of resources, programs and policies whenever a new leadership team takes over at an agency or company. Given that VA has hired 25,000 new employees in 2008 and expects to hire another 17,000 in 2009, a careful review of hiring is appropriate to ensure that sufficient personnel are hired and deployed to carry out the specific priorities of Secretary Shinseki. Nevertheless, I do not have enough information on this particular process outlined above to offer any additional opinion.

[The Committee questionnaire for Presidential nominees from Mr. Sepúlveda follows:]

QUESTIONNAIRE FOR PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

1. Name: Sepulveda John Ulises
(LAST) (FIRST) (OTHER)

2. Present Address: 4531 Gaston Street, Chantilly VA 20151
(CITY) (STATE) (ZIP CODE)

3. Position to which nominated: Assistant Secretary, Human Resources & Admin., Dept. of Veterans Affairs 4. Date of nomination: 4/2/09

5. Date of birth: 20 8 1954 6. Place of birth: New York, NY
(DAY) (MONTH) (YEAR)

7. Marital Status: Married 8. Full name of spouse: Awilda Sepulveda

9. Names and ages of children
None

10. Education:

Institution (including city and State)	Dates attended	Degrees received	Dates of degrees
<u>Yale University New Haven, CT</u>	<u>9/79-6/81</u>	<u>M. Phil Political Sc.</u>	<u>6/81</u>
<u>Yale University New Haven, CT</u>	<u>9/77-6/79</u>	<u>MA Political Sc</u>	<u>6/79</u>
<u>Hunter College New York, NY</u>	<u>9/74-6/77</u>	<u>BA</u>	<u>6/77</u>

11. Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Director of National Intelligence Medallion (December, 2008)

Honorary Doctorate, Hunter College (June, 2000)

Hispanic Scholar of the Year, NHSF (1982)

Yale University Graduate Fellowship in Political Science. (1977-1981)

Valedictorian, Hunter College Class of 1977 (June, 1977)

Shared in two "Hammer Awards" to HUD granted by VP Al Gore (1994 & 1997)

12. Memberships List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable, and other organizations for the last 5 years and any other prior memberships or offices you consider relevant

Organization	Office held (if any)	Dates
NONE		

13. Employment

record: List below all employment (except military service) since your twenty-first birthday, including the title or description of job, name of employer, location of work, and inclusive dates of employment.

- Senior VP, Operations, National Assoc. of Mortgage Brokers, McLean, VA (5/07-12/08)
- CEO, National Assoc. of Hispanic Real Estate Professionals, Washington, DC (2/05-12/05)
- Senior Director, Housing Outreach (Corporate Relations), Freddie Mac, McLean, VA (1/01-2/05)
- Deputy Director, U.S. Office of Personnel Management, Washington, DC. (11/98-1/01)
- Director, Office of Insured Health Care Facilities, HUD, Washington, D.C. (9/94-11/98)
- Special Assistant to the FHA Commissioner, HUD, Washington, D.C. (9/93-9/94)
- Assistant Director, Center for Health Policy, CT. Dept. of Health Services, Hartford, CT (12/90-8/93)
- Executive Assistant to State Health Commissioner, CT Dept. of Health Services, Hartford (7/87-12/90)
- Executive Director, Hill Development Corp., New Haven, CT. (7/86-7/87)
- Special Assistant to Congressman Bruce Morrison (D-CT), New Haven, CT (4/85-6/86)
- (Full-Time) Instructor, Dept. of Political Science, Hunter College, New York, NY (9/82-6/84)
- (Ad-Hoc) Instructor, Dept. of Political Science, Yale University, New Haven, CT (1981-1983)

14. Military

service: List below all military service (including reserve components and National Guard or Air National Guard), with inclusive dates of service, rank, permanent duty stations and units of assignment, titles, descriptions of assignments, and type of discharge.

NONE

15. Government

record: List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments other than those listed above.

- 11/08-1/09: Advisor, OPM review team, Obama-Biden Presidential Transition Team
- 2004-2009: Member, Diversity Advisory Panel to the Intelligence Community (ODNI)
- 1998-2000: Member, President's Commission on Integrity and Efficiency
- 1999-2000, Member, President's Task Force on Asian-American & Pacific Islanders
- 1998-2000, Member, President's Commission on Y2K Conversion
- 1991-1993: Member, New Haven Board of Education (CT.)
- 1991-1993: Member, Cong. DeLauro's (D-CT) Policy Issues Advisory Panel (CT)
- 1991-1993: Member, Senator Lieberman's Hispanic Advisory Panel (Hartford)
- 1989-1990: Co-Chair, Mayor Daniels' Human Services Transition Team (New Haven)
- 1987-1989: Chairman, Mayor DiLieto's Task Force on Hunger (New Haven, CT)
- 1985-1986: Member, Community Housing Resources Board (New Haven, CT)

16. Published writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

I authored a number of occasional columns from 1989-1993 on city, state and community issues in the "As I See It" column in the New Haven Register (CT).

Column publication dates include: 10/26/89; 3/8/90; 4/26/90; 6/14/90; 8/2/90;

11/8/90; 12/27/90; 2/14/91; 4/4/91; 5/23/91; 7/25/91; 8/29/91; 11/7/91; 4/2/92;

4/30/92; 6/25/92; 12/31/92; 2/11/93; 5/6/93; _____

17. Political affiliations and activities: (a) List all memberships and offices held in and financial contributions and services rendered to any political party or election committee during the last 10 years.

2008: Contributor & Volunteer, Obama for President (\$1,000 contribution)

2007-2008: Contributor & Volunteer, Hillary Clinton for President (\$2,200)

2004: Contributor and Volunteer, John Kerry for President (\$800)

2000: Volunteer, Al Gore for President

DNC: Contributor (over various years)

- (b) List all elective public offices for which you have been a candidate and the month and year of each election involved.

NONE

18. Future employment relationships: (a) State whether you will sever all connections with your present employer, business firm, association, or organization if you are confirmed by the Senate.

YES (Connections already severed)

- (b) State whether you have any plans after completing Government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization.

NO

(c) What commitments, if any, have been made to you for employment after you leave Federal service?

NONE

(d) (If appointed for a term of specified duration) Do you intend to serve the full term for which you have been appointed?

N/A

(e) (If appointed for an indefinite period) Do you intend to serve until the next Presidential election?

YES

19. Potential conflicts of interest:

(a) Describe any financial arrangements, deferred compensation agreements, or other continuing financial, business, or professional dealings which you have with business associates, clients, or customers who will be affected by policies which you will influence in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's Designated Agency Ethics Official and that has been provided to the Committee. I am not aware of any other potential conflicts of interest.

(b) List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's Designated Agency Ethics Official and that has been provided to the Committee. I am not aware of any other potential conflicts of interest.

- (c) Describe any business relationship, dealing, or financial transaction which you have had during the last 5 years, whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Veterans Affairs' designated ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's Designated Agency Ethics Official and that has been provided to the Committee. I am not aware of any other potential conflicts of interest.

- (d) Describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any Federal legislation or for the purpose of affecting the administration and execution of Federal law or policy.

NONE

- (e) Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements involved.)

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department of Veterans Affairs' Designated Ethics Officials. I am not aware of any other potential conflicts of interest.

20. Testifying before the Congress:

- (a) Do you agree to appear and testify before any duly constituted committee of the Congress upon the request of such committee?

YES

- (b) Do you agree to provide such information as is requested by such a committee?

YES

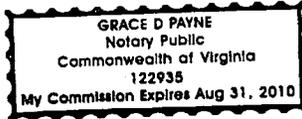
AFFIDAVIT

John U Sepulveda, being duly sworn, hereby states that he/she has read and signed the answers to the foregoing Questionnaire for Presidential Nominees and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

John U Sepulveda
Signature of Nominee

Subscribed and sworn before me this 22 day of April, 2009

Grace D Payne
Notary Public



[A letter from the Office of Government Ethics follows:]



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

April 6, 2009

The Honorable Daniel K. Akaka
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510-6375

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by John U. Sepulveda, who has been nominated by President Obama for the position of Assistant Secretary for Human Resources and Administration, Department of Veterans Affairs.

We have reviewed the report and have also obtained advice from the Department of Veterans Affairs concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated April 2, 2009, from Mr. Sepulveda to the agency's ethics official, outlining the steps Mr. Sepulveda will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of his confirmation date with any action he agreed to take in his ethics agreement.

Based thereon, we believe that Mr. Sepulveda is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick
Director

Enclosures

[Letter from Mr. Sepúlveda to the Office of General Counsel, U.S. Department of Veterans Affairs:]

Date: *Apr. 12, 2009*

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position at the Department of Veterans Affairs of Assistant Secretary for Human Resources and Administration.

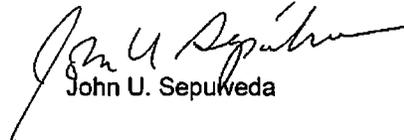
As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I separated from my position as Senior Vice President for Operations, National Association of Mortgage Brokers, McLean Virginia, on December 15, 2008. If confirmed, for a period of one year after my separation, I will not participate personally and substantially in any particular matter involving specific parties in which the National Association of Mortgage Brokers is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

My spouse is an employee of Fannie Mae. I will not participate personally and substantially in any particular matter involving specific parties in which

Fannie Mae is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Sincerely,



John U. Sepulveda

Senator AKAKA. Thank you very much for your testimony.

Before we begin with our questions, let me ask you, Colonel Gunn, to introduce your family.

Colonel GUNN. Thank you, Chairman. We have been joined by my wife, Dawn Latham Gunn; by my parents, Willie and Elizabeth Gunn; by my son, Latham Gunn; my daughter, Arena Gunn; as well as by my pastors, Pastor Rosemary Bonner and Apostle Crosby Bonner.

Senator AKAKA. Well, thank you very much. Welcome to the hearing this morning.

I will ask the nominees to please stand for the administration of the oath. Will you please raise your right hand? Do you solemnly swear or affirm that the responses you are about to give to questions, as well as your testimony and any answers to any pre- or post-hearing questions before the Senate Committee on Veterans' Affairs will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BAKER. I do.

Colonel GUNN. I do.

General RIOJAS. I do.

Mr. SEPÚLVEDA. I do.

Senator AKAKA. Thank you. Let the record note that the nominees answered in the affirmative.

Mr. Baker, in your written testimony, you acknowledge the challenges you are inheriting in the position. Of course, if confirmed, these will be your challenges. You note that there is no easy path, no simple answer, and no shortcut solution to creating a strong IT capability at VA.

That being said, where do you plan to begin to fix the problems and create solutions?

Mr. BAKER. Thank you, Mr. Chairman. In my view, this is a large-scale management problem. You know, key areas to focus on in the beginning are: to address the issues with failed programs and the environment that allows programs to continue on for 10 years before being identified as failed programs; and fixing that from a management standpoint.

Clearly, a focus on continued good operational delivery of services to the internal customers (the Veterans Health Administration, the Veterans Benefits Administration); working with the people in the VA IT organization to improve skills and address skills gaps; to do

training; and working with the partners at the Department—the vendors that work with the Department that are probably half again as many staff as we have employees—to make certain that we are getting the real benefit of the work that they do in a timely fashion. I think those are probably the four starting points.

There will be many, many challenges as we go along, and I think it is probably safe to observe that, as soon as we say here is where we want to start strategically, things will start to pop up that we have to deal with, to make certain that they are being appropriately dealt with from an urgent standpoint.

Senator AKAKA. You mention in your testimony “seamless transition.” My question to you at this point is: How do you intend to work with the Defense Department on records so that they can become seamless from Defense to Veterans?

Mr. BAKER. Mr. Chairman, I have a high expectation of what “seamless transition” means. The servicemembers, when they join the military, do not expect that they are going to have to change complete organizations when they move from military servicemember to veterans. They, I believe, see themselves as working for the same Government.

The records that DOD has about the servicemember’s service and about their health are vital to the VA being able to provide what appears to the veteran as something that means they have never left the same Government. Potentially, they can log into the same Web sites with the same log-in IDs that they used to when they were in the DOD at VA, see the same sorts of information, and have an environment where it is clear that we are supporting them.

Working with DOD, we will recognize that we currently exchange a fair amount of information both in the bidirectional health information exchange and on the benefits side with information coming from the personnel information at DOD.

But there is a lot more that can be done and a lot of work that needs to be done just make certain that that information comes to VA in a usable form. It is one thing to receive the information; it is another to be able to really use it and apply it to maximize benefits and minimize wait times.

I have numerous friends at the Defense Department. I know that, if necessary, we can utilize General Shinseki and Deputy Secretary Gould’s good contacts there to help leverage things. And in the long term, I guess I would just tie that question—How do we create a seamless transition?—to the President’s vision of that lifetime electronic record, because that is the key part. When you have that lifetime electronic record, when you can access that information at any time that you want to serve the veteran, that is going to provide much of what is needed for that seamless transition.

Senator AKAKA. Yes, well, thank you. We will have another round here. I will turn to our Ranking Member for his questions.

Senator BURR. Thank you, Mr. Chairman. It looks like we will do this together today, which is advantageous to us.

A couple of housekeeping questions, if I can, for all of you, and I would just ask for a quick response, if you would.

As Ranking Member, I have some obligations to do oversight that I think all of you can understand. Do you pledge to submit timely answers to my questions? Let me start on that side. Roger?

Mr. BAKER. Yes, sir.

Colonel GUNN. I do, sir.

General RIOJAS. I do.

Mr. SEPÚLVEDA. Yes.

Senator BURR. Do you pledge to submit testimony before the Committee on time and agree to submit follow-up questions for the record in a timely manner?

Mr. BAKER. Yes, sir.

Colonel GUNN. Yes, Senator.

General RIOJAS. Yes, I do.

Mr. SEPÚLVEDA. Yes, sir.

Senator BURR. Each of you stressed in your testimony the importance of the VA moving to a 21st century organization, which I think we all want it to. What do you see as the greatest challenges in this transformation? And how are you prepared to successfully tackle them?

Mr. BAKER. I guess I will start, Senator. Thank you.

As we discussed this morning when we met, the change management, you know, the organizational change is certainly the largest challenge that we will face. One of the things you learn as a technologist is that you can create wonderful systems that no one wants to use because they either have not been trained, the interfaces to them are unfriendly, or the information there is not of any use or the processes there are not of use to them. So, I think that organizational change piece—making sure that we are serving the organizations from an IT perspective, that we are serving the organizations that directly serve the veterans, our job is to partner with VHA, VBA, and CA to help provide that service to the veteran. So from that technology standpoint, I think that is the challenge.

How am I prepared? I would say I have taken my whole career to prepare for this one. As a CEO you deal with these kinds of problems all the time—not on the same scale. There are a few organizations that are the same scale as the Department of Veterans Affairs. But this is what my career has really prepared me for, both as a technologist and as a manager.

Senator BURR. Great. Colonel?

Colonel GUNN. Senator, as you know, the Office of the General Counsel has over 400 attorneys spread out over 22 regional offices with about one-third of those attorneys being here in Washington, the others spread out all over the country. Because of that, because of that decentralized aspect, communication will be a challenge. The Office of the General Counsel I see as being involved in all aspects of transformation. We are going to have a piece in it—if nothing else, from an advisory standpoint—to make sure that we are complying with law and with regulations and to provide advice with respect to what areas there need to be changes in order to effect transformation.

I see that, when you are talking about transformation, one of the biggest challenges is simply that of communications. I think it is impossible to overcommunicate. The decentralized structure that we have places some special demands on communication, particu-

larly when, as I see it—I have seen the organization chart—if I am confirmed, I will be the only political appointee in the Office of the General Counsel. So there are many people, as we discussed earlier, who could just wait me out if they wanted to.

So, if we really want to effect change, we are going to have to—I would have to work very closely with the people that are already there, and I would have to listen to them; because I believe that there are a lot of good ideas that are just not housed here in Washington, but they are spread out all over the country and all over the organization.

In terms of my preparation, my background is one where I have been blessed with the opportunity to serve in some positions at organizations in which I have been in decentralized environments. I think that, again, as Roger Baker just stated, the scale does not compare, but I have been in that situation, and I am up to the challenge.

Senator BURR. Great. General?

General RIOJAS. Senator, thank you for the question. I believe I would have several responsibilities relative to the transformation of the organization. One of them would be establishing and maintaining an operations center that facilitates the flow of information and communications within the VA team so that predictive analysis can be made, and recommendations can be made so that decision-makers can make timely decisions for the organization.

Just as importantly, I think that operations center would need to be an integral part of the interagency community so that VA as a Department is seen as an asset to the National Government as a whole, both before, during, and after times of crisis, emergencies, manmade or natural disasters.

Senator BURR. Great. John?

Mr. SEPÚLVEDA. Yes, Senator, I have some experience in change management, and I can tell you probably the most complex challenge is motivating the people at the Department to go in one direction. As my colleagues mentioned, people are resistant to change, and because there are changes in administrations, some people decide that they can wait out this administration if they do not like the direction that the Department may be going.

So, the biggest challenge—working with the Deputy Secretary, working with my colleagues, and working with the staff there—is to motivate, direct, and lead the staff in a direction that helps to support the transformation. And one of the ways that I would do that is, first and foremost, get an assessment of where the gaps are in terms of training, in terms of resources, and in terms of leadership. The next is to really communicate the Secretary's vision to the lowest level and the highest level, so that we are going in the right direction and everybody has a stake in the transformation. Because, ultimately, the transformation is meant to do one thing, and one thing alone: it is to serve our Veterans, and that is really the thing that is supposed to unite us. And I am hopeful that it will.

Senator BURR. Great. Thank you, Mr. Chairman.

Senator AKAKA. Thank you very much, Senator Burr.

Colonel Gunn, I understand that it will take you some time to get up to speed on issues that are facing the General Counsel's of-

ficie. Some of the questions that I submitted for your response, prior to this hearing, were left unanswered because of your lack of familiarity with the issues.

Will you agree to respond to those questions within the next 60 days so that they can be made part of the record of this hearing?

Colonel GUNN. Absolutely, Mr. Chairman.

[Mr. Gunn's follow-up responses are posted as Attachment A on page 195.]

Senator AKAKA. Thank you very much, Colonel.

General Riojas, from the answers to your pre-hearing questions, it seems clear that you believe interagency collaboration and cooperation are important. Give me a few examples of how you will work with other Government agencies to accomplish the mission of the Office for which you are nominated.

General RIOJAS. Mr. Chairman, thank you for the question. If confirmed, I think establishing and maintaining open lines of communications—specifically so that trust and confidence can be established and shared among the agencies—is a bedrock for that particular operation and that capability. And once those are established, information sharing among organizations is very, very important so that each organization can look at the capabilities and see that all the pistons in the engine can function and serve the Nation as a whole. This would be my overall approach to establishing that collaboration and partnership in the interagency community.

I have had experience in the past doing that. I currently serve as the Executive Director for the National Center for Border Security and Immigration, a Center of Excellence for the Department of Homeland Security, where I have the opportunity to work in the interagency community. I am very comfortable in that environment and believe that I could serve in the position very well in establishing that capability for Veterans Affairs.

Senator AKAKA. Thank you, General.

Mr. Sepúlveda, a major concern of mine is that VA should be a model employer when it comes to the important protections afforded by the Uniformed Services Employment and Reemployment Rights Act. I do not believe that an individual who has left their job to fight for this country should, under any circumstances, come home and have to fight to get their job back.

Can you expand on what you intend to do to make sure that VA is fully compliant with USERRA?

Mr. SEPÚLVEDA. Thank you, Mr. Chairman, for that question. You are absolutely right that when we have employees who are deployed, they should not have to worry about whether or not the job is still there waiting for them when they return. The fact of the matter is that when Congress passed USERRA in 1994, the intent was to ensure that the Federal Government would always be a model employer, and if there is any agency within the Federal Government that should be a model employer for veterans and redeployed employees, it should be the Department of Veterans Affairs.

So a couple of things that I would specifically look to do: One would be to make sure that all of our managers and supervisors and executives are fully aware and fully compliant with USERRA and understand what their responsibilities are—there are specific

responsibilities that they have—and understand that they have to carry them out.

The second thing that I would look to do is to have H.R. staff work with these individuals so that when employees are indeed deployed, the supervisors and managers are already planning for their return, so that they already know that within a period of time—3 months, 6 months, 1 year—they are going to be returning. And the manager and the executive have made plans to have that individual integrate quickly, seamlessly back into the workforce, without any loss of benefits, without any loss of seniority, without any loss of stature within the organization.

So those are two specific things that I would look to do, if confirmed.

Senator AKAKA. Thank you very much. I would like to call on Senator Isakson for any opening statement or questions he may have for our nominees.

**STATEMENT OF HON. JOHNNY ISAKSON,
U.S. SENATOR FROM GEORGIA**

Senator ISAKSON. Thank you, Mr. Chairman. I will not make an opening statement, but I do have a couple of—well, one question and one point to make.

General Riojas—is that the correct pronunciation?

General RIOJAS. Yes, sir, it is.

Senator ISAKSON. How are you today?

General RIOJAS. I am doing fine. Thank you.

Senator ISAKSON. Since you are going to be over Operations, Security and Preparedness, I would assume that would mean the VA hospital facilities operations and preparedness. Is that correct?

General RIOJAS. Yes, sir.

Senator ISAKSON. I would appreciate it, when you are confirmed, which I am sure will take place with your sterling reputation and record, I wish you would take a look at the Clairmont facility on Clairmont Road in Decatur, Georgia, which is the VA hospital there, which is going through extensive renovations thanks to the help of the Ranking Member and the Chairman when we got the authorization a couple of years ago. But as a part of that, almost all the parking has been lost for a period of time, and a number of the VA patients who are coming, they actually have to get in line to have their car parked, and some of the ones who are on oxygen are having to walk extensive distances to get to the facility because of a logistical problem with the VA.

Now, the hospital is doing a great job of working. They have leased some parking spaces downtown for all the employees so they can shuttle them back and forth to leave as much available as possible. But, just yesterday I had a conference call with veterans in the State, and one of them who is on oxygen was talking about how he has to take two extra tanks of oxygen just to go to the VA hospital in Atlanta to be able to get from where he is let off to where he goes.

So, if you would look into that, I would appreciate it very much.

General RIOJAS. I will, sir.

Senator ISAKSON. And, Mr. Baker, if you get—and I am a hometown guy, so I am bragging about Georgia for a second, I will have

to apologize. I hope, as you look at examples of IT and success in the VA, that you will look at the Eisenhower Army Medical Center at Fort Gordon and Augusta VA Medical Center's uptown facility. They are the ones that developed the seamless transition from DOD health care to veterans health care and, in particular, have a paperless transfer in terms of the medical side now. On "NBC Nightly News" about 2 weeks ago there was a feature on that facility and what they are doing. I am a big believer in medical IT, and I think that the VA is probably leading all health facilities in getting medical IT right. But there is an awfully good example of it there at Augusta at the Eisenhower Medical Center and the uptown VA facility. So I urge you to take a look at that as soon as you can.

Mr. BAKER. Thank you, sir. I will do that.

Senator ISAKSON. Thank you, Mr. Chairman.

Senator AKAKA. Thank you very much, Senator Isakson.

Let me turn to the Ranking Member for further questions that he has.

Senator BURR. Thank you, Mr. Chairman.

Roger, in pre-hearing questions, you said that the VA, and I quote, "does not benchmark itself versus good private sector organizations to determine where gaps exist."

A very simple question: What type of private sector companies would you look to, to go through that benchmark comparison?

Mr. BAKER. Thank you, Senator. I think there are two sets of those. In the first case, we should be looking at other health providers, other insurance providers, understanding how they do business and how they use technology to best provide services to their clients.

The second thing is in areas like IT infrastructure, information security: we should understand who the best organizations in industry at doing those things are and learn from them and benchmark ourselves against them. There are lots of services that will help us understand where our policies, procedures, and results rank against other organizations, and in that process, we can learn a lot about how and where could we improve just by benchmarking ourselves.

Senator BURR. What specific areas would you feel are most appropriate to try to benchmark?

Mr. BAKER. Certainly, operational metrics. I personally would want to look at what are organizations like Kaiser Permanente and other folks doing relative to up time for the systems in hospitals or what are insurance companies like USAA doing relative to insurance benefits and their ability to help those benefits processors move the paper along, move the process along. So those are two relative areas.

I have a lot of experience in information security. I really want to look at how other very large organizations like some of the major banks and some of the folks that have had substantial incursions and losses like we have, have responded to those and have they done things that we could learn from in making ourselves better.

Senator BURR. Great. I do hope, as you do that, you will share that with the Committee, as I am sure you will with the Secretary.

Colonel Gunn, the VA General Counsel's office is responsible for representing the Secretary before the U.S. Court of Appeals for Veterans Claims. In February 2009, one of the judges from the Court testified before this Committee that parties from both sides "have time-management problems, but the Secretary has the greater number of requests for extension of time."

What steps could you take, if confirmed, to reduce any time-management problems within the General Counsel's office?

Colonel GUNN. Well, sir, of course, I have not had the opportunity to study—I believe it is Group 7 that deals with representation before the court. However, upon taking the position, if I am confirmed, I would go in and launch a comprehensive study of the entire office, including Group 7.

I think that when you talk about requests for time delays having been involved in representation before Federal courts, both at the trial level and also at the appellate level, you first of all have to ask if the resources that you have match the caseload that you have. And so, one of the considerations is if we have the necessary resources in order to accomplish the job in an effective manner.

The other consideration is, do we have the training in place in order to provide the representation that needs to be provided? I would be looking at both of those issues going forward.

Senator BURR. Thank you. I hope that, if you find especially that there are assets that are needed, you will share them with the Committee.

Colonel GUNN. Yes, sir.

Senator BURR. We have a tremendous backlog within the appellate court, as I am sure you are aware of, and in a bipartisan approach we have tried to do everything we can to alleviate that backlog. And, as I said to you this morning and to your colleagues, we can never forget the human face behind the VA, which is the veteran that is there for the services. And it disturbs me when the Secretary seeks an extension of time because we are forcing a veteran then to drag out the conclusion of their appeal. And I think we owe it to them to do it as expeditiously as we can. So, I look forward to any comments that you might have later on as to how we speed that up.

Colonel GUNN. Yes, sir.

Senator BURR. Last question, General. Your office has the oversight responsibilities for the VA's internal police force. In 2009, the VA's goal was to see that 89 percent of field police units were determined to be operating at "satisfactory levels."

One, what does "satisfactory level" mean?

And, two, would you agree with me that our expectation should be that 100 percent of that police force meet satisfactory levels?

General RIOJAS. Senator, thank you for the question. I am not familiar either with the number or that particular categorization of "satisfactory level," so I do not know what type of metrics were established and then how individuals were assessed against those metrics. So I am not prepared to answer that.

Senator BURR. Well, let me ask the question in a different way. Regardless of what that definition of "satisfactory" would be, would you not have expectations that 100 percent of those officers would meet that level?

General RIOJAS. Sir, that is a very high number, and I am not sure that anyone would set themselves up for success by establishing 100 percent. But, I would say that it is incumbent upon us to select the right individuals, to train them, to lead them, to assess their performance along the way, and to reward their performance, good or bad, along the way. And we would seek to achieve the highest level of performance by those law enforcement officers.

Senator BURR. I appreciate your reluctance to necessarily commit to a high number. I hope that is a goal that we can shoot for, though. And I would mention that that field police unit is the law enforcement mechanism on that footprint, that VA footprint. And it is absolutely essential that we train those individuals to know the population that they are dealing with day in and day out. I think all of us up here can speak from experience that not a day passes that we do not have a veteran that has a problem with the delivery of care. It may be a real one, or it may be a problem as they see it. Unfortunately, if they confront somebody that does not have the skills or the understanding of the population, a police unit could react in a way that is not beneficial to the veteran, to the facility, or to the VA. And I know we want to try to minimize any confrontations that exist like that. I appreciate it.

Again, I look forward to a very quick process of confirmation for all of you.

Thank you, Mr. Chairman.

Senator AKAKA. Thank you, Senator Burr.

Mr. Baker, following the recent failure of the new patient scheduling application, Secretary Shinseki ordered a top-to-bottom review. My concern is that the individuals conducting this review are some of the same people who were integrally involved in the patient scheduling project.

Please report back to me within 60 days of your confirmation with your personal assessment of how much of the patient scheduling is salvageable. In the meantime, do you have any initial thoughts about this latest failure or why VA seems to have repeated these failures?

Mr. BAKER. Thank you, Senator. I certainly will look at that when I report back to you within 60 days.

As I said in my response to a pre-hearing question, while I have not had a chance to look in-depth at this one, from the briefing I was able to attend, my view is that a lot of the issue with the patient scheduling and other failures is an environmental one of dealing honestly with recognizing the fact that you are failing.

The program certainly showed evidence of having problems well before the 10-year mark and well before it was marked as a red program in the project schedule. And it is important to accept those things top to bottom, deal honestly with them, and, if necessary, admit to yourself that you are failing and that substantial correction is required, not just incremental correction.

It is a common-sense management discipline that from my standpoint I would plan to apply throughout, and maybe the most common sense is to create an environment where people in the organization feel they can be honest about where things are and have that be viewed as a positive and not a negative. So that is just kind

of an overall view of the environmental factor. I certainly will report back on more detail when I have it.

[Mr. Baker's follow-up letter is on page 180.]

Senator AKAKA. Thank you.

Colonel Gunn, in your testimony, you noted that while you were a White House Fellow, you served as a liaison to the VA Secretary.

Colonel GUNN. Yes, sir.

Senator AKAKA. And since that time, you stated that you have followed many of the issues affecting VA from afar. From your perspective, what are the issues that you have followed that will require your immediate attention, if confirmed as General Counsel?

Colonel GUNN. Sir, issue number 1 goes to the heart of the Secretary's vision for transforming the organization into a 21st century organization, and that is the issue of being people centric.

In both my time in the military, my time since I retired in 2005, and most particularly during the course of the last year since opening my law firm, I have had the opportunity to talk to many veterans and their families about the perception among many that the VA has a long way to go in terms of being a truly people-centric, customer-friendly organization. And I see that as really the heart of the matter because if we get there, a place where the VA is considered a model of being customer friendly, then from my vantage point, everything else follows from that.

So, while I have looked at issues in terms of the level of benefits and the various processes, all of those really pale in comparison to that central issue of being focused on the people and making those people feel like that they are what this Department is most concerned about.

Senator AKAKA. Thank you.

Let me call on Senator Burriss. Do you have any statement or questions for the nominees? This is your time.

**STATEMENT OF HON. ROLAND W. BURRIS,
U.S. SENATOR FROM ILLINOIS**

Senator BURRIS. Thank you, Mr. Chairman, Mr. Ranking Member, fellow Senators. I would like to congratulate the panel. I have interviewed three of them, really, and—did I see you, Mr. Baker?

Mr. BAKER. Yes, sir.

Senator BURRIS. Well, I have interviewed all of them. [Laughter.]

I had so many coming at me. I am just trying to figure out whether or not I covered them all. I do want to say that I found it very, very informative in our interviews of these gentlemen; and I also found out, Mr. Chairman, that the paperwork that is involved in what they are doing is just tremendous. There are just so many different forms that have to be filled out and so much vetting has to be done; I was advised that they were definitely looking at that vetting process. But I would just like to check with Mr. Baker and see if when he becomes confirmed, he will definitely look at the information that is being misplaced and lost and records cannot be found, so they hope that the information technology system will improve that somewhat. I am pretty sure you have not had a chance to go in there and look at anything, but I wonder if you had any type of views on what the situation is currently prior to your going on.

Mr. BAKER. Thank you, Senator. As you can imagine, I have not had a chance to look at that closely, and so I think the best response is that I will come back to you with some answers on that when I have had a few weeks to take a look at where things are.

Senator BURRIS. Please check that out, because the report from my veterans is that they send some paperwork in and it gets lost, it gets misplaced, the computer systems are not talking to computer systems. Some of it, which will go to an H.R. question, is the resources, that we do not have the personnel to really handle the volume and workload. Is that correct, Mr. Sepúlveda, to your knowledge?

Mr. SEPÚLVEDA. To my knowledge, we have some challenges there. We have a great staff. People are working really hard, but the reality is that the H.R. staff clearly needs some additional training and resources to help them do their job and to work in concert with the other departments within the agency. So you are absolutely right. There is a lot that needs to be done, but I am pleased, from what I have seen so far, that we have very dedicated people, good people. I think they just need some additional resources.

One challenge that I just want to mention about the H.R. is that the retirement issue is going to be a major challenge because my understanding is that 50 percent of our H.R. team throughout the Department is eligible for early retirement or regular retirement. So there is going to be that challenge that we are going to have to be facing and planning for very soon.

Senator BURRIS. We will have to find a reason to extend the time, because given the current planning, some of them may have to stay on. But I think the Federal pension is probably pretty good.

I would like to just point out to Colonel Gunn, I have known this young man for years. We were on the ABA Committee together when he was in JAG and I was Attorney General working with those issues. And I ran across the Colonel when he came in, and I was wondering whether or not that was the same Gunn I had seen during those years, and, Colonel, it is certainly good to see you again, to have you come back and make your acquaintance. We had a great time at the ABA taking care of those issues.

Colonel GUNN. Yes, sir.

Senator BURRIS. And being a seasoned veteran and a lawyer—I am sorry you graduated from Harvard and not Howard, but—
[Laughter.]

Colonel GUNN. I understand.

Senator BURRIS. Being a seasoned lawyer, I am sure you will take care of the legal matters. And, of course, I want to compliment General Riojas, because I was chatting with him the other day, and I said, "What rank are you?" And he says, "I am a Brigadier General." I said, "Wow." I had to salute him.

So, we are looking forward to you all joining, especially with the knowledge that you all have, you are veterans, you know what is going to be needed. Please go in there and be committed to our men who made this country what it is.

My favorite expression to all you military personnel—and I've never served in the military—is, "The only way we can do in America what we do is because you all have done what you all did—pro-

tecting us and this country and giving us this quality-of-life.” And we owe a great debt to all of those individuals who served this country. Now that you are all in a position as civilians to help them, take care of them. They took care of us.

Thank you, Mr. Chairman.

Senator AKAKA. Thank you very much, Senator Burriss.

Now I would like to call on Senator Johanns for any statement and questions he may have.

**STATEMENT OF HON. MIKE JOHANNS,
U.S. SENATOR FROM NEBRASKA**

Senator JOHANNNS. Well, I will pass on the statement, Mr. Chairman, and I will just jump right into questions.

First, to the entire panel, congratulations. I think just to be here is an important thing. Having been through a nomination process and confirmation process as a member of President Bush’s Cabinet, I think it is just a great honor to serve your Nation in this capacity.

Second, congratulations on outstanding resumes. All of you are enormously qualified to do what you are heading out to do.

Let me, if I might, start out with General Riojas. We have been—and still are—going through the issues relating to the flu. Of course, that has gotten a lot of attention not just here but all across the world, really.

Give me your impression of how well prepared the Veterans Administration would be to deal with something of pandemic circumstances, what you would like to focus on. How do we ensure that our veterans are able to get the care they need? I would just like you to cover kind of the bailiwick here in terms of that kind of very, very drastic situation.

General RIOJAS. Senator, thank you for the question. If confirmed, those are exactly some of the questions that I plan on asking as I conduct my assessment about our internal capabilities. I think it is very important that we consistently, constantly focus on the veterans so that no matter what the circumstances may be, prior to a flu challenge such as we have right now, or other man-made or natural disasters, that we be properly prepared for that internally.

I think that it is also very, very important that the organization as a Department be integrated fully with other departments in our Government so that proper integration in planning, preparation, and actually during or after a particular situation is effective and efficient, maintaining that service to our veterans but shifting it a bit perhaps to service to the Nation.

I am not well briefed or completely knowledgeable about what our exact capabilities are, but I do know assembling that information so that our decisionmakers within the Department and, an appropriate, outside the Department so that Secretary Shinseki can take recommendations to the national departments would be very, very important, and I would take that lead in that particular development.

Senator JOHANNNS. I really urge you do to that. When I was a Cabinet member, we worked on avian influenza, and the conclusion I reached is: this is just a matter of time.

General RIOJAS. Yes.

Senator JOHANNNS. The viruses, as you know, ebb and flow, and in the influenza of 1918, it actually started out and it did not look like it was going to be so bad.

General RIOJAS. Yes, Senator.

Senator JOHANNNS. And then it came back with a vengeance, and I just think we have to be prepared and very mindful that we have been lucky for a long time. So I encourage you to put that at the top of your list.

Colonel Gunn, I am going to ask you some questions here about veterans claims.

Colonel GUNN. Yes, sir.

Senator JOHANNNS. I think everybody on this Committee has heard from veterans about the painfully slow claims process and trying to get through that. Give us some ideas on how you might address that and how we can—I do not know if we streamline or whatever. Give me some ideas on how we can improve the situation there for our veterans.

Colonel GUNN. Senator, thank you very much for the question. In preparation for the hearing, I talked a bit with the Deputy General Counsel of VA, Jack Thompson, who has been there for many years, and he informed me that there is a working group underway to look at exactly how the General Counsel's office can help in that particular area.

Directly answering your question, though, the first answer that I have really goes to my colleague here at my right, and that—

Mr. BAKER. Thanks. Absolutely.

[Laughter.]

Senator JOHANNNS. You can say that. We are going to hold you both accountable.

[Laughter.]

Colonel GUNN. Fair enough. In all sincerity, Senator, I do see information technology as playing a major role, and it is in this sense, in the course of the last year—well, actually last summer—I opened my own law practice to provide service to veterans and military members. Ironically, even though that was my goal and I envisioned that I would be representing people who were trying to obtain VA benefits. It just never worked out, and so the practice went in a different direction.

I talked to, though, many people that were in that situation, and one of the frustrations that they had was the lack of transparency with respect to the claims process in the sense of: they would submit a package asking for, say, a disability rating, and then they would just wait. And they would try to find out information, and they found it extremely difficult and frustrating to just get information in terms of where they stood. And I would like to think that there are ways to get around that so that, at a minimum, an individual would be able to have more information in terms of, well, your package was submitted here, it is now at this particular level. That is reassuring—that in any process, if you know where you stand and how long it is likely to take after that point, that helps tremendously.

Senator Burris also asked a question about how do we get beyond lost documents and such, and again, looking at, OK, are there impediments right now to our using our existing technology or de-

veloping new technologies so that we are not depending upon a paper record in that regard. Then I think that those are things that certainly will help.

And then just finally, more germane to my responsibilities, if I am confirmed as General Counsel, I just think we have an ongoing responsibility to make sure that the people that are working with the claims out in the field, that they know what the impact of the latest law, as well as court decisions are. So, we have an ongoing responsibility just to educate, and we cannot get beyond that.

Senator JOHANNNS. I encourage you to work on this because you know as well as I do that delay feels like unfairness. You know, you sit there day after day. You feel you need these benefits and services. And, you know, to the average veteran out there, as each day goes by, as each week goes by, it feels unfair. So, whatever you can do to deal with that delay—you know, the Veterans Administration has done some great things with technology. I remember getting a briefing a couple of years ago on medical records, and some of it is really trend-setting. My hope is that we can move this technology to another level because I do think it is important. So, I encourage all of you to work on that.

Boy, if there was one thing that you could come back in a couple of years and say, "Hey, we have done better here," I think the whole Committee would applaud; this would be the area.

Thanks.

Senator AKAKA. Thank you very much, Senator Johanns.

Mr. Sepúlveda, in your testimony, you refer on several occasions to Deputy Secretary Gould's vision of an updated workforce with well-trained employees. Could you please give us now your preliminary thoughts on what specific steps you might take to help this vision become a reality?

Mr. SEPÚLVEDA. Thank you, Mr. Chairman, for that question. I think that first and foremost the vision that we are operating with is the vision articulated by the Secretary and, of course, the Deputy Secretary's job is to provide some detail, and then the rest of us, if confirmed, are to provide some operational details to that strategic plan.

Clearly, the area that I would be focusing on is human capital, and that means several things because we have several challenges facing this Department. One is the retirements, the large number of retirements that are going to be coming in the next several years. When you have over 30 percent of your employees eligible to retire and when you are talking about a Department of 280,000, you are talking about significant numbers of people that you are going to have to plan to replace. That is one challenge that is going to have to be focused on. So, in other words, what we are talking about is transforming the Department, but at the same time focusing on the operational issues to keep it running efficiently right now. So, succession planning is one.

The other is training. Again, it is incredibly important to provide the appropriate kinds of training at all levels so that service can be delivered efficiently. And I would like to include in that the customer service training that I mentioned before because I think it is important that we all get grounded continually in why we are there. We are there to serve the Veterans. We are there to provide

the best service possible, with respect, with consideration, with compassion. And that is another part that I would be focusing on.

In addition, we have some major programs that have to be implemented, the new GI bill, the Priority 8 Veterans, the OEF and OIF Veterans that have to be integrated into the system. And we have also the need to accelerate the quality and the timeliness of the processing of our benefits. So, there are lot of challenges that are occurring right now.

So, in many ways, we have to, frankly, walk and chew gum at the same time. We have to transform the Department with a focus on the strategic vision that the Secretary articulated and the President articulated, but at the same time operationally address the needs right now. That is a big challenge, and I see myself playing a very supportive role there, working with my colleagues and the Deputy Secretary to make that happen.

Senator AKAKA. Thank you, and for the record, can you please report back to the Committee with a preliminary plan of action within 60 days?

Mr. SEPÚLVEDA. Yes, sir.

[Mr. Sepúlveda's response follows:]

RESPONSE TO REQUEST FOR 60-DAY FOLLOW-UP PLAN BY HON. DANIEL K. AKAKA TO JOHN U. SEPÚLVEDA, NOMINEE TO BE ASSISTANT SECRETARY FOR HUMAN RESOURCES AND ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

How do you plan to implement Deputy Secretary Gould's vision for training of VA employees?

Since my confirmation hearing and swearing-in ceremony I have had several opportunities to meet with Deputy Secretary Gould to learn more about his vision for investing in human capital. I share the Deputy Secretary's views on the importance of training and how it is linked to the Department's ability to deliver on the Nation's commitment to Veterans. An investment in VA's human capital is also critical to President Obama's and Secretary Shinseki's pledge to transform VA into a 21st century organization.

VA has the challenging task of transforming a complex infrastructure of 290,000 people and a vast network of systems, processes, and protocols, into an integrated, forward-looking, results-oriented, Veteran-focused workforce essential to serving Veterans. It is of paramount importance that the Department not only recruit, hire and retain the best people possible to ensure that quality care and services to Veterans continue, but that the workforce is trained and developed to sustain and continuously improve services to Veterans. Therefore, training that develops and empowers our workforce must be at the center of our transformation efforts.

Since joining the Department, I have reviewed the Department's Strategic Human Capital Plan, which is a roadmap to developing a workforce fully capable of meeting the demands associated with the provision of quality health care and the timely delivery of benefits to Veterans and their families. I will implement the cross-cutting objectives and strategies of the plan, which include developing leaders who will inspire our workforce and transforming VA into an organization capable of meeting the demands of Veterans in the 21st century.

I will use the Plan to guide strategies to recruit the best talent, to acquire and train entry and mid-level employees, to deploy and enhance learning management systems, to strengthen the Department's leadership pool, and to improve service delivery to Veterans. There is an obvious connection between the quality of VA's workforce and the quality of VA programs and services. I will work with the staff offices and administrations to develop, deploy, and evaluate training in the following areas:

1. *Leadership and Management Training* supports the development of a corporate culture and cadre of agency-wide leadership norms and behaviors, and breaks down stovepipes.
2. *Supervisory Training* bolsters the critical role that supervisors play between the organization's goals and the employees' capability to deliver.
3. *Technical Training* aligns competencies and skills with employee performance and organizational goals.

4. *Transformation Training* provides strategic focus and change management skills development—including leveraging the inherent value of diversity and inclusion—that establishes an agency’s ability to deliver forward-looking, Veteran-centered, and results-driven service as well as establish a reputation as the kind of employer that will attract and retain outstanding, diverse, and energized talent.

Finally, I will work to ensure that the Department’s training efforts support VA’s workforce planning and succession strategies. I will also create an evaluative framework to assess the efficacy and impact of training on the workforce’s ability to serve Veterans.

Senator AKAKA. Mr. Baker, from what you have learned in the short time since you have been nominated, do you have any initial thoughts about what is working in the Office of Information and Technology today and what is definitely not working?

Mr. BAKER. Senator, thank you very much for that question, because I think sometimes publicly the Department gets focused on what is not going well, and I think there are a number of things that are going very well. You know, every day since I have been advising the Secretary here for a few weeks, I have seen the operational reports coming through from the IT operations piece. And every day the systems at the hospitals, the systems at the benefits organization run well, provide good response time, and support the operations of the Department.

Clearly, the Department has made major strides forward in the last few years on information security and moved from one where I think, rightly, they lived most days in fear of what was going to happen next to one which is a much more controlled environment.

As Senator Burris points out, it is not perfect, and there are continued issues to look at with information loss. But I think the way to phrase it is, “Knock wood, we have not seen another laptop loss or unencrypted piece of information go out.” So there are good things going on in there.

On the negative side, I think it is very clear that the VA has a systems development issue in delivering successful programs. Had one failed, it would be one item, but there has been a string of those. And so the question that I have to enter with is: How do you solve that problem? First, how do you stop the failures from taking so long to surface? Because in any organization with 300 or more programs ongoing, there are going to be failures. The question is: Can you stop them before they become runaway failures? So, that is an area.

Certainly I think just having the right people in the right place with the right skills to provide the services is something that I want to look at. Do we have the right amount of staff? Are we meeting appropriate metrics for an organization of our type in responding to trouble calls, in providing services to the organizations that are meeting the veterans’ needs?

So, just a couple of examples of positive things and negative things that I think are aspects of the organization at this point.

Senator AKAKA. Thank you. Before I call on Senator Burris for any other questions, Colonel Gunn, in a recent oversight visit to the Board of Veterans Appeals, Committee staff found that there is no tracking system to ensure that claims remanded from the Court of Appeals for Veterans Claims or the Board of Veterans Appeals comply with the statutory mandate that some claims be adjudicated more quickly than others. Will you please report back to

the Committee within 60 days with what can be done to rectify this issue?

Colonel GUNN. Yes, Senator.

[Mr. Gunn's follow-up responses are posted as Attachment A on page 195.]

Senator AKAKA. Thank you. Let me complete with Mr. Sepúlveda. As Chairman of the Subcommittee on Oversight of Government Management and the Federal Workforce of the Homeland Security and Governmental Affairs Committee, I am committed to making far greater use of telecommunicating opportunities throughout the Federal workplace.

What are your thoughts on how VA might expand these opportunities? And what emphasis will you place on telecommunicating?

Mr. SEPÚLVEDA. Thank you, Mr. Chairman, for that question. Obviously, when we are talking about the numbers of facilities and staff spread out around the country serving a growing number of veterans and their families that are located in all parts of the country, including rural areas that are not being served adequately, this telecommunications becomes extremely important, particularly in terms of telemedicine and in terms of training, distance learning. There is a whole variety of activities that can fall under that category, and I think that it is essential that we focus on it.

I personally believe that we have to do that and we have to do it with greater strategic attention and in a much more coordinated way. Certainly, I am going to look forward to working with my colleagues here, particularly Mr. Baker, in how do we do that. And the other—

[Laughter.]

Mr. SEPÚLVEDA. He gets all the issues.

But, also, the other part of this is part of the cultural change in the training to get managers and supervisors to also feel comfortable in being able to delegate authority to staff in other parts of the country and be able to provide the supervision and the direction over great distances. That is a cultural change that has to be part of the transformation that we are talking about at the Department, and certainly I am going to be working very closely with the executive team and the deputy to make that happen.

Senator AKAKA. Thank you very much.

Senator Burris?

Senator BURRIS. Thank you, Mr. Chairman. Just one last point, and then I might have a comment if I collect my thoughts on it. But I would just like to follow up with a question to Colonel Gunn in reference to his views on the rulemaking process.

If we aim to build a 21st century organization, as you said, VA will need to adapt quickly to various needs that arise. The current rulemaking process is burdensome and takes an inordinate amount of time to complete. How do you propose to improve the process about changing rules and implementing new ones? What are your thoughts along those lines, Colonel?

Colonel GUNN. Senator, thank you very much for the opportunity. I must say I have not devoted a great deal of thought to that at this point in time. However, certainly, as I go into the Department and transition, I will focus on that.

The little bit that I know right now is that there is a group within the Office of the General Counsel that is focused on, I would say, handling the rulemaking process and being the shepherds of that for the Department, and that is a relatively new development. And the limited discussions that I have had thus far suggested that has proven to be a success. So, I am going to look into it and see what we can do in order to enhance it and improve it.

Senator BURRIS [presiding]. Just a comment, Mr. Chairman—oh, I am also the Chairman.

Having been in Government for so many years—I even worked in the Federal Government for a while, but I did not go through the confirmation process—but being in Government in a large State, when you go into these agencies with your plans and your ideas and your commitments, there is a thing called “inertia in the bureaucracy.” And you have all these great ideas and plans, and you get in there and you want to try to deliver them. You have been questioned by us, and you want to try to report back to us, but the staff really is not attuned to—they were not up here answering these questions. They do not want what you all are trying to bring about. They have been there for 20 years and know all the answers; so you are going to come up against some of that.

I just hope that you all are prepared—I know some of you all have been in Government before, so you are familiar with that. I am pretty sure the General and the Colonel are, in dealing with the military chain of command; and unfortunately, the civilians do not operate like the military. And you are going to find that those opportunities or those ideas and the answers that you have given us and the desires and the hopes of making change is not going to be easy.

I just hope that you all would prepare to deal with that and keep your goals in mind, keep the focus in mind of how you can move the agency. This is no bad mark on the employees. There is a thing called “protecting their turf” and “protecting their jobs.” And innovation is something that they just do not adhere to very easily. It is like trying to turn a battleship around, you know, in the middle of the lake, if you ever got it in the lake. And you will find that the employees are not on the same page as you are.

So just a little word of wisdom from an old Government employee, a person who spent all of his life in Government. Just be mindful of how you can move your people to get your ideas and your agenda into place along with your superiors, because, you know, there is a Deputy Secretary and you have got Secretary Shinseki whom you are going to have to also report. You are also going to have to try to carry out those plans and those ideas to try to improve the system. And the only reason why we have jobs primarily is because there are problems. If there are no problems, there would be no jobs. So when you even create a new position—I mean a new idea or a new program—that creates new problems, which means some more jobs.

So I just hope that you all will keep that in mind as you go into these great responsibilities that the President has nominated you for, and I hope and pray that you will get confirmed for, and you will go in there and not let your ideas and your commitment to us get pushed aside by the bureaucracy and the people who do not

want to move, because it is going to be difficult. And I want you all to be aware of that and just hope and pray that you can deal with it.

That is my advice to four distinguished appointees. I am honored to know you all.

Thank you, Mr. Chairman.

Senator AKAKA [presiding]. Thank you very much, Senator Burris.

To all our panelists today, I just want to tell you that I appreciate very much your desire to serve our Nation's veterans. For the information of members and staff, I would like to move these nominations as soon as possible. To that end, I ask that any post-hearing questions be sent to the Committee's legislative clerk by the close of business tomorrow. And I again thank you for bringing your families and your friends, and I look forward to working with you in this 21st century course that we are taking. It looks good, and we have lots of work to do. But we can do it very well together.

Thank you. This hearing is adjourned.

[Whereupon, at 10:34 a.m., the Committee was adjourned.]

