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NOMINATION OF LURITA ALEXIS DOAN

HEARING

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

ON THE

NOMINATION OF LURITA ALEXIS DOAN, TO BE ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION

MAY 22, 2006

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NOMINATION OF LURITA ALEXIS DOAN, TO BE ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION

MONDAY, MAY 22, 2006

U.S. SENATE,
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 2:02 p.m., in room SD–342, Dirksen Senate Office Building, Hon. Susan M. Collins, Chairman of the Committee, presiding.

Present: Senators Collins, Warner, and Pryor.

OPENING STATEMENT OF SENTOR COLLINS

Chairman COLLINS. The Committee will come to order.

Today the Committee will consider the nomination of Lurita Doan to be the Administrator of the General Services Administration (GSA).

GSA is the Federal Government's primary acquisition agency and its landlord. Its mission is to "help Federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services, and management policies."

With some 12,000 employees, the GSA oversees spending of approximately $60 billion. The Agency also manages more than 340 million square feet of owned or leased space in more than 9,000 government-owned or leased buildings, an interagency fleet of some 200,000 vehicles, and technology programs and products ranging from laptop computers to systems that cost more than $100 million.

To paraphrase the Senator for whom this building is named, when we talk about GSA, we are talking about real money.

This Committee has taken a close look at GSA. From our investigations, hearings, and inquiries, we have found that the GSA needs to improve its performance to better serve the American public. I would like to briefly discuss some of our recent work.

This Committee has held hearings on such troubling matters as the dilapidated condition of some Federal real property and the wasteful, sometimes fraudulent, use of purchase cards. Our investigation of the deterioration of the west campus of St. Elizabeths Hospital demonstrated a particularly tragic example of how the Federal Government's mismanagement of its real property can result in the waste of taxpayer dollars.

In addition, the Subcommittee on Federal Financial Management, under the leadership of Senators Coburn and Carper, has ex-

amined on-going problems in real property management. For example, the Subcommittee has looked into why GSA chooses to lease space when many billions of dollars worth of Federal property sits vacant. It is no wonder that the GSA's real property management remains on the Government Accountability Office's list of high-risk projects.

The Committee's investigation into the use of purchase cards also revealed much evidence of waste, fraud, and abuse. The fraudulent transactions were alarming. We found purchases for all sorts of personal items rather than for official use. Equally alarming, however, was the far more widespread waste that resulted from Federal employees paying more than the discount prices that they were entitled to as a result of negotiations between the GSA and vendors. The growth in the use of purchase cards has not been sufficiently matched by increased oversight on the part of GSA.

Following that hearing, along with my colleagues, I introduced the Purchase Card Waste Elimination Act of 2005, which was approved unanimously by this Committee. I hope that the full Senate will pass it soon.

In addition, the Permanent Subcommittee on Investigations, which is led by Senators Coleman and Levin, has conducted three hearings on Federal contractors who cheat on their taxes yet continue to receive Federal contracts. Their most recent hearing focused on GSA contractors. More work needs to be done to remedy that problem, as well.

There are also questions about the charges that GSA imposes for Federal office space. The Federal judiciary has requested a reduction in the rent it pays to the GSA, contending that its lease rates are far too high. Legislation that would prohibit GSA from establishing rent charges for space provided to the Judicial Branch from exceeding the actual costs of operating and maintaining such space recently was approved by the Judiciary Committee. At a time when all Federal agencies and branches of government are confronted by tight budgets, it is imperative that the GSA work more cooperatively with the Judicial Branch to address this long-standing concern.

Fortunately, some positive steps have been taken. Two years ago the GSA launched its "Get It Right" program to improve acquisition programs and to ensure compliance with policy, regulations, and procedures. This Committee recently approved the GSA Modernization Act, which would merge the Federal Supply Service and the Federal Technology Service to create a streamlined Federal Acquisition Service. This should result in improved buying power for GSA with respect to its purchase of information technology solutions. To ensure the success of these undertakings, however, committed, determined leadership will be necessary.

Our nominee today brings a solid background to the important position for which she has been nominated. Ms. Doan founded the New Technology Management Company in 1990 and grew it from a one-person firm to an impressive business with government contracts valued at more than $200 million annually before selling the company last summer.

Ms. Doan would bring to this position more than 15 years experience working with GSA as a contractor. I think it is very helpful

that we have an individual with private-sector experience who has actually done business with the Federal Government, knows the process, knows the obstacles, and I hope will help make government business more attractive to the private sector which serves us all well.

She has worked with the Agency as a member of the GSA's Small Business Advisory Council. She has received numerous awards for her work, including GSA's Circle of Excellence Award, the Department of Commerce's Award for Entrepreneurial Innovation, and the Small Business Administration's Outstanding Woman Entrepreneur Award.

Incidentally, and I see our colleague, Senator Landrieu, is here, Ms. Doan was born and raised in New Orleans and, in fact, comes from the 9th Ward. Members of this Committee have twice visited New Orleans and the 9th Ward, and we know that her neighbors, family, and friends are very proud to see her here today.

I welcome Ms. Doan to the Committee, and I am very pleased to see that we have two of our colleagues who are here today to introduce her. I am trying to recall whether Senator Landrieu outranks, by seniority, Senator Allen.

Senator ALLEN. I will be happy, Madam Chairman, for you not to have to make a decision. I will defer to Senator Landrieu.

Chairman COLLINS. Thank you. Senator Landrieu, we are pleased to have you here.

TESTIMONY OF HON. MARY L. LANDRIEU, A U.S. SENATOR FROM THE STATE OF LOUISIANA

Senator LANDRIEU. I thank you, Madam Chairman, and I thank you for your interest and terrific work, as I have said many times privately to you and I want to say publicly today, and your focused effort for the recovery of Louisiana and the Gulf Coast effort and all the work that you have done through this Committee and others.

It is a real joy for me, Madam Chairman, to be here with my friend and a distinct pleasure, as well, to introduce you to a friend and an outstanding young woman who I have had the pleasure to know now for many years. We actually were graduates of the same high school and have known each other since we were teenagers. She was outstanding then and has just continued an extraordinary career to be outstanding in her field.

As you know, because you might have even visited or know of Ursuline Academy in New Orleans, which is one of the oldest girl's schools in America, is where the two of us graduated from. Lurita was, as you noted, from originally the 9th Ward. I am from uptown. But this was a school that girls from many parts of the city came to, and it was a great leadership opportunity that we are both very grateful for.

In school, as when she got out of school, Lurita did not stand on the sidelines. She was in the vanguard of African-Americans that integrated the Catholic school system in New Orleans, and she used her considerable skills not only to drive a path for herself but for many young women who have followed after her.

She started this tremendous company with her own creative spirit and energy, New Technology Management. It is one of the few

multimillion-dollar female minority-owned businesses, or earliest in the country. She has been awarded so many awards, but just to name a few she was in the class of 50 Women Who Mean Business by the Washington Business Journal. She was the 2004 recipient of the National Women's Business Council Award for Entrepreneurship. She was the 2003 recipient of the National Director's Award for Entrepreneurial Innovation and the organization that she has been nominated by the President to head, she has also received an award from them, in their 2004 Circle of Excellence.

But besides all of these outstanding honors for creating this company and leading it to complete success, she has also been very active, Madam Chairman, in the community. She has played a leading role in the American Red Cross. She has helped with the D.C. Rape Crisis Center, Muscular Dystrophy Association, Cystic Fibrosis Foundation, only to name a few.

This is not any surprise to those of us who have known Lurita. From her early days, she has been busy at work serving her community for as long as we can remember. And I think the President and our country will be well served in Congress by having someone of this distinction heading up an organization that can do so much good as it tries to operate efficiently, effectively, and respectfully in the communities in which our buildings and properties sit throughout the Nation.

So it is with a great deal of pleasure that I am with Lurita today and highly recommend her for this position.

Chairman COLLINS. Senator Landrieu, thank you very much for that strong endorsement. Your words carry great weight with this Committee, and we appreciate your taking the time to be here.

Senator Allen, welcome. It is great to have you here, as well.

TESTIMONY OF HON. GEORGE ALLEN, A U.S. SENATOR FROM THE STATE OF VIRGINIA

Senator ALLEN. Thank you, Madam Chairman. I am also glad to see one of my colleagues, Senator Pryor, here.

It is my pleasure to introduce to the Committee the President's nominee for Administrator of GSA, Lurita Doan, who is now a resident of Great Falls, Virginia. She came up a little further than Louisiana.

At any rate, listening to your comments and Senator Landrieu's comments, I have just been crossing out paragraphs of accolades here.

What I thought was great, Madam Chairman, is that while Senator Landrieu was talking about Lurita Doan, I looked back and saw Natalia and Alexandra, her two daughters here, looking at their mother with great pride. They are both here with us, as well as her wonderful husband, Doug. It is an important day for her family, but also an important day for, I think, this country that someone with the background of Lurita Doan has been nominated.

She has a proven record of performance. I am here to offer my very strongest support for Ms. Doan's nomination.

The job, and you were going through it, Madam Chairman, of the GSA. I applaud you for your efforts to knock out waste, fraud, and abuse. This is a position that has a great deal of importance to the

taxpayers of this country. It is important for the services that our government, the owners, who are the taxpayers, for those services.

And it is also a very important agency for the taxpayers, in that you want more competition. Particularly for small business owners. Small business owners who may be men or women, but making sure that they have the opportunity to compete for those contracts to provide those services to the American people. And Lurita Doan, obviously with all of the awards that she has been given, understands from an entrepreneur or from a small business person's point of view how daunting that task can be. To get the performance bonds and making sure the contracts are disaggregated in such a way that small businesses can have that opportunity to compete.

Of course, everyone is talking about all of these awards. I will not repeat the awards that you and Senator Landrieu mentioned. It should be mentioned that in 1990 she started off this small business by going to Kinko's with $25 to create her stationery and business cards. That is the entrepreneurial spirit, that Horatio Alger-type story that we love to see can still be achieved here in this country.

So I will not repeat all of the comments and awards, but I know Lurita Doan and have known her for several years. She is smart. She is vivacious. And she is going to bring energetic leadership to GSA, which will benefit the taxpayers. It will also be a position in which, with her leadership and understanding of how these contracts work, we will get more competition, which means more bang for the buck for the taxpayers.

I appreciate her creativity and her willingness to serve our country and also the wisdom of President Bush and his Administration to seek out a person of such outstanding credentials and character.

I hope that this Committee will move as quickly as is practicable, as well as on the Senate floor, so that Ms. Doan can get on the job for America.

I thank you, Madam Chairman, for having this hearing.

Chairman COLLINS. Thank you very much for your eloquent words. Your endorsement also means a great deal to this Committee.

I want to thank both you and Senator Landrieu for taking the time to be here today. I know you both have busy schedules so I am going to excuse the two Senators at this point before turning to my colleague, Senator Pryor, for his opening remarks.

Senator ALLEN. I would only add one thing, Madam Chairman. Since I see Senator Warner's staff here, Conrad, my endorsement is also echoed by Senator John Warner as well, for the record.

Chairman COLLINS. Thank you.

Senator Pryor, it is great to have you here today and acting as the ranking Democrat for the Committee.

OPENING STATEMENT OF SENATOR PRYOR

Senator PRYOR. Thank you, Madam Chairman.

I do have a statement I would like to submit for the record if that would be agreeable.

Basically we know that GSA is a very important agency. We are certainly excited to look at your nomination and look at your cre-

dentials and we will have some questions. But I am going to leave plenty of time for Ms. Doan to do questions and answers, and I would like to hear from her. Thank you.

[The prepared statement of Senator Pryor follows:]

PREPARED STATEMENT OF SENATOR PRYOR

Madam Chairman Collins, I thank you for holding this important hearing today. The GSA Administrator is one of the most important jobs in the Federal Government. The position can best be characterized as being the Federal Government's landlord, with oversight for leasing thousands of government facilities in addition to serving as the government's purchasing agent responsible for procuring hundreds of thousands of goods and services through its GSA supply schedule.

GSA is also supposed to ensure that it provides economic efficiency to all of its customers. This requires detailed administrative management, to develop the necessary performance measures and coordinating mechanisms to ensure that GSA provides the fastest, lowest cost and most efficient means of procurement to its Federal customers.

In this era of terrorism and catastrophic disasters, GSA plays a critical role as a partner with Federal, State, and local agencies to provide disaster assistance. I understand that GSA has an Office of Emergency Preparedness which will coordinate this important role. I encourage you, as you begin your role as GSA administrator, to ensure that GSA has a strategic plan that provides the necessary help to protect Federal properties and employees in the case of a disaster.

Ms. Doan has many years of experience in the business community. As a former GEO, she understands the role that innovation and competition play in the marketplace. And I believe that her experience, skills and knowledge of best business practices will enable her to tackle tough issues in a bipartisan manner. Lurita Doan founded her small IT company by walking into a Kinko's store with $25 to print business cards and stationery. That was 13 years ago. In 2004, Lurita's company, New Technology Management, Inc. (NTM), performed on government contracts valued at $214 million. In 2005, her company provided turnkey solutions including design, installation and maintenance of all secure surveillance technology currently being deployed at over 85 percent of all the Land Border Ports of Entry on the U.S.-Canadian and U.S.-Mexican borders.

I hope that she will use her experience to address a number of challenging issues confronting GSA today, among them the DOD challenge to procurement procedures and the Federal judiciary's request for rent reduction.

I look forward to hearing Ms. Doan testify today and hope that as the GSA administrator, she is instrumental in bringing about a culture of change to an agency that plays an important role in the Federal community. In light of the need for effective managers, especially in the area of procurement, it is extremely important to be well versed in government operations. Ms. Doan has been well recognized for her work with the Federal Government and has received a number of awards for her work, including the General Services Administration's Circle of Excellence Award, as well as the Award for Entrepreneurial Innovation from the Department of Commerce.

Ms. Doan, I look forward to working with you.

Chairman COLLINS. Thank you.

Lurita Doan has filed responses to a biographical and financial questionnaire. She has answered pre-hearing questions submitted by the Committee and had her financial statements reviewed by the Office of Government Ethics.

Without objection, this information will be made part of the hearing record, with the exception of the financial data which are on file and available for public inspection at the Committee offices.

Our Committee rules require that all witnesses at nomination hearings be sworn in and give their testimony under oath. So Ms. Doan, if you would please stand so I can administer the oath.

Do you swear that the testimony you are about to give will be the truth, the whole truth, and nothing but the truth, so help you God?

Ms. DOAN. Yes.

Chairman COLLINS. Thank you. Please be seated.

Ms. Doan, I know that Senator Allen referred to family members that you have with you, but I want to give you the opportunity to present them formally to the Committee, as well as to introduce any other people who you wish us to be aware of.

Ms. DOAN. Thanks, I appreciate that. First, my husband, Doug Doan.

Chairman COLLINS. Welcome.

Ms. DOAN. My daughter, Alexandra. She is a seventh grader at Cooper Middle School. She is a little shy. And this is my daughter Natalia. She is a senior at Madeira and will graduate on Saturday.

Chairman COLLINS. We are very happy to have you here today. Does this mean that you are both skipping school to be here?

Ms. DOAN. Well she is out because they finished exams. But yes, actually Alexandra is skipping school but they thought it was an excellent reason.

Chairman COLLINS. I think this qualifies as an excused absence and an opportunity not only to be here to support your mother, but to see democracy and the U.S. Senate at work. So we welcome both of you, as well as your husband, today.

Ms. DOAN. If I could just say three more names. My very good old friend from Committee of 200, Edie Fraser. And my first mentor ever, Carleton Jones. And then my good friend, Bob Guerra.

I do not know who everybody else is.

Chairman COLLINS. Well, I can tell you that looking out to the audience, I can see that you have a lot of strong support there because I see a lot of smiles. We are very pleased to have those who are so close to you present today.

I would ask that you proceed with your statement.

TESTIMONY OF LURITA ALEXIS DOAN,[1] TO BE ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION

Ms. DOAN. Thank you. Chairman Collins, Members of the Committee, good afternoon.

I am honored to come before you today as President Bush's nominee to lead the General Services Administration and as the first woman to be nominated to hold this position. The Administrator of the GSA is an important position of trust, and I value the President's confidence in me.

I would like to thank Senator Allen for his generous introduction and friendship and for his years of work as my former governor and as the senator from Virginia. I would also like to thank Senator Landrieu, one of the graduates of Ursuline Academy. From one graduate to another, her gracious introduction was way beyond what I had expected. And her commitment to revitalization in the Gulf Coast is really commendable.

I just want to say to Mary and our beloved New Orleans that Ursuline rules.

On a more formal note, thank you, Chairman Collins and Members of the Committee. I would also like to thank the Committee staff for the time, the consideration, and the open exchange of ideas shared during this nomination period.

[1] The prepared statement of Ms. Doan appears in the Appendix on page 26.

I am new to the Senate confirmation process and I was really heartened by the warmth, concern, and enthusiasm shown by every single person I met with on this Committee. If confirmed, I look forward to working closely with all of you regarding matters with the General Services Administration.

And to the former Administrator of GSA, Steve Perry, I would like to extend warm thanks and commend him for his 4½ years of service to GSA and our country.

But none of my efforts or successes would have meant so much without my two girls, Natalia and Alexandra, who provide my inspiration daily and make me want to be a better role model. And I would like to thank my husband, Doug, for two decades of encouragement and support. I have to let everybody know that we celebrated our 20th anniversary last week.

Madam Chairman and Members of the Committee, I have spent the last 15 years leading both for-profit and not-for-profit organizations. I remain an unabashed entrepreneur and believe strongly that an organization either succeeds or fails based on its ability to inspire personal initiative and get people to work together toward common goals.

If confirmed, I will work diligently to create a culture of excellence at GSA that approaches its Federal and private-sector customers as an entrepreneur would, with energy, a willingness to innovate and change while delivering superior service.

GSA and its employees have a very proud history, and I believe it can forge an important future as the premier government contracting agency for property management and procurement.

I have worked with GSA for over 10 years, and I have had the opportunity to understand this organization the way a customer views it. I know many of GSA's challenges and know many of the people working to overcome these challenges.

More importantly, I am ready to lead this Agency forward. If I am confirmed, I would set the following goals: Return to President Truman's original vision for GSA as a clean, responsive purchasing agency utilizing best practices in government contracting, serving as an example and a resource to other agencies. Establish quantitative performance metrics to show how GSA services stack up. Sell GSA services. I believe that GSA can work to provide services quantifiably better, faster, and save taxpayer dollars. GSA must do a better job of proving this to its customers and thus enabling government agencies to refocus scarce management and contracting resources on core issues.

Make GSA one of the best places to work in government. I will welcome and encourage new ideas and aggressively recruit gifted, talented people into government service.

I have seen firsthand that GSA often spends less time directly with its government customers, and it is no secret that GSA has some fence-mending to do with some of its biggest clients. If confirmed, I intend to make this a priority and will emphasize the service in the General Services Administration.

But Federal agencies are not GSA's only customer. Businesses, both large and small, often bring government customers to GSA and rely upon GSA's assistance in finding the correct contracting vehicle.

I am also eager to improve GSA's response in emergencies. I am from New Orleans and the 9th Ward, as you heard, and my childhood home was completely destroyed, as was every other home in a two-mile radius. I know that Hurricane Katrina created challenges for every government agency, including GSA. And if I am confirmed, I will be focused on improving GSA's ability to respond quickly when the next emergency arises.

GSA's ability to leverage the power of the private sector and quickly contract for goods and services can make an enormous difference for people in distress during times of national emergency.

I am a strong believer that government should do a better job of tapping the energy and creativity of America's small businesses. Many of the products and innovative and transformational solutions that the government seeks are found in the small business community, and the GSA schedule is often the first government contract for these businesses.

If confirmed, I will work to expedite the time required to award a GSA schedule.

I welcome the opportunity, if confirmed, to oversee the reorganization of FAS, the Federal Acquisition Service. Regardless of size, reorganizations are not easy, for they strike at the core of what constitutes the mission, the position, and the stability of each employee. The reorganization though, properly executed, can result in a stronger GSA, able to offer faster contracting services at a lower cost and yet fully compliant with existing procurement regulations. And while it is true that Rome was not built in a day, every action does begin with but a single step. There are 24 hours in a day, 25 if you skip lunch, but I intend to make every moment count.

Success in business and government is often a function of the quality of the people and the level of effort expended. I have always respected GSA employees' commitment to work, their ethic, and their willingness to serve. If confirmed, I look forward to working again with many of these fine people and the rest of GSA's dedicated personnel while having the opportunity to lead by example, providing transparency and clear guidance to GSA's employees.

By making me the first female nominee to this important position, the President has shown great confidence in my liabilities. I am humbled and honored by his confidence.

If confirmed, I give you my commitment for clear and frequent communications, my strong resolve to make GSA, now and for the future, the premier source of cost-effective, timely, and compliant government management and government procurement.

Thank you, Madam Chairman. Thank you, Members of the Committee. I am ready to answer any questions you may have.

Chairman COLLINS. Thank you for your statement.

We will begin the questioning this afternoon with standard questions that we ask of all nominees, and there are three of these.

First, is there anything you are aware of in your background which might present a conflict of interest with the duties of the office to which you have been nominated?

Ms. DOAN. No, Senator.

Chairman COLLINS. Second, do you know of anything personal or otherwise that would in any way prevent you from fully and honorably discharging the responsibilities of this office?

Ms. DOAN. No.

Chairman COLLINS. And third, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted Committee of Congress if you are confirmed?

Ms. DOAN. Yes.

Chairman COLLINS. You got those right. Now we can proceed to the more substantive questions.

On a recent scorecard that is associated with the President's Management Agenda, the GSA received an unsatisfactory, or "red" rating, in the category of financial performance. This is particularly troubling because GSA should be setting the standard for many other agencies.

Similarly, both the GAO and the GSA's Inspector General have identified long-standing management problems that hamper GSA's ability to accomplish its mission. In a recent report to Congress, the IG identified more than $682 million in financial recommendations on how GSA's funds could be put to better use.

So, on the one hand, you have OMB giving a "F" essentially to GSA for financial performance. On the other, you have the IG identifying almost $700 million worth of recommendations on funding that could be put to better use.

These are troubling indicators as far as the efficiency with which the GSA operates. What would you do to try to improve financial management at the Agency?

Ms. DOAN. I agree with you, Senator Collins, these are troubling matters, indeed. As you know, I am an entrepreneur. And as a business owner, having clean financials is absolutely essential to knowing and having control over the future of your business. And GSA is no different. If I am confirmed, I am absolutely committed to getting a clean audit for GSA.

In business, but at GSA it is the same, transparency and accountability are absolutely essential. They form the twin pillars that are required for any high-performance organization. This is my goal for GSA, if I am confirmed, to have transparency in its financial management processes, to exercise internal controls that are visible to all and understandable, and to provide clear guidance so that this will not happen again.

As far as on a step-by-step basis, this is an area where I was very happy actually to hear that the IG found that there was almost $700 million of improvements and economies of scale that could be implemented because I think that is one of the first ways to make sure that GSA runs in the black in the future.

Chairman COLLINS. Thank you.

The GSA also plays a central role in government procurement. It has the expertise to manage large-scale government contracts that apply to all agencies, telecommunications for example. And other agencies look to GSA, as well as to the office of Federal Procurement Policy, for leadership on procurement issues.

The GSA also is responsible for helping to ensure the integrity of the government procurement system. It maintains the list of government contractors who have been either suspended or debarred from doing business with the Federal Government due to convictions, for example, or other serious problems.

Yet our Committee has found over the years that the GSA has not been as aggressive in taking action against contractors that lack integrity in order to protect the taxpayer.

For example, we found that it was only after the Office of Management and Budget referred the matter to GSA that GSA acted to prevent Andersen Accounting, the old Arthur Andersen, and Enron from receiving government contracts. What will you do to ensure that GSA aggressively protects the integrity of the procurement system by taking action against dishonest contractors?

Ms. DOAN. It is actually quite simple. The FAR already has it written in there what GSA has to do. It simply says that you are not allowed to award contracts to contractors who have not performed well or corresponded to all of the rules and requirements of any kind of procurement.

So if you look at that, it is a very simple thing. If it is the law, and it is, that you pay your taxes, if it is the law that if you are suspended or debarred you are not allowed to be awarded another contract, then that is exactly, if I am confirmed, what GSA will do. We will enforce that law. I think it is important that GSA lead by example. I think, as the premier government agency in procurement, I think we have an important responsibility to take on that leadership position.

And I actually think it is a very simple database exercise to link the two sets of information.

Chairman COLLINS. Thank you. Senator Pryor.

Senator PRYOR. Thank you, Madam Chairman.

I would like to ask how you perceive the working relationship to be between GSA and Federal agencies?

Ms. DOAN. That is a big question.

Of course, when I am speaking, initially I am speaking as a former customer of GSA, having worked with them for 10 years.

Senator PRYOR. You come in with a good perspective on that. That is one reason I ask.

Ms. DOAN. Thank you. And at the same time I have had the opportunity in the last month or two to meet with various senior management at GSA and try to understand things from their perspective. I think it is an interesting and hopeful picture.

On the one hand, GSA provides a valuable service currently to many government agencies. It is that extended arm of their contracting shop that allows them to have cost savings and to focus on that particular agency's core competencies. It is also an incredible tool near the end of the fiscal year for managing dollars and ensuring that procurements for valued and important goods and services occur at that time.

At the same time—that is on the good side. On the bad side, GSA, as I said before, has some fence-mending to do. Several of GSA's largest customers are, to use a Southern word, they are vexed with GSA. They are not happy with the procurement practices. They are not happy perhaps with the timeliness and the delivery of service.

What I believe is that GSA, in the role of fence-mending, must go forward. If I am confirmed this is what I would do—I would go to these customers. Service is the premier element of any superior success story within business, and it is no different with GSA. It

is important for us to return that service to the customer service and to General Services Administration.

So I would like, if I am confirmed, to go to these important Federal customers who are concerned with GSA's performance, understand from them what their concerns are and what GSA needs to do to improve.

At the same time, back at GSA, I think it is important to put in place quantitative metrics that measure performance, that say is GSA faster in delivering, and quantifiably faster. Not just some subjective thing but objectively is GSA faster in delivering its contracts? Are these contracts cheaper when we deliver them? And I do not mean just front-end costs. I am talking about a TQM approach where you look at the total life cycle cost of making that particular award.

And third, what is the level of customer satisfaction? Did GSA and its vendors deliver what was required in a timely manner for the cost that was agreed upon?

And if GSA can make the case that it is doing it better quantifiably, faster quantifiably, and cheaper than the other government agency then I would assume that in an effort to save taxpayer dollars we will have a rapprochement between these Federal agencies and GSA. We will gain their confidence and trust, and we will continue to work hard to ensure that we continue to have their business.

Senator PRYOR. Let me ask about the fence-mending. It sounds like I know the answer to this question, but I just want to make sure. You talked about fence-mending with your customers. Do you see that as mostly a public relations issue, where you just need to have better communication with them? Or as more of a substantive challenge?

Ms. DOAN. Well first I have to tell you, I did not mention in by earlier talk, but I am sure a good deal of groveling will be involved. And I am prepared to do that.

I do not hold with a lot of whitewashing and PR stuff. That never works. I am more of a substantive person. I think it is a lot easier if you just have people tell you what exactly is the problem and then you go about fixing it.

But more importantly for long-term success in an organization you cannot just spend all your time putting out fires and fixing problems. You have to actually prevent it from happening in the first place. And that is what you get from knowing your customer. It is absolutely critical that you have face time with your customer, that you spend time with them understanding what their mission is that they are trying to accomplish and how GSA can assist them in meeting that goal.

Senator PRYOR. So in other words, when your customers tell you that GSA is too slow and too expensive and it is just not performing well, you will take that to heart and you will try to implement policies and new approaches to try to solve all those things?

Ms. DOAN. No, sir. What I will do is say slower is not sufficient. How many days did it take to make that procurement? If it took 30 days to make it, then we will start working step-by-step to make it faster. Our first goal would be to make it 28 days and then 26 days and then get it within a time frame that would work.

If the cost is something—if there is a number that they are trying to hit, then what we are going to do is shop around and try to find a cost that can meet what they have.

If it is something where there is enhanced services built into that, then GSA has an important role that it would play in negotiating between the vendor providing the service and the customer, the end customer there.

But I believe in actually quantifying it rather than just saying better, faster, cheaper.

Senator PRYOR. OK, that is fair enough.

You also mentioned that GSA performs an adjunct purpose as compared to Federal agencies. You help them with procurement.

Does GSA have an annual process in which they demonstrate how much GSA has saved the taxpayer over time? In other words, by contacting through GSA you actually save the taxpayer money? Rather than having the Federal agencies do it all independently?

Ms. DOAN. I have seen some data on that, Senator. And truthfully it is really fluffy. That is not how I would like to do business if I am confirmed at GSA. What I would like to do is be able to take the total volume of business that GSA does and actually be able to show the physical dollars saved and show that amount as a percentage of the total revenue that GSA incurred and pass that information onto the customer. Because that is part of these quantitative metrics that I mentioned. And that is the way that you gain your customer's confidence and their assurance that GSA is being a fair and honest broker of their taxpayer dollars.

Senator PRYOR. Thank you, Madam Chairman.

Chairman COLLINS. Thank you.

Senator Pryor brings up a really important point about the relationship between GSA and its clients in the Federal Government. I am going to now give you an example of a very contentious relationship, and that is between the GSA and the judiciary.

It is my understanding that the GSA plans to renegotiate leases on behalf of the judiciary in an attempt to respond to the complaints about high rental costs. The Federal judiciary recently completed a preliminary review of GSA's appraisals for 16 court-occupied buildings. The court's review indicates that for half of these buildings GSA's employees, acting in their reviewer/appraiser capacity, materially altered the value determinations reached by the independent third-party appraisers.

According to the Federal judiciary, in all eight cases the GSA increased the rental values for an annual rental impact for the courts of $22.5 million.

Well, you can understand why this did not go over well. The judiciary believes that it is not being well served by the GSA and is already paying an inflated fee. So as part of the negotiation process, there was an attempt to get independent appraisals on eight of these buildings. GSA took a look at them and upped the appraisal.

I do not expect you to comment on that specific case, since obviously you are not aware of it. But I do want to ask you what actions you would take specifically to evaluate the ongoing concerns expressed by the Judicial Branch about the cost of space that they get through GSA.

Ms. DOAN. I honor the judiciary and the work that they do. It is very important and it is work that I want them to focus on, rather than spending their time arguing about leases, worrying about increases in rent, and squabbling with GSA. This is not how we want our judiciary to spend their time.

So it is important to me that if I am confirmed I get to the bottom of this issue. I think GSA has a fine commissioner, a new Commissioner at PBS in David Winstead. I would sit down with David and work very carefully to review the charges, review GSA's side of it to try to understand how this misrepresentation could have possibly come to happen, develop a strategic plan to ensure, of course, that it never would happen again.

And then I believe that it would be my responsibility to go to the judiciary and meet face-to-face with them and sit down and work out both an explanation so that they—I do not want them to feel that in any way GSA has abused their trust. But if so, to try to regain that trust and then to work with them toward a happy resolution of this very puzzling and distressing problem.

Chairman COLLINS. Thank you.

I am going to ask that you report back to the Committee on this issue, assuming, as I believe I can, your confirmation, after a period of time because this is troubling to me and it is something that I hear about directly from judges, including the chief judge in Maine, all of the time. So I will ask that you report back to us on that.

Ms. DOAN. I would like to do that. In fact, I look forward to the opportunity to work very closely with you and the staff of the Committee on all of the different issues, but particularly this one.

Chairman COLLINS. Let me switch to a different issue. There are many small businesses that would like to do business with the Federal Government who have valuable products and services to offer, but they just find it to be an impenetrable process, that it is just too daunting to even get your foot in the door. The result of that is that government loses out on high quality, perhaps lower cost products and services.

Do you have any specific ideas for how we can make the Federal procurement process at GSA less opaque and more welcoming to smaller companies?

Ms. DOAN. Yes, I do. Actually, I was one of those small businesses 15 years ago who had enormous difficulty getting a GSA schedule. And that, along with many of the companies I have mentored over the years who had challenges is one of the reasons why this job is such a dream opportunity for me. It is a chance to really make a difference.

I think the first thing that has to happen before you can educate, before you can assist the small business community, is GSA must understand what are the bottlenecks to awarding the GSA schedule?

In other words, an application for a GSA schedule comes in with supplies or services and a cost and letters of supply from vendors. This is a very simple process. From day one when it comes in, clock the time that it takes to the award, establish what that average time frame is, and then try to understand where is the bottleneck along the way and why is it taking so long? Because as we all

know, occasionally you hear the horror stories that it has taken 9 months to a year to get a schedule.

At that point, work within GSA to ensure that it has both that transparency and a strategic plan moving forward to be able to cut back on the amount of time to award the schedule.

On the other hand, GSA has a responsibility to educate and to work with that small business community. And I look forward to taking a leadership position on that and communicating clearly and transparently GSA's goals and requirements.

Chairman COLLINS. Thank you. Senator Pryor.

Senator PRYOR. Thank you, Madam Chairman.

I would like to visit just momentarily about the Federal judiciary situation. I have heard those complaints, as well.

The first question I have is, is it GSA's practice to adjust the rent and actually increase rent in these Federal courthouses?

I guess the reason I am asking that is because I do not know why the rent would ever go up in a Federal courthouse?

Ms. DOAN. I actually do not know the answer to that question either. But this is an important situation and it is one where I would like, if I am confirmed, to have the opportunity to investigate it fully and then report back to you in a very timely manner.

Senator PRYOR. That would be great. Do you understand my question?

Ms. DOAN. Yes, I absolutely understand your concern, Senator.

Senator PRYOR. For example, we built this building 20 years ago, 40 years ago, whatever it is. I know there is maintenance costs, certainly. We understand that. But if their rent is going up, that seems unusual.

And the other question I have, that you may or may not know, is what does your Agency, what does GSA do with the rent money? Do they turn all of it over to the Federal Treasury? Do they keep a portion for maintenance? Do you know the answer to that?

Ms. DOAN. It is a little bit of both. Some goes into the building fund for maintenance on the building. Some of it is used in daily operations and maintenance of the building. So it is going, I think, to three different pots.

But do not quote me on that, simply because I am not on the job yet. Although I was encouraged by the fact that you said you are GSA, so I thought that was a good sign. Thank you.

But I will look into that, also.

In fact, if I could just take one step out, Senator, what I think would be very helpful is to have once again transparency onto this issue. I would like to think that it would be helpful to the Committee Members, as well as to their staff, to understand this whole relationship between GSA, PBS, and the rent for the judiciary so that you would understand what the case is that GSA will make when it goes in front of the judiciary to discuss this. We will work with you, if I am confirmed that is, we will work with you on that.

Senator PRYOR. Thank you.

Senator Collins, a few moments ago, asked about the so-called red rating and the financial performance of the Agency.

You talked about different ways that you were going to try to get a clean audit. You talked about transparency, you talked about in-

ternal controls, you talked about you giving clear guidance to the Agency and vision to the Agency.

If it is warranted, will you consider doing a restructuring or a reorganization of the Agency?

Ms. DOAN. I think that is absolutely in the works already. I think when you are looking at a situation that seems to be facing GSA right now, you cannot just focus on any one single action. There is going to have to be several different actions occurring simultaneously to both get the clean audit and put GSA back in the black.

So, for example, when you look at your financials, it is not just enough to say what can we do to cut costs. You also have to look at what can we do to increase top line growth. Because if GSA can regain customers' trust and increase its revenue and at the same time manage its expenses, it is going to operate better in the black, hopefully have more internal controls and get a clean audit.

At the same time, it does seem to me that GSA is in the middle of probably the largest reorganization in its history because the House and the Senate approved the reorganization of the Federal Acquisition Service. That, in and of itself, is a challenge. It is a challenge that I am looking forward to because GSA has an opportunity, once again, to lead by example.

Reorganizations are very gnarly things. There has been a lot of opportunity to see how they are done poorly. I would like to see GSA have a strategic plan that is put in place to implement it in a very streamlined and efficient way that also has accountability both in its financial practices as well as in its personnel management.

Senator PRYOR. Let me ask, if I may, your perception. Again, you have been on the outside looking in. You now are looking at taking over this Agency. Is the GSA appropriately using its purchasing power as the Federal Government? In other words, are you negotiating discounts for buying bulk, etc.?

Ms. DOAN. From what I can see GSA is doing, I would say, a good job. I do not want to say great because I do not have any clarity or visibility into the total inner workings.

On the other hand, what I know from business is there is no single business process that cannot be improved. And so I believe it is something that requires continuous review and analysis of where GSA is at.

I also believe that there are many economies of scale. I know recently the PBS service, the Public Building Service, has done a very good job of bundling the buying power of GSA together to aggregate the costs for energy and has actually been able to show about a 10 percent savings in the cost of energy that it then needs to pass on to its Federal customers.

I think this kind of proactive and aggressive negotiating is going to be very important for GSA to be a success in the future.

Senator PRYOR. I do, too. I think that is great, and I am glad to hear that.

One of the things that I have heard and you alluded to in one of your answers a few moment ago is that your customers feel like sometimes they are not getting the best price they could possibly get through GSA. I am curious about your view of that, whether

that is true? Or do you think that GSA is negotiating the best price for its customers? Or do you think that the private sector can beat some of the prices that you offer?

Ms. DOAN. I think that is a loaded question, Senator.

Senator PRYOR. Why is that?

Ms. DOAN. Because it has so many different aspects to it. I think when you look at a procurement, you would have to almost pick up the procurement and say is this particular printer the best price? Or is this particular software development the best price? So I would not want to roll them all in a whole and say that everything worked as best value or not.

What I can say is that I think GSA has an important role that it plays in delivering commodities to the Federal Government, to its other government agencies. This is an area where GSA, in the schedules, has shown an enormous amount of success.

I think GSA also has some very complex IT procurements, for example, that it works on. And these are ones where what constitutes best value is a very multifaceted thing. I am not trying to avoid your question, but I would have to look at the procurement and say whether I felt this was one that provided best value.

On the other hand, I think if, on a daily basis, you looked at how many contracts GSA awards, you will find that there is no other government agency in the United States that delivers as many contract awards on a daily, weekly, monthly basis as GSA. It truly is the premier contracting agency for the government, by sheer volume.

Now the actual dollars might not be as much, given what DHS does and DOD does. But if you looked at the actual number of contracts awarded to small, minority, and large businesses, GSA outstrips every other government agency.

Because of that, when you start looking at the quality of the procurement, you have to take into account the sheer volume that they also handle.

Senator PRYOR. Thank you, Madam Chairman.

Chairman COLLINS. Thank you. Senator Warner, we are pleased to have you join us.

OPENING STATEMENT OF SENATOR WARNER

Senator WARNER. Thank you, Madam Chairman.

I would like to pick up on that last comment. Do you realize you will be managing the largest real estate empire in the whole world? Not just the United States.

Ms. DOAN. I know.

Senator WARNER. And you approach it with great enthusiasm. Those of us who have been here for some time, we meet lots of wonderful people appointed by various presidents. But you will always remain, in my mind, unique for the incredible enthusiasm you have about leaping into this whole thing. And I think it is important that your family is here to be witness to this hearing.

More years ago than you have been on planet Earth, I was in a chair getting confirmed by the Senate. And my children, their legs could not reach the floor. Well maybe one and not the other. But now they are in their 40s, and they still remember the day they came to a room in this building. But so much for that.

And also, I am most intrigued with the Chairman's comment about the chief judge calling. I have one Federal District Court that, for the last 10 years, we have been trying to figure out how to remodel the courthouse because indeed the courthouse was put up, I think, in the 1920s. And it was magnificent. Old rooms, and the judges do not want to give them up. And we have to build the annex over here, condemn property to get the annex. And then they decided the security in the old building was not up to the standards which are required today in this very troubled world we are in. So it is going on year after year after year.

In the meantime, justice is being meted out in this same small courthouse as there is an explosion of litigation in the community.

So you are going to have a lot of experiences with chief judges, and they are unique. They are the third branch of government, you know, and we are a Nation proud of our republic, three coequal branches. You are going to have some interesting experiences.

I guess my one and only question is in connection with your contracting and leasing, we find at the Pentagon, which is where the Chairman and I labor a good deal of the time, you have to get some competition into this thing when you go out and do what you can to get it. Because it is the competition, in my judgment, which provides for the taxpayer the best insurance of getting the proper expenditure of the taxpayer's valuable dollar.

So I just came to look you in the face and say thank you to your family. Tell your mother if she gets home after 8 o'clock it is wrong because any decision made in the government after 8 o'clock is usually changed the next morning. Get her home.

Enjoy it. You are going to, I think, thrive and enjoy it.

Ms. DOAN. Thank you.

Senator WARNER. You will come back, I guess about a year hence, in terms of our oversight on some problem or another.

So I thank you and your family, and I thank the distinguished Chairman.

Ms. DOAN. Thank you, Senator.

Chairman COLLINS. Thank you, Senator Warner.

Senator Warner has correctly reminded us all about the enormous real estate portfolio that you will be responsible for. But you are also responsible for an enormous fleet of vehicles, some 200,000 vehicles. I think there is a real opportunity here for the Federal Government to lead the way in purchasing hybrid vehicles and other cars and trucks, SUVs, that will have better mileage, which will save money for the taxpayers and reduce greenhouse emissions.

This is an opportunity for the Federal Government to lead by example. Do you know if GSA has a program to encourage an evaluation of mileage standards, for example, in purchasing new vehicles?

Ms. DOAN. Yes. In fact, I asked about this because my daughter, Natalia, is very concerned about hybrid cars and wants everybody to buy one. So I asked at GSA what they were doing, and I was told three things. First, that GSA has worked very actively in its fuel pool to try to encourage ethanol use and all of the different creative ways of conserving fuel consumption.

And then I was also told that GSA does indeed have some hybrid cars in its fleet and that while it is not a total commitment to it,

apparently it is an ongoing relationship with purchasing and negotiating car purchase. Because as vehicles move out of the fleet and out of service, these are then replaced with more fuel-efficient vehicles.

And so this is an area, I agree with you, where GSA can lead by example. If I am confirmed, I look forward to working with you and the Committee on making that a reality.

Chairman COLLINS. I also want to alert you that this Committee has done a previous investigation of the management of the fleet, in cooperation with the GAO, and found a lot of problems in that area as well. So I think you are going to have your hands full.

I want to switch to a couple of other issues in my final questions. One has to do with the security of Federal buildings. Following the bombing of the Alfred P. Murrah Federal Building in Oklahoma City in 1995, as well as the attacks on our country on September 11, the Federal Government is appropriately beefing up security at Federal buildings.

Often times this initially has meant putting in place temporary measures, such as those ugly concrete barriers known as Jersey barriers. And what many of us thought would be temporary too often has proven to be a permanent means and an ugly means of securing a Federal building.

I have two concerns about this. One is that when you put a lot of Jersey barriers in front of a building, you are taking away from the sense of openness and accessibility that a Federal building should have toward its citizens.

Second is the appearance. I recently met with some landscape architects who showed me various ways that buildings could be made secure but in a more pleasing manner and in a manner that does not send a citizens-need-not-come-in message.

This is an issue that I would encourage you to look at and to work with organizations such as the landscape architects organization to see if there is a better way to ensure good security without putting up barriers that send the wrong message as far as people wanting to do business with the Federal Government.

Would you agree to take a look at that issue?

Ms. DOAN. I would agree to take a look at it and I would be delighted to because there are so many new innovations that have come out to make attractive barriers that can actually be part of the architectural visage in front of a building and that will actually create a welcoming space. Because this is America and we do welcome with open arms. And I think that should be translated into all of our Federal buildings.

So I will be happy to work on this if I am confirmed and report back to the Committee with various findings.

Chairman COLLINS. That would be very helpful.

Finally, I want to mention legislation that I introduced with all of the women senators that would direct the GSA to enter into an agreement to make the Pavilion Annex in Washington, DC, available for the establishment of a National Women's History Museum. I want to make clear that we are not seeking Federal funds for this museum. The museum would be privately financed.

The legislation passed the Senate by unanimous consent last November. It is now pending in the House. The legislation would

allow for the long overdue development of part of the Old Post Office Building on Pennsylvania Avenue that the organization that is advocating for the National Women's History Museum has long been pushing.

The pace of redevelopment of the Old Post Office Annex has been glacial. Actually, it is slower than glacial because glaciers do move and GSA, when it comes to this museum, does not.

There is an existence of a willing tenant that is prepared to enter into a lease agreement. That tenant is the National Women's History Museum organization. I want to encourage you to take a look at this issue. It has been pending for years. Meanwhile, the Annex continues to be vacant. I really think there is a good solution here and it is one that the full Senate has endorsed.

Will you take a look at finding out why this bottleneck exists and what can be done to encourage the GSA to begin receiving revenue from a portion of this unused space? This is typical of a problem that we mentioned earlier, with the lack of management or mismanagement of the real property that GSA owns or oversees. I do hope you will take a close look at this issue.

Ms. DOAN. I would be happy to do it. It would be a great privilege. And as you could probably tell from my bio, I have spent a lifetime in my professional career advocating on behalf of women because of the incredible role that women have played in the past in our country and the things that they have done to make it possible for someone like me to even be sitting here today as the nominee. And I really honor that commitment and that dedication that the women who have come before us have done.

So it would be my greatest privilege to work with you on this matter.

Chairman COLLINS. Thank you. And if you can clear up this obstacle, I have a feeling that there will be a picture of you in this museum. So there is extra incentive.

Ms. DOAN. If nothing else, I would love to have my girls come to the opening of the museum when it happens.

Chairman COLLINS. That would be exciting. Thank you. Senator Pryor.

Senator PRYOR. Thank you, Madam Chairman.

I noticed in *The Washington Post,* I guess it was this morning, "Falling Revenue Prompts GSA to Offer Buyouts." Did you see that story?

Ms. DOAN. Yes.

Senator PRYOR. Is there anything, in your understanding of the situation, is there anything that is inaccurate in the story? Any facts they got wrong?

Ms. DOAN. I do not think there is anything truly inaccurate, but it was a little bit skewed because it painted an incredibly dismal picture for the future of GSA. And I do not believe that is the impression that the American people should have been left with, that this is an Agency in total disarray.

This is an agency that has its challenges. I am an entrepreneur. And when I look at it I say this is a turnaround. It has a good product. It has a good service. It has an important role that it plays for the American people and government. And it has great employees who are committed to the mission.

But it does have its financial challenges. But it is nothing that cannot be fixed. That is what was lost in that article.

Senator PRYOR. Let me ask this on that same vein of thought then. I know that GSA is losing some of its most experienced contractors or contracting officers to retirement, right? Losing a number to retirement.

First, I would like to ask you is that a bad thing?

And second, I would like to ask what are your plans on trying to keep the best and the brightest there at GSA?

Ms. DOAN. I think this is a really important issue because retaining qualified and skilled personnel is a challenge in any endeavor, but especially in GSA.

I think what I have learned in business, and I have told people a million times, is every employee wants to be on a winning team. They want to know that the work that they do, that the time that they spend at work, that it is time well spent and that it has meaning.

And so the very first thing is to ensure that employees understand the important role they play in saving taxpayer dollars and in procurements in the Federal Government.

At the same time, there are actually incredible tools that have been given to GSA to actually resolve this very problem that you mentioned about the contracting officers. The first of them is the ability to provide them with incentivized or retention bonuses because remember, GSA is a self-funding agency and it can live and die by its revenue. Which is one of the reasons why I am determined to make sure it gets in the black so that we have that ability to reward those qualified people.

At the same time, the law was passed where we are allowed to attract back retired personnel and offer them incentives to come back out of retirement to provide that value-needed service.

But the very last thing I think we have—if I am confirmed and everything, what is really important is GSA has got to lead by example, by serving a role in calling young people to public service.

This is an important and valuable thing that they can do, and it is that way that we can ensure that we have that next generation of contracting officers so that some future nominee does not have to sit here and worry about where that contracting staff is coming from.

And I think the way that we can do that is by offering them these incentives, but also another tool that is in the GSA toolkit was mentioned to me by Senator Akaka during our courtesy meeting. He was talking to me about the importance of the student loan repayment program.

I immediately was excited and ran back to GSA and asked them, "Does GSA have this? Are they using it?" And they assured me that they had started the loan repayment program, that they had actually put the vehicle in place to make it happen.

I do not know how familiar, Senator, you are with it. But it is $10,000 a year, up to $60,000, that can be paid back to repay student loans, not to exceed $60,000 over their lifetime service with the government.

But I think this can also be an incredible incentive if it is encouraged and if education occurs of the student population out there to

get young people to come to service. So it is bringing in new people, making sure they're mentored and trained and, at the same time, retaining and incentivizing and rewarding that existing qualified contracting personnel workforce.

Senator PRYOR. Great. Let me ask this question, and please understand the spirit with which I ask this. I am not saying you have done anything wrong at all, but I do want to bring it up.

That is, you own stock in some companies that do have a significant number of government contracts. As I understand it, you have said that you will recuse yourself from decisions that may impact on those companies.

Again, I am not saying you have done anything wrong. But have you considered just selling that stock and structuring your investments another way so that you do not have that potential—I am not saying you do—but a potential conflict or at least a potential perception of a conflict?

Ms. DOAN. I appreciate your concern, and I understand the spirit in which that question was asked.

I would like to tell you that perhaps in the government, you are really familiar and used to the process. But for a guy out on the street, the first time being a nominee, the Senate confirmation process is an incredibly long and demanding process.

I am happy to say that I worked with the Office of Ethics, with the Office of General Counsel, and also with the GSA Office of Ethics on this. They looked at that portfolio. And they decided that there was nothing in their structure that constituted even a potential conflict because these are all—they are stocks in general mutual funds that you have no direct control over. So there is no way that I can directly or even indirectly influence.

But because I wanted to make sure that there was not any kind of a perception of a conflict, what I did was, I signed a letter that said I am out of it. I will not take part in any decisionmaking that occurs with any of those particular stocks.

But in answer to your last question, which is did I have any decision or opinion about whether I should remove them from my portfolio, I had actually offered that up right off the bat. I said you know what, I am not wedded to any of these, it is *macht nichts* to me. If you think we should exchange them for something else, I am happy to do so. And that offer still remains on the table.

Senator PRYOR. Thank you.

I do have just one more observation, Madam Chairman. That is that, given some of the things we have talked about today, some of the challenges that GSA has had with the Federal judiciary, with small businesses and their inability to kind of break through—in fact, one thing we did not talk about is my experience with GSA because we have moved out of the Federal building in Little Rock because the rent was too high. Not all Federal offices can do that, but we could. And we negotiated what we feel like is a much better, higher quality, better location in terms of space and all of that. And for quite a bit cheaper at the end of the day for the taxpayer.

But given that, I think that there is a perception that is probably growing that GSA is one of these nameless, faceless Federal bureaucracies that really does not have its act together.

I am encouraged with your answers today. I think that you understand that. You have been on the outside looking in. You have seen the Agency, and you know what it is all about. I am encouraged that you are going to do your best to move the Agency in the right direction.

So I am glad you are the nominee, and I look forward to working with the Chairman on this.

Ms. DOAN. I appreciate that, but could I ask a question? How long was that lease you just negotiated?

Senator PRYOR. I do not know. I will have to look. I think it was for the remainder of my term.

Ms. DOAN. Hopefully, we will be able to win that business back.

Chairman COLLINS. And many subsequent ones.

Ms. Doan, I thank you for appearing today.

I want to just echo the last comment that Senator Pryor made because the Second District Congressman in Maine also moved out of the Federal building in Bangor because he found bigger space at a better price. Now I know a lot of our space is allocated according to square footage rather than the price per square foot. But it was the same experience.

I personally have chosen to stay in the Federal building because——

Ms. DOAN. Thank you.

Chairman COLLINS [continuing]. It puts us where the other agencies are and there are certain advantages to that. But I think there is a real cautionary tale for GSA if Members of Congress and the judiciary, as we have already discussed, are finding that GSA is not giving them a good enough value.

I think you do have your work cut out for you.

I have a few more questions, but I am going to submit them for the record. One involves an issue that the City of Bangor, Maine has asked that I bring to your attention, and we will submit that for the record.

Without objection, the record will be kept open until 5 p.m. tomorrow for the submission of any additional questions or statements for the record. The more quickly you can respond to those questions, the sooner we will be able to act on your nomination.

I do want to echo the comments of my colleagues today about your experience and your enthusiasm. I think you bring exactly the skills and the determination that GSA needs, and I think that we are lucky you have agreed to serve. I am optimistic that you will be confirmed promptly, and I look forward to working with Senator Pryor and the rest of my colleagues toward that goal.

Ms. DOAN. Thank you so much. And thank you, Members of the Committee. And thank you, Committee staff. I really appreciate all of their encouragement and support, even with this long question and answer period.

Chairman COLLINS. Thank you.

This hearing is now adjourned.

[Whereupon, at 3:17 p.m., the Subcommittee was adjourned.]

APPENDIX

PREPARED STATEMENT OF SENATOR LIEBERMAN

Thank you, Madam Chairman and welcome Ms. Doan. Ms. Doan has been nominated to serve as Administrator of the General Services Administration (GSA) at a critical time for the agency. The procurement services GSA provides are central to the day-to-day operations of many government departments and its management of Federal property can substantially impact savings for taxpayers. But GSA is grappling with a range of challenges, not the least of which is a major consolidation of operations. This is a trying time for the agency, and the new Administrator must have solid managerial experience and the ability to think creatively for the future.

As it struggles to emerge from difficulties with contract management and lack of project oversight, GSA must also deal with declining revenues, poor morale, the need for better financial controls, and low customer confidence. There is very little room for error for the new Administrator.

The merger of the Federal Supply Service (FSS) and the Federal Technology Service (FTS) into the Federal Acquisition Service (FAS) is designed to strengthen GSA's ability to provide efficient acquisition services. In the short term, though, the reorganization, coupled with recent declines in GSA's information technology business, has necessitated a downsizing of personnel, which the agency fortunately will be able to accomplish through voluntary buy-outs and early outs. I appreciate that the Federal employee unions representing GSA workers have worked with the agency to help bring greater efficiencies to the workplace while respecting the rights of employees.

The Administrator will need to oversee what will surely be a difficult transition for GSA employees and at the same time ensure that financial and management controls for the new service are up and running properly. The ongoing reorganization of GSA's regional offices raises similar management challenges.

Recent turnover in GSA's leadership and among the ranks make these operational changes that much more difficult. Former Administrator Stephen Perry resigned last year and many mid-level managers have left, as well. This exodus has added to the delays and confusion surrounding the agency's ongoing reorganization and other efforts to improve services. The new Administrator will have to attract new talent for the challenges ahead while at the same time work to boost the morale of loyal rank and file employees whose work lives will be disrupted by the coming changes.

GSA has been updating its inventory of property to ensure it knows what it has and to rid itself of property with little or no use. For a number of years, the Government Accountability Office has ranked GSA's real property management on its biannual high-risk list. Although the agency is making strides, the new Administrator must continue to ensure that the agency's property inventory is up to date and in full use. GSA is also responsible for complying with laws such as Title V of the McKinney-Vento Homeless Assistance Act, which directs Federal agencies to make surplus property available at no cost to nonprofit organizations or government agencies that intend to serve the homeless. In recent years, critics have called into question the agency's commitment to and compliance with this law because of alleged non responsiveness and poor cooperation with prospective owners. The GSA Administrator must address this issue, too, and ensure that GSA operates in good faith, particularly with respect to its responsibilities toward society's disenfranchised.

I am impressed by Ms. Doan's credentials as a business entrepreneur and she has had a successful working relationship, on the contracting end, with GSA, all of which should serve her well. I appreciate her statement in her written responses to the Committee's pre-hearing questions that if confirmed she will perform her duties with innovation, energy, and integrity. Indeed, if confirmed, she will face monumental challenges that will require every ounce of innovation and energy she has. I look forward to hearing her views on how she will address the many challenges GSA faces ahead. Thank you.

PREPARED STATEMENT OF LURITA ALEXIS DOAN
NOMINEE TO BE ADMINISTRATOR
OF THE GENERAL SERVICES ADMINISTRATION

Thank you Chairman Collins and Members of the Committee, good morning. I am honored to come before you today as President Bush's nominee to lead the General Services Administration and as the first woman to be nominated to hold this position. The Administrator of GSA is an important position of trust, and I value the President's confidence in me. I want to thank Senator Allen, for his generous introduction. Over the years, I have had enormous respect for him as our state's former governor and as one of the Commonwealth of Virginia's sitting senators.

I thank you, Chairman Collins, and the other members of the Committee, for the time, the consideration and the open exchange of ideas shared during the courtesy meetings and during this nomination process. As someone new to the Senate Confirmation process, I was heartened by the warmth, concern and enthusiasm shown by all on this Committee. Also, I commend the Committee's staff for their thoroughness and dedication to task. If confirmed, I look forward to working closely with them on all matters concerning GSA. To the former Administrator of GSA, Steve Perry, I extend warm thanks and commend his four and a half years of service to GSA and to our country.

None of my efforts or successes would have been possible, nor meant so much, without my two girls, Natalia and Alexandra who provide my inspiration and who make me want to be a better role model each and every day. Lastly, I'd like to praise my husband, Doug, for two decades of encouragement and support and with whom I celebrated our 20th anniversary just last week.

Madam Chairman and Members of the Committee, as a businesswoman and an entrepreneur, I have spent the past 15 years making decisions and leading organizations, both profit and non-profit. Innovation and competition play an important role in creating a culture committed to success. President Bush has spoken often of the unbridled optimism and the role entrepreneurs play in growing the economy. I am eager to demonstrate through hard work, innovative thinking and decisive actions that the President's faith and confidence in entrepreneurs is well placed. GSA is an agency with a proud and important history; I believe that GSA and its employees have an important future as our country's premier government agency for property management and procurement.

For over 10 years, I have worked closely with GSA and had the opportunity to understand this organization from the ground up, the way a customer views it. As a result, I understand many of GSA's challenges, and I know many of the people who will be working to manage these challenges. More importantly, I have a firm understanding of what is possible and am not afraid to lead this agency forward. If confirmed, I will:

• Work to return to the original mission of GSA: to utilize best practices in government contracting;

• Establish quantitative performance metrics to measure how GSA services stack up: time to contract, costs, and compliance

• Show that GSA services are quantifiably better, faster, and save taxpayer's dollars; present that business case to federal customers, and show agencies where they can refocus scarce management and contracting resources on their core issues.

• Make GSA one of the best places in government to work. I will value the contribution of employees, welcome new ideas, and aggressively recruit gifted people into government service.

I am eager, if confirmed, to improve GSA's abilities in responding to procurement requirements in emergencies. I am from New Orleans, and grew up in the 9th ward. My childhood home, like all those in a two-mile radius, was completely destroyed. The recent disaster caused by Hurricane Katrina showed an area where GSA has an opportunity to truly lead by example, and do some good in the process. GSA's best practices and superior abilities to leverage the power of the private sector and quickly contract for goods and services are of particular importance during periods of national emergencies.

Success in business is a function of the quality of the people and the level of effort expended in any endeavor. I have always been impressed by and respected GSA employees' commitment, their hard work ethic and their willingness to serve. If confirmed, I look forward to working again with many of these fine people, to getting to know the rest of GSA's dedicated personnel, and having the opportunity to lead by example, by providing transparency and clear guidance to GSA's employees for its goals and objectives.

I have also witnessed a growing distance in communication between the Regional and the Headquarters' management. I have seen that GSA often spends less and less time directly with its government customer. GSA has some fence mending to do with some of its biggest and most important federal clients. If confirmed, I will work to improve this. I intend to emphasize the SERVICE in the General Services Administration and lead by example.

Yet, federal agencies are not the only GSA customer. Businesses, both large and small, are also important customers of GSA. Often, business brings the government customer to GSA and asks for GSA's assistance in finding the correct contracting vehicle to make that government customer's request a reality.

The energy and creativity in America is found in abundance within millions of companies across the land. Many small and mid-sized companies produce the innovative, transformational solutions that the government seeks, and the GSA Schedule is often the first government contract for these businesses. If confirmed, I will work to expedite the time required to obtain a GSA schedule. If confirmed, I will devote considerable time and

effort on this task to provide the quality, the timeliness and the superiority of service that the government customer has a right to expect and that the American people deserve.

If confirmed, I welcome the opportunity to implement the most comprehensive reorganization in GSA's history. Regardless of size, reorganizations are not easy, for they often strike at the core of what constitutes the mission, the position and the stability of each employee. The reorganization is exciting because I believe that, properly executed, it can result in a stronger GSA, able to offer faster contracting services, at a lower cost to GSA's government customers and yet still fully compliant with existing regulations. If confirmed, I am determined to create the best possible work place that rewards hard work, creative thinking, and risk takers.

The President has shown great confidence in my decisiveness, my leadership and my innovative abilities by nominating me for the position of the next Administrator of GSA, and by nominating me to serve as the first female to head this important agency, the President has shown how strongly he believes that women have a significant voice in all aspects of government. I am humbled and honored by his confidence. So, I ask for your support and your vote of confidence in my nomination. If confirmed, I will give you my commitment to clear and frequent communications, and my strong resolve to make GSA now and for the future, the premier source for cost-effective, timely and compliant property management and government procurement.

Thank you Madam Chairman, thank you Members of the Committee. I am pleased to answer any questions from the Committee.

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BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. BIOGRAPHICAL INFORMATION

1. **Name:**

   LURITA DOAN
   LURITA ALEXIS DOAN
   LURITA VICTORIA ALEXIS (maiden name)

2. **Position to which nominated:**

   ADMINISTRATOR OF THE GENERAL SERVICES ADMINISTRATION

3. **Date of nomination:**

   APRIL 6, 2006

4. **Address:** (List current place of residence and office addresses.)

5. **Date and place of birth:**

   NEW ORLEANS, LA
   DOB: JAN 4, 1958

6. **Marital status:** (Include maiden name of wife or husband's name.)

   SPOUSE: DOUGLAS DOAN

7. **Names and ages of children:**

   NATALIA LUCE DOAN (16)
   ALEXANDRA CURIE DOAN (13)

8. **Education: List secondary and higher education institutions, dates attended, degree received and date degree granted.**

   URSULINE ACADEMY, 1971-1975 HIGH SCHOOL DIPLOMA
   VASSAR COLLEGE, 1975-1979, A.B., 1979
   UNIVERSITY OF TENNESSEE-KNOXVILLE, 1981-1983, M.A., 1979
   DEFENSE LANGUAGE INSTITUTE-MONTEREY—1988-1989—CERTIFICATE, RUSSIAN

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9. **Employment record: List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment. (Please use separate attachment, if necessary.)**

SOUTHEASTERN LOUISIANA UNIVERSITY, HAMMOND, LA -- INSTRUCTOR --JAN 1983 – AUG1985
PTC CAREER INSTITUTE – STAFF MEMBER—SILVER SPRING, MD-- SEP 1985-DEC 1985
CATHOLIC UNIVERSITY , WASHINGTON,DC --ADJUNCT INSTRUCTOR- : JAN-MAY 1986
UNIVERSITY OF THE DISTRICT OF COLUMBIA, WASHINGTON,DC – (ADJUNCT INSTRUCTOR) : JAN-MAY 1986
MARYMOUNT UNIVERSITY, FALLS CHURCH, VA – (ADJUNCT INSTRUCTOR) : JAN-MAY 1986
SPERRY COMPUTERS & UNISYS—MCLEAN, VA: JULY 1986 –JUN 1988
INDEPENDENT CONTRACTOR—UNISYS HEIDELBERG—1989-1990
RONSON, , WASHINGTON,DC –UNIX SYSTEMS ADMINISTRATOR – 1990
SYSOREX -- FAIRFAX, VA – UNIX SYSTEMS ADMINISTRATOR – 1990
NEW TECHNOLOGY MANAGEMENT (SELF EMPLOYED) OCT 1990- JULY 2005
11 JULY 2005 – PRESENT – RETIRED

10. **Government experience: List any advisory, consultative, honorary or other part-time service or positions with federal, State, or local governments, other than those listed above.**

NONE

11. **Business relationships: List all positions currently or formerly held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.**

CURRENT: VASSAR COLLEGE (TRUSTEE), THE SHAKESPEARE THEATRE (TRUSTEE)

FORMERLY: VASSAR COLLEGE (TRUSTEE), THE SHAKESPEARE THEATRE (TRUSTEE), YOUNG PRESIDENT'S ORGANIZATION—USCAPITAL CHAPTER (YPO) OFFICER, COMMUNICATIONS CHAIR, NEW TECHNOLOGY MANGEMENT, INC. OWNER AND CEO.

12. **Memberships: List all memberships and offices currently or formerly held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.**

CURRENT:
Board of Trustees, Vassar College
Committee of 200
Board Member, The Shakespeare Theatre of DC
Committee of 200
Young President's Organization (YPO)
Belizean Grove

PRIOR:
Council on Competitiveness
Instituto Mexicano Para La Competitividad (IMCO)
Partnership for Prosperity (PfP)
Young President's Organization (YPO);
National Association of Women Business Owners (NAWBO);
National Association of Female Executives (NAFE);
Women in Technology International (WITI);
Minority Business Network (MBN);
Northern Virginia Technology Council (NVTC);
International Council on Systems Engineering (INCOSE).
Steering Committee, The Shakespeare Theatre of DC
Executive Committee, The Shakespeare Theatre of DC
Presidential Search Committee, Vassar College
President's Advisory Council, Vassar College
Small Business Advisory Board, General Services Administration
Former Board Member, US Capital Chapter, Young President's Organization (YPO)
Co-chairperson, 2003, 2004 and 2005 National Diversity Gala
2005 Sponsor, Negro Baseball League to attend National Diversity Gala
Classroom sponsor and teacher for National Foundation for Teaching Entrepreneurship (NFTE), 2004
Enterprising Women Magazine, Advisory Board, 2002-2004
Speaker for 2004, 2005 on Women and Diversity, The Women's Business Center
Sponsor, 2003 Historically Black Colleges and University Entrepreneurship Conference
YEO (Young Entrepreneur's Organization)
INC Eagles

13. **Political affiliations and activities:**

(a) **List all offices with a political party which you have held or any public office for which you have been a candidate.**

NONE

(b) **List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

REPUBLICAN PARTY – GOP – MEMBER

(c) **Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $50 or more for the past 5 years.**

01/16/2001	RNC	$850
01/02/2001	RNC	$1,000
01/12/2001	RNC	$1,000

03/05/2002	NRCC	$10,000
11/21/2002	NRCC CONTRIBUTIONS	$10,000
06/23/2003	WOMEN'S CAMPAIGN FUND	$600
05/14/2003	NRCC	$25,000
02/26/2004	AMERICAN LIBERTY PAC	$5,000
04/22/2004	WOMEN'S CAMPAIGN FUND	$1,000
07/19/2004	FRIENDS OF GEORGE ALLEN	$2,000
07/20/2004	ERICPAC	$5,000
07/20/2004	JOHN THUNE FOR SENATE	$2,000
07/21/2004	RELY ON YOUR BELIEFS	$1,000
07/24/2004	BUSH-CHENEY PRES. PRIMARY	$2,000
10/15/2004	RNC	$25,000
10/18/2004	RNC	$8,100
10/30/2004	FRIENDS OF FRANK WOLF	$2,000
11/01/2004	MARTINEZ FOR SENATE	$1,000
11/01/2004	VITTER FOR SENATE	$2,000
09/26/2005	NRSC	$1000

14. Honors and awards: List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.

- SBA's Success Stories for its 50th Anniversary Celebration, 2004.
- In December 2004, Lurita was selected as a member of the inaugural class of the 50 "Women Who Mean Business" by the Washington Business Journal.
- 2004 recipient of the National Women's Business Council Award for entrepreneurship.
- 2003 recipient of the National Director's Award for Entrepreneurial Innovation from the Department of Commerce.
- 2003 recipient of the Committee of 200 Luminary Award for Innovation in Technology.
- 2003 recipient of the Office Depot Entrepreneurial Visionary Award.
- 2003 Entrepreneurial Visionary Award from the National Foundation for Teaching Entrepreneurship.

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

"Corporate Charity Begins at the Corporate Home", Washington Business Journal, March 1999.
"Because We Can.", National Diversity Journal.
"Small Business Has A Role to Play in the Fight Against Terrorism" Federal Times, March 2004.

16. **Speeches: Provide the Committee with four copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position for which you have been nominated.**

(see Attachments)

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President?

As an entrepreneur, I am familiar with the challenges that GSA is currently facing. The next Administrator must have a proven track record in facing and overcoming these same obstacles. I have an unbridled optimism for what the entrepreneurial energies and innovative thinking of the American people can bring forth to overcome such challenges. If confirmed as the next Administrator of GSA, I will have a wonderful opportunity to tap those energies and creative forces in the private sector and bring them to the government. GSA is experiencing a period of change, and managed change is an opportunity for improvement. If confirmed, I would also bring to this position, a knowledge of procurements, especially GSA GWAC procurements combined with a solid knowledge of the FAR. GSA is 99% self-funding as an agency of the US government. By necessity, this then requires GSA to be entrepreneurial in nature. As with any business that intends to succeed, GSA must market its goods and services; it must provide value added to its customer and to other US government agencies; it must provide a high quality of service and satisfaction in order to ensure repeat business; it must meet or exceed its customers' requirements, and its growth is a function of its success in these endeavors. As someone who has worked closely with most of the GSA Regional offices over the past 15 years, I have experience and knowledge of the agency that will be essential to get the job done.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I have participated in the government contracting process for over a decade. My focus has always been on integrity, hard work and customer service. Over the past 15 years, I worked closely with GSA and had the opportunity to understand this organization from the ground up, the way a customer views it. As I result, I understand the challenges GSA faces, I understand the system, the process and I know many of the people who will be working to manage these challenges. More importantly I have a firm understanding of what is possible and I am not afraid to lead this agency forward.

I am a businesswoman and entrepreneur, and anyone who has worked with me will tell you I have high energy and

high expectations. Many people might think that woman that started and ran a successful technology company would be an unusual choice. I say nonsense. The energy and creativity in America is found in abundance within a million small companies across the land. Small business leaders also know very well the crucial importance of customer focus, of decisive and timely decision making, and the need to create a cultural of change within the organization to best meet the needs of customers. These are the same tasks that now need to be implemented at GSA in order to prepare GSA to successfully provide the quality, the timeliness and the superiority of service that the government customer has a right to expect and that the American people deserve.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. **Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate?**

   I have no current involvement with any company. All ties to my previous company were severed after the sale on 11 July 2005.

2. **Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.**

   NO

3. **Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?**

   NO

4. **Has anybody made a commitment to employ your services in any capacity after you leave government service?**

   NO

5. **If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?**

   YES

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C. POTENTIAL CONFLICTS OF INTEREST

1. **Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.**

   NONE

2. **Describe any 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 legislation or affecting the administration and execution of law or public policy other than while in a federal government capacity.**

   NONE

3. **Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?**

   YES

D. LEGAL MATTERS

1. **Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.**

   NO

2. **To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law, other than a minor traffic offense? If so, provide details.**

   NO

3. **Have you or any business of which you are or were an officer, director or owner ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.**

   As Discussed in the SF86: Three years ago, in my capacity as CEO of New Technology Management, the company was involved in a lawsuit from a disgruntled employee who did not think the discretionary bonus he had been paid was sufficient. New Technology Management, Inc. filed a counterclaim for breach of employment agreements and misappropriation of trade secrets and denying the plaintiff's assertions . The disgruntled employee signed an agreement to drop the suit and signed the statement acknowledging the theft of the company's intellectual property.

   Filing Complaint, 3/03
   Answer and Counterclaim, 4/2003
   US District Court – Tucson, Arizona
   Withdrawal of claim, 5/05

4. **Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.**

   NONE

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E. FINANCIAL DATA

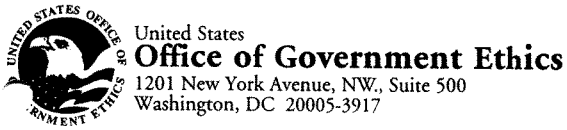
All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

AFFIDAVIT

LURITA ALEXIS DOAN being duly sworn, hereby states that he/she has read and signed the foregoing Statement on Biographical and Financial Information and that the information provided therein is, to the best of his/her knowledge, current, accurate, and complete.

Subscribed and sworn before me this 13 day of April, 2006

Yuen Poon
Notary Public



April 14, 2006

The Honorable Susan M. Collins
Chair
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510-6250

Dear Madam Chair:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Lurita A. Doan, who has been nominated by President Bush for the position of Administrator, General Services Administration.

We have reviewed the report and have also obtained advice from the General Services Administration concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated April 10, 2006, from Ms. Doan to the agency's ethics official, outlining the steps which she 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 the actions she agreed to take in her ethics agreement.

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

Sincerely,

Marilyn L. Glynn
Acting Director

Enclosures

U.S. Senate Committee on Homeland Security and Governmental Affairs
Pre-hearing Questionnaire for the nomination of
Lurita Alexis Doan to be
Administrator, General Services Administration

I. Nomination Process and Conflicts of Interest

1. Why do you believe the President nominated you to serve as Administrator of the General Services Administration (GSA)?

I am an entrepreneur. I am a former CEO. I have spent the past 15 years making decisions and leading an organization. I understand the role that innovation and competition play in creating a culture committed to success.

The next Administrator must have a proven track record in facing and overcoming these same obstacles. I have an unbridled optimism for what the entrepreneurial energies and innovative thinking of the American people can bring forth to overcome such challenges. If confirmed as the next Administrator of GSA, I will have a wonderful opportunity to tap those energies and creative forces in the private sector and bring them to the government. GSA is experiencing a period of change, and managed change is an opportunity for improvement.

If confirmed, I would also bring to this position knowledge of turnaround management, knowledge of procurements, especially GSA GWAC procurements combined with a solid knowledge of the FAR. GSA is 99% self-funding as an agency of the US government. By necessity, this then requires GSA to be entrepreneurial in nature. As with any business that intends to succeed, GSA must market its goods and services; it must provide value added to its customer and to other US government agencies; it must provide a high quality of service and satisfaction in order to ensure repeat business; it must meet or exceed its customers' requirements, and its growth is a function of its success in these endeavors. As someone who has worked closely with most of the GSA Regional offices over the past 15 years, I have experience and knowledge of the agency that will be essential to get the job done.

2. Were any conditions, expressed or implied, attached to your nomination? If so, please explain.

Yes, if I was confirmed, I was to perform my duties as the Administrator of GSA with innovation, energy, and integrity. I was challenged to restore GSA's customers' confidence in GSA as an agency of best practices in government procurement.

3. What specific background and experience affirmatively qualifies you to be Administrator?

I am a decisive, detail-oriented, hands-on manager—but I am not a micromanager. I am entrepreneurial and as such used to challenges, long hours and grueling tasks. I have participated in the government contracting process for over a decade. My focus has always been on integrity, hard work and customer service. For over 10 years, I worked closely with GSA and had the opportunity to understand this organization from the ground up, the way a customer views it. As a result, I understand the challenges GSA faces; I understand the system, the process and I know many of the people who will be working to manage these challenges. More importantly I have a firm understanding of what is possible and I am not afraid to lead this agency forward.

I am a businesswoman and entrepreneur, and anyone who has worked with me will tell you I have high energy and high expectations. Many people might think that woman that started and ran a successful technology company would be an unusual choice. I say nonsense. The energy and creativity in America is found in abundance within a million small companies across the land. Small business leaders also know very well the crucial importance of customer focus, of decisive and timely decision making, and the need to create a cultural of change within the organization to best meet the needs of customers. These are the same tasks that now need to be implemented at GSA in order to prepare GSA to successfully provide the quality, the timeliness and the superiority of service that the government customer has a right to expect and that the American people deserve.

4. To what extent have you worked with GSA in a professional role? Please be specific. How do your experiences shape your view of the role of Administrator and the needs of GSA?

I have worked with GSA for over 12 years as a customer, as a partner and as an advisor. First, I have been a GSA vendor on the GSA Schedule through the Federal Supply Service and several GSA GWACs through FTS. I have been a partner with GSA in working with government customers, marketing the GSA procurement approach and GSA contract vehicles and explaining in detail how each aspect of GSA contracting works. I have also been a partner in that my former company worked with GSA on a few pilot contract vehicles. Lastly, I have worked with GSA in an advisory role as a member, for a few years, of the GSA Small Business Advisory Council, a forum for small business to give its perspective and recommendations for change and improvement to GSA management.

My experiences over the past decade are one of the reasons that I felt honored to be nominated by the President. I have worked carefully and long with GSA personnel and I know and respect their commitment, their hard work ethic and their willingness to serve. I have also had the unfortunate experience of witnessing an increasing distance in communication between the Regional offices, in which most of the work of GSA is

performed, and the Headquarters management. I have also seen that GSA often spends less and less time directly with its government customer. Understanding one's customer is a critical element of providing a successful service to that customer, and increasing the distance has increased the number of misunderstandings often resulting in a dissatisfied customer base. If I am confirmed, I intend to emphasize the SERVICE in the General Services Administration.

5. Have you made any commitments with respect to the policies and principles you will attempt to implement as Administrator? If so, what are they and to whom have the commitments been made?

   Yes, in a meeting with Senator Collins and her staff members, I agreed that if I were confirmed, I would work to improve the speed with which GSA Schedules are issued and modified.

6. If confirmed, are there any issues from which you may have to recuse or disqualify yourself because of a conflict of interest or the appearance of a conflict of interest? If so, please explain what procedures you will use to carry out such a recusal or disqualification.

   I do not believe there are any issues which involve actual conflicts of interest, however, to avoid any potential conflicts of interests or even the appearance of a conflict of interest, my April 2006 letter to the GSA Ethics Official provides that if confirmed as Administrator of the General Services Administration, I will recuse myself from entities in which I have a financial interest, or those of any other person whose interests are imputed to me.

   Specifically, I have a financial interest in the following companies that may present a potential conflict of interest: Inland Western Retail Real Estate Trust, Inc., Halliburton Company and ADC Telecommunications Co. Also, my spouse owns DEI Acquisitions, Inc., an S Corp that owns stock in Hanover Compressor and Pfizer Corporation. I will not participate personally and substantially in any GSA matters that will have a direct, and predictable, effect on the financial interests of any of these entities.

   In addition, I am a member of the board of trustees of Vassar College and the Shakespeare Theatre of DC, for which I do not receive any compensation. I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on either of these organizations.

   To avoid even the appearance of a conflict of interest, during my tenure as Administrator I will not participate in any particular matter involving my former employer, New Technology Management, Inc.

II. Role and Responsibilities of the GSA Administrator

7. What is your view of the role of Administrator for the General Services Administration?

The Administrator of GSA must lead by example and have a working partnership with the Senate and the Congress, especially those entities that have oversight into GSA's activities. The Administrator is the decision maker of the Agency and is the one who must guide by utilizing best practices. The Administrator must be a communicator and provide clear guidance regarding any direction or action the agency is taking. Lastly, the Administrator should be an articulate and passionate spokesperson on behalf of the Agency and insist that quantifiable metrics be instituted to measure progress against all goals set.

8. In your view, what are the major internal and external challenges facing the General Services Administration? What do you plan to do, specifically, to address these challenges?

*GSA currently is not an organization operating at its full potential. If confirmed as Administrator, I will dedicate myself to restoring the **SERVICE** to the General Services Administration.*

Internal Challenges

- *Employee Morale*
- *Financial Management compliance*
- *Procurement compliance*
- *Largest Reorganization in the Agency's history: ensuring that detailed transition planning and risk assessments and risk management plans have been developed that also have the concurrence of all major stakeholders and which provide the economies of scale and efficiencies in management and structure that were promised to Congress.*
- *Internal infighting between and among different service areas within the GSA organization*
- *No permanent Administrator for the past 9 months*

External Challenges

- *Loss of Customer Confidence*
- *DOD challenge over procurement procedures: demonstrate that GSA is the fastest, lowest cost and most efficient means of procurement of commodities and allow DOD to focus on its core competencies rather than developing and maintaining a complementary contracting shop that is both more expensive and less efficient.*
- *Perception that GSA is no longer a place of best practices in government procurement*

- *Departure from the original rationale behind the Hoover Commission's charter of the General Services Administration*
- *Belief by some that with only 2.5 years left, that the Administrator will be ineffectual as an agent of needed change.*
- *GSA, as the nations procurement expert, must absolutely retool its ability and responsiveness to national emergencies, like Katrina.*

9. How do you plan to communicate to the General Services Administration staff on efforts to address relevant issues?

If I were confirmed, I would plan to communicate with openness, plain speaking and frequency to the GSA staff on all issues that are currently stymieing the organization. The mode of communication would take many forms. I believe strongly in face to face; however given the breadth of the offices and personnel placements, I would use other innovative means to communicate: web casts, video and teleconferencing, NetMeetings and CHAT are just a few that I would employ if I were confirmed. Of course, I would continue to communicate on the GSA intranet and in the GSA newsletter.

10. During your tenure as Administrator for the General Services Administration, what key performance goals do you want to accomplish?

- *Create a culture of reliance upon quantifiable performance metrics.*
- *Obtain a Clean Audit of the GSA Financials*
- *Ensure that the FAS reorganization reflects a quantifiable efficiency and cost saving to the Organization, the federal Government and the people of the US*
- *Set quantifiable revenue objectives and measure success against those objectives.*
- *Reduce in a quantifiable way, the amount of time required to complete a compliant procurement of Schedules, MAS and GWACs.*
- *Create a culture of quantifiable time spent with Congressional, governmental and Business stakeholders obtaining consensus and input on critical issues that affect GSA and the procurements processed.*
- *Leverage the awesome entrepreneurial energies within the private sector and GSA. In particular, GSA will bring best practices in procurement to play a much more decisive role in response to national emergencies.*

III. Policy Questions

Real property

11. In January 2003, the Government Accountability Office (GAO) placed federal real property on its list of high-risk federal programs. Problems at several agencies include excess property, deteriorating facilities, poor inventory data, and over-reliance on costly leasing. In addition, agencies face the challenge of protecting their real property assets against the threat of terrorism. Since the high-risk designation, the administration has taken steps to improve the management of real property through an executive order and other initiatives.

    a. Do you believe that the government as a whole has made progress in addressing the problems identified by GAO?

    Some progress has been made, but there is still more work that needs to be done. PBS has indicated that disposing of unneeded assets is the first step to reducing the federal real property liability but ultimately reinvestment strategies must be developed for those assets remaining in the federal inventory. PBS has an outstanding professional managing Commissioner, David Winstead, and I believe that, with the leadership of the Federal Real Property Council, the federal government is on the right track and will successfully mitigate real property risk factors.

    b. What is your opinion of the progress GSA has made in addressing the problems identified by GAO?

    I understand that GSA has been a leader in asset management and received a "Green" rating on the Presidential Management Agenda Scorecard for Real Property. If confirmed, I look forward to working closely with the Public Building Service Commissioner to make even more progress in real property management.

    c. What objectives would you like to achieve during your tenure at GSA in the real property area?

    My primary objective as Administrator would be to continue GSA's leadership role in implementing the Federal Real Property Initiative. Specifically I would consider pursuing an asset management plan that strives to:

    - *Regularly evaluate performance of all assets in the inventory;*
    - *Dispose of unneeded assets in a timely fashion;*
    - *Concentrate reinvestment on core mission critical assets;*

- *Reduce vacant space; and,*
- *Operate assets appropriately at an efficient cost to the taxpayer.*

d. What specific steps do you anticipate taking to meet those objectives?

In order to meet my objectives I would consider:

- *Promulgating real property policy and regulations that promote responsible asset management across government;*
- *Setting nationwide goals for disposing of unneeded assets;*
- *Striving to obtain the funding needed for prudent reinvestment to ensure our core portfolio meets our customer's long-term needs; and,*
- *Setting clear performance measures tracking operating efficiency.*

e. What do you consider the major challenges facing GSA as it tries to gain better control over its stock of property and save taxpayer dollars through better management of its inventory?

I think the most significant challenges GSA faces, similar to many agencies, in managing a federal real estate inventory are leveraging the finite dollars available for reinvestment and streamlining the disposal process to expedite disposal of assets which are no longer needed by the government.

12. The General Services Administration (GSA), through the Public Buildings Service, is the primary federal real property and asset management agency. According to recent estimates, GSA's real property portfolio consists of approximately 208.4 million square feet of owned office space and 162.9 million square feet of leased office space. What in your background has prepared you to oversee such a large real property portfolio?

I have never before managed 200+ million square feet of office space or the extensive number of different buildings and construction projects that are the responsibility of GSA. I am not sure anyone, who has not previously held this position, has. However, as the CEO of a rapidly growing company, I was directly responsible for every single aspect of our real property challenges. I directly negotiated leases for office space and understand very well the intricacies. Moreover, it was I who made the more difficult decisions regarding when to move, where to expand to, the risks involved, and how to get the best possible deal. In short, these are the exact same principles that are required of a GSA administrator.

Further, as a former CEO, I know that I am ultimately responsible for everything my organization does or does not do. At the same time, I need not perform every task within an organization, but rather the Administrator must ensure that the proper delegation of responsibility and authority is executed and must work closely with those to whom direct

responsibility has been delegated to ensure superior performance. Currently, David Winstead, who brings with him experience and respect from both the private and public sector, ably heads PBS.

13. As you know, budget scorekeeping rules have contributed to an over-reliance by GSA on costly operating leases instead of ownership of office buildings and other facilities. Do you believe the scorekeeping rules should be changed and if so, how? What incentives could be developed to encourage more ownership where it would advantageous from an economic standpoint?

    I understand that budget scorekeeping rules attempt to control spending and through the appropriations process provide discipline. If confirmed, I would be happy to explore the impact of budget scorekeeping on GSA's real property.

14. Title V of the McKinney-Vento Homeless Assistance Act directs federal departments and agencies to make surplus property available at no cost to nonprofit organizations or government agencies that intend to serve the homeless. State and local government and nonprofit organizations use surplus federal property to provide services to thousands of homeless people throughout the country each year. Such services include shelter, transitional and permanent housing, case management, food pantries, job training, mental health and substance abuse treatment, and childcare.

    Nonprofit and public homeless service providers have reportedly encountered significant problems when attempting to acquire surplus federal real property under Title V. Problems reported by these groups have included inadequate or nonexistent federal agency outreach to providers notifying them of available property; an unnecessarily laborious process for applying for and transferring surplus property; and an unnecessarily lengthy period, often running as long as two years, before the transfer of the property can be finalized. In addition, these groups have alleged that agencies have attempted to take desirable property out of Title V consideration through special legislation or by leading the Department of Housing and Urban Development, which screens the property, to believe the property is unsuitable to serve the homeless. The nonprofit and public homeless services groups have stated that these problems serve as a deterrent and disincentive for them to acquire facilities and to provide their services.

    a. What is your evaluation of how GSA is carrying out its responsibilities under Title V of the McKinney-Vento Homeless Assistance Act?

       Title V of the McKinney-Vento Homeless Assistance Act directs federal departments and agencies to make surplus property available at no cost to nonprofit organizations or government agencies that intend to serve the homeless. It is my understanding that GSA currently works with the Department of Housing and Urban Development and the Department of Health and Human Services to address the needs of homeless assistance providers and other potential recipients

of Federal excess and surplus real property. My understanding is that GSA has worked to make its disposal process more transparent to eligible parties and improved outreach efforts, as defined under Title V.

b. If confirmed, what steps will you take to ensure that the process of notifying and transferring surplus properties to homeless service organizations is efficient and timely?

If confirmed, as Administrator, I will evaluate the effectiveness of GSA's current implementation of the McKinney-Vento Homeless Assistance Act and the coordination with other federal agencies and other involved organizations. I will also work with the PBS Commissioner to ensure that GSA is fully responsive to concerns expressed by Congress and homeless service organizations, in particular, regarding the disposal process for homeless assistance purposes.

c. What recommendations would you support to eliminate any unnecessary time lags in this process?

It is my understanding that GSA has developed an electronic tool that, once implemented, will increase the transparency and timeliness of the availability of these properties. This resource will provide information on surplus property by geographic location and general information about the Title V process and links to other relevant sites. In developing this resource, GSA has worked closely with the National Law Center on Homelessness and Poverty to solicit their input. If confirmed, I would be happy to provide a status update to the Committee once GSA-PBS has implemented the tool and has data on its effectiveness.

15. Section 412 of the Fiscal Year 2005 Consolidated Omnibus Appropriations Act gave GSA significant flexibility with regards to managing real property. This section states, in part:

> Notwithstanding any other provision of law, the Administrator of General Services may convey, by sale, lease, exchange or otherwise, including through leaseback arrangements, real and related personal property, or interests therein, and retain the net proceeds of such dispositions in an account within the Federal Buildings Fund to be used for the General Services Administration's real property capital needs...

Some have maintained that this flexibility is necessary to help address problems of unused or underutilized real property. For example, in 2000, Congress passed the Southeast Federal Center Public-Private Development Act, which provided GSA similar flexibility to re-development the Southeast Federal Center in Washington, D.C. This 55-acre site sat vacant for nearly 40 years, costing the Federal government and acting as an eyesore for the local community. Since the Act was enacted in 2000, the site is now

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being redeveloped. Others, however, are concerned that with more flexibility, there may be less accountability of the federal government's property management. In addition, while the 2000 Southeast Federal Center Act contained strict guidelines to ensure the Federal government would receive "fair compensation" and the best return for the Federal government, Section 412 of the FY2005 Omnibus Act does not seem to contain a similar requirement.

a. Do you believe the flexibilities contained in the Omnibus Act has helped to improve GSA's management of Federal real property?

To effectively manage its real estate portfolio, I believe that GSA should have the flexibility offered by a complete set of real property management tools currently available to other federal land-holding agencies as well as the private sector. The portfolio of property under the control of the Administrator is large and varied, and as such requires a wide array of authorities for effective management, particularly disposal and redevelopment authorities. If confirmed, I look forward to working with this Oversight Committee, GSA's Authorizers and Appropriators to work toward providing the fullest range of authorities and tools to effectively manage GSA's real estate portfolio.

b. What measures do you believe GSA should put into place to ensure the use of these flexibilities are appropriate and are in the best interests of the Federal government?

It is my understanding that the Federal Real Property Council developed detailed measures for all Federal agencies, including GSA, to effectively manage federal real property. These measures include inventory reporting, utilization of Federal assets and a disposition decision tree to guide agency decisions on whether to hold or dispose of a property. If confirmed as Administrator, I will work with the Office of Government Wide Policy, with the PBS Commissioner and with Congress to ensure that the use of these options are in the best interest of the tax payer.

c. If confirmed, what will you do as Administrator to ensure audit the use of this authority is being used appropriately?

If confirmed, I will ask that the PBS Commissioner provide quarterly reports on the use of these authorities and I will also work with him to obtain an independent evaluation of not just these authorities but our overall management of the real property assets. From what I have seen so far (GSA's annual report and the Asset Management scorecard), GSA is doing a very good job of managing the assets under its control. I look forward to working with Congress to continue to improve our effectiveness.

Federal Protective Service

16. In July 2004, GAO reported on challenges associated with the Federal Protective Service's (FPS) transfer from GSA to the Department of Homeland Security (DHS). As Administrator, how will you ensure that GSA and DHS work together efficiently to protect federal buildings? Do you believe the move to DHS to be beneficial to the taxpayer?

    The protection of federal buildings is vital to the safety of federal employees and the public. I understand that a new group has been specifically set up within the Public Buildings Service to ensure effective coordination between GSA and DHS's Federal Protective Service. To succeed, we are going to need a much better and closer relationship with DHS. If confirmed, I will put particular importance to developing a more fruitful partnership with DHS and would look forward to discussions with Secretary Chertoff to discuss ways in which GSA and DHS could leverage the centers of excellence within each or our organizations to make real progress. DHS has some significant challenges ahead and GSA's contractual expertise can be leveraged to not only provide this important agency with the expert support that it requires, but at the same time GSA can provide significant savings to the tax payer for procured items.

17. Over the past decade, the approach to perimeter security around federal buildings has begun to evolve. In the immediate aftermath of the attack on the Alfred P. Murrah Federal Building and embassy bombings in Africa, the federal government moved quickly to install temporary vehicle barriers and other perimeter security measures, relying heavily on concrete jersey barriers, steel bollards, and fences. In recent years, some public and private sector projects, including the Washington Monument grounds and in the financial district in New York City, have been designed to better integrate permanent perimeter security into the site and the larger surroundings. These approaches seek to provide highly effective security while maintaining the openness and accessibility that are hallmarks of our democracy.

    a. How do you believe the federal government should balance effective perimeter security with the important goal of maintaining the ability of the American people to interact with their government with as few physical and psychological barriers as possible?

    I was the CEO of a company that developed many innovative solutions to perimeter security challenges, and have a good understanding of this issue. There is no question that we must improve security. But at the same time, I am quite convinced that all too often, "solutions" from security companies do not fully balance other needs such as ease of movement, privacy, and openness. The good news is that we are in a period of great innovation on security issues, and there are great companies working on innovative solutions to this problem. There are some particularly interesting technologies that are non-intrusive and do not compromise other fundamental requirements like privacy and ease of movement. GSA can, and should, serve as a catalyst for change and, in

particular, needs to do a better job of working with the private sector to speed the introduction of these innovative solutions to the government.

b. What policies or strategies would you pursue as Administrator to ensure this balance is achieved in federal buildings owned and leased nationwide, especially over the long-term?

I understand that GSA is actively engaged in trying to balance security concerns while maintaining openness in landscaping. Federal buildings are often in the heart of our major cities and symbolize the federal presence in the communities in which they are located. It is vital that they clearly communicate that our Government is open and accessible to the greatest extent possible while being secure. With innovation and care, effective security can be well integrated into buildings and landscaping without encumbering their public nature. I firmly believe this is imperative and, if confirmed, under my watch, I would maintain this crucial focus.

Federal Judiciary

18. The federal judiciary has requested a significant reduction in the rent it pays to GSA for courthouses and believes that GSA lease rates are too high. As Administrator, what changes, if any, would you make to improve GSA's relationship with the judiciary, one of its biggest tenants?

The Judiciary is an important, complex customer with growing space needs. At a time when all of federal government is operating with tighter budgets, I am very interested in the opportunity to work with the Judiciary to help them manage their real estate and space costs. If confirmed as Administrator, I would engage with the PBS Commissioner in partnering efforts to arrive at the best possible approach to helping the Judiciary to meet their growing real estate needs, balancing the associated rent costs and allowing the Judiciary to focus on its core competencies.

Financial Management

19. As part of most recent scorecard associated with the President's Management Agenda, GSA experienced a two-tier drop that resulted in an unsatisfactory rating in the category of "Financial Performance." What do you believe to be the reason for the unsatisfactory rating, and would be your plans to improve GSA's future financial solvency?

First, GSA needs to improve financial controls and achieve a clean audit. If confirmed, this would be one of my highest priorities.

I believe that GSA's financial solvency is best addressed by improving performance across the organization. The announced new reorganization (FAS) should help GSA refocus on the core mission of being the best practices contracting service in the government.

I also understand that GSA has already initiated steps to reduce the work force to eliminate redundant positions and functions, as well as to re-size the organization based upon the actual and projected revenues. These are all practical steps that, if properly managed, should result in a brighter GSA future. The key challenge that I foresee is to make sure the reorganization of FTS and FSS to FAS results in measurable improved performance. Costs should be more competitive; contracts should be issued quantifiably faster and with great compliance and oversight.

It is a well-known fact that many other federal agencies are having considerable difficulty with the management of contracts. Cost overruns and sloppy accounting are all too frequent throughout the federal government. I firmly believe that GSA has an opportunity to fulfill its original mandate to be the "best practices" contracting services in the government. GSA can, and should, seek to perform those contracting and support services for other federal agencies and do it quantifiably better, faster and cheaper. In this way, not only will tax payers benefit from lower overall costs, but many, different, federal agencies can better focus their attention on their core missions.

Procurement

20. What steps will you take to ensure that GSA provides procurement services to customer agencies which will help them successfully accomplish their mission goals? What steps will you take to be responsive to the diverse needs of customer agencies?

I believe communication is the most important part of successful customer relations. If GSA does not know its customers - their needs, policies, procedures, and limits - GSA cannot help them to succeed in their mission. If I am confirmed, I will insist that all GSA associates become more fully engaged with the GSA clients from the onset and as early in the process as is possible. If confirmed, I would expect GSA to be more responsive to the customer, but firm in our commitment to play by the rules.

GSA needs to be more focused on its core mission: to provide the best practices to federal and state agencies for contracting and real estate management. To accomplish this, GSA needs to better benchmark all of its services against the best practices throughout the government. I want to know, and I am sure the rest of the government wants to know, how GSA's services stack up, in the areas of speed, costs, contractual integrity, and post award audits. GSA needs to learn from others and adopt the best ideas quickly to maintain its leadership role in government to provide, at best value, superior workplaces, expert solutions, acquisition services and management policies. Where GSA practices

are already superior, GSA needs to make a better business case to its customers to use GSA services and save taxpayer money in the process. You can be certain that if confirmed, I will make that case with real vigor.

21. What changes, if any, would you make to the GSA's procurement processes?

GSA needs to be sure its processes are transparent, compliant, and get best value for the taxpayer; helping the government customers to meet their mission(s). GSA's mandate is to offer the rest of the federal government superior procurement services. In short, GSA needs to reassume the leadership in federal contracting and offer the best practices, faster service and lower costs. If confirmed, I will make any and all changes that are needed to achieve the goal of becoming the best in government procurement. If GSA needs to reorganize its efforts, then it will. If GSA needs to make personnel moves, then it will. Put bluntly, GSA is going to make any and all changes that will make the agency quantifiably better. I know that there are many good and practical ideas waiting to be heard, especially from the GSA regions, and I look forward to quickly putting into practice any idea that can improve GSA's service.

22. One of GSA's large programs—the multiple award schedules program—has grown tremendously with sales increasing from about $11.4 billion in fiscal year 1999 to about $36.8 billion in fiscal year 2005. While the multiple award schedules program enables federal buyers to acquire goods and services quickly and efficiently, concerns have emerged that supply schedule prices are higher than the volume-discounted prices available to other large-scale buyers in the marketplace. What steps will you take as Administrator to ensure that agencies buying goods and services through GSA can be assured that they are receiving good value for their purchasing dollar?

Schedules, to me, are very similar to a catalog with similar ordering procedures. I would want to make sure vendors on schedule keep their data up-to-date so the government gets the best price.

Disseminating the resulting data gathered from performance metrics that quantify the discounts to government customers and track quality, quantity and cost of products provided by schedules are effective ways of assuring the GSA customer that they received good value. If confirmed as Administrator, I would also encourage more frequent discussions and meetings with customers and vendors to assure them of GSA's commitment and share with them the success of the metrics so that they, too, can share in the success of the procurement.

23. As you know, the Government Accountability Office (GAO) designated management of interagency contracting a government-wide high-risk issue in January 2005. We understand that concerns about interagency contracting are not limited to GSA's multiple award schedule program, but applies equally as well to government-wide acquisition contracts and other interagency vehicles. Could you please describe how you will work

with other federal agencies to identify ways to improve procurement processes that cross organizational boundaries?

I believe this Administration is taking GAO's high risk seriously and I am happy to see that OMB has formed an interagency working group to review multiple award vehicles: GWACs, MACs, Schedules. I understand GSA currently is an active participant in these groups. From reading the GAO report and comparing it to GSA's "Get It Right" campaign, GSA is already taking some of the right steps to address these issues. I would baseline against this initial effort, and would measure GSA's compliance. This data can be used across the government to assure GSA's customers that GSA is managing these vehicles properly.

Communication is also extremely important. GSA personnel need to have the information, the training and the ability to articulate to other government entities, the whys and wherefores of the various contract vehicles: where these vehicles lie, what they are being used for, and ensure that GSA is getting the best deal for the taxpayer. Once GSA has improved its performance and is able to quantifiably offer better, fast, and cheaper services to the federal customer, it will then need to effectively communicate with all federal customers. GSA's federal customers need to know when GSA services are superior to other procurement options, saving tax payer money and saving scarce managerial time and effort. No federal agency wants to expend taxpayer funds foolishly when there are better options, but it is up to GSA to clearly articulate a better business model.

24. In August 2004, the Inspector General reported that GSA's most serious issues included procurement activities and contract management. As an example, over the past two years, GSA has received strong criticism over how it failed to manage its Federal Technology Service. In response, GSA, in conjunction with the Department of Defense (DOD), initiated the "Get It Right" program to instruct program officials and contracting officers on the proper use of the schedule contract.

    a. Can you describe how you intend to assess whether this effort is achieving its intended result?

    I believe that GSA has some fence mending to do with DoD. If confirmed, I am eager to meet with the senior procurement officials in DoD and work on ways to improve GSA services across the board. I am confident that we can do that. By offering DoD and other federal agencies better services, with quantifiable improvements in speed to contract, lower overall costs, and fully compliant administration, GSA will save DoD and the taxpayer significant amounts of money. At the same time, and perhaps more importantly, I understand that DoD, as well as other federal agencies, are increasingly devoting scarce management time and resources to solve basic procurement requirements that can and should be best accomplished by leveraging the expertise within GSA. Management time

and contract expertise are limited resources throughout the government, and one of my goals, if I am confirmed, will be able to help DoD and other federal agencies return to their core missions and depend completely on the contractual expertise and superior performance within GSA to procure all basic goods and services.

b. Do you think GSA could make improvements to the "Get It Right" initiative?

There is no single business process that cannot be improved; continuous improvement is one of the hallmarks of great built-to-last enterprises. As a CEO, I learned early on that transparency and accountability are the twin pillars of a high performance enterprise. GSA has already made some important and exciting steps in the right direction. But to truly emerge as a world-class organization, GSA will need to develop a culture of continuous improvement and excellence in every category

25. GSA recently announced the consolidation of the Federal Technology Service and the Federal Supply Schedule programs into a single Federal Acquisition Service, in part due to a decrease in revenues generated from use of the federal supply schedule program to acquire information technology services. What message do you take from agencies deciding to make more limited use of GSA to acquire information technology services?

I think some federal buyers have lost confidence in GSA. I doubt that there was any single event but suspect, rather, the loss of confidence was the function of an overall drift in GSA's focus, which resulted in poorer service and a lack of customer awareness. While these are troubling problems, they can be fixed.

Federal buyers are no different from any customer anywhere. They want goods or services that are customized to their needs and they want to receive these in ways that are better, faster, and cheaper. I firmly believe that the good news is that GSA is more than equal to the task, and I am confident that GSA can once again become the government's expert and most efficient contracting support.

26. GSA's Networx procurement will provide telecommunications services for government agencies for the next ten years. What standards will you use to determine whether contracts of such a lengthy duration (for telecommunications or for other goods and services) provide the best value and quality for GSA's customers?

My understanding of the Networx contract is that GSA has attempted to carefully design the acquisition strategy to take into account customer requirements, technology and industry trends, government wide goals and other factors. Networx is a fixed price telecommunications program that seeks to achieve maximum value by leveraging the vast buying power of federal government agencies for a broad array of telecommunications

services over an extended contract period. The length of the contract term allows awardees to realize economies of scale and amortize costs, which in turn, allows them to offer lower prices to the government than would otherwise be possible. This is an exciting opportunity where GSA can put into good effect the lessons learned from best practices. To be sure, there are also many challenges, and one to the most important will be to insure that the GSA contract manager responsible for this high profile procurement is capable, prepared, and fully supported by top management.

27. In its report "Assessment of GSA's Most Serious Challenges" (August 1, 2004), the GSA IG raised a number of concerns with contract management by outside contractors, including: weak selection criteria that permit poor-performing contractors to win awards; the award of contracts to contractors with no experience in the services needed; use of contract formats that offer no incentives to keep projects moving; and lack of project oversight by GSA personnel. What improvements will you make to GSA's contract management?

Good contract management is critical to an agency such as GSA whose mission is to provide superior performance in government procurement. I believe strongly in best practices and the implementation of quality and risk assessment as tools to anticipate, to monitor and to evaluate performance against a standard. GSA has begun to utilize automated tools, which I have been told will assist GSA in contract management and which I am told will provide GSA with the ability to monitor and resolve problems earlier in the process or limit payments to the contractor when they are not meeting the specified performance plan. If I am confirmed, I will be please to look into this new development and report any findings back to the Senate committee.

I am also a passionate believer in quantitative performance metrics and if confirmed, I will work with the professionals at GSA to develop and install a series of performance metrics to make it possible to more precisely measure GSA performance in regards to speed to contract, pricing, and contract compliance. As an entrepreneur and successful CEO, I depended upon quantitative performance metrics to understand exactly how the organization was performing. Performance metrics will help GSA identify the impact of improvement efforts and programs, as well as individual performance of responsible GSA employees. And, GSA needs to make sure that Contracting personnel have the proper training to execute this objective. GSA contracting personnel are an important resource of the organization, and GSA must value, deploy and utilize that resource in the ways that best enhance GSA Contracting productivity.

Human Capital Management

28. The adequacy of the government's acquisition workforce, both in size and skill mix, has frequently been cited as a serious problem in government procurement. What is your view on this issue and do you believe GSA has an adequate acquisition workforce? As

Administrator, what steps would you take to ensure that GSA's workforce is capable of meeting the government's future acquisition needs and challenges?

I know from my experience, gained from working with GSA at the regional level, that there are some very talented and dedicated employees within GSA. They may have lost some of their enthusiasm over the past few years, and if confirmed, I am anxious to rekindle their entrepreneurial energies.

As an entrepreneur I learned to value, above all, good ideas and I will do the same if confirmed as the next Administrator. New ideas to solve old problems and to serve our customers and the nation in a quantifiably better way are exciting. Also, I know that there is an incredible thrill to seeing a good idea come off the drawing board and get implemented.

I believe that the employees of GSA are eager for the challenge and, will welcome the opportunity to put some of their best ideas to work. GSA is going to be an exciting place to work.

Another problem that I would like to fix, if confirmed, is the incentive system for employees that do rise to the challenge. From what I have seen so far, the incentive system currently is inconsistent and does not necessarily reward those individuals with the best performance. This needs to be changed to create an environment where GSA's entire work force is incentivize, to constantly find ways and implement new procedures that will make GSA services better, faster, and cheaper.

29. The goals of GSA's ongoing merger of the Federal Supply Service (FSS) and the Federal Technology Service (FTS) are to streamline GSA's organizational structures and to strengthen GSA's capability to provide excellent acquisition services. The GSA IG's Semi-Annual Report to Congress for the period April 1, 2005 to September 30, 2005 (October 2005) stated that the merger of the FSS and FTS will create a major management challenge for GSA. GSA's plan for the merger indicates that there will be a reduction of at least several hundred employees as a result of the merger. What steps will you take to ensure that this transition is as smooth as possible, both in terms of financial and management controls over the new Federal Acquisition Fund and in terms of the realignment of the GSA workforce?

It is crucial that the previously planned and already approved transition to FAS be a success. If confirmed, I expect to devote most of my time and effort during the next 90 days after confirmation to ensuring that this important reorganization is well planned, and executed. There are a number of challenges that must be met. Establishing a strong leadership team at FAS will be the first order of business. I am especially concerned that the transition to FAS be accomplished in a timely and fair manner to all the GSA employees.

Above all else, the GSA reorganization has to achieve the desired goals of improved efficiencies, costs and service to federal customers. Put differently, once the reorganization is accomplished, GSA must be able to demonstrate fast service, lower costs and improved contractual management.

To be sure there is a lot or work ahead to seize the opportunities that this reorganization offers. The challenges and risks are real and significant. However, I am convinced that this reorganization can result in a much better GSA, where the entrepreneurial energies of GSA employees can be unlocked, refocused and directed toward a process of continual improvement in GSA's ability to support its customers and vendors.

From my experience in the private sector, I know the importance of strong financial controls. They're important to customers and stakeholders alike. I will make sure that we have a rigorous budget process, financial reporting and performance reviews that hold managers across GSA accountable for stewardship of taxpayer dollars. If confirmed as Administrator, I will support a strong control process inside GSA to maintain a high level of financial and internal management controls over the anticipated savings from the downsizing and the utilization of the new fund through this.

30. GSA recently has experienced the loss of a significant number of senior executives. Also, the impending downsizing of staff resulting from the restructuring of FTS and FSS creates a significant challenge of maintaining morale at the agency. What do you believe are the most important means for GSA to attract and retain highly experienced personnel? What initiatives will you undertake to improve morale at GSA?

If confirmed as Administrator, I am particularly eager to make full use all of the tools available to attract and retain talent needed in GSA, as well as motivating the staff for even higher levels of success. I understand that the proposed legislation to create FAS also provides some new incentives to encourage recently retired contract professionals to return to government service. This is an exciting idea that should be aggressively pursued.

I have already outlined in my response to a previous question that, if confirmed, I would seek to better align the incentives system to reward superior performance. Good performance needs to recognized and rewarded. GSA needs to skillfully use and accelerate use of the full range of human capital tools available, including recruitment bonuses, retention allowances, superior qualifications appointments (i.e. hiring at higher rate of pay), student loan repayment, and relocation bonuses. If confirmed, I will also ensure that GSA will effectively utilize alternative work schedules, tele-work, childcare subsidies, and other similar worklife programs. While all of these incentives are important, I have learned that the most important incentive to good performance is direct, positive feedback and praise for a job well done. When GSA employees excel, they need to hear "Job Well Done" directly from the Administrator.

If confirmed as the Administrator, I want all GSA employees to think more imaginatively and to take ownership of the agency's efforts. Business leaders and entrepreneurs all understand that if employees are encouraged and rewarded for a job well done, the result is a self sustaining culture of excellence where all employees at every level are excited and thrilled to come to work. This will be my goal: to create a culture of excellence.

GSA has seen significant turnover for the past several years, including at the senior executive level. And, yes, the downsizing and restructuring of FTS and FSS poses some challenges. I'd like to think, however, that GSA is still one of the "Best Places to Work" in the Federal Government. From what I've seen, GSA is an ever-evolving organization -- changing to meet new business requirements. While change is difficult for many, it can also be exciting. I expect that there will be new opportunities created as a result of some of these changes. My goal is to make sure that everyone in GSA and those considering employment at GSA will fully understand those opportunities. If confirmed, GSA will utilize all tools available to us to attract and retain talent needed, as well as motivating the staff for even higher levels of success. GSA will provide exciting and challenging work assignments. GSA will continue to use and accelerate use of the full range of human capital tools available to us including recruitment bonuses, retention allowances, superior qualifications appointments (i.e. hiring at higher rate of pay), student loan repayment, and relocation bonuses. If confirmed, under my leadership, GSA will continue to improve its Performance Management Process, for it is through that process that all of GSA's associates will clearly understand the goals of the organization, how their specific jobs help GSA to achieve those goals, and how the organization and the associates benefits from GSA's success when goals are achieved.

GSA's Role Under the National Response Plan

31. The National Response Plan (NRP) tasks GSA with assisting with the management and utilization of properties during a declared federal disaster. In our investigation of the preparation for and response to Hurricane Katrina, our Committee found that disaster housing is one of the most pressing challenges as we seek to bring back the battered parts of the Gulf Coast. As one of the federal government's largest property holders, GSA can help ease the burden of the housing crisis by identifying vacant or unused properties that could assist the disaster assistance agencies with their duties to house large populations of displaced disaster victims.

    a. How do you view GSA's National Response Plan Role with respect to disaster-related housing needs?

    As I understand GSA's mission, residential housing, per se, is not one of PBS's core competencies. Therefore PBS would look to FEMA, or to other agencies with expertise in that area, such as HUD, to take the lead in the planning for housing relief for citizens displaced during a disaster. However, I believe that GSA does provide support to FEMA and other agencies to help them obtain land

and/or properties for housing purposes, as well as trained real estate specialists to support the acquisition and fit out of temporary housing requirements.

I am from New Orleans and grew up in the now famous, 9th ward. My father built the house that I lived in as a child, after our first house was destroyed in Hurricane Betsy. Today, that house, which was the source of such wonderful memories, lies crumpled along with every other house in the area as a result of Hurricane Katrina. More importantly, many of the people that I grew up with feel betrayed, battered and let down by the poor response at all levels of government (state, local and federal). GSA's role in the National response Plan is personal to me. I have an all too real understanding of the essential role of the government during national emergencies, such as hurricane Katrina, which is reinforced by seeing a home covered in debris, and battered beyond all salvation.

I do not know the full specifics of GSA's role in the NRP, but if I am confirmed, I will be an active participant and leader of the GSA effort. What I do know is the GSA's performance, along with every federal, state, and local governmental agency was deficient and needs to be dramatically and quickly improved. Moreover, I believe that one of the reasons why I was nominated by the President to be the Administrator of GSA, is that he wanted someone with the commitment and the drive that will make emergency management one of the highest priorities at GSA. If confirmed by the Senate, I will do just that.

b. How will you work with other disaster response agencies to ensure that when needed, GSA can provide effective assistance to house disaster victims?

I understand that GSA supports those agencies, such as FEMA and HUD, which have expertise in this area. GSA provides support to these agencies through PBS's real property acquisition skills and use of FAS schedules. If confirmed by the Senate, I intend to make disaster response one of my top 3 priorities for GSA. It would be my intent to have GSA work side by side with the other disaster response agencies. GSA's Office of Emergency Preparedness will lead by example and stand ready to serve the other disaster relief agencies and the American people. If I am confirmed, you can expect GSA to become a much more visible, active, and competent part of the NRP.

32. GSA also provides support to other Federal agencies under the (NRP) for buildings and space, supplies, information technology, telecommunications, transportation, and services. What role can GSA play in helping agencies to prepare for, and respond to, emergencies? What role can GSA play in helping agencies improve their procurement practices related to disaster response and preparedness? What steps will you take to ensure that GSA personnel understand and are prepared to fulfill their role under the NRP?

GSA was established to provide expert contract and acquisition services to the rest of the federal government and bring efficiencies, best practices, and contractual expertise to the entire federal government. I believe that it is especially important that GSA provide these essential services during times of emergency, when needed the most. That is why I would make disaster response one of my top three (3) priorities, if confirmed as the Administrator for GSA.

Clearly, from reading the After Action Reports on Katrina, one of the biggest areas of failure was in effective, timely, and cost efficient, contracting support. Contracts were let too slowly for essential services to support evacuation and emergency response. When contracts were issued, they were too often awarded with minimum competition or sole-sourced to companies unable to execute the work. Moreover, it appears that many of the negotiated costs and fees were excessive. But, what is particularly galling to me, as the former leader of a small company, too often the small local companies were mistreated by the larger primes and too often ignored

GSA is the federal government's expert and best practitioner of contracting support and it is essential that GSA's skills, knowledge and abilities be leveraged more completely during times of national emergency.

GSA clearly has much to do, and I am proud of the firm and resolute leadership of the President to demand across-the- board improvements in the nation's ability to respond to a national emergency. If confirmed as the next Administrator of GSA, to implement the President's guidance, I intend to do the following:

***Appoint a Dedicated Full-time Emergency Manager**. I will appoint a senior civil servant as the Deputy Chief of Staff, GSA as a full time, emergency manager. GSA has a tremendous amount of resources including real estate, buildings, supplies, contracting and technology that must all be effectively coordinated and leveraged by a single point of contact with the power and authority to represent the entire agency during times of emergency. Putting in a very firm and well-understood chain of command will be essential to becoming better prepared the next national emergency.*

***GSA Needs to Train and Be Prepared**: GSA will need to work directly with other federal agencies and, in particular, DHS. There is much good work now underway throughout the federal government to better prepared and, if confirmed, I will ensure that GSA is an eager and high-level participant in planning exercises and disaster drills. Obviously, GSA has much work to do and must do it very quickly to be prepared for the next national emergency. That is why I will be especially eager to recruit men and women with experience in emergency preparedness into GSA. To be effective, GSA will need to move aggressively and quickly to improve emergency response efforts, and having a core of experienced managers and contracting staff is imperative. It is my belief that with diligent and consistent attention to emergency management from the Administrator, GSA can provide the direct support required. And in this way, many, if*

not all, of the contractual horror stories associated with Katrina, can be avoided in the future.

***Innovative Solutions**. GSA needs some new tools and innovations to be better prepared and able to respond more decisively to the next emergency. In particularly, I would like to look at the possibility of establishing IDIQ contracts specifically tailored to disaster response. There are other strategic sourcing ideas that need to be considered as well that would all have the goal of being able to move the emergency items, equipment, housing, and technology quickly to the scene should they be required. The key point is that GSA has the widest array of contractual tools and instruments that can be quickly energized to support a national emergency. In particular, I will want to look at ways to more effectively contract with local firms in the immediate area of the disaster as required by the Stafford Act.*

***Leverage GSA's Know-How**. Any national emergency is going to require effective communications and coordination with the private sector. GSA works more closely with the private sector than any other federal agency and can leverage these skills, contacts, and contractual relationships to better respond to the next emergency.*

GSA certainly has a lot to do to be better prepared. The key point is that, if confirmed by the Senate, I am going to put my energy, creative resources and attention towards improving GSA's ability to respond quickly and effectively for the next national emergency.

Telecommunications Awards

33. GSA is currently conducting the procurement, known as Networx, for nearly all civilian government telecommunications services for the next 10 years. The procurement is expected to total at least $40 billion for over the life of the contract. Considering the recent and possible future consolidation in the telecommunications industry, when making Networx Universal Awards, what steps should GSA take to ensure diversity and choice for government agencies in the future?

I understand Networx is an ongoing procurement is currently in source selection. Thus, it would not be appropriate for me to state a specific position regarding the Networx Universal awards. I do understand, from briefings, that GSA developed goals for the Networx program, including the expansion from traditional government telecommunications providers to be able to provide agencies with a wide range of choice and diversity in services, providers and technology solutions.

However, if I am confirmed as Administrator, I will take a great interest in the Networx procurement and review the strategy that the Source selection team has developed to ensure diversity and choice for government agencies.

34. The previous GSA Administrator testified that "GSA anticipates that 2 awards on [Networx] Universal will meet [GSA's] legacy requirements." (Testimony of Stephen A. Perry before the House Government Reform Committee on March 3, 2005.) What is your position regarding what the appropriate number of awards for Networx Universal? In your opinion, how should GSA maximize choice and competition when determining how many Networx Universal awards should be granted?

I understand from my briefings that GSA received industry proposals in October and is currently in source selection. Thus, it would not be appropriate for me to state a specific position regarding the approximate number of awards anticipated for Networx Universal.

As I understand from published reports, the actual number of awards will not necessarily be limited to two, but will be based on the ability of a potential service provider to meet the government's requirements and to offer highly competitive prices.

Purchase cards

35. While the growth in the use of government purchase cards has many benefits such as expediting purchases, eliminating red tape, and reducing administrative costs, the Committee has found that inadequate controls over purchase cards leave agencies vulnerable to waste, fraud, and abuse. What specific steps, if any, do you believe should be taken by GSA to ensure improve the management, control, and oversight of federal purchase card programs?

First, I believe that purchase cards serve as an important tool to give federal officers that ability to quickly make needed purchases without a lot of red tape burdensome bureaucracy. At the same time, I do understand that GSA has the responsibility to make sure that there are controls and sufficient management tools to make sure that these charge cards are not abused.

GSA has an opportunity to improve on the management, control and oversight through data mining and analysis, and share best practices, and thus, by implementing effective performance monitoring, and continue to educate agencies about effective oversight strategies

36. On June 22, 2005, the Committee favorably reported legislation to crack down on government purchase card abuse. The legislation, S. 457, would require the Office of Management and Budget to provide guidance to agencies to better train their cardholders and more effectively analyze their spending data, and would direct GSA to improve its efforts to secure discounts with vendors and to continue working to obtain useful data that will give the federal government a better idea of what is being purchased with the cards. What are your views on the legislation?

I believe there is room for further improvement in charge card management. This improvement can be accomplished without significant loss of the tremendous benefits the charge cards afford. For example, I believe GSA needs to ensure card management policies are consistent. GSA also needs to explore how evolving card technologies can assist in improving card use practices and oversight capabilities. I understand card-based strategic sourcing initiatives are already underway, and if confirmed, I would work with OMB and Congress to address concerns and make sure taxpayer's money is not being misused.

National Women's History Museum

37. On July 29, 2005, the Senate passed legislation, S. 501, to require GSA to enter into an occupancy agreement to make the Pavilion Annex in Washington, D.C. available to the National Women's History Museum, Inc. for a National Women's History Museum, for at least 99 years or any lesser term agreed to by the Museum Sponsor.

    It is clear that one use and the original purpose for the building of the Annex, retail, has not been a viable solution. Authorizing the use of the Annex as a museum appears not only to be consistent with planning in the area and could also help draw more visitors to the area and in turn increase the value and use of any future redevelopment of the Old Post Office Building.

    a. What do you believe should be the appropriate use for the Annex?

    The Old Post Office is a significant downtown historic landmark located in a very prominent part of our nation's capital. I understand that Congress has provided direction to GSA to rely on the creativity of the private marketplace as a guide to redevelop this building. I think this is a good approach and I look forward to seeing what uses the private sector presents.

    b. Do you believe that National Women's History Museum would complement future development concepts for the Old Post Office Building?

    I believe the National Women's History Museum might complement future development of the OPO, if it is part of a proposal that includes the entire facility. If confirmed I would welcome the opportunity to study the economic and community impact of this development.

IV. Relations with Congress

38. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress if you are confirmed?

YES

39. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed?

YES

V. Assistance

40. Are these answers your own? Have you consulted with the General Services Administration or any interested parties? If so, please indicate which entities.

The answers to this questionnaire are my own; however, I have received factual, subject matter input from the following offices within GSA:

- *Office of General Counsel*
- *Office of Ethics*
- *Office of the Chief Financial Officer*
- *Office of the Chief People Officer*
- *Office of the Chief Acquisition Officer*
- *Office of Congressional Affairs*
- *PBS*
- *FAS*

AFFIDAVIT

I, *LURITA ALEXIS DOAN*, being duly sworn, hereby state that I have read and signed the foregoing Statement on Pre-hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

Subscribed and sworn before me this 15 day of Ma/, 2006.

Notary Public

Post-Hearing Questions Submitted by
Senator Susan M. Collins
For the Nomination of Lurita Alexis Doan to be
Administrator, General Services Administration
May 22, 2006

1. Recently, the City of Bangor, Maine contacted my office about a matter concerning a parking lot at the Margaret Chase Smith Federal Building, which is managed by GSA. While this parking lot is owned by the City of Bangor, it serves customers of the federal building. In the past, GSA has not contributed to the maintenance of this parking lot. The City of Bangor believes that GSA should contribute. I understand that GSA's Boston office has been in touch with the City of Bangor and is working to resolve this matter. Will you commit to continuing these efforts?

   Yes, I am committed to working with Congress closely in all matters and will see that the issue with the City of Bangor, Maine is resolved. I understand that GSA's Region 1 in Boston has been working on this issue and that on June 1, 2006, GSA Regional Administrator, Dennis Smith, is meeting with your state staff as well as with the City of Bangor. The building is scheduled for major repair and given the impact on traffic due to the construction site the Region is looking at ways to work with the City to come to agreement. If confirmed as Administrator, I will follow the progress of this situation closely to make sure that the City's concerns are successfully addressed.

2. Debarments and proposed debarments generally have the effect of prohibiting the contractor from obtaining new government contracts or contract extensions. The FAR permits agencies to grant or extend contracts to debarred contractors or contractors proposed for debarment only in certain, limited circumstances. In those instances, the agency head or his designee must state in writing "compelling reasons" to justify the contract award or extension. My concern is that the definition of "compelling reasons" can be broad and that with no Congressional reporting requirement, agencies are free to press the definition unchecked. If confirmed, would you support the tightening of the waiver process and the addition of a Congressional reporting requirement?

   I am not aware of GSA ever overriding a suspension/debarment decision. However, I feel very strongly that suspension and debarments should be enforced without hesitation as the law requires. I will be happy to look at this specific issue in more depth if I am confirmed.

3. Within the General Services Administration, the Service Commissioners (i.e., the Commissioner for the Public Buildings Service and the Commissioner for the new Federal Acquisition Service) have no direct line authority over the regional offices. The top career officials in the regional offices for these Services---called Assistant Regional Administrators---report to the 11 Regional Administrators, who in turn report to the Administrator. As a consequence, GSA is, by many accounts, a highly-decentralized agency, with 11 semi-autonomous regions, all organized differently and with different

operating policies, even though GSA's relationships with its client agencies are national in scope. Ms. Doan, in your responses to the committee's written questions, you indicated that you had witnessed an "increasing distance in communications between the regional offices and GSA headquarters." Do you believe that the current structure – with the Service Commissioners having no clear line authority for their program areas – is an appropriate management framework? What improvements would you suggest to improve communications and ensure consistent policies within the GSA?

I am still learning about the organizational structure and the relationship between central office and their regional counterparts and will need to do more analysis before concluding that the current arrangement needs to be changed. I do, however, share your concerns. I believe that it is absolutely critical to have a clear chain of command between the Administrator and the offices that administer and implement GSA programs.

As I review the GSA organization I will be looking to implement appropriate accountability for the different organizations through the use of clear performance metrics. Any changes to structure I implement will be designed to address your concern as part of our overall management improvement approach.

4. The success of any reorganization plan depends in large part on its acceptance by the organization's employees and the guarantee that employees will be active participants in the plan's design and subsequent implementation. In the midst of the merger to establish the Federal Acquisition Service, GSA is experiencing significant human capital challenges, including the loss of senior managers, as well as the array of morale issues common to agency reorganizations. How do you think the reorganization will affect GSA's workforce? What will you do, as Administrator, to foster transparency during the implementation of the plan and to ensure employees feel their input has value?

If confirmed, I will carefully review the structure of the new Federal Acquisition Service and the plan to implement that new structure. I will ensure that employees across GSA are familiar with the plans and how it will impact them.

My intent is to get them focused on results by being part of a winning team. In my leadership role, I will consult with our stakeholders (employees, industry partners and customers) to ascertain their requirements and concerns and appropriately set our priorities for the future.

I will ensure that GSA fills its top positions as quickly as possible. GSA currently has a large number of vacancies at this level and filling them quickly will be an important priority.

5. The GSA website currently states that proposals for both the Networx Universal and Networx Enterprise have been received and are being evaluated, and that the expected award dates are March 2007 and May 2007, respectively. What steps will you take to ensure the source selection strategy for these large procurements meets the GSA's award

criteria as well as its anticipated award dates?

If confirmed, I will work closely with the GSA Source Selection Committee for this procurement and the GSA Networx Team to ensure that GSA is fully compliant with all procurement regulations as well compliant with the criteria identified in the RFP.

6. In the pre-hearing questionnaire, you mentioned that you would use metrics to ascertain how GSA's services rate in the areas of speed, costs, contractual integrity, and post award audits. You also mentioned that metrics could be used to assure customer agencies that they are receiving the best value through GSA. Please explain specifically how you would use metrics to provide this information.

I intend to baseline and quantify GSA's performance on all issues, but in particular the time it takes to award a contract, the full cost of the contract , the degree of compliance with procurement regulations, and the customer's satisfaction with the product or service delivered. Each of these can be quantified and measured; moreover, contract performance can then be compared, not only within GSA, but also throughout the Federal government.

Post-Hearing Questions Submitted by
Senator Daniel K. Akaka
For the Nomination of Lurita Alexis Doan to be
Administrator, General Services Administration
May 22, 2006

1. As you know, my home state of Hawaii is in the General Service Administration's (GSA) Pacific Rim region, which represents Hawaii, Arizona, California, Nevada, and significant areas of the Pacific and the Far East, including America Samoa, Guam, Japan, and Korea. Although the covered area is vast and diverse, our region is ably served by the regional office in San Francisco. However, because Hawaii is about 5,000 miles from the Nation's Capital, I want your assurance that the GSA office in my state will always have a voice in Washington, DC. I also suggest that as Administrator, you should make a point of visiting the Pacific Rim region to get a first hand view of the vastness of this area to fully appreciate the unique challenges facing region nine.

   If confirmed as Administrator, you have my assurance that Hawaii's voice will always be heard. I intend to have frequent and direct discussions with regional leaders. I look forward to visiting the Pacific Rim and the opportunity to get a first hand view of this region and its challenges.

2. As the author of bipartisan legislation to strengthen federal whistleblower rights, I am concerned that GSA is not participating in the 2302(c) Certification Program established by the Office of Special Counsel (OSC). This program certifies that agencies are meeting the statutory requirements to inform employees about the rights and remedies available to federal workers under the Whistleblower Protection Act. Will GSA participate in the OSC certification program and educate employees on their rights and protections?

   You have my commitment that if I am confirmed, GSA will participate formally in this OSC certification program covering prohibited personnel practices, including retaliation for whistleblowers. If confirmed, I will ask the Office of the Chief People Officer to identify a minimum of one employee per regional office to participate in the OSC certification training.

   While, they may not be currently certified, I understand that GSA performs several measures which meet the intent of the certification program. For example, they have incorporated training and communication regarding prohibited personnel practices and retaliation for whistle blowing into various managerial training programs and vehicles, including our Supervisory Tool Box, Leadership for New Supervisors (LNS) course, and On-Line University (OLU) offerings. Additionally, the Office of Civil Rights routinely provides information on Whistleblower protections. After confirmation, I will issue a notice to all GSA associates to inform them of prohibited personnel practices, including whistleblower protections, and pledging support "from the top."

3. In response to the Committee's pre-hearing questions you said that GSA needs to skillfully use and accelerate the use of the full range of available human capital tools. I was pleased that you mentioned GSA's participation in the federal student loan repayment program, which as you noted today, was discussed at our meeting last week. As you know, the use of these flexibilities requires a significant financial commitment. How do you view the current use of human capital flexibilities by GSA, and what specific steps will you take to improve this effort?

I am not fully familiar with all the details of how GSA uses current human capital flexibilities or how effective those flexibilities are in attracting and retaining employees in GSA. The agency obviously has financial challenges that must be managed before I can know precisely what funds can be committed to this effort at the discretion of the Administrator. But, having said that, I am committed to funding at least one pilot program this year. If confirmed as Administrator, I will review GSA's use of these flexibilities and will make appropriate changes to ensure they are utilized effectively.

4. In response to the Committee's pre-hearing questions, you said the most important incentive to good performance is direct, positive feedback and praise for a job well done. Managers are the foundation of any performance based system and must have adequate training to do their jobs properly. What plans do you have to assess current training for GSA managers to ensure that they are able to evaluate the performance of their employees and provide constructive feedback?

I understand that GSA recently implemented a completely modified employee performance planning and feedback system called APPAS (Associate Performance Plan and Appraisal System) that translates GSA's strategic goals into action plans for each organization that then become the basis for the performance plans of individual employees. If confirmed, I'll be eager to get a full review of this system and determine if it is working to accomplish the desired goal.

I have been told that implementation also includes a two-day course for managers on performance management, several on-line courses, workshops on conducting performance discussions, and workshops on setting performance expectations. In addition, GSA issued several guidelines: Managers' Guides to Mid-Year Progress Reviews, Annual Performance Reviews, Setting Individual Performance Expectations, as well as a Managers' "Playbook" to Year End appraisals processes and actions.

I'll report my findings back to you and to the other members of the Committee, and if it is not working, GSA will take corrective actions.

5. GSA is the nation's largest property owner, with over 400,000 defense and civilian buildings and over a half-billion acres of land. As a senior member of the Energy Committee I would like to know how GSA, under your tenure, will be a leader in the use of environmentally friendly techniques, such as green buildings, sustainable energy, and

water conservation activities?

As you mentioned, GSA is one of the nation's largest property owners, with an inventory consisting of 8,920 assets with over 342 million square feet of rentable space. I am pleased to report that GSA seems to have already made a good start in the area of environment and energy use.

They are currently using sustainable design to incorporate energy conservation measures into their new construction and major modernization projects. To reduce energy consumption and overall energy costs, they are buying renewable power, implementing sustainable HVAC systems, and using an environmental rating sheet for new projects.

GSA also uses the LEED (Leadership in Energy and Environmental Design) rating system in the design of new construction and major alteration projects. LEED strategies include the consideration of sustainable site development, water efficiency, energy efficiency, materials selection, and indoor environmental quality. For example, in some projects, GSA is incorporating green (planted) roofs. These roofs range from small tray systems to entire planted roofs. Green roofs improve the building aesthetics, reduce energy costs by insulating the building, and increase the life of the roof.

GSA is one of the nationwide leaders in the purchase and use of renewable power. In 2005, 17% of their electricity was generated from renewable power. As the cost for electricity and natural gas has increased over the years, they are experiencing an increased opportunity to buy renewable power at competitive prices.

GSA currently has an award-winning energy program that uses energy reduction measures and leverages GSA's buying power to achieve significant energy savings for its federal customers. Over the past decade, GSA has achieved a 30% reduction in energy consumption (BTU/GSF) and their energy costs are consistently lower than those in the private sector.

For water conservation, PBS has developed a Water Management Guide which provides facilities managers a comprehensive overview of water-conservation requirements and guidance on how to meet these requirements. The guide contains detailed descriptions of water-conserving technologies and principles such as how to measure water use and how to develop a water management plan.

With the passage of the 2005 Energy Act, and if confirmed as Administrator, I will work to ensure that GSA continues to use existing energy reduction measures and seek new technologies that will increase energy efficiency and reduce overall costs to the government and ultimately, the American taxpayer.

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