AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

PASSING THE BATON: PREPARING FOR THE PRESIDENTIAL TRANSITION

HEARING

BEFORE THE

SUBCOMMITTEE ON GOVERNMENT MANAGEMENT, ORGANIZATION, AND PROCUREMENT

OF THE

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

SEPTEMBER 24, 2008

Serial No. 110–154

Printed for the use of the Committee on Oversight and Government Reform

Available via the World Wide Web: http://www.gpoaccess.gov/congress/index.html
http://www.oversight.house.gov

U.S. GOVERNMENT PRINTING OFFICE

49–494 PDF WASHINGTON : 2009

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

HENRY A. WAXMAN, California, *Chairman*

EDOLPHUS TOWNS, New York
PAUL E. KANJORSKI, Pennsylvania
CAROLYN B. MALONEY, New York
ELIJAH E. CUMMINGS, Maryland
DENNIS J. KUCINICH, Ohio
DANNY K. DAVIS, Illinois
JOHN F. TIERNEY, Massachusetts
WM. LACY CLAY, Missouri
DIANE E. WATSON, California
STEPHEN F. LYNCH, Massachusetts
BRIAN HIGGINS, New York
JOHN A. YARMUTH, Kentucky
BRUCE L. BRALEY, Iowa
ELEANOR HOLMES NORTON, District of Columbia
BETTY McCOLLUM, Minnesota
JIM COOPER, Tennessee
CHRIS VAN HOLLEN, Maryland
PAUL W. HODES, New Hampshire
CHRISTOPHER S. MURPHY, Connecticut
JOHN P. SARBANES, Maryland
PETER WELCH, Vermont
JACKIE SPEIER, California

TOM DAVIS, Virginia
DAN BURTON, Indiana
CHRISTOPHER SHAYS, Connecticut
JOHN M. McHUGH, New York
JOHN L. MICA, Florida
MARK E. SOUDER, Indiana
TODD RUSSELL PLATTS, Pennsylvania
CHRIS CANNON, Utah
JOHN J. DUNCAN, Jr., Tennessee
MICHAEL R. TURNER, Ohio
DARRELL E. ISSA, California
KENNY MARCHANT, Texas
LYNN A. WESTMORELAND, Georgia
PATRICK T. McHENRY, North Carolina
VIRGINIA FOXX, North Carolina
BRIAN P. BILBRAY, California
BILL SALI, Idaho
JIM JORDAN, Ohio

PHIL SCHILIRO, *Chief of Staff*
PHIL BARNETT, *Staff Director*
EARLEY GREEN, *Chief Clerk*
DAVID MARIN, *Minority Staff Director*

SUBCOMMITTEE ON GOVERNMENT MANAGEMENT, ORGANIZATION, AND PROCUREMENT

EDOLPHUS TOWNS, New York, *Chairman*

PAUL E. KANJORSKI, Pennsylvania
CHRISTOPHER S. MURPHY, Connecticut
PETER WELCH, Vermont
CAROLYN B. MALONEY, New York

BRIAN P. BILBRAY, California
TODD RUSSELL PLATTS, Pennsylvania,
JOHN J. DUNCAN, Jr., Tennessee

MICHAEL McCARTHY, *Staff Director*

CONTENTS

	Page
Hearing held on September 24, 2008	1
Statement of:	
Johnson, Clay, Deputy Director for Management, Office of Management and Budget; Gene L. Dodaro, Acting Comptroller General of the United States, Government Accountability Office; and Gail Lovelace, Chief Human Capital Officer, General Services Administration	6
Dodaro, Gene L.	20
Johnson, Clay	6
Lovelace, Gail	48
Kumar, Martha, professor, Department of Political Science, Towson University; Doris Hausser, panel member for the Department of Homeland Security President Transition Study, the National Academy of Public Administration; Don Kettl, professor, FELS Institute of Government, University of Pennsylvania; and Patricia McGinnis, president and CEO, the Council for Excellence in Government	68
Hausser, Doris	77
Kettl, Don	249
Kumar, Martha	68
McGinnis, Patricia	214
Letters, statements, etc., submitted for the record by:	
Dodaro, Gene L., Acting Comptroller General of the United States, Government Accountability Office, prepared statement of	22
Hausser, Doris, panel member for the Department of Homeland Security President Transition Study, the National Academy of Public Administration:	
Prepared statement of	208
Report entitled, "Addressing the 2009 Presidential Transition at the Department of Homeland Security,"	78
Johnson, Clay, Deputy Director for Management, Office of Management and Budget, prepared statement of	8
Kettl, Don, professor, FELS Institute of Government, University of Pennsylvania, prepared statement of	251
Kumar, Martha, professor, Department of Political Science, Towson University, prepared statement of	72
Lovelace, Gail, Chief Human Capital Officer, General Services Administration, prepared statement of	50
McGinnis, Patricia, president and CEO, the Council for Excellence in Government, prepared statement of	217
Towns, Hon. Edolphus, a Representative in Congress from the State of New York, prepared statement of	3

PASSING THE BATON: PREPARING FOR THE PRESIDENTIAL TRANSITION

WEDNESDAY, SEPTEMBER 24, 2008

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON GOVERNMENT MANAGEMENT,
ORGANIZATION, AND PROCUREMENT,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:16 p.m., in room 2247, Rayburn House Office Building, Hon. Edolphus Towns (chairman of the subcommittee) presiding.

Present: Representatives Towns, Bilbray, and Platts.

Staff present: Mike McCarthy, staff director; Jason Powell, counsel; Bill Jusino, professional staff member; Robert Burdsal, detailee; Kwane Drabo, clerk; and Mark Marin, minority professional staff member.

Mr. TOWNS. The committee will come to order.

Welcome to today's oversight hearing on the upcoming Presidential transition. Today we will examine a huge management challenge that we face between now and January 20: the Presidential transition.

Last month, we watched our U.S. track athletes compete in the Olympics in Beijing. You may remember that both the men's and women's sprint relays didn't even make the finals, because they dropped the baton passing from one runner to another. It showed us that as talented and as hard-working as those athletes are, without working together, all may be lost. I hope the current administration and the new administration keep this example in mind and make sure that the hand-off of government is not fumbled or dropped.

I will be candid with you. I want Barack Obama to be the next President. That's on the side. I know my friend Congressman Bilbray wants John McCain to be the next President. But that is not what today's hearing is about. It is about making sure that the government isn't in limbo for any period of time, because the challenges we face will not take a break while things are getting organized.

This transition will have unique challenges. Much has changed since the last transition 8 years ago. Congress is working on a plan that would give the Secretary of the Treasury a huge amount of additional authority, $700 billion—that's "b" as in boy—to bail out Wall Street and to fix the largest financial failure we have seen since the Great Depression.

I'm skeptical about this plan, but it is clear that the next President and his Treasury Secretary are going to have to clean up this mess. The candidates have to start working on that right away—right now, by following the situation closely and by finding the most qualified person possible to be the Treasury secretary on January 20. It might even be a good idea for each candidate's economic advisers to sit in on discussions with Federal Reserve Chairman Bernanke and Secretary Paulson to make sure that they will be completely ready to take the lead next year. That isn't presumptuous. It's good leadership.

Another concern I have is a problem that has come up before, where political appointees seek career positions to "burrow into" the executive branch. These career positions are supposed to be open to the public. They are based on merit. If a political appointee is the person most qualified for the position, then so be it. But we will not allow members of the current administration to use their position to get jobs they do not deserve and stick around into the next administration.

I would like to thank Ranking Member Bilbray, who has been working very closely with me over the years on so many issues in terms of this committee. I look forward to hearing from our witnesses who can tell us a lot about what exactly needs to happen in the next few months for the most effective transition possible.

[The prepared statement of Hon. Edolphus Towns follows:]

HENRY A. WAXMAN, CALIFORNIA
CHAIRMAN

EDOLPHUS TOWNS, NEW YORK
PAUL E. KANJORSKI, PENNSYLVANIA
CAROLYN B. MALONEY, NEW YORK
ELIJAH E. CUMMINGS, MARYLAND
DENNIS J. KUCINICH, OHIO
DANNY K. DAVIS, ILLINOIS
JOHN F. TIERNEY, MASSACHUSETTS
WM. LACY CLAY, MISSOURI
DIANE E. WATSON, CALIFORNIA
STEPHEN F. LYNCH, MASSACHUSETTS
BRIAN HIGGINS, NEW YORK
JOHN A. YARMUTH, KENTUCKY
BRUCE L. BRALEY, IOWA
ELEANOR HOLMES NORTON,
DISTRICT OF COLUMBIA
BETTY McCOLLUM, MINNESOTA
JIM COOPER, TENNESSEE
CHRIS VAN HOLLEN, MARYLAND
PAUL W. HODES, NEW HAMPSHIRE
CHRISTOPHER S. MURPHY, CONNECTICUT
JOHN P. SARBANES, MARYLAND
PETER WELCH, VERMONT
JACKIE SPEIER, CALIFORNIA

ONE HUNDRED TENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515–6143

MAJORITY (202) 225-5051
FACSIMILE (202) 225-4784
MINORITY (202) 225-5074

www.oversight.house.gov

TOM DAVIS, VIRGINIA,
RANKING MINORITY MEMBER

DAN BURTON, INDIANA
CHRISTOPHER SHAYS, CONNECTICUT
JOHN M. McHUGH, NEW YORK
JOHN L. MICA, FLORIDA
MARK E. SOUDER, INDIANA
TODD RUSSELL PLATTS, PENNSYLVANIA
CHRIS CANNON, UTAH
JOHN J. DUNCAN, JR., TENNESSEE
MICHAEL R. TURNER, OHIO
DARRELL E. ISSA, CALIFORNIA
KENNY MARCHANT, TEXAS
LYNN A. WESTMORELAND, GEORGIA
PATRICK T. McHENRY, NORTH CAROLINA
VIRGINIA FOXX, NORTH CAROLINA
BRIAN P. BILBRAY, CALIFORNIA
BILL SALI, IDAHO
JIM JORDAN, OHIO

SUBCOMMITTEE ON GOVERNMENT MANAGEMENT, ORGANIZATION, AND PROCUREMENT

OVERSIGHT HEARING
Passing the Baton Preparing for the Presidential Transition

Wednesday, September 24, 2008
Room 2247 Rayburn House Office Building

OPENING STATEMENT

OF CHAIRMAN TOWNS

Welcome to today's oversight hearing on the upcoming presidential transition. Today we will examine a huge management challenge that we face between now and January 20: the presidential transition.

Last month we watched our U.S. track athletes compete in the Olympics in Beijing. You may remember that both the men's and women's sprint relays didn't even make the finals, because they dropped the baton passing from one runner to another. It showed us that as talented and hard-working as these athletes are, without working together, all may be lost. I hope the current Administration and the new Administration keep this recent example in mind, and make sure that the handoff of government is not fumbled.

I'll be candid – I want Barack Obama to be the next President. I know my friends on the other side of the aisle want John McCain to be the next President. But that is not

what today's hearing is about. It is about making sure that the government isn't in limbo for any period of time, because the challenges we face will not take a break while things are getting organized.

This transition will have unique challenges. Much has changed since the last transition eight years ago. Congress is working on a plan that would give the Secretary of the Treasury a huge amount of additional authority and $700 billion—that's "b" as in "boy"—to bail out Wall Street and to fix the largest financial failure we've seen since the Great Depression. I'm skeptical about this plan, but it is clear that the next president and his Treasury Secretary are going to have to clean up this mess. The candidates have to start working on that right now by following the situation closely and by finding the most qualified person possible to be Treasury Secretary on January 20. It might even be a good idea for each candidate's economic advisers to sit in on discussions with Federal Reserve Chairman Bernanke and Secretary Paulson to make sure that they'll be completely ready to take the lead next year. That isn't presumptuous, it's good leadership.

Another concern I have is a problem that has come up before, where political appointees seek career positions to "burrow into" the executive branch. These career positions are supposed to be open to the public, they are based on merit. If a political appointee is the person most-qualified for the position, then so be it. But we will not allow members of the current Administration to use their positions to get jobs they do not deserve, and stick around into the next Administration.

I would like to thank the Ranking Member, Mr. Bilbray, for being here today, and I know he is as committed as I am to ensuring that we have an effective transition, no

matter who is elected. I look forward to hearing from our witnesses, who can tell us a lot about what exactly needs to happen in the next few months for the most effective transition possible.

Mr. TOWNS. Of course, what I would like to do now is to swear in the witnesses. We always swear in our witnesses here.

[Witnesses sworn.]

Mr. TOWNS. Let the record reflect that all the witnesses answered in the affirmative.

You may be seated.

Let me introduce our witnesses. Mr. Clay Johnson is Deputy Director of Management with the Office of Management and Budget. Welcome. He was the Executive Director of the 2000 Presidential transition and has a lot of experience with transitions.

Mr. Gene Dodaro is the Acting Comptroller General of the United States and the head of the Government Accountability Office, Congress' investigative and auditing agency. We welcome you as well.

And Ms. Gail Lovelace is the Chief Human Capital Officer of the General Services Administration, the Federal Government's main support agency and is leading GSA's transition planning.

We welcome you, as well.

I would ask the witnesses to summarize their testimony in 5 minutes. The procedure is when you start out the light is on green; and when it gets to the final minute, it becomes yellow, caution; and then at the end it's red. Red means stop. Now, we have had some witnesses here that did not know what red meant.

So why don't we start with you, Mr. Johnson.

STATEMENTS OF CLAY JOHNSON, DEPUTY DIRECTOR FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET; GENE L. DODARO, ACTING COMPTROLLER GENERAL OF THE UNITED STATES, GOVERNMENT ACCOUNTABILITY OFFICE; AND GAIL LOVELACE, CHIEF HUMAN CAPITAL OFFICER, GENERAL SERVICES ADMINISTRATION

STATEMENT OF CLAY JOHNSON

Mr. JOHNSON. Thank you, Mr. Chairman. Thank you for holding this hearing.

Let me just make a few brief remarks here at the beginning.

A lot of effort is being expended, a lot of intelligence being applied to make sure that the things you are concerned about don't happen. There are really two related transition preparation activities going on. One of them involves the White House; and they are working with both candidates, the transition teams, to do everything we know how to do to prepare, to advise both candidates to do the work they need to do now and then during the transition to put their team on the field faster than anybody previously thought possible.

Neither candidate is pretending like they aren't prepared to govern. They understand they need to be working on it now, and my understanding is that they are working diligently on it. And the White House is reaching out and working equally with both candidates, which I think might be a first, that the incoming—I mean, that the outgoing administration is working with both candidates of the major parties.

The second thing which Gail Lovelace and I are involved in heading up is we want—this is working with agencies to ensure that

the continuity of public services during the transition is consistent as if there is no transfer of leadership taking place. Our definition of success is that a customer of Labor or a citizen dealing with Homeland Security, whatever, should not recognize or should not be getting any different level of service during the transition than they had when all the political leaders were there in the previous administration and when all the political leaders will be there in the new administration.

So we had, for instance, a 3, 2½ hour meeting today with the career, senior transition leads for every agency. I'm sure it's the first of what will be many meetings to talk about our goals, answer questions, plan on future activities, be really specific about the kind of input they need and so forth.

With that goal in mind and that services will not be interrupted, the solution for that for the Treasury Department is going to be different than the solution to that for Homeland Security, which is going to be different for the solution for that for the Department of Agriculture. But the goal remains the same, which is if we're implementing some new program run by the Treasury Department, we needed to find this fall what that involves, what the outgoing and incoming administrations need to do aggressively and intelligently with each other and that the necessary preparation is made and the necessary interaction during the transition period takes place and that no balls are dropped, no baton is dropped.

I'm highly confident that's going to happen, because I have every reason to believe that both candidates' transition activities are very results oriented. They know how serious this is. They know how the risk of dropping the baton during the transition is very real. And I know this outgoing administration from firsthand experience is equally results oriented and committed to doing this. So I'm highly confident that this baton is going to get passed. And, again, the way it gets passed successfully, Treasury, Homeland Security, whatever, it's going to be different, but it will get passed, as we say, seamlessly so it will not be even noticed by the customer.

So, with that, thank you again for having the hearing; and I look forward to your questions.

Mr. TOWNS. Thank you, Mr. Johnson.

[The prepared statement of Mr. Johnson follows:]

Testimony of
The Honorable Clay Johnson III
Before the
Subcommittee on Government Oversight, Management, and Procurement
of the
House Committee on Oversight and Government Reform

Wednesday, September 24, 2008

Mr. Chairman, thank you for inviting me to testify on the Administration's efforts to manage the challenges of the transition. I served as Executive Director of the 2000-2001 Presidential Transition, and am part of this Administration's efforts to prepare the next Administration to take office and especially to help ensure its continued attention to our management challenges.

The Bush Administration's primary transition goal is to do a better job than has ever been done before to help the next Administration prepare to govern. One of the most important parts of this is to ensure continued strong commitment to spending the taxpayers' money effectively and **more effectively every year**, as established by Executive Order 13450.

On July 18, the Administration delivered specific Transition guidance to agencies (Attachment A). On September 24, we are meeting with each agency's senior career transition coordinator to discuss best practices, answer questions, and ensure that these individuals understand the needs of the incoming and outgoing Administrations (Attachment B). The White House staff has met with certain transition representatives for the major party candidates and will continue to do so in order to assist and advise them to prepare to get their team "on the field" much faster than ever before. In addition, I have shared my experiences with these representatives (see Attachment C).

To help ensure the next Administration is prepared to effectively address both management and human capital challenges, by January 20, 2009, all agencies will have established their FY09 program, GAO high risk, and management practice goals, and plans to achieve them. They will have made them publicly available to all employees, Members of Congress, other stakeholders, and the general public, and made their accomplishment a significant part of every relevant Senior Executive's performance goals. In this manner, agencies will continue to focus on

their desired program, high risk, and management outcomes while the new Administration is assembling and preparing to establish its own priorities.

I welcome your questions and any suggestions on what further we might do to help the next Administration best prepare itself to govern effectively.

Attachment A

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

DEPUTY DIRECTOR
FOR MANAGEMENT

July 18, 2008

To: PMC Members

From: Clay Johnson

CC: Josh Bolten, White House Chief of Staff

Transition Direction

I provide you minimum transition preparation guidance, which you helped develop. I ask each of you to formally assure me (by brief, return email to Sarah Greer, SGreer@omb.eop.gov) that your agency will perform these tasks by the dates indicated. I know that most of you have already done this and more to ensure the continuity of public services during the transition to the new Administration, and to assist the current non-career employees to exit successfully.

Goal 1: Help ensure continuity of public services during the transition to the new Administration

- By 8/1: Identify a knowledgeable, capable career official to lead/coordinate the transition, and communicate internally and externally.
- By 10/15: Indentify the career official who will be responsible for acting in place of the departing/departed political official, for each major bureau and office of the department/agency, and communicate internally and externally. Ensure compliance with your agency's delegation of authorities and the Vacancies Act.
- By 11/1: Ensure all COOP and NRF procedures are tested and understood by the senior career officials referenced above.
- By 11/1: Prepare a brief summary of the department's basic organization, current mission/function/performance goals, and key personnel.
- By 11/1: Identify and summarize the "hot" policy, internal management, legal and infrastructure issues to require immediate attention by the new Administration officials. Ensure the information is approved for release to the intended audience.

Attachment A

- By 11/1: Prepare to provide the work tools and new employee briefings: badges, computers, blackberries, parking, work spaces, access to secure information and areas, ethics briefings and the like.
- In mid-October and, if desired, again after the election: OMB DDM to create the opportunity for career transition leads to meet to confer with each other and others from whom they seek counsel.
- In general:
    - Work to ensure every program/initiative is as you are proud to have it, as of 1/20/09.
    - Ensure all program improvement, high risk improvement and management improvement goals and plans are as all stakeholders are proud to have them, and available to the public, as planned.
    - Do transition planning with (not to) career officials

Goal 2: Help current non-career employees exit successfully

- By 8/04, develop for delivery as needed a briefing on what a departing political can and cannot take with them.
- By 8/04, develop for delivery as needed a briefing on "exit ethics" and post-service health benefit coverage, retirement estimates, etc. Include information about who to contact with related questions after they have left government service.

Attachment B

Potential Agenda Outline
Meeting with Agency Transition Contacts

- **Agencies with special Presidential Transition responsibilities**
  - Office of Presidential Personnel (PPO)
  - GSA
  - OPM
  - NARA
  - Office of Government Ethics (OGE)
  - DHS (security of electees/nominees)?
- **What to expect after election results are "apparent"**
  - Presidential Transition Team
    - What things do they do?
    - Where will they be?
    - Will I have any contact with them?
  - "Parachute Teams"
    - Who are they? (usually not Federal employees)
    - What do they do?
    - How many?
    - When will we know? When do they start? For how long?
    - What do we need to provide?
    - Security issues (bldg access, info access)
  - Inaugural Committee
  - Authority of President-elect (none)
    - Who will they get direction from? (current Administration)
  - Avoiding disruption of ongoing agency activities
    - Succession plans
    - Capture of appointee knowledge & commitments
    - Guidance to agency employees
- **Outgoing Appointees**
  - Who leaves and who doesn't? (type/length of appointment)
  - When do they leave?
    - After election? On January 19?
  - What support do they need?
    - Sensitivity/empathy
    - HR support (pay, benefits, etc.)
    - Travel & other
    - Ethics
  - What do we need to ensure? (return equipment, records, etc.)
- **Nominees & Incoming Appointees**
  - Background
  - Interaction with PPO
  - Interaction with nominees (e.g., temporary appointment)
  - Role in confirmation process
  - Types of appointments (EX, ES, Schedule C, etc.)

Attachment B

- What support do they need?
  - HR support
  - Security
  - Office space
  - Travel & other
  - Moving expenses
  - Briefing materials
  - Agency orientation
  - COOP/COG preparation
  - Ethics
- Appointee Orientation
  - Program for top-level officials (e.g., cabinet members, agency heads, key EOP positions)
  - OPM lead for other appointees & Schedule Cs
  - Agency-level orientation

- **Available Resources**
  - Within current Administration
  - Presidential Transition Directory
  - "Dance Card"
- **What to expect on January 21st?**
- **What should I be doing now to prepare?**

Attachment C

Recommendations for an Effective 2008 Transition
by Clay Johnson

This is to lay out my personal thoughts and recommendations regarding the upcoming Presidential Transition of 2008, based on my experience as the Executive Director of the Presidential Transition of 2000, the research I did to prepare for that assignment, and the resources I know this next Administration will inherit.

General

- Six months or so before the election, designate someone to, at a minimum, plan the Transition, and preferably, prepare to be the Executive Director or Chief Operating Officer of the Transition. Don't worry about jinxing the campaign or being too presumptuous: it is irresponsible for anybody who could be President not to prepare to govern effectively from Day One.

- Set specific goals for the Transition and assign specific people to be responsible for the accomplishment of each. Without goals to drive the preparation to govern, the transition period will be spent responding to the tremendous inflow of advice, job seekers, volunteers, well-wishers, and press inquiries. I suggest the following generic Transition goals for whomever is elected President:
  - Clearly communicate that you are aggressively preparing to govern, you are operating without hubris or triumphant partisanship, you are experienced and not a neophyte, you are ethical, and you understand that the President-elect is not the President until noon on January 20.
  - Select the senior White House staff and an organizational structure and decision-making process by mid-December.
  - Select the Cabinet members by Christmas and have them briefed and ready for confirmation hearings by about January 10, the timetable that has been met by prior Administrations. The Senate will be anxious to hold hearings even before the new President is sworn in; so they can confirm the new Cabinet members within a day or two of Inauguration Day.
  - Summarize the new Administration's priorities for each Cabinet department, and the primary issues, facts, and campaign promises related to each: it is important to prepare each Secretary-designee to be the new President's Secretary, versus merely the Secretary.
  - Prepare to proactively reach out to Congress, supporters, trade associations, well-wishers, and job seekers in order to show your interest in them and to connect with them how you choose to do so and according to your timetable.

Attachment C

Especially work to establish a strong working relationship with Congressional leadership.
  - Develop a preliminary 20-day, 100-day, and 180-day schedule for the new President to guide the initial focus for his or her energies and time.
  - Prepare to present the new Administration's proposed budget by early-February, which is when the FY10 Budget is to be presented to Congress.
  - Review the executive order and regulatory issues requiring immediate attention from your new Administration.

- Plan on the Transition costing at least $9 million, in 2000 dollars, which is what the 1992 and 2000 Transitions each cost. Have the Campaign Fund Raising group ready to field a direct mail solicitation shortly after the election for the difference between forecasted costs and what the General Services Administration provides.

- Count on needing and having to organize at least 800 people at the peak of the Transition. The Reagan and Clinton Transitions each used 1000+ people, but a lot of these extra people were needed to do work like data entry and correspondence that can be done more efficiently today with the help of technology and the internet. The majority of these can be volunteers, as there will be plenty of people available to provide general support, and Congressional staffers, who will be in fall recess, to work on policy and governance matters.

- It is a good idea to use private Transition monies to pay for temporary housing for Transition workers, and to provide some relocation assistance. For legal reasons all of this support must be provided and paid out before the Inauguration. In 2000, Senior White House Staff-to-be were given the estimated cost of their physical moves, while all other staff members relocating to DC from the Campaign or Governor's office were given $1000 each.

Manage the "Incoming"

- Expect a large number of job seekers, at least 40,000 in the first few weeks and at least 75,000 in the first few months. Make an on-line application available on a transition web site; so the applicants can apply directly (and, by the way, do their own data entry). I suggest the Transition incorporate into its website the functional on-line application currently used by the Office of Presidential Personnel (PPO), as is or with modifications, or formally decide months before the election that it wants to develop its own.

Attachment C

Also use the transition website to help potential applicants begin to understand the reality of public service and that it's not for everyone: the pay is low and the hours are long, divestiture of assets is often called for, there are post service employment and lobbying restrictions, and there is a lot of public and Congressional scrutiny.

- Expect a lot of advice, from members of previous Administrations, "experts", interest groups, lobbyists, Governors, Legislators, donors and the like. Organize to receive this information: "partner" with them but in such a way as not to be consumed by the partnership. Designate separate people to serve as contact points for Governors, donors, and members of Congress.

- Send separate communiqués to Governors, Mayors, Members of Congress, donors, supporters, etc, to tell them how best to communicate with the Transition. Differentiate between how they apply for a position, recommend someone for a position, provide input, and volunteer.

- Be aggressively proactive in connecting with Congress. Members from the President-elect's party, in particular, want to know if the new Administration intends do it <u>with</u> them or <u>to</u> them. Designate senior people with established credibility to actively seek input, and set up a system for ensuring timely responses to Congressional recommendations and questions.

<u>Assemble the New Administration's Team</u>

- Select someone to be in charge of Presidential Personnel at least 6 months before the election, if at all possible. Have him/her confer with appropriate subject matter principals and policy people, and use the generic position description materials compiled by PPO, to reach preliminary conclusions about the type of person the President-elect should be seeking for each Cabinet position; and when conferring with subject matter principals, solicit suggestions about who should be considered for each senior position. Then initial discussions about Cabinet member and senior sub-Cabinet selections can be substantive and goal oriented, and not just about who did what during the campaign. A significant challenge in assembling any new Administration's team is balancing the need to select the best people to do the work ahead and the natural desire to reward key people who helped get the new President elected.

Attachment C

- Begin early enough before the election, plan and organize, assemble the necessary resources, and set as a high priority to put in place by about April 1 the 100 or so most important Cabinet and sub-Cabinet personnel. Every Administration might prioritize the positions differently but everyone agrees that it will be very important for this next Administration to work with the Senate to put into place as quickly as possible the key national and homeland security sub-Cabinet.

  No previous Administration has had confirmed more than about 25 Cabinet and sub-Cabinet personnel by April 1; so this goal is a significant challenge. PPO is currently defining the resources, timetable, and organization they believe the new Administration would have to employ to help the new President select these 100 people in time to get them cleared and confirmed by the Senate by April 1. Also White House Counsel, PPO and the Office of Management and Budget (OMB) are working to significantly expedite the clearance process to make it possible to accomplish that goal. These same offices are working with the Senate to get to them much faster the information on the nominees they need to accomplish the goal.

  (Along these same lines, the new Administration should set as its goal to have working by the August recess the entire Cabinet and sub-Cabinet, which is about 400 people. No previous Administration has had confirmed more than about 240 Cabinet and sub-Cabinet personnel by this date.)

- Make every effort to designate senior White House staff by January 1; so the senior group can get comfortable working together and used to managing the President-elect's schedule in the weeks leading up to the inaugural like they will manage it after he/she takes the oath of office. They also need to be in position to provide guidance and counsel to the new Cabinet Secretaries. The new President's Chief of Staff-to-be is the best person to lead this effort, separate from but in coordination with the effort to identify the Cabinet and sub-Cabinet.

- Have early conversations with Secretary-designees about the collaborative nature of the sub-Cabinet selection process. Some Presidents have allowed their Secretaries to select their sub-Cabinets, while other Presidents have mandated who would serve in each Secretary's sub-Cabinet. It is important that each appointee is loyal to the President, knows the President selected him or her, and is someone the Secretary can work with. Therefore the recommended but more challenging approach to sub-Cabinet selection is for Presidential

Attachment C

Personnel and the Secretaries to collaborate: both have to agree on who to recommend to the President.

Prepare the New Team to Govern

- Focus on getting the new Cabinet Secretary-designees off to an informed, confident start. Provide them basic briefing material on the Department, the President-elect's campaign promises on their subject area, a group to support them during the confirmation process (a chief shepherd who's helped previous nominees get confirmed, a public affairs person, a Presidential Personnel contact, and a cabinet affairs person), a lot of contact information, and temporary office space (preferably so all the Secretary-designees can be near and get to know each other).

- Use small teams of five or so people to interact with Department personnel to put together focused briefing books for the Secretaries-to-be. Minimize potential conflicts of interest in interacting with the Departments, and maximize the quality of the briefing material. Therefore, exclude lobbyists and overt job seekers from these teams, but assemble them and other "experts" into advisory groups for each new Secretary, and allow them to submit individual but not group recommendations on any issue they desire to comment on.

- Designate a small team to work with OMB to ensure the FY10 Budget reflects the new Administration's priorities. OMB is very experienced at working with budget-knowledgeable representatives of new Administrations to accomplish their budget-related goals in the 2 months or so they have to work together.

- Designate a few people to research all current Executive Orders (EOs) to determine if there are any that the new President wants to rescind or replace with EOs of his or her own to define new courses of action right away.

A Presidential Transition is very, very intense and full of conflicting emotions and pressures.

- The candidates naturally want to wait until after the election to prepare to govern, but it is irresponsible to do so.
- The President-elect's staff and advisers want to celebrate and recover from the grueling campaign, but they can't: the new Administration only has about 75 days to prepare to govern and deliver what they said they would if elected.

Attachment C

The President-elect's staff and advisers have been focusing on the 50+% of the people they need to vote for their candidate, but now they need to focus on the entire populace they have been elected to serve.

- The President-elect's natural desire is to reward key people who helped get him or her elected, but his or her focus really needs to be on selecting the best people to do the governing work ahead.

Every candidate must prepare to govern, starting months before the conventions when each officially becomes the candidate. And every Transition must organize and prepare to focus on what they must get done if they want the President-elect to be well prepared to govern at noon on January 20, 2009.

Mr. TOWNS. Mr. Dodaro.

STATEMENT OF GENE L. DODARO

Mr. DODARO. Thank you, Mr. Chairman.

Good afternoon to you, Congressman Bilbray, Congressman Platts. I'm pleased to be here to talk about GAO's efforts and plans to assist the upcoming transitions.

As you well know, GAO has a long tradition and experience in providing assistance to each new Congress, and we have efforts under way to do that for the 111th Congress. But GAO is also cited in the Presidential Transition Act specifically as a reference, a source that new administrations are encouraged to come to to learn about their upcoming management challenges and risk as they make the leap from campaigning to governing.

Now, our transition work has several key objectives. One, we want to provide insight into pressing national issues that the incoming administration will need to deal with from day one. These include the oversight of financial markets and institutions, a range of national security and homeland security areas to include U.S. efforts in Iraq and Afghanistan.

Second, we want to underscore the range of challenges that a new administration will face in establishing partnerships with State and local governments, nonprofits, the private sector to deal with issues that need innovative, integrated solutions, such as financing our Nation's surface transportation system. We saw examples of that this year in shortfalls in the highway trust fund activities. Also, critical infrastructure protection, a national response plan and other issues.

Third, we want to point out targeted opportunities to reduce waste and to conserve resources that could be applied to new priorities. There is over $55 billion in improper payments that are being made in a range of Federal programs. The Defense Department weapons systems have had cost overruns of our last estimate of $295 billion. There's a $290 billion tax gap. These are all areas where I think there are opportunities; and we're certainly, given the long-term fiscal outlook of the Federal Government and some of the pressing short-term needs, are going to need attention and could free up resources to help in some of these other areas.

Fourth, there is a real capacity challenge in all the departments and agencies that's really going to need to be met and if not confronted directly is going to affect implementation of any policy initiatives a new administration will try to put in place. They are going to need to pick senior leaders as part of the management team. They have experience running large enterprises and achieving results across the Federal Government. The Federal Government has become more dependent on contractors, and it's very important to get a handle quickly on the contracts that are under way and also to build the capacity to better oversee and manage those contractors going forward.

Also, one-third of the Federal Government's work force will be eligible to retire on this next administration's watch, so there's a succession planning challenge there as well as getting the new team to be implemented going forward.

Last, we also believe it's very important for the new administration to build on some of the successes and efforts that have been established by Clay Johnson, OMB, and this administration on the high-risk programs and lists that GAO lists every year for the Congress that are in need of transformation and are fraud, waste, abuse and mismanagement. GAO's high-risk list, which we update with every new Congress, has really provided the foundation for the management improvement agendas of both the recent Bush administration and the Clinton administration before then; and we think that some solid foundations have been laid to make progress and that we think it's very important for that progress to continue to yield results.

In closing, Mr. Chairman, with two wars ongoing, with a first transition for the new Department of Homeland Security, with turmoil in our financial markets, this is shaping up to be no ordinary transition effort; and GAO stands ready to help returning policymakers as well as new ones deal with all the challenges facing our Federal Government. So I will be happy to answer questions later.

Mr. TOWNS. Thank you very much for your testimony.

[The prepared statement of Mr. Dodaro follows:]

United States Government Accountability Office

GAO

Testimony

Before the Subcommittee on Government Management, Organization, and Procurement, Committee on Oversight and Government Reform, U.S. House of Representatives

For Release on Delivery
Expected at 2:00 p.m. EDT
Wednesday, September 24, 2008

THE UPCOMING TRANSITION

GAO's Efforts to Assist the 111th Congress and the Next Administration

Statement of Gene L. Dodaro
Acting Comptroller General of the United States

GAO-08-1174T

Highlights

Highlights of GAO-08-1174T, a testimony before the Subcommittee on Government Management, Organization, and Procurement, Committee on Oversight and Government Reform, U.S. House of Representatives

Why GAO Did This Study

The upcoming 2009 transition will be a unique and critical period for the U.S. government. It marks the first wartime presidential transition in 40 years. It will also be the first administration change for the relatively new Department of Homeland Security operating in the post 9/11 environment. The next administration will fill thousands of positions across government; there will be a number of new faces in Congress as well. Making these transitions as seamlessly as possible is pivotal to effectively and efficiently help accomplish the federal government's many essential missions.

While the Government Accountability Office (GAO), as a legislative branch agency, has extensive experience helping each new Congress, the Presidential Transition Act points to GAO as a resource to incoming administrations as well. The Act specifically identifies GAO as a source of briefings and other materials to help presidential appointees make the leap from campaigning to governing by informing them of the major management issues, risks, and challenges they will face.

GAO has traditionally played an important role as a resource for new Congresses and administrations, providing insight into the issues where GAO has done work. This testimony provides an overview of GAO's objectives for assisting the 111th Congress and the next administration in their all-important transition efforts.

To view the full product, including the scope and methodology, click on GAO-08-1174T. For more information, contact J. Christopher Mihm, Managing Director, Strategic Issues, at (202) 512-6806 or mihmj@gao.gov.

September 24, 2008

THE UPCOMING TRANSITION

GAO's Efforts to Assist the 111th Congress and th Next Administration

What GAO Found

GAO will highlight issues that the new President, his appointees, and the Congress will confront from day one. These include immediate challenges ranging from national and homeland security to oversight of financial institutions and markets to a range of public health and safety issues. GAO will synthesize the hundreds of reports and testimonies it issues every year so that new policy makers can quickly zero in on critical issues during the first days of the new administration and Congress. GAO's analysis, incorporating its institutional memory across numerous administrations, will be ready by the time the election results are in and transition teams begin to move out.

Objectives for GAO's Transition Efforts

- Provide insight into pressing national issues.
- Highlight the growing need for innovative, integrated approaches to solve national and global challenges.
- Document targeted opportunities to conserve resources that can be applied to new initiatives.
- Underscore critical capacity-building needs in individual agencies that will affect implementation of whatever new priorities are pursued.
- Help inform the management improvement agendas of Congress and the new administration.
- Monitor the implementation of the Presidential Transition Act provisions and identify potential improvements for future transitions.

GAO will provide congressional and executive branch policy makers with a comprehensive snapshot of how things are working across government and emphasize the need to update some federal activities to better align them with 21st century realities and bring about government transformation. In keeping with its mission, GAO will be providing Congress and the executive branch with clear facts and constructive options and suggestions that elected officials can use to make policy choices in this pivotal transition year. GAO believes the nation's new and returning leaders will be able to use such information to help meet both the nation's urgent issues and long-term challenges so that our nation stays strong and secure now and for the next generation.

GAO's transition work also will highlight the need to modernize the machinery of government through better application of information technology, financial management, human capital, and contracting practices. GAO also will underscore the need to develop strategies for addressing the government's serious long-term fiscal sustainability challenges, driven on the spending side primarily by escalating health care costs and changing demographics.

Chairman Towns, Ranking Member Bilbray, and Members of the Subcommittee:

I am pleased to be here today to contribute to your hearing on the upcoming transition. As agreed with the Subcommittee, I will discuss the preparations under way at the Government Accountability Office (GAO) to meet our responsibilities under the Presidential Transition Act to assist the incoming administration as well as the 111th Congress.

The 2009 presidential transition will be a unique and critical period for the United States. Our nation faces a wartime presidential transition for the first time in 40 years. In addition, this will be the first post-9/11 transition, with a relatively new Department of Homeland Security (DHS) grappling with the threats we face here at home while experiencing its first change in administration. The White House will need to fill thousands of appointments, some of which will be subject to Senate confirmation, across the federal government. And on Capitol Hill, with 26 House members and 5 Senators deciding not to seek reelection, there will also be congressional newcomers.

While as a legislative branch agency GAO has extensive experience helping each new Congress, the Presidential Transition Act points to GAO as a resource for incoming administrations as well. The Act specifically identifies GAO as a source of briefings and other materials to help inform presidential appointees of the major management issues, risks, and challenges they will face. The Act's 2000 amendments to clearly bring GAO into the transition picture are consistent with the role we traditionally have played as an important resource for Congress and new administrations during transitions. For example, we update our High-Risk list with the start of each new Congress to focus attention on areas in need of broad-based transformation or susceptible to waste, fraud, abuse, and mismanagement. During the last presidential transition, we identified for Congress and the then new administration key program and management issues in the major departments and across government. More recently, we assisted the 110th Congress by suggesting 36 areas for oversight based on our work. We take our role under the Presidential Transition Act very seriously; our planning to effectively perform this role is well under way. To do this, we will use our institutional knowledge and broad-based work on matters across the spectrum of government activities.

My comments today center on the six objectives of our efforts to assist the upcoming transition as policy makers take on the serious challenges facing our country.

Objectives for GAO's Transition Efforts

- Provide insight into pressing national issues.
- Highlight the growing need for innovative, integrated approaches to solve national and global challenges.
- Document targeted opportunities to conserve resources that can be applied to new initiatives.
- Underscore critical capacity-building needs in individual agencies that will affect implementation of whatever new priorities are pursued.
- Help inform the management improvement agendas of Congress and the new administration.
- Monitor the implementation of the Presidential Transition Act provisions and identify potential improvements for future transitions.

Provide Insight into Pressing National Issues

The next Congress and new administration will confront a set of pressing issues that will demand urgent attention and continuing oversight to ensure the nation's security and well-being. The goal of our transition planning is to look across the work we have done and across the scope and breadth of the federal government's responsibilities to offer insights into areas needing immediate attention. A few examples follow:

- **Oversight of financial institutions and markets:** As events over the past few weeks have underscored, oversight over the U.S. housing and financial markets will certainly be among the priority matters commanding the attention of the new administration and the 111th Congress. These sectors of our economy have been going through a period of significant instability and turmoil and government support is being provided to a growing number of troubled financial institutions. Congress has taken a number of steps to address some of the immediate effects of the market turmoil including enactment of the Federal Housing Finance Regulatory Reform Act of 2008, which, among other things, strengthens regulation of the housing government-sponsored enterprises (GSE) and provides authority to the Treasury to purchase any amount of Fannie Mae and Freddie Mac securities. We are closely monitoring a range of implications of the current market turmoil including the financial condition of the GSEs

and the potential exposures from federal insurance and credit programs and possible bailouts. In addition, recent bank failures and growing numbers of banks on the "Watchlist" raise questions about the impact on the banking system and future federal exposures as well as on the bank insurance fund. We have a larger body of work that involves auditing the Federal Deposit Insurance Corporation, the newly created Federal Housing Finance Agency, and the consolidated financial statements of the U.S. government, as well as evaluating ongoing developments in the housing and financial markets. We will draw on this work to provide observations and advice, as appropriate.

While these serious disruptions require immediate attention and careful monitoring, ongoing turmoil in the housing and financial markets has renewed concerns about whether the current system for overseeing and regulating financial institutions and markets is best suited to meet the nation's evolving needs and 21st century challenges. Later this year we plan to issue a report describing the evolution of the current regulatory structure and how market developments and changes have introduced challenges for the current system. We believe this reassessment is needed to ensure that these types of serious disruptions can be minimized in the future. As part of this work, we are also developing a framework to assist Congress in evaluating alternative regulatory reform proposals.

- **U.S. efforts in Iraq, Afghanistan, and Pakistan:** Policy and implementation challenges to achieve U.S. objectives for these countries remain on the horizon. Hundreds of billions of dollars have been provided to the Department of Defense (DOD) for military operations in Iraq, Afghanistan, and Pakistan as well as to the State Department and United States Agency for International Development (USAID) to help address security, stabilization and reconstruction, and capacity-building efforts in Iraq and Afghanistan. Some efforts include developing domestic security forces, rebuilding critical infrastructure, and enhancing the countries' capacity to govern. Since 2003, we have issued more than 170 reports on Iraq, Afghanistan, and Pakistan, covering topics that ranged from the readiness of U.S. forces, to the logistical implications related to reposturing U.S. forces deployed in Iraq, to planning for counterterrorism programs, to progress in building roads and oil pipelines. Our transition work will highlight the major implementation issues that need to be addressed to ensure the development of comprehensive integrated strategies, accountability over resources provided, and ongoing assessments of progress, regardless of what policies are pursued in the future.

- **DOD's readiness and capabilities:** Extended operations in Iraq, Afghanistan, and elsewhere have had significant consequences for military readiness, particularly with regard to the Army and Marine Corps. Current operations have required the military to operate at a persistently high tempo with the added stress of lengthy and repeated deployments. In addition, because of the significant wear and tear on equipment, refocusing of training on counterinsurgency operations, and other factors, rebuilding readiness of U.S. forces is a major challenge for DOD. At the same time, DOD faces competing demands for resources given broad-based initiatives to grow, modernize, and transform its forces. We will offer our perspective on the competing demands DOD faces and the need to develop sound plans to guide investment decisions, as it reassesses the condition, size, composition, and organization of its total force, including contractor support, to protect the country from current, emerging, and future conventional and unconventional security threats.

- **Protection at home:** DHS must remain prepared and vigilant with respect to securing the homeland, particularly during the transition period when the nation can be viewed as being particularly vulnerable. In doing so, it is important that the new administration address key issues that, as we reported, have impacted and will continue to impact the nation's security and preparedness, including better securing our borders, enforcing immigration laws, and serving those applying for immigration benefits; defining key preparedness and response capabilities and building and maintaining those capabilities through effective governmental and external partnerships; and further strengthening the security and resiliency of critical infrastructure to acts of terrorism. In achieving its critical mission, we found that DHS needs to more fully integrate and strengthen its management functions, including acquisition and human capital management; more fully adopt risk-based principles in allocating resources to the areas of greatest need; and enhance the effectiveness of information sharing among federal agencies and with state and local governments and the private sector.

- **The decennial census:** Soon after taking office, the new administration will face decisions that will shape the outcome of the 2010 decennial census. Next spring the first nationwide field operation—address canvassing—of the census will begin. During address canvassing, the Census Bureau will rely, for the first time, on hand-held computers to verify address and map information. A complete and accurate address list is the cornerstone of a successful census. Earlier this year, we designated the decennial census as a high-risk area, in part, because of ongoing challenges in managing information technology—including hand-held computers—and uncertainty over the total cost of the decennial census

and the Bureau's plans for rehearsing its field operations. The Bureau has taken some important steps to get the census back on track but did not rehearse its largest and most costly field operation—non-response follow-up—and has little time for further course correction as it prepares to carry out the national head count. The results of the 2010 census are central to apportionment, redistricting congressional boundaries, and distributing hundreds of billions of dollars in federal aid.

- **Retirement of the space shuttle**: A decision that must be made before the year is out is whether to retire the space shuttle in 2010, as currently planned, or to extend its life in view of limited options for supporting the International Space Station. Already, shuttle contracts are being phased out and shuttle facilities are being closed or transferred to contracts supporting new development efforts. A decision in favor of extending the shuttle may offer the best course for the future of the International Space Station, as (1) the recent conflict between Russian and the Georgian Republic has called into question the wisdom of relying on Russian space vehicles to ferry U.S. crew and cargo to and from the station during a 5-year gap in U.S. human spaceflight capability and (2) it still appears that other vehicles being developed to support the station—including those from commercial suppliers as well as NASA—may not be ready when anticipated. However, extending the shuttle could also have significant consequences on the future direction of human spaceflight for the U.S. Specifically, NASA is counting on the retirement of the shuttle to free up resources to pursue a new generation of space flight vehicles for exploration, which are anticipated to come on-line in 2015. According to NASA, reversing current plans and keeping the shuttle flying past 2010 would cost $2.5 billion to $4 billion per year. In addition, extending the shuttle will likely be logistically difficult, particularly since it would require restarting production lines and possibly recertifying suppliers as well as the shuttle vehicles.

While facing pressing issues, the next Congress and new administration also inherit the federal government's serious long-term fiscal challenge—driven on the spending side by rising health care costs and changing demographics. This challenge is complicated by the need to timely address developments such as the recent economic pressures and troubles in the housing and financial markets. Ultimately, however, the new administration and Congress will need to develop a strategy to address the federal government's long-term unsustainable fiscal path.

Highlight the Growing Need for Innovative, Integrated Approaches to Solve National and Global Challenges

Planning for the transition will necessarily need to address the fact that achieving meaningful national results in many policy and program areas requires some combination of coordinated efforts among various actors across federal agencies, often with other governments (for example, internationally and at state and local levels), non-government organizations (NGO), for-profit and not for-profit contractors, and the private sector. In recognition of this fact, recent years have seen the adoption of a range of national plans and strategies to bring together decision makers and stakeholders from different locations, types of organizations, and levels of government. For example, the National Response Plan is intended to be an all-discipline, all-hazards plan that establishes a single, comprehensive framework for managing domestic incidents where involvement is necessary among many levels of government, the private sector, and nonprofit organizations. The response and recovery efforts after 9/11 and natural disasters, the nation's preparations for a possible influenza pandemic, and the need to address global food insecurity are some of the many public issues that vividly underscore the critical importance of employing broad governance perspectives to meet global and national needs. Our transition work will highlight challenges the new Congress and next administration face in devising integrated solutions to such multi-dimensional problems. Some examples follow:

- **Care for servicemembers:** Over the last several years, more than 30,000 servicemembers have been wounded in action; many with multiple serious injuries such as amputations, traumatic brain injury, and post-traumatic stress disorder. We have identified substantial weaknesses in the health care these wounded warriors are receiving as well as the complex and cumbersome DOD and VA disability systems they must navigate. While improvement efforts have started, addressing the critical continuity of care issues will require sustained attention, systematic oversight by DOD and VA, and sufficient resources.

- **Health care in an increasingly global market and environment:** The spread of severe acute respiratory syndrome (SARS) from China in 2002, recent natural disasters, and the persistent threat of an influenza pandemic all highlight the need to plan for a coordinated response to large-scale public health emergencies. Federal agencies must work with one another and with state and local governments, private organizations, and international partners to identify and assess the magnitude of threat, develop effective countermeasures (such as vaccines), and marshal the resources required for an effective public health response. Our transition work on these topics—including work related to such emergencies as

SARS, Hurricane Katrina, pandemic influenza, bioterrorism, and TB—will highlight that federal agencies still face challenges such as coordinating response efforts and developing the capacity for a medical surge in mass casualty events.

- **Food safety:** The fragmented nature of the federal food oversight system undermines the government's ability to plan more strategically to inspect food-production processes, identify and react more quickly to outbreaks of food-borne illnesses, and focus on promoting the safety and integrity of the nation's food supply. Fifteen federal agencies collectively administer at least 30 laws related to food safety. We have recommended, among other things, that the executive branch reconvene the President's Council on Food Safety to facilitate interagency coordination on food safety regulation and programs.

- **Surface transportation:** The nation's transportation infrastructure—its aviation, highway, transit, and rail systems—is critical to the nation's economy and affects the daily lives of most Americans. Despite large increases in federal spending on America's vital surface transportation system, this investment has not commensurately improved the performance of the system. Growing congestion has created by one estimate a $78 billion annual drain on the economy, and population growth, technological change, and the increased globalization of the economy will further strain the system. We have designated transportation finance a high-risk area and have called for a fundamental reexamination and restructured approach to our surface transportation policies, which experts have suggested need to recognize emerging national and global imperatives, such as reducing the nation's dependence on foreign fuel sources and minimizing the impact of the transportation system on the global climate change.

- **Disaster response:** Hurricane Katrina demonstrated the critical importance of the capability to implement an effective and coordinated response to catastrophes that leverages needed resources from across the nation, including all levels of government as well as nongovernmental entities. While the federal government has made progress since Katrina, as shown in the recent response to Hurricane Gustav, we have reported that the administration still does not have a comprehensive inventory of the nation's response capabilities or a systematic, comprehensive process to assess capabilities at the local, state, and federal levels based on commonly understood and accepted metrics for measuring those capabilities. We have work under way to identify the actions that DHS and the Federal Emergency Management Agency (FEMA) have taken to implement the provisions of the Post-Katrina Emergency Management

Reform Act, which charged FEMA with the responsibility for leading and supporting the nation in a comprehensive risk-based emergency management system—a complex task that requires clear strategic vision, leadership, and the development of effective partnerships among governmental and nongovernmental entities.

- **Cyber critical infrastructures:** Cyber critical infrastructures are systems and assets incorporating information technology—such as the electric power grid and chemical plants—that are so vital to the nation that their incapacitation or destruction would have a debilitating impact on national security, our economy, and public health and safety. We have made numerous recommendations aimed at protecting these essential assets and addressing the many challenges that the federal government faces in working with both the private sector and state and local governments to do so—such as improving threat and vulnerability assessments, enhancing cyber analysis and warning capabilities, securing key systems, and developing recovery plans. Until these and other areas are effectively addressed, our nation's cyber critical infrastructure is at risk of the increasing threats posed by terrorists, foreign intelligence services, and others.

Also, more broadly, the Government Performance and Results Act of 1993 (GPRA) calls for a governmentwide performance plan to help Congress and the executive branch address critical federal performance and management issues, including redundancy and other inefficiencies. Unfortunately, the promise of this important provision has not been realized. The agency-by-agency focus of the budget does not provide for the needed strategic, longer range, and integrated perspective of government performance. A broader performance plan would provide the President with an opportunity to assess and communicate the relationship between individual agency goals and outcomes that transcend federal agencies.

Document Targeted Opportunities to Conserve Resources That Can Be Applied to New Initiatives

Our transition work will identify opportunities to limit costs and reduce waste across a broad spectrum of programs and agencies. While these opportunities will not eliminate the need to address more fundamental long-term fiscal challenges the federal government faces, concerted attention by the new administration could conserve resources for other priorities and improve the government's image. Examples of areas we will highlight and for which we will suggest needed action follow:

- **Improper payments:** For fiscal year 2007, agencies reported improper payment estimates of about $55 billion—including programs such as

Medicaid, Food Stamps, Unemployment Insurance, and Medicare. The governmentwide estimate has steadily increased over the past several years; yet even the current estimate does not reflect the full scope of improper payments. Further, major management challenges and internal control weaknesses continue to plague agency operations and programs susceptible to significant improper payments. Addressing these challenges and internal control weaknesses will better ensure the integrity of payments and minimize the waste of taxpayers' dollars.

- **DOD cost overruns:** Total acquisition cost growth on the 95 major defense programs in DOD's fiscal year 2007 portfolio is now estimated at $295 billion, and of the weapon programs we assessed this year, none had proceeded through development meeting the best practice standards for mature technologies, stable design, and mature production processes—all prerequisites for achieving planned cost and schedule outcomes. DOD expects to invest about $900 billion (fiscal year 2008 dollars) over the next 5 years on development and procurement, with more than $335 billion, or 37 percent, going specifically for new major weapon systems. Yet, much of this investment will be used to address cost overruns rooted in poor planning, execution, and oversight. By adopting best practices on individual programs and strengthening oversight and accountability for better outcomes, as we have consistently recommended, cost and schedule growth could be significantly reduced.

- **DOD secondary inventory:** DOD expends considerable resources to provide logistics support for military forces, and the availability of spare parts and other critical items provided through DOD's supply chains affects military readiness and capabilities. DOD officials have estimated that the level of investment in DOD's supply chains is more than $150 billion a year, and the value of its supply inventories has grown by tens of billions of dollars since fiscal year 2001. However, as we have reported over the years, DOD continues to have substantial amounts of secondary inventory (spare parts) that are in excess to requirements. Most recently, in 2007, we reported that more than half of the Air Force's secondary inventory, worth an average of $31.4 billion, was not needed to support required inventory levels from fiscal years 2002 through 2005, although increased demand due to ongoing military operations contributed to slight reductions in the percentage of inventory on hand and the number of years of supply it represents. In ongoing reviews of the Navy's and the Army's secondary inventory, we are finding that these services also continue to have significant amounts of inventory that exceed current requirements. To reduce its investment in spare parts that are in excess of requirements, DOD will need to strengthen the accountability and management of its secondary inventory.

- **Oil and gas royalties:** In fiscal year 2007, the Department of Interior's Minerals Management Service collected over $9 billion in oil and gas royalties, but our work on the collection of federal royalties has found numerous problems with policies, procedures, and internal controls that raise serious doubts about the accuracy of these collections. We also found that past implementation of royalty relief offered some oil and gas companies during years of low oil and gas prices did not include provisions to remove the royalty relief in the event that oil and gas prices rose as they have, and this failure to include such provisions will likely cost the federal government tens of billions of dollars over the working lives of the affected leases. Finally, we have found that the federal government ranks low among nations in terms of the percentage of total oil and gas revenue accruing to the government. We have ongoing reviews of Interior's oil- and gas-leasing and royalty policies and procedures and reports based on this work should be publicly released within the next few months.

- **The tax gap:** The tax gap—the difference between taxes legally owed and taxes paid on time—is a long-standing problem in spite of many efforts by Congress and the Internal Revenue Service (IRS) to reduce it. Recently, IRS estimated a net tax gap for tax year 2001 of about $290 billion. We have identified the need to take multiple approaches to reduce the tax gap, and specifically have recommended ways for IRS to improve its administration of the tax laws in many areas, including payroll taxes, rental real estate income, the individual retirement account rules, income sent offshore, and collecting tax debts. We also suggested that Congress consider improving tax administration or revising tax policies related to governmental bonds, the tax preparation industry, and accelerated depreciation for Indian reservations.

Ultimately, long-term fiscal pressures and other emerging forces will test the capacity of the policy process to reexamine and update priorities and portfolios of federal entitlement programs, policies, programs, commitments, and revenue approaches. In that regard, the "base" of government—spending and revenue—also must be reassessed so that emerging needs can be addressed while outdated and unsustainable efforts can be either reformed or eliminated. Tax expenditures should be part of that reassessment. Spending channeled through the tax code results in forgone federal revenue that summed to an estimated $844 billion in 2007 and has approximated the size of total discretionary spending in some years. Yet, little is known about the performance of credits, deductions, and other tax preferences, statutorily defined as tax expenditures, which are often aimed at policy goals similar to those of

federal spending programs. Because tax expenditures represent a significant investment of resources, and in some program areas are the main tool used to accomplish federal goals, this is a significant gap in the information available to decision makers.

Underscore Critical Capacity Building Needs in Individual Agencies That Will Affect Implementation of Whatever New Priorities Are Pursued

While some progress has been made in recent years, agencies still all too often lack the basic management capabilities needed to address current and emerging demands. As a result, any new administration will face challenges in implementing its policy and program agendas because of shortcomings in agencies' management capabilities. Accordingly, our transition effort will synthesize our wide range of work and identify the key management challenges unique to individual departments and major agencies. Additionally, our transition work will emphasize five key themes common to virtually every government agency.

- **Select a senior leadership team that has the experience needed to run large, complex organizations:** It is vitally important that leadership skills, abilities, and experience be among the key criteria the new President uses to select his leadership teams in the agencies. The Senate's interest in leveraging its role in confirmation hearings as evidenced by Senator Voinovich's request to us to suggest management-related confirmation questions and your interest in hearings such as this one will send a strong message that nominees should have the requisite skills to deal effectively with the broad array of complex management challenges they will face. It is also critical that they work effectively with career executives and agency staff.

  Given that management improvements and transformations can take years to achieve, steps are needed to ensure a continuous focus on those efforts. Agencies need to develop executive succession and transition-planning strategies that seek to sustain commitment as individual leaders depart and new ones arrive. For example, in creating a Chief Management Officer (CMO) position for DHS, Congress has required the DHS CMO to develop a transition and succession plan to guide the transition of management functions with a new administration. More broadly speaking, though, the creation of a chief operating officer (COO)/CMO position in selected federal agencies can help elevate, integrate, and institutionalize responsibility for key management functions and transformation efforts and provide continuity of leadership over a long term. For example, because of its long-standing management weaknesses and high-risk operations, we have long advocated the need for a COO/CMO for DOD to advance management integration and business transformation in the

department. In the fiscal year 2008 National Defense Authorization Act, Congress designated the Deputy Secretary of Defense as the department's CMO.

- **Strengthen the capacity to manage contractors and recognize related risks and challenges:** Enhancing acquisition and contracting capability will be a critical challenge for many agencies in the next administration in part because many agencies (for example, DOD, DHS, the Department of Energy, and the Centers for Disease Control and Prevention) are increasingly reliant on contractors to carry out their basic operations. In fiscal year 2007, federal agencies spent $436 billion on contracts for products and services. At the same time, our high-risk list areas include acquisition and contract management issues that collectively expose hundreds of billions of taxpayer dollars to potential waste and misuse. To improve acquisition outcomes, we have stated that agencies need a concentrated effort to address existing problems while facilitating a reexamination of the rules and regulations that govern the government-contractor relationship in an increasingly blended workforce. For example, since agencies have turned to contractor support to augment their capabilities, they need to ensure that contractors are playing appropriate roles and that the agencies have retained sufficient in-house workforce capacity to monitor contractor cost, quality, and performance.

- **Better manage information technology (IT) to achieve benefits and control costs:** A major challenge for the federal government is managing its massive investment in IT—currently more than $70 billion annually. Our reports have repeatedly shown that agencies and the government as a whole face challenges in prudently managing major modernization efforts, ensuring that executives are accountable for IT investments, instituting key controls to help manage such projects, and ensuring that computer systems and information have adequate security and privacy protections.

  The Office of Management and Budget (OMB) identifies major projects that are poorly planned by placing them on a Management Watch List and requires agencies to identify high-risk projects that are performing poorly. OMB and federal agencies have identified approximately 413 IT projects—totaling at least $25.2 billion in expenditures for fiscal year 2008—as being poorly planned, poorly performing, or both. OMB has taken steps to improve the identification of the Management Watch List and high-risk projects since GAO testified last September, including publicly disclosing reasons for placement on the Management Watch List and clarifying high-risk project criteria. However, more needs to be done by both OMB and the agencies to address recommendations GAO has previously made to improve the planning, management, and oversight of poorly planned and

performing projects so that potentially billions in taxpayer dollars are not wasted.

- **Address human capital challenges:** Governmentwide, about one-third of federal employees on board at the end of fiscal year 2007 will become eligible to retire on the new administration's watch. Certain occupations—air traffic controllers and customs and border protection personnel among them—are projected to have particularly high rates of retirement eligibility come 2012. As experienced employees retire, they leave behind critical gaps in leadership and institutional knowledge, which could adversely affect the government's ability to carry out its diverse responsibilities. Agencies must recruit and retain employees able to create, sustain, and thrive in organizations that are flatter, results-oriented, and externally focused, and who can collaborate with other governmental entities as well as with the private and nonprofit sectors to achieve desired outcomes. The Office of Personnel Management needs to continue to ensure that its own workforce has the skills needed to successfully guide agency human capital improvements and agencies must make appropriate use of available authorities to acquire, develop, motivate, and retain talent.

- **Build on the progress of the statutory management framework:** Over the last 2 decades, Congress has put in place a legislative framework for federal management that includes results-based management, information technology, and financial management reforms. As a result of this framework and the efforts of Congress and the Bush and Clinton administrations, there has been substantial progress in establishing the basic infrastructure needed to create high-performing organizations across the federal government. However, work still remains and sustained attention by Congress and the incoming administration will be a critical factor in ensuring the continuing and effective implementation of the statutory management reforms.

Help Inform the Management Improvement Agendas of Congress and the New Administration

Initiated in 1990, GAO's high-risk program has brought a much greater focus to areas in need of broad-based transformations and those vulnerable to waste, fraud, abuse, and mismanagement. It also has provided the impetus for the creation of several statutory management reforms. GAO's current high-risk list covers 28 areas, as shown in the chart below.

Our updates to the list, issued every 2 years at the start of each new incoming Congress, have helped in setting congressional oversight agendas. The support of this Subcommittee and others in Congress has been especially important to the success of this program. Further, administrations have consistently turned to the high-risk list in framing

their management improvement initiatives. The current administration in particular, working with Congress, has provided a valuable and focused effort in requiring agencies to develop meaningful corrective action plans for each area that we have designated as high-risk. As a consequence of efforts by Congress, the agencies, OMB, and others, much progress has been made in many high-risk areas, but key issues need continuing attention. Sustained efforts in these areas by the next Congress and administration will help improve service to the American public, strengthen public confidence in the government's performance and accountability, potentially save billions of dollars, and ensure the ability of government to deliver on its promises.

GAO High-Risk list as of September 2008

High-Risk Areas	Year designated high risk
Addressing Challenges In Broad-Based Transformations	
• Strategic Human Capital Management[a]	2001
• Managing Federal Real Property[a]	2003
• Protecting the Federal Government's Information Systems and the Nation's Critical Infrastructures	1997
• Implementing and Transforming the Department of Homeland Security	2003
• Establishing Appropriate And Effective Information-Sharing Mechanisms to Improve Homeland Security	2005
• DOD Approach to Business Transformation[a]	2005
• DOD Business Systems Modernization	1995
• DOD Personnel Security Clearance Program	2005
• DOD Support Infrastructure Management	1997
• DOD Financial Management	1995
• DOD Supply Chain Management	1990
• DOD Weapon Systems Acquisition	1990
• FAA Air Traffic Control Modernization	1995
• Financing the Nation's Transportation System[a]	2007
• Effective Protection of Technologies Critical to U.S. National Security Interests[a]	2007
• Transforming Federal Oversight of Food Safety[a]	2007
• The 2010 Census **(New)**	2008
Managing Federal Contracting More Effectively	
• DOD Contract Management	1992
• DOE Contract Management	1990
• NASA Contract Management	1990
• Management of Interagency Contracting	2005
Assessing the Efficiency and Effectiveness of Tax Law Administration	
• Enforcement of Tax Laws[a]	1990
• IRS Business Systems Modernization	1995
Modernizing and Safeguarding Insurance and Benefit Programs	
• Modernizing Federal Disability Programs[a]	2003
• PBGC Single-Employer Pension Insurance Program	2003
• Medicare Program[a]	1990
• Medicaid Program[a]	2003
• National Flood Insurance Program[a]	2006

Source: GAO.

[a]Legislation likely to be necessary to supplement executive branch actions to address this area.

Monitor the Implementation of the Presidential Transition Act Provisions and Identify Potential Improvements for Future Transitions

The world has obviously changed a great deal since the Presidential Transition Act of 1963. And while there have been periodic amendments to the Act, neither the Act nor the transition process itself has been subject to a comprehensive or systematic assessment of whether the Act is setting transitions up to be as effective as they might be. We will be monitoring the transition and reaching out to the new administration, Congress, and outside experts to identify lessons learned and any needed improvements in the Act's provisions for future transitions.

On a related matter, concerns are always expressed during any transition about the conversion of noncareer political appointees from the existing administration to civil service career appointments. Civil service laws, rules, and regulations, require that all personnel actions, including such conversions, remain free of political influence or other improprieties and meet the nine standards known as "merit system principles." During a presidential election period, the Office of Personnel Management (OPM) conducts a pre-appointment review of all competitive service appointment actions that involve the appointment or conversion of a Schedule C or Noncareer Senior Executive Service (SES) employee.[1]

At the request of Congress, we have regularly reported on such conversions for many years. Most recently, we reported in 2006 that for the period of May 2001 through April 2005, 23 of 41 agencies reviewed reported converting 144 individuals from noncareer to career positions, 130 individuals at the GS-12 level or higher. The remaining 18 agencies reported making no conversions. We found that agencies used appropriate authorities and followed procedures in making the majority (93) of the 130 conversions reported at the GS-12 level or higher. It appeared that agencies did not follow proper procedures for 18 conversions, including by creating career positions specifically for particular individuals, posting SES vacancy announcements for less than the minimum time requirement, and failing to apply veteran's preference; we referred those 18 conversions to the Office of Personnel Management and recommended that the Director determine whether additional actions were needed. For the other 19, agencies did not provide enough information for us to make an assessment.

[1]A Schedule C is an appointment of an individual to a position at GS-15 or below that is excepted from competitive appointment procedures because of the appointee's policy-making role or confidential working relationship with the agency head or top appointed official. A noncareer SES is a noncompetitive appointment to a position above GS-15 serving at the pleasure of the appointing authority and not meeting the conditions for a career or career limited term appointment.

Congress has again turned to us to monitor conversions. Specifically, we have been asked to report for 42 agencies on (1) the number and types of conversions of individuals holding noncareer positions to career positions from May 2005 through May 2009 and (2) whether agencies used appropriate appointment authorities and followed proper procedures consistent with merit systems principles in making the conversions. We expect to provide the requesters with interim information on our findings and issue a final report early in spring 2010.

Finally, as you may know, under the Federal Vacancies Reform Act of 1998,[2] federal agencies must file reports with the Comptroller General and each House of Congress on certain executive office positions that require Presidential nomination and Senate confirmation. Agencies are required to report (1) the vacancy and the date of the vacancy, (2) the name of any person serving in an acting capacity and the date such service began, (3) the name of any person nominated to the Senate to fill the position and the date of the nomination, and (4) the date of a rejection, withdrawal, or return of a nomination. To meet our responsibilities under the Act, we maintain a database on our Web site (www.gao.gov) of current and past vacant positions, based on the reports submitted by the agencies. The law also requires us to inform relevant congressional committees, the President, and OPM if an acting officer is serving longer than the specified period under the Act (210 days, except following a Presidential inauguration when the period is 300 days). We have issued 12 such letters since 1998.

In summary, our goal will continue to be to provide congressional and executive branch policy makers with a comprehensive snapshot of how things are working across government and to emphasize the need to update some federal activities to better align them with 21st century realities and bring about government transformation. In keeping with our role, we will be providing Congress and the executive branch with clear facts and constructive options and suggestions that our elected officials can use to make policy choices in this pivotal transition year. The nation's new and returning leaders will be able to use such information to help address both the nation's urgent issues and long-term challenges so that our nation stays strong and secure now and for the next generation.

[2] 5 U.S.C. §§ 3345 - 3349d (2006).

Chairman Towns, Mr. Bilbray, and Members of the Subcommittee, this concludes my prepared statement. I would be happy to respond to any questions you may have.

Related GAO Products

Oversight of Financial Institutions and Markets	*Housing Government-Sponsored Enterprises: A Single Regulator Will Better Ensure Safety and Soundness and Mission Achievement* (GAO-08-563T, Mar. 6, 2008). *Financial Regulation: Industry Trends Continue to Challenge the Federal Regulatory Structure* (GAO-08-32, Oct. 12, 2007).
U.S. Efforts in Iraq, Afghanistan, and Pakistan	*Operation Iraqi Freedom: Actions Needed to Enhance DOD Planning for Reposturing of U.S. Forces from Iraq* (GAO-08-930, Sept. 10, 2008). *Securing, Stabilizing, and Reconstructing Afghanistan: Key Issues for Congressional Oversight* (GAO-07-801SP, May 24, 2007). *Securing, Stabilizing and Rebuilding Iraq: Progress Report: Some Gains Made, Updated Strategy Needed* (GAO-08-837, June 23, 2008). *Combating Terrorism: The United States Lacks Comprehensive Plan to Destroy the Terrorist Threat and Close the Safe Haven in Pakistan's Federally Administered Tribal Areas* (GAO-08-622, April 17, 2008). *Combating Terrorism: Increased Oversight and Accountability Needed over Pakistan Reimbursement Claims for Coalition Support Funds* (GAO-08-806, June 24, 2008)
DOD's Readiness and Capabilities	*Military Readiness: Impact of Current Operations and Actions Needed to Rebuild Readiness of U.S. Ground Forces* (GAO-08-497T, Feb. 14, 2008). *Force Structure: Restructuring and Rebuilding the Army Will Cost Billions of Dollars for Equipment but the Total Cost Is Uncertain* (GAO-08-669T, Apr. 10, 2008).
Protecting the Homeland	*Department of Homeland Security: Progress Report on Implementation of Mission and Management Functions* (GAO-07-454, Aug. 17, 2007). *Department of Homeland Security: Progress Made in Implementation of Management Functions, but More Work Remains* (GAO-08-646T, Apr. 9, 2008).

The Decennial Census	*2010 Census: Census Bureau's Decision to Continue with Handheld Computers for Address Canvassing Makes Planning and Testing Critical* (GAO-08-936, July 31, 2008). *Information Technology: Significant Problems of Critical Automation Program Contribute to Risks Facing 2010 Census* (GAO-08-550T, Mar. 5, 2008).
Retirement of the Space Shuttle	*NASA: Challenges in Completing and Sustaining the International Space Station* (GAO-08-581T, Apr. 24, 2008). *NASA: Ares I and Orion Project Risks and Key Indicators to Measure Progress* (GAO-08-186T, Apr. 3, 2008).
Long-Term Fiscal Outlook	*The Nation's Long-Term Fiscal Outlook: April 2008 Update* (GAO-08-783R, May 16, 2008). *Budget Issues: Accrual Budgeting Useful in Certain Areas but Does Not Provide Sufficient Information for Reporting on Our Nation's Longer-Term Fiscal Challenge* (GAO-08-206, Dec. 20, 2007). *Fiscal Exposures: Improving the Budgetary Focus on Long-Term Costs and Uncertainties* (GAO-03-213 (Jan. 24, 2003). *Long-Term Fiscal Outlook: Long-Term Federal Fiscal Challenge Driven Primarily by Health Care* (GAO-08-912T, June 17, 2008).
Wounded Servicemembers	*DOD and VA: Preliminary Observations on Efforts to Improve Care Management and Disability Evaluations for Servicemembers* (GAO-08-514T, Feb. 27, 2008). *DOD and VA: Preliminary Observations on Efforts to Improve Health Care and Disability Evaluations for Returning Servicemembers* (GAO-07-1256T, Sept. 26, 2007).
Health Care in an Increasingly Global Market and Environment	*Emergency Preparedness: States are Planning for Medical Surge, but Could Benefit from Shared Guidance for Allocating Scarce Medical Resources* (GAO-08-668, June 13, 2008).

	Influenza Pandemic: Efforts Under Way to Address Constraints on Using Antivirals and Vaccines to Forestall a Pandemic (GAO-08-92, Dec. 21, 2007).
Food Safety	*Federal Oversight of Food Safety: High-Risk Designation Can Bring Needed Attention to Fragmented System* (GAO-07-449T, Feb. 8, 2007). *Federal Oversight of Food Safety: FDA's Food Protection Plan Proposes Positive First Steps, but Capacity to Carry Them Out Is Critical* (GAO-08-435T, Jan. 29, 2008).
Surface Transportation	*Surface Transportation Programs: Proposals Highlight Key Issues and Challenges in Restructuring the Programs* (GAO-08-843R, July 29, 2008). *Surface Transportation: Restructured Federal Approach Needed for More Focused, Performance-Based, and Sustainable Programs* (GAO-08-400, Mar. 6, 2008).
Disaster Response	*Catastrophic Disasters: Enhanced Leadership, Capabilities, and Accountability Controls Will Improve the Effectiveness of the Nation's Preparedness, Response, and Recovery System* (GAO-06-618, Sept. 6, 2006). *Emergency Management: Observations on DHS's Preparedness for Catastrophic Disasters* (GAO-08-868T, June 11, 2008).
Cyber Critical Infrastructure Protection	*Critical Infrastructure Protection: Sector-Specific Plans' Coverage of Key Cyber Security Elements Varies* (GAO-08-113, Oct. 31, 2007). *Critical Infrastructure Protection: Multiple Efforts to Secure Control Systems Are Under Way, but Challenges Remain* (GAO-07-1036, Sept. 10, 2007).
Improper Payments	*Improper Payments: Status of Agencies' Efforts to Address Improper Payment and Recovery Auditing Requirements* (GAO-08-438T, Jan. 31, 2008). *Fiscal Year 2007 U.S. Government Financial Statements: Sustained Improvement in Financial Management Is Crucial to Improving*

	Accountability and Addressing the Long-Term Fiscal Challenges (GAO-08-847T, June 5, 2008).
DOD Cost Overruns	*Defense Acquisitions: Better Weapon Program Outcomes Require Discipline, Accountability, and Fundamental Changes in the Acquisition Environment* (GAO-08-782T, June 3, 2008). *Defense Acquisitions: Assessments of Selected Weapon Programs.* (GAO-08-467SP, Mar. 31, 2008).
DOD Supply Chain Management	*DOD's High-Risk Areas: Efforts to Improve Supply Chain Can Be Enhanced by Linkage to Outcomes, Progress in Transforming Business Operations, and Reexamination of Logistics Governance and Strategy* (GAO-07-1064T, July 10, 2007). *Defense Inventory: Opportunities Exist to Save Billions by Reducing Air Force's Unneeded Spare Parts Inventory* (GAO-07-232, Apr. 27, 2007).
Oil and Gas Royalties	*Oil and Gas Royalties: The Federal System for Collecting Oil and Gas Revenues Needs Comprehensive Reassessment* (GAO-08-691, Sept. 3, 2008). *Mineral Revenues: Data Management Problems and Reliance on Self-Reported Data for Compliance Efforts Put MMS Royalty Collections at Risk* (GAO-08-893R, Sept. 12, 2008).
The Tax Gap	*Highlights of the Joint Forum on Tax Compliance: Options for Improvement and Their Budgetary Potential* (GAO-08-703SP, June 2008). *Tax Compliance: Multiple Approaches Are Needed to Reduce the Tax Gap* (GAO-07-488T, Feb. 16, 2007).
Tax Expenditures	*Government Performance and Accountability: Tax Expenditures Represent a Substantial Federal Commitment and Need to Be Reexamined* (GAO-05-690, Sept. 23, 2005). *Higher Education: Multiple Higher Education Tax Incentives Create Opportunities for Taxpayers to Make Costly Mistakes* (GAO-08-717T, May 1, 2008).

Senior Leadership Team	*Organizational Transformation: Implementing Chief Operating Officer/Chief Management Officer Positions in Federal Agencies* (GAO-08-34, Nov. 1, 2007).
Contract Management	*Defense Management: DOD Needs to Reexamine Its Extensive Reliance on Contractors and Continue to Improve Management and Oversight* (GAO-08-572T, Mar. 11, 2008). *Federal Acquisitions and Contracting: Systemic Challenges Need Attention* (GAO-07-1098T, July 17, 2007).
Information Technology Management	*Information Technology: OMB and Agencies Need to Improve Planning, Management, and Oversight of Projects Totaling Billions of Dollars* (GAO-08-1051T, July 31, 2008). *Information Security: Progress Reported, but Weaknesses at Federal Agencies Persist* (GAO-08-571T, Mar. 12, 2008).
Human Capital	*Office of Personnel Management: Opportunities Exist to Build on Recent Progress in Internal Human Capital Capacity* (GAO-08-11, Oct. 31, 2007). *Human Capital: Transforming Federal Recruiting and Hiring Efforts* (GAO-08-762T, May 8, 2008).
High-Risk Series	*High-Risk Series: An Update* (GAO-07-310, Jan. 31, 2007).
Oversight Letter	*Suggested Areas for Oversight for the 110th Congress* (GAO-07-235R, Nov. 17, 2006).

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site (www.gao.gov). Each weekday, GAO posts newly released reports, testimony, and correspondence on its Web site. To have GAO e-mail you a list of newly posted products every afternoon, go to www.gao.gov and select "E-mail Updates."

Order by Mail or Phone

The first copy of each printed report is free. Additional copies are $2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. Government Accountability Office
441 G Street NW, Room LM
Washington, DC 20548

To order by Phone: Voice: (202) 512-6000
TDD: (202) 512-2537
Fax: (202) 512-6061

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: www.gao.gov/fraudnet/fraudnet.htm
E-mail: fraudnet@gao.gov
Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Ralph Dawn, Managing Director, dawnr@gao.gov, (202) 512-4400
U.S. Government Accountability Office, 441 G Street NW, Room 7125
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548

PRINTED ON RECYCLED PAPER

Mr. TOWNS. Ms. Lovelace.

STATEMENT OF GAIL LOVELACE

Ms. LOVELACE. Good afternoon, Chairman Towns, Congressman Bilbray and Congressman Platts. Thank you for the opportunity to appear before you on behalf of the General Services Administration.

Presidential transition is the top priority for GSA as stated by our Acting Administrator, Mr. Jim Williams, during his confirmation hearing. Jim has made it quite clear to all of us at GSA that we will be and are fully committed to a successful and smooth transition from the current administration to the next.

I believe that the transition is an exciting time for us in the government. I'm honored to be able to play a role in ensuring a smooth transition as envisioned by Presidential Transition Act of 1963.

At GSA, we deliver superior workplaces, quality acquisition services, and expert business solutions to our Federal customers. Our responsibility during Presidential transition is to provide many of those same services to the President-elect, Vice President-elect and members of the Presidential transition team.

We started early and have good teams in place. We have secured space in Washington, DC, for the Presidential transition team and are currently well positioned to provide furniture, parking, office equipment, supplies, telecommunications, mail management, travel, financial management, vehicles, information technology, human resources management, contracting, and other logistical support as necessary and appropriate.

We are partnering with the Secret Service and the Federal Protective Service, both part of the Department of Homeland Security, as they provide security for the President-elect and Vice President-elect. We recognize that a transition can be perceived as a time of vulnerability for our country, and we have identified alternate locations and workplace solutions for the Presidential transition team in the event of an emergency.

GSA provides space, services and logistical support to the Presidential Inaugural Committee and the teams that plan and stage the various events that make up the Presidential inauguration. GSA provides similar logistical support services to President Bush and to Vice President Cheney to help them establish their offices when they depart the White House. GSA assists in establishing the former President's office, as we do for all former Presidents.

The Presidential Transition Act of 2000 expanded our role in transitions specifically in two areas: We now prepare a transition directory in conjunction with the National Archives and Records Administration, and we assist the incoming administration with appointee orientation.

The President's fiscal year 2009 budget requested $8.5 million to support Presidential transition. In the event of a continuing resolution, GSA will need to make sure that funds are available for obligation by the incoming administration. This will require a special provision in the continuing resolution.

Looking inside Federal agencies, I've had the pleasure of meeting with many agencies individually and in groups to explain GSA's unique role with them and to share some ideas about getting

ready. We've created a special Web site, a section on our Web site, to share information about transition.

As Clay mentioned, just this morning we held a meeting with agency transition directors. This session reinforced transition guidance that was recently issued by the executive office of the President.

Like all other agencies, GSA is diligently working to ensure a smooth transition within our agency. We have created teams and empowered them to ensure that we have a successful transition as well. As an agency, I believe we are well positioned to do our part to ensure a smooth transition.

In closing, Chairman Towns and members of the subcommittee, I would like to thank you for the opportunity to address you this afternoon; and I would be happy to answer any questions.

Mr. TOWNS. Thank you very much.

[The prepared statement of Ms. Lovelace follows:]

STATEMENT OF

GAIL T. LOVELACE

CHIEF HUMAN CAPITAL OFFICER

U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

SUBCOMMITTEE ON GOVERNMENT MANAGEMENT, ORGANIZATION AND PROCUREMENT

U.S. HOUSE OF REPRESENTATIVES

SEPTEMBER 24, 2008

Good afternoon Chairman Towns and Members of the Subcommittee. Thank you for the opportunity to appear before you today on behalf of the General Services Administration (GSA). My name is Gail Lovelace and I am GSA's Senior Career Executive for Presidential Transition. The Presidential Transition is the top priority for GSA. Acting Administrator Jim Williams, and all of us at GSA, are fully committed to a successful and smooth transition from the current Administration to the next.

As a former Political Science major, I believe that the transition from one administration to the next is an exciting time for our government. I am honored to be able to play a role in ensuring a smooth transition as envisioned by the Presidential Transition Act of 1963. As stated in that Act –

> *"The Congress declares it to be the purpose of this Act to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President....."*

As an agency, part of GSA's mission is to leverage the buying power of the Federal Government to acquire best value for taxpayers and our Federal customers. We exercise responsible asset management. We deliver superior workplaces, quality acquisition services, and expert business solutions. In accordance with the Presidential Transition Act of 1963, our responsibility during Presidential Transitions is to provide many of these same services, including

In accordance with our statutory responsibilities, under 40 U.S.C. 581(e), GSA also provides space, services and logistical support to the Presidential Inaugural Committee (PIC) and the team that plans and stages the various events that make up a Presidential Inauguration. Our GSA Inaugural Support Team began preparations in August 2007 and has been in full operation since April 2008. Since June, approximately 200 employees of the Armed Forces Inaugural Committee (AFIC) have occupied the workspace we provided. GSA provided space, IT and telecommunications support as well as several hundred pieces of surplus furniture. GSA is pleased to have prepared AFIC's space in a timely fashion so they can prepare for the Inaugural events. GSA also has saved AFIC money by diligently searching for and providing surplus furniture. GSA currently is preparing space and other logistical support for up to 600 staff members of the PIC.

GSA provides similar logistical support services to President Bush and Vice President Cheney to help them establish their offices when they depart the White House. These services are provided for a 7-month period beginning December 20, 2008. GSA assists in establishing the former President's office and assists in managing the funds for that office, as we do for all former Presidents. Our team

devoted to the outgoing Administration has completed preliminary planning and began coordinating with the Executive Office of the President, the White House Office of Administration, and other agencies at the beginning of the year.

The Presidential Transition Act of 2000 amended the Presidential Transition Act to expand the services that GSA provides to support the incoming Presidential Transition. We coordinate and help to plan and implement orientation activities for key Presidential appointees. The objective of orientation is, and I quote from the Act, "to acquaint them with the types of problems and challenges that most typically confront new political appointees when they make the transition from campaign and other prior activities to assuming the responsibility for governance after inauguration." Orientation activities focus on broad-based executive-level information and may include informal discussions, workshops and other group sessions. Other agencies and non-government organizations may assist in the planning and implementation of these activities. The decision on how this will be carried out rests with the incoming President or his designee.

The Presidential Transition Act of 2000 also authorized GSA to develop a transition directory, in consultation with the National Archives and Records Administration (NARA). The directory provides information about the officers,

organization, and statutory and administrative authorities, functions, duties, responsibilities, and mission of each department and agency. It also provides a variety of other information that may be useful to appointees and members of the Presidential Transition Team.

GSA has already prepared information about appointee orientation for the Presidential Transition Team. We are actively working with NARA to create a Transition summary document and to design and construct the website that will house more detailed information. We have also reached out to the Office of Presidential Personnel, the Office of Personnel Management, the Office of Management and Budget, and the Office of Government Ethics to ask for their assistance in completing this directory.

In accordance with GSA's role in supporting Presidential Transitions – for both incoming and outgoing Presidents -- the FY 2009 President's Budget requested $8,520,000 for this orderly transfer of executive power. Transition funds become available to the incoming administration beginning the day following the day of the general election and ending 30 days following the Inauguration. Funds are available for expenses of the outgoing President from 30 days before, until 6 months after the term of office expire.

GSA serves as the transition manager and advisor on behalf of the President-elect; however, the allocation of the funds is determined by the President-elect and his designee(s). In the event of a Continuing Resolution (CR), GSA will need to make sure that funds will be available for obligation by the incoming administration the day after the general election, which will require a special provision in the CR. We are hopeful Congress will ensure funds are in place for the transition.

Looking inside Federal agencies, the former and recently retired Acting Administrator and I have met with many agencies, individually and in groups, to explain GSA's unique role with them and to share our thoughts and ideas about what it takes to be ready for a transition. I will continue to do this as needed. We have created a special section of our *gsa.gov* website to share information about Presidential Transition with other agencies and the public. We are preparing additional guidance for agencies, building upon our past experiences with transitions. We are actively working with Clay Johnson, OMB Deputy Director of Management, on transition issues.

This is an exciting time for our Government. It is a great testament to our Constitutional system of government, but it can also present many challenges. At the same time, agencies must pave the way for a smooth and orderly

departure of outgoing appointees, as well as prepare information and orientation activities for incoming appointees, they must ensure that essential programs and services continue unimpeded. As one of our GSA employees recently described it, "We have to keep the train on the tracks and running on time."

Like all other agencies, GSA is diligently working to ensure a smooth transition within our agency. We started early in preparing for the transition of our agency's political leadership; we have already conducted several briefings for our current political appointees on what the change of Administration may bring. Transition guidance that was issued by the Executive Office of the President on July 18, 2008, provided us and our fellow agencies with excellent reinforcement on the importance of ensuring a smooth transition. This guidance established target dates for specific activities that will help to ensure an orderly succession in leadership, continuity of operations and public service, and also help non-career employees exit successfully.

In addition to our incoming and outgoing Presidential Transition Teams and our Inaugural team, GSA empowered four teams to plan for a successful internal agency transition. The first team is focused on support to current GSA political appointees who will be leaving. The second team is identifying the actions that must be taken prior to and during the Transition to ensure the continued success of GSA programs, operations and service, including continuity of leadership, transfer of knowledge, and communication with employees. Our leadership succession plan outlines a detailed set of recommendations to make sure there are no gaps in organization leadership. The third team is identifying necessary logistical and information support to members of the Presidential Transition Team that gather information about our agency, such as organization, policies, programs and key issues. And the fourth team is focusing on how to ensure a smooth transition of new appointees into leadership positions within our agency. As an agency, I believe we are well-positioned to ensure a smooth transition inside GSA.

Chairman Towns and Members of the Subcommittee, I want to thank you again for the opportunity to address you this afternoon. Working together as a team, I am sure that the Federal Government will continue with the smooth system of

Presidential Transitions that began when George Washington departed and John Adams assumed the Office of the President of the United States.

Mr. TOWNS. Let me thank all of you for your testimony.

I'd just like to deviate for a moment and allow opening statements.

Ranking Member Mr. Bilbray.

Mr. BILBRAY. Thank you, Mr. Chairman. I appreciate it, and I will ask unanimous consent to introduce a written statement in my opening statement.

Mr. TOWNS. Without objection, so ordered.

Mr. BILBRAY. And, let me just paraphrase. As somebody who has done transitions in many different ways, from when I was a young mayor in my 20's to chairman of a county of 3 million, the transition from one administration to the other is very important; and I think sometimes we forget that there's a trust and a responsibility given to us by the voters in every administration, be it a Member of Congress, be it some—a long-haired mayor in a beach community or if it be a chairman of a county of—larger than 20 States in the Union.

The responsibility does not end when someone else is elected. The responsibility continues to the last moment when the baton is passed, as this hearing has pointed out.

We are an example, Mr. Chairman, of how not to do it; and I will say that regardless of my party affiliation. I think everybody agrees that if we really look back at what happened 8 years ago, that is an example of how not to have a transition, when we saw the kind of abuses and the problems we had with the White House. There was equipment—questions about where it went, damage, records missing, and everything else.

And, I say that with no happy heart. I just remember this happening; and it was a time that I was doing transition and turning over my office to another Member of Congress, a new Member of Congress. This is personal for me. I've had the displeasure of taking over an office from a Member of Congress who basically used the last days of her administrative—her time in office to trash everything so that it was the worst possible, in violation of the oath of serving and protecting the people under the guidance of the Constitution.

And, one of things I said to my staff when I lost the election in 2000 was we're going to do just the opposite of our predecessors. We're going to show our predecessor exactly how somebody is responsible. And I hope, I hope, that is the kind of attitude that this administration takes in the transition, of setting an example of how it should be done. Because, to be very blunt, I think we've had an example of how it shouldn't be done; and, hopefully, that will be a challenge that Republicans and Democrats can work together in this next transition.

So I appreciate the chance to be here today, Mr. Chairman.

Mr. TOWNS. Thank you very much.

I now yield to Congressman Platts.

Mr. PLATTS. Thank you, Mr. Chairman.

I have no opening statement other than to thank the witnesses for being here but, most importantly, for the work you're doing to ensure we do have that type of transition that the ranking member just discussed. Thank you.

Mr. TOWNS. Thank you very much.

Let me begin with the questions.

Let me start with you, Ms. Lovelace. What services do you believe will be the most important for the incoming administration?

Ms. LOVELACE. As we work with both campaigns, we're working through to make sure that we are providing them all of the services that they need so that when they walk through the door, hopefully, the day after election, they are ready to begin their work immediately. So I believe it is the whole suite of services that we provide.

The IT, of course, will be important. The furniture—I mean, it sounds rather trivial, but ensuring that they have everything they need as they walk through the door. I think it's the whole suite of services that we provide that will be credible.

Mr. TOWNS. Mr. Johnson, let me go to you with the same question.

Mr. JOHNSON. I agree with what Gail says. The transition is such an intense time that if the environment is something you don't notice, if it's just there, the things you need, the space, the lights, the paper, the computers, the phones or whatever are there, then you can deal with the intensity and deal with what you've been planning to deal with without being distracted by no lights, no air conditioning, whatever. And so, it's that everything works but yet you don't pay attention to the fact that it works because you're so focused on everything else. I think that's probably the definition of success for GSA, and I'll bet you they'll do a good job of it.

Mr. TOWNS. Right. Let me ask, now, these political appointees, as it comes to the end, they now take jobs in an administration. Is anybody looking at this? Because, I'm concerned about it. Because, I think that if a person is highly qualified and it should be based on merits, rather than political ties or political connections for the next administration to have to deal with. Is anybody looking at this? Because, it happens all the time.

Mr. JOHNSON. Yes, sir. I think it was in June or July that then the head of OPM, Linda Springer, put out some very comprehensive guidance on transition-related personnel matters; and one of them was the potential that you raised of political appointees burrowing in. So, what she defined is all the transition-related matters that the chief human capital community has to deal with, and so defined it very clearly, what's permitted, what's not, what laws allow, what laws don't allow. And so, the chief human capital community is intently focusing on getting the Federal Government to adhere and abide by those policies, just like the CFO Council is working on what their transition-related challenges are and the CIO Council and so forth.

So, it's been raised as an issue, as something that's particularly sensitive during a transition; and it's something that's going to be actively managed. So, yes, people are paying attention to it.

Mr. TOWNS. Mr. Dodaro.

Mr. DODARO. Mr. Chairman, if I might add, GAO, as it has been for the past 20 years during transitions, asked to monitor this conversion process across the Federal Government's activity. So we have efforts under way to do this.

During the 2001–2005 timeframe when we last looked at this, there were about 130 positions that we questioned—we reviewed

that—where transitions had occurred. About 18 we had some questions, and we referred them all to OPM. They followed up and took appropriate action. So we're on the case again this time at the request of Congress, and we'll be looking at that process as well.

Mr. TOWNS. Mr. Johnson, you offered many general suggestions for what the incoming administration should do to prepare to govern, but what specifically should they do to prepare to take on the financial crisis?

Mr. JOHNSON. Well, I think I—the primary message I tried to deliver in that article, that I was asked to write was you have to have really clear goals about what you want to accomplish in a transition. So my answer is sort of an offshoot of that.

If the goal is, as I suggested it should be, that the outgoing administration and the incoming administration manage the transition at Treasury such that the American people, on all that's being debated within Congress now, never——

Mr. BILBRAY. Or not debated.

Mr. JOHNSON. Or not debated. Never see—never get a sense that leadership is changing hands. That what needs to be taking place at the Treasury Department, Agriculture Department, Homeland Security, whatever, at the border, whatever, there will be no apparent change in political leadership taking place where the work is being done.

So, what I'm confident is going to happen—I don't know what the specific answer is for the Treasury Department, because, first of all, what has to be done hasn't been defined. But I'm confident, as purposeful and results oriented as I understand both candidates are, whoever is elected to be President and this outgoing administration are going to clearly define what it means to be implementing what's been agreed to or not implementing what isn't agreed to and decide who needs to be brought up to what level of expertise and knowledge by what date. And, they'll decide who needs to be sitting in on what meetings and how quickly the—isn't the Secretary of the Treasury the first one that has to be confirmed, etc., and that will all get done.

But it will all be driven by the commitment to the goal, which is that the most important things that have to happen in the Federal Government—and the one you talked about will be one of the most important if something is agreed to—is addressed and that the new administration is fully prepared and the outgoing administration is doing all the things they can do to get them up to speed, prepared to take that baton and pass—not drop it.

Mr. TOWNS. Right.

I yield to the ranking member, Mr. Bilbray. Thank you.

Mr. BILBRAY. Let's keep on my ranting and raving and say this: What are we doing to try to avoid the problem we had 8 years ago and what can we do with the executive basically going in transition? Is it something that we're going to need law enforcement into, of watching, and basically try to warn administrative members that they will be held accountable, if we have another incident like this where equipment, files, data, and everything else, the kind of abuses we've seen in the past? Do we have the ability to be proactive here and say, don't even think about it?

Mr. JOHNSON. Yes, sir. I think, again starting with the goal, a seamless transition, no baton is dropped, the new administration comes in prepared, a new White House comes in prepared to begin to be effective and govern day one. Then what happens is the facilities people sit down and the communications people sit down and the mail delivery people sit down and say, what does that mean for them? And, that means those offices are spick and span, the computers are working, there is no trash, this, that or so forth, and so then they're held accountable. And, I know how this White House is run, and I know that will be the way this is managed.

The keys being missing from some of the computers and the screens and initials being carved, that did occur. It was not ubiquitous. It was a handful of people, very—I bet very junior people. It was not systematic. It was—for the people whose offices were affected, it was a nuisance, but it was not a widespread phenomenon as reported in the paper.

I wish it hadn't happened. I'll bet you those that were the perpetrators wish it hadn't happened. Now that they're 8 years older, I bet you they don't look fondly back on those days.

But I have, again, every reason to believe that this administration is going to make sure that the definition of success for the outgoing administration is going to be made really clear.

Mr. BILBRAY. Well, I think we've just got to recognize that there are two sides of passion, and one is a passion for the people you work for or whatever. And, when elections don't work out the way you want, those can turn very negative. And, that's one of the threats you've got in there. And, you really do have an environment where passions can run very high, especially when elections don't turn out the way you want.

And so, you basically think that it was a small enough problem that we don't have to really make a proactive——

Mr. JOHNSON. Well, yes. I don't think it's—we have to respond to make sure that occurrence doesn't reoccur. I just know that, in general, this administration, from the facilities people to the—whatever, are going to have—to make sure that all the environmental things, the computers, the phone equipment, the spaces and so forth will be spick and span, clean, ready to go, just like Gail is planning on having it be the case at the transition offices.

Mr. BILBRAY. Mr. Johnson, we need to do it now while people are cool and calm, because elections can—once the emotions start flying, all the systems and logic go aside and you end up with that kind of situation.

Mr. JOHNSON. Right. One of the two deputy chiefs of staff's primary job is transition and particularly how the executive office, the President, does its—performs its role during the transition. So, facilities being prepared for the next administration is a primary responsibility of this person and is the primary thing that this deputy chief of staff in the White House is focusing on.

Ms. LOVELACE. And, if I could add to that, we are working very closely with the people Clay is talking about at the White House, to make sure that everything is in alignment. We are ready to make sure that, just as we are preparing for the Presidential transition team coming in to make sure we're supporting them through the logistical support and facilities management of the White

House complex to make sure that there aren't any issues. We've had many meetings on this topic and will continue to do that to make sure that there aren't any issues.

Mr. BILBRAY. Ms. Lovelace, if I was a manager on this staff, I'd be telling my staffers, look, if the election doesn't work out the way we want, you're going to have people coming here looking for things to blame on you, looking for it. So, you've got to make sure everything is taken care of, because they're going to be looking at stuff to be able to drag you over the carpet on.

Ms. LOVELACE. And, we work on it every day to try to make sure we don't have those kinds of issues.

Mr. DODARO. And, Congressman Bilbray, we at GAO were asked to go look at the circumstances in the White House during the last transition; and it was—as Clay articulated it—and it was documented along the lines of what he talked about.

Now, one of the lessons learned there, though, too, there's a need to keep, you know, better records during this kind of transition process. So I think, while it wasn't a widespread issue, that prudence would dictate that it would be good to have reminders sent out to all the departments and agencies, records be kept appropriate. In case there are instances, then you'd be able to figure it out more efficiently.

We had to spend a lot of time trying to reconstruct what either happened or didn't happen during that period of time. But, at end of the day, it wasn't a pervasive issue. It was very unfortunate, but I think reminders sent out among the executive branch to the key people would be a good idea.

Mr. BILBRAY. In fact, Mr. Chairman, because of my experience, it's maybe one of the issues that we've got to remember. It's not just the executive branch. It's every Member of Congress that's leaving and a new one coming in. I literally experienced a situation with computers being trashed and data banks being destroyed and a lot of stuff going on. So, it's not just an executive branch problem. This is a legislative problem, too.

Mr. JOHNSON. Somebody was—in our meeting this morning with the career transition director, somebody was telling the story that they'd heard about back in—maybe when Nixon came into office in the White House. And, there was a fellow that was working in the Eisenhower Executive Office Building. So the new person came in, and the outgoing guy who was in charge of the facility had a big ring of about 30 keys and threw him the set of keys and said, "It's all yours." That was the extent of the transition, the hand-off to the incoming administration. And, so our sights are set way higher than that.

Mr. BILBRAY. Thank you.

Mr. TOWNS. I'm happy to hear it, too.

Mr. BILBRAY. Pretty ambitious.

Mr. TOWNS. Thank you, Congressman Bilbray.

I understand that GSA will manage a budget of $8.5 million to support transition activities. Should any additional funds be necessary, where that would that money come from? Would it come from the winning candidate?

Ms. LOVELACE. There is the opportunity when the—once there is a President-elect, they are able to continue to get funds from pri-

vate citizens. There are some rules that are around those funds, and it's our experience that most incoming Presidents actually do get funds during that point in time. And, there are rules around what they can and cannot spend that money on and how much money they can take in. But, yes, there is a source of funding for them, likely.

Mr. TOWNS. So, if your $8.5 million is not enough, you just say, that's it, we're not going to do any more, they now have to assume the responsibility?

Ms. LOVELACE. Well, we believe that we will manage the $8.5 million effectively so it will take us through the whole point—a period of time between the election and the inaugural. So we will be working with the office of the President-elect to make sure that we are spending that money wisely and making sure that they are getting their priorities taken care of as a result of that money, but they can bring other money in to use during transition period.

Mr. TOWNS. Yes, Mr. Dodaro.

Mr. DODARO. Mr. Chairman, the act allows for contributions up to $5,000, as Ms. Lovelace is pointing out; and those have to be disclosed both at GSA and GAO; and we have potential audit responsibilities over that money as well.

However, your main point, though, goes back to the need—and one of the other things that we're doing during this transition is to try to record lessons learned and identify opportunities for further refinements. Years ago, when the act was first passed in 1963, there was just an amount set. It wasn't indexed for future inflation costs or whatever, and I worked on an effort with the Congress in the past to have that amount indexed.

But, we're talking about a government nowadays that's a lot different than the governments that have come before it in terms of the responsibilities and the requirements, and I think in a post-9/11 environment we need to sort of take a look as a Nation as to whether or not Presidential Transition Act is properly funded—well configured enough to allow for these type of transitions going forward. I think the current administration is doing a good job getting things ready, but I think it needs a good examination and lessons learned that can be documented and then reflected on.

Mr. TOWNS. Right, because the last time we didn't have Homeland Security.

Mr. DODARO. Right, exactly.

Mr. TOWNS. So did you look at that in terms of whether that would require extra money to help out in terms of the transition there as well?

Ms. LOVELACE. Well, with the Department of Homeland Security standing up, I mean, there are some security requirements that we have to meet for the incoming Presidential transition team. We are currently working with both the Secret Service and the Federal Protective Service as well as different members over in the White House to make sure that we are meeting those security requirements. So, whether we'll have enough money to take care of that, we will figure out a way to help manage through that. But, yes, there are some new security requirements.

Mr. JOHNSON. But, if the Department of Homeland Security is scheduling some extra practices or tabletop exercises or whatever,

this money does not go to that. This money goes to the President-elect's transition activities; and any moneys that are related to transition that are particular to individual agencies, that's supposed to be in their whatever-fiscal-year-it-is budget.

Mr. TOWNS. But, the question is, is it enough? That's the question.

Mr. JOHNSON. What—the answer is going to be simply you can't do anything about—if their appropriations bills are passed by the beginning of the administration of the new fiscal year, it will be enough money. But, with the likelihood of a CR, there could be some agencies that have to move some money around.

Mr. TOWNS. Mr. Dodaro, you warned that about one-third of the Federal work force will be eligible to retire at the end of 2008. We're going to need to replace them with the most highly qualified people we can find, and we don't pay as well as the private sector, as you know. This is going to be a tough problem for the incoming administration. Do you have any suggestions as to what they might be able to do?

Mr. DODARO. I think the first thing is to focus on the career senior executives in those departments and agencies. Their retirement rates are a lot higher than for the general work force at large, and these are the people that have the institutional experience and are going to be the main interfaces with the political leadership that are going to come in at the departments and agencies.

There are retention provisions that could be exercised at those departments, to try to hang on to some of these people a little bit later. There's efforts that could be made to bring back retired individuals who have particular expertise in these areas and waive the disincentive which is built into the system to have their annuity offset by whatever new money they're going to make. I think in some of these extraordinary circumstances that are occurring there ought to be some creative ways to try to both retain some of these very talented career senior executive service personnel. And then, while you're building the cadre of people underneath them, I am very concerned, very concerned about the ability to oversee contractors in this Federal Government in a lot of activities. And, if Treasury's plan is approved the way it is, they're going to be relying heavily on contractors; and they're going to have a big job, a big challenge overseeing those contractors which already would be dealing with very complex financial, you know, transactions, financial portfolios. So—and the number of career executives at the Treasury Department that are eligible to retire currently at the SCS level is almost 40 percent.

So, I think this is a really important issue, and the new leadership team coming in really needs to focus on this both to solidify their relationship with the career civil servants and then to be very creative on attracting and retaining talent. And, succession planning has not been as much as it needs to be a priority in this government and having the capacity to govern and oversee these very difficult operations.

So those are some of my initial thoughts.

Mr. TOWNS. Mr. Johnson.

Mr. JOHNSON. One thing that agencies—for this very reason, one thing that agencies have been held accountable for is to have suc-

cession plans in place and critical skills gaps. If you anticipate 2 years from now, 3 years from now, 4 years from now, where do you anticipate having critical skills gaps, management, technical expertise and so forth? So, every agency is held accountable for having a plan to fill this with—train junior people to take on more senior responsibilities, hire additional people, retain—and retain people who might be retiring otherwise.

So, agencies are paying a lot of attention to how they're going to have the number of critically skilled people they need, including management people where they need them and when they need them, and it's not 100 percent perfect. Some agencies aren't where OPM would like them to be or GAO would like them to be, but this has been a specific activity that all Federal agencies have been accountable for. And, the majority of them are in very good shape—in terms of knowing what they're going to do to make sure they've got the right people on the job when they need them.

Mr. TOWNS. Thank you. I yield.

Mr. BILBRAY. I have no further questions.

Mr. TOWNS. Ms. Lovelace, let me just ask you one very quick question before you go. How is GSA using its lessons learned? In other words, looking back in terms of what has happened—I'm thinking in terms of what my colleague just said—in terms of some of the transitions that he's been involved in. I must admit that I have not had his experiences, but I could imagine what would happen in some transitions. Are you using your lessons learned to be able to deal with what's coming up?

Ms. LOVELACE. One of the nice things that we've done in GSA for actually the last several transitions is have the Director of Transition write after-action reports. So we have quite detailed reports on every aspect of the logistical support that we provide to the transition teams. So we have pretty significant insight into what happened previously, so that we can share those lessons learned across several changes of administration.

We have also tapped into some of the resources who actually worked on previous transitions, so that they are there in support and advisory capacity to us so—you know, you can't put everything on a piece of paper—so they are sharing with us verbally some of their lessons learned and are there as advisors to us, to help make sure we can learn from what happened before and hopefully not make some of the same mistakes.

Mr. TOWNS. Right.

Let me just close with this. Mr. Johnson, you've stated that OMB has already distributed transition guidance and goals to the agencies. We understand that you held a big meeting you said this morning, which I think is good. But as we reviewed your guidance, we're pleased to note how you tied the accomplishments of the transition goals directly to the performance appraisal of agencies and, of course, senior executives. Please let us know how that works out.

And you also indicated that the agencies will establish their fiscal year 2009 programs and management practice goals in a timely manner to support the transition in an appropriate manner, which is also good.

I guess the question is, when will Members of Congress get their notice?

Mr. JOHNSON. When will they get their notice?

Mr. TOWNS. Yes. When will we get the information that you shared with us?

Mr. JOHNSON. You mean about how the transition went?

Mr. TOWNS. Well, when will your goals be made publicly is what I'm saying. Your goals, when they will be made publicly?

Mr. JOHNSON. There was an agency—general guidance to the agencies on July 18th, and that's public.

Mr. TOWNS. It is? Do you have one?

Mr. JOHNSON. I mean, we can distribute it.

Mr. TOWNS. I'd like——

Mr. JOHNSON. It's a public document. Well, really, it's attached to my testimony; so that makes it public.

Mr. TOWNS. Yes, but I would like to have a copy of it.

Mr. JOHNSON. Fine, sir.

Mr. TOWNS. That would really make it public.

Mr. JOHNSON. OK. I sent you a copy with my testimony, but I will send you another copy.

Mr. TOWNS. OK. Thank you very much.

Let me thank all of you for your testimony. And I really feel that, working together, we can bring about a smooth transition. I think that's very, very important; and we all want to see that happen. We don't want to drop the baton, as has been described early on, and just try to make it as smooth as we possibly can.

And, I would like to sort of put the GAO study into the record in terms of the Clinton transition. I would like to make that part of the record.

So thank you very, very much for your testimony; and I look forward to working with you in the days and months ahead.

Mr. DODARO. Thank you, Mr. Chairman and Congressman Bilbray.

Mr. TOWNS. Will our second panel come forward.

I would like to welcome our second panel. As with the first panel, it is our committee policy that all witnesses are sworn in. So please rise and raise your right hands.

[Witnesses sworn.]

Mr. TOWNS. Let the record reflect that all the witnesses have answered in the affirmative.

You may be seated.

Let me welcome all of you here.

Our first witness, of course, Dr. Martha Kumar, is a political science professor at Towson University. Her research focuses on the White House; and she is director of the White House Transition Project, a nonpartisan effort by presidency scholars to provide transition information to the incoming administration.

Ms. Doris Hausser is an academy fellow with the National Academy of Public Administration. She was a panel member for NAPA recent report on the transition of the Department of Homeland Security, and she retired from the Federal Government last year, as Senior Policy Advisor to the Director of Office of Personnel Management. Welcome.

Dr. Don Kettl is the director of the Fels Institute of Government at the University of Pennsylvania. His research is focused on public policy and public administration, and he testified before Congress on management issues many times before. And, we're delighted to have you back again. And, maybe we can keep bringing you until we get it right.

Ms. Patricia McGinnis is the president and CEO of the Council for Excellence in Government. Her organization is offering its help to the incoming administration with orientation sessions, briefings on management challenges, and it lists the profiles of the most difficult management jobs in the government. Welcome.

Your entire statements will be placed in the record. And as we went through it before, the green light means go. The yellow light means prepare to stop. The red light means stop.

As I indicated earlier on, some people get that mixed up. They think the red light means start. So we just want to make certain that we have the rules down pat.

So why don't we start with you, Dr. Martha Kumar.

STATEMENTS OF MARTHA KUMAR, PROFESSOR, DEPARTMENT OF POLITICAL SCIENCE, TOWSON UNIVERSITY; DORIS HAUSSER, PANEL MEMBER FOR THE DEPARTMENT OF HOMELAND SECURITY PRESIDENT TRANSITION STUDY, THE NATIONAL ACADEMY OF PUBLIC ADMINISTRATION; DON KETTL, PROFESSOR, FELS INSTITUTE OF GOVERNMENT, UNIVERSITY OF PENNSYLVANIA; AND PATRICIA McGINNIS, PRESIDENT AND CEO, THE COUNCIL FOR EXCELLENCE IN GOVERNMENT

STATEMENT OF MARTHA KUMAR

Ms. KUMAR. Thank you very much, Chairman Towns, Congressman Bilbray. Thank you for the opportunity to discuss Presidential transitions and their importance to an effective start of a new administration. It's something in which we all have a stake. With the Nation at war and a fragile economy, a smooth transfer of power is not an option, it's a necessity.

One of the points that distinguishes our political system from many others is our history of peaceful transfers of power from one administration to another. And we've experienced orderly transfers but they've been—there's been a difference in how they've played out. A smooth and effective transition comes about only through the work and coordination of many people and institutions in our political system.

Mr. Johnson said the administration has as a primary goal to do a better job than it's ever done before to help the new administration prepare to govern. That means a great deal, because the efforts of the President, White House staff, departments and agency staff, contribute mightily to a smooth transition. The work of others in the Washington community is important as well, including the contributions of the Congress.

In looking at what kinds of support and priorities seem to be important and have been important in transitions past, there are several.

First, a climate of support for transition work by the two candidates. Successful transitions begin early and are viewed as a legitimate aspect of a Presidential campaign. Internally in government there is and has been support throughout the year for the notion of early transition planning. Outside of government, however, there's not been the same supportive climate, particularly in the press. With a Presidential campaign that seemed to have created so much media interest and attention in 2008, there was little interest in looking, on the part of news organizations, in looking at the preparations for holding office. News organizations have published occasional op-ed pieces calling for early transition planning. But, one Washington Post reporter wrote, at the end of July, about the reports that Presidential candidate Barack Obama was assigning transition planning to a team. He suggested perhaps that they create a hubris watch. In reality, by the summer nominating conventions, every President coming into office since President Carter has had a transition operation in place, gathering information on appointments in past transitions.

In spring 1999, Clay Johnson began gathering information and names of people to appoint and talk to people from past transitions. In the Reagan years, Pendleton James who worked on appointments began in the spring of 19—in 1980, and coordinated with Ed Meese who was then the chief of staff. That was done well before the Republican Convention.

Second, providing funding support that a transition requires. Whoever comes in as President next January faces a difficult situation where the budget is concerned. Living as we are on continuing resolutions rather than a fiscal year 2009 budget, it will be difficult for a President-Elect to prepare for a budget of his own when there's none in place.

The incoming President will need to introduce his budget within approximately 3 weeks of coming into office. That will mean, he will need to have his budget officials in place and ready to go shortly after the election.

For the transition, the two teams cannot plan at this point on government funding when the $8.52 million transition funds request contained in the fiscal year 2009 budget proposal has not been passed. With—at this point with no funds committed, both the candidates must anticipate creating a fundraising operation capable of raising substantial sums. In the case of the incoming Bush administration, they were able to do that before they were declared the winners, but only because they had planned ahead so early, one of the kinds of priorities that's important here.

And third is that White House staff comes first; that a President needs to have an orderly decisionmaking process in place, personnel director, and a counsel who's responsible for vetting and for creating ethics orders very early in the process before they ever select a Cabinet. With around 1,200 administrative positions requiring Senate confirmation, a White House team needs to be in place to establish which of those positions to focus on.

Recent experience calls for a new President to choose approximately 100 key positions, as the vetting and confirmation process has not been able to handle many more than that in the first 100 days. With their emphasis on economic issues, the Reagan transi-

tion team isolated 87 positions related to the economy and gave priority to filling those.

Congress and the administration have made efforts to speed up the national security clearance process for the 2009 transition by allowing clearance of officials to begin after the transition team—after the conventions and by working on the efficiency of the clearance process itself.

The candidates, too, have a role here through what they say and what they promise. Candidates have sometimes limited themselves by making promises such as cutting the White House staff by 25 percent, which they then have to live with, and how very difficult and sorry they had ever said.

Also, early promises about strong ethics rules have sometimes been a problem as they were in the Clinton administration. And in the end he had to rescind the order, the ethics order that he had.

Identifying government resources. There are so many agencies, as we've heard today, that are interested in helping the transition teams early. And there's things that they can work on. Such, for example, a transition team can establish how it's going to capture and maintain its records. Both the Clinton and George W. Bush administrations experienced difficulties with records issues, which are something an incoming administration can avoid by working through with the Archives the capacities of possible record systems, particularly e-mail ones.

The current administration could provide a smooth records process by reaching agreement on the status of the records of the Office of Administration in the Executive Office of the President as well as those of the Vice President.

Otherwise a new administration will begin with unsettled rules for retaining records in both offices. The executive actions can limit and aid an administration. Many Presidents leave office with a blizzard of executive orders, proclamations and regulations, responding to requests by those in the administration and key constituents.

In early May, White House Chief of Staff Joshua Bolten sent out a memorandum to executive branch personnel calling for a principled approach to regulation as we sprint to the finish, and resist the historical tendencies of administrations to increase regulatory activities in their final months. Though diminished, their remaining pressures——

Mr. TOWNS. Could you summarize? We're going to have a series of votes.

Ms. KUMAR. In addition, the administration—sitting administration—can help by clearing out political appointees, by firing those that are political appointees so that the next Chief Executive doesn't have to do that, because it's hard when he comes in to do it.

So in sum, there are people in place inside and outside of government ready to assist the transfer, and many positive actions have taken place to smooth the transfer.

Mr. TOWNS. Thank you very much.

[The prepared statement of Ms. Kumar follows:]

Statement of Professor Martha Joynt Kumar

Before the

Subcommittee on Government Management, Organization, and Procurement

of the

House Committee on Oversight and Government Reform

Wednesday, September 24, 2008

Chairman Towns, Ranking Member Bilbray, and members of the Subcommittee. Thank you for the opportunity to discuss presidential transitions and their importance to the effective start to a new administration, something in which we all have a stake. With the nation at war and a fragile economy, a smooth transfer of power is not an option; it is a necessity.

One of the points that distinguish our political system from many others is our history of peaceful transfers of power from one administration to another. While we have experienced orderly transfers of power, there is a difference in how well they have played out. A smooth and effective transition comes about only through the work and coordination of many people and institutions in our political system. Mr. Johnson said the administration has as a primary goal: "to do a better job than has ever been done before to help the next Administration prepare to govern." That means a great deal because the efforts of the President, White House staff, and department and agency staff contribute a great deal to a smooth transition. The work of others in the Washington community is important as well, including the contributions of the Congress. Accepting that as a goal for all of those involved in the 2008-2009 transition, the outcome depends on the coordination of people and institutions, the quality of information gathered and provided, and the timeliness of the preparations. At each of the periods from the campaign through the first months governing, there are actions the incumbent administration, the President-elect, and then the President, can take that will ease the strains of office.

Why spend the time and resources it takes to make a transition an effective one? Transitions provide a new administration with several governing opportunities as well as ones for the incumbent President too as "presidential transition" includes the process through which the incumbent chief executive leaves office as well as the way the new one enters the presidency. Among the opportunities are:

- **Fewer Mistakes.** Whether it is handling the appointment process, the legislative agenda, or budget planning, an incoming President and his team make fewer mistakes if they have set up a decision-making system compatible with the President-elect's needs and priorities, gathered information they need to govern, ordered their priorities, and have their people in place.

When President Clinton came into office, for example, he had to spend more time than he wished talking about subjects other than ones he wanted to bring up, such as gays in the military. A stronger transition operation could have provided a clearer direction to his presidency in those early months.

- **Taking Advantage of Good Will and Public Attention.** When a President comes into office, he has the most attention and good will from the public and the Washington community he will likely experience in his administration. Public opinion polls confirm public attention, something a President can lose quickly as his months in office wear on. If a President has his policy priorities ordered as he comes in, he can take advantage of the early attention of the public to explain them. President Bush was able to do that in his early weeks in office when he explained his education, faith-based, tax, and military buildup policies. Having a well-planned transition made that possible.

- **Direction of Government.** President Reagan was able to get public attention and that of the Washington community when he focused on his economic program early in his term highlighted by a widely watched address to Congress on February 18th. With high unemployment and inflation, the President and his staff wanted to use the early period to make people aware of his economic focus and talked about little else. Within his first six months in office, he achieved his early goals of tax cuts (July) and budget cuts (June). He used his speeches, his policy proposals, and his early appointments to focus solely on the economy as his first priority.

- **Presidential Reputation.** A President who comes in with an effective start develops a leadership reputation that helps him govern as his term wears on. President Reagan benefitted from his single policy focus. On the other hand, President Carter had a mixed list of agenda items (education, energy, executive reorganization, water project cuts) and had difficulty later in his term getting the public support he needed. His reputation as an uncertain leader was difficult to overcome even when he achieved a fairly well organized White House operation.

  At the same time as the incoming President has a stake in how he comes into office, the quality of the transition out makes a difference to the legacy the incumbent President establishes for himself. The ragged quality of the end of the Clinton Administration with his controversial pardons, for example, detracted from the accomplishments of the later years of his administration when he got the budget deficit under control and achieved other administration policy priorities.

- **Effective Relationship of the President and Congress.** Establishing good relationships with the congressional leadership and members of Congress is an important aspect of a presidential transition. Members of Congress rightly anticipate the President-elect will make a priority of establishing a successful working personal relationship with the leadership and creating an

effective team of experienced members responsible for coordinating his relations with key members.

To take advantage of these opportunities and to start well, the incumbent administration and the incoming one need to begin working together well before the election. In the attached article, "Getting Ready for Day One: Taking Advantage of Opportunities While Minimizing the Hazards of a Presidential Transition," I go into detail on what an incumbent administration can do to lay the groundwork for an effective transition. In an academic-practitioner format, there are responses on how transitions should unfold by Clay Johnson and Harrison Wellford, who has worked on Democratic transitions since the transition into the Carter Administration. Let me summarize the basic points of my piece. Transitions benefit from having the following kinds of support and priorities.

- **A Climate of Support for Transition Work by the Two Candidates**. Successful transitions should begin early and be viewed as legitimate aspects of a presidential campaign. Internally in government there is and has been support throughout the year for the notion of early transition planning. Outside of government, however, there has not been the same supportive climate, particularly in the press. With a presidential campaign that created so much media interest and attention in early 2008, there was little interest on the part of news organizations in looking at the importance of preparation for holding office. News organizations may have published occasional op ed pieces calling for early transition planning by the candidates, but reporters talked otherwise. One *Washington Post* reporter wrote at the end of July about reports that presidential candidate Barack Obama was assigning transition planning to a team and suggested creating a "Hubris Watch". In reality, by the summer nominating conventions almost every President coming into office since President Carter has had a transition operation in place gathering information on appointments and past transitions.

  In spring 1999, Clay Johnson began gathering information on past transitions, names of possible appointees, and spoke with people from the Reagan and George H. W. Bush years on behalf of Governor George Bush. Pendleton James began his work gathering information on appointments early in 1988 and coordinated with Edwin Meese, the campaign's chief of staff, well before the Republican convention. In both cases, early planning paid off in their establishing policy priorities and making critical appointment decisions well before the election.

- **Provide Funding Support a Transition Requires and Do So in Time for the Transition Teams t Gauge How Much Private Funding They Will Require.** Whoever comes in as President next January faces a difficult situation where the budget is concerned. Living as we are on continuing resolutions rather than a fiscal year 2009 budget, it will be difficult for a President-elect to prepare for a budget of his own when there is none in place. The incoming President will need to introduce his budget within approximately three weeks of coming into office. That will mean he will need to have his budget officials in place and ready to go shortly after

the election, as they will need to go over the continuing resolutions as well as the FY 2009 budget the administration submitted.

For the transition, the two teams cannot plan at this point on government funding when the 8.52 million transition funding request contained in the President's FY 2009 budget proposal Congress has not passed. At this point with no funds committed to the transition, both candidates must anticipate creating a fund raising operation capable of raising substantial sums. With no money forthcoming until he was declared President-elect, George W. Bush had to raise private money and staff up an operation without any funds from the General Services Administration. Having a seasoned transition team in place made a significant difference for their ability to quickly raise funds, establish an office in the Washington area, and get their operation up and running, all before the formal 37 day truncated transition began.

- **White House Staff Come First.** There are key senior staff who need to be in place before the President-elect sets up his Cabinet selection process. The chief of staff, personnel director, and White House counsel need to be in position to set up an orderly decision making process that brings together all of the factors they want to consider in choosing departmental secretaries and set down the ground rules of their relationship with the President and White House, including their ethics guidelines. The chief is important to setting up a system reflecting the President's interests and priorities while the personnel director gathers information on personnel vacancies and possible appointees. The counsel coordinates the vetting process and ethics orders.

  With 1,200 administrative positions requiring Senate confirmation, a White House team needs to be in place to establish which of the positions to focus on. Recent experience calls for a new President to focus on approximately 100 key positions as the vetting and confirmation process has not proved able to handle many more than that in the first 100 days. With their emphasis on economic issues, the Reagan transition team isolated 87 positions related to the economy and gave priority to filling those.

  Congress and the administration have made efforts to speed up the national security clearance process for the 2009 transition by allowing the clearance of officials to begin after the conventions and by working on the efficiency of the clearance process itself.

- **Campaign Commitments Have Positive and Negative Consequences for the Ability of a President to Get Off to a Smooth Start.** In both the Reagan and George W. Bush administrations, the governing agenda flowed easily from the handful of priority the two candidates emphasized during their campaigns. President Bush focused his early weeks on the agenda he articulated during the campaign – education reform, faith-based initiatives, military buildup, and tax cuts – rather than rehashing the election.

  On the other hand, commitments made during the campaign can limit the flexibility a new President has in structuring his White House and his administration. Several presidential

candidates promised to cut the White House staff and then had to carry through on their commitment once they became President even though they later regretted having done so. Early promises to establish strong ethics rules have proven limiting on who a President-elect can bring into his administration.

- **Identify Government Resources, including the Funding and Programs of the General Servic s Administration, the Office of Government Ethics, and the National Archives, and Work through Ethics and Records Requirements.** Familiarity with the rules governing such matters as financial disclosure before coming into office makes the appointments process easier. Even before the election, a transition team can establish how it is going to capture and maintain its records. Both the Clinton and George W. Bush administrations experienced difficulties with records issues, which are something an incoming administration can avoid by working through with the Archives the capacities of possible records systems, particularly email ones.

  The current administration could provide a smooth records process by reaching agreement on the status of the records of the Office of Administration as well as those of the Vice President. Otherwise, a new administration will begin with unsettled rules for retaining records in both offices.

- **Executive Actions Limiting and Aiding a New Administration.** Many Presidents leave office in a blizzard of executive orders, proclamations, and regulations responding to the requests of those in their administration as well as key constituents who wish to seal in certain rules and practices. On May 9th, White House Chief of Staff Joshua Bolten sought to slow down this trend by issuing a memorandum to executive branch personnel calling for a "principled approach to regulation as we sprint to the finish, and resist the historical tendencies of administrations to increase regulatory activities in their final months." Though diminished, there remain pressures for executive branch action through such instruments.

  At the same time, an incumbent administration can aid a new President by clearing out political appointees in order for the incoming chief executive to get his team in place early in his term. An incoming President and his department secretaries are able to get off to a more effective start if the incumbent fires all of the political appointees so that the new chief executive can place his own people in office and not spend precious early days clearing out offices, as some Presidents have had to do.

A successful transition depends on the actions of those inside and outside of government gathering information from the past and about current programs and bringing together knowledge people. A smooth transfer also requires the willingness of those in the White House and executive branch departments and agencies to gather and provide information to those preparing for the transition on behalf of the two major party candidates. So far, people are in place inside and outside of government ready to assist in the transfer and have taken many positive actions to bring about a smooth transfer of power.

Mr. TOWNS. Ms. Hausser.

STATEMENT OF DORIS HAUSSER

Ms. HAUSSER. Thank you, Mr. Chairman. Did that go on? Can you hear me, sir?

Mr. Chairman and members of the subcommittee, thank you for inviting the National Academy of Public Administration to testify on the best practices for the 2009 Presidential transition. As an NAPA Fellow, I served as panel member for the Academy's 2008 report that assessed the Department of Homeland Security's executive profile, its transition training, and the Department's plans for the 2009 Presidential transition.

Many of the issues and recommendations outlined in that report apply to other departments and agencies as well as DHS, and especially those with national or homeland security responsibilities.

The Presidential transition of 2009 is the first major transition since 9/11. As we point out in our report, recent history demonstrates that political transitions present an opportunity for terrorists to take advantage of real or perceived weaknesses in a nation's ability to detect, deter, prevent or respond to attacks. The final report of the 9/11 Commission raised concerns about the impact of future transitions on the government's ability to deal with terrorism.

Owing in part to the delayed resolution of the 2000 election, the incoming Bush administration did not have its deputy Cabinet officials in place until spring 2001 or its sub-Cabinet officials in place until that summer.

Historically, getting the Presidential team in position has been a slow process. The Commission strongly pushed for changes to the process so that the Nation is not left vulnerable to these types of delays in a post-9/11 world. During the transition, DHS must retain the ability to respond quickly to most man-made and natural disasters.

In light of these issues, Congress and DHS asked the Academy to assess DHS's executive profile, study its transition training, and review its plans for the 2009 Presidential transition.

Our June report was the result of that request, and I request on behalf of NAPA that it be entered into the record, the full report, as my testimony is limited to this oral statement.

[The information referred to follows:]

A Report by a Panel of the

NATIONAL ACADEMY OF PUBLIC ADMINISTRATION

for the U.S. Congress and the Department of Homeland Security

ADDRESSING THE 2009 PRESIDENTIAL TRANSITION at the Department of Homeland Security

2008

National Academy of Public Administration®

ABOUT THE ACADEMY

The National Academy of Public Administration is a non-profit, independent organization of top public management and organizational leaders who tackle the nation's most critical and complex public management challenges. With a network of more than 600 distinguished Fellows and an experienced professional staff, the Academy is uniquely qualified and trusted across government to provide objective advice and practical solutions based on systematic research and expert analysis. Established in 1967 and chartered by Congress in 1984, the Academy continues to make a positive impact by helping federal, state and local governments respond effectively to current circumstances and changing conditions. Learn more about the Academy and its work at www.NAPAwash.org

A Report by a Panel of the

NATIONAL ACADEMY OF
PUBLIC ADMINISTRATION

For the U.S. Congress and the U.S. Department of Homeland Security

June 2008

Addressing the 2009 Presidential Transition at the Department of Homeland Security

Panel
Frank Chellino, *Chair**
A. James Barnes*
G. Edward DeSeve*
Doris Hausser*
Glenda Hood*
Bernard Rostker*

* *Academy Fellow*

Officers of the Academy

J. Christopher Mihm, *Chair of the Board*
Michael C. Rogers, *Vice Chair*
Jennifer L. Dorn, *President and Chief Executive Officer*
Kristine M. Marcy, *Secretary*
Franklin S. Reeder, *Treasurer*

Project Study Team

J. William Gadsby,* *Vice President for Academy Studies*
Alethea Long-Green, *Program Area Director*
Edward H. Stephenson, *Project Director*
Hannah S. Sistare,* *Senior Advisor*
Allan Heuerman, *Senior Advisor*
Joseph Thompson, *Senior Advisor*
Dawn Citrin, *Senior Analyst*
Melissa Dalton, *Research Analyst*
Malika Bouhdili, *Research Associate*
Martha S. Ditmeyer, *Senior Administrative Specialist*

The views expressed in this report are those of the Panel. They do not necessarily reflect the views of the Academy as an institution.

National Academy of Public Administration
900 7th Street, N.W.
Suite 600
Washington, DC 20001-3888
www.napawash.org

Published June 2008

Printed in the United States of America
ISBN-1-57744-169-9

Academy Project Number: 2115-000

* *Academy Fellow*

FOREWORD

Since the terrorist attacks of September 11, 2001 and the subsequent creation of the U.S. Department of Homeland Security (DHS), the United States has made significant progress in the fight against terrorism, both at home and abroad. These efforts have continued to evolve as the Nation has adapted to new threats and new realities. The intelligence community's 2007 National Intelligence Estimate concludes that "the U.S. Homeland will face a persistent and evolving terrorist threat over the next three years. The main threat comes from Islamic terrorist groups and cells, especially al-Qa'ida, driven by their undiminished intent to attack the Homeland and a continued effort by these terrorist groups to adapt and improve their capabilities."[1] Over roughly the last year, terrorist plots were disrupted in Great Britain, Denmark, Germany and Spain, as well as Fort Dix, New Jersey, John F. Kennedy Airport and elsewhere.

Evidence suggests that terrorists seek opportunities to take advantage of real or perceived weaknesses in our ability to detect, deter, prevent or respond to attacks and that they view elections and political transitions as periods of increased vulnerability. Terrorists may perceive the 3 to 6 months preceding and following a U.S. national election as a period of opportunity. Extended vacancies in political positions and changes in leadership in key DHS operating units—particularly when combined with terrorist motives to affect the outcome of the election or the success of the newly elected administration—could substantially increase the risk that a terrorist attack will be attempted in the United States.

This means that at any given point—during the general election contest, the period between the election and inauguration, and immediately following the inauguration—the President must have in place a cadre of leaders and advisors whom he or she trusts and who:

- Are politically empowered to act.
- Can fully grasp the significance of the available intelligence.
- Have the experience and mettle necessary to act on that intelligence.
- Are intimately familiar with the National Response Framework and the roles and responsibilities of the many players.
- Have established relationships with relevant private sector partners and government officials (both career and political) in their own department, in other federal departments, at the State and local level, and internationally who will need to mobilize resources to prevent or respond to a terrorist attack.

Having these foundations established and experience in place cannot be imparted by a briefing book; there will be no time for "on-the-job" training.

---

[1] Director of National Intelligence, *National Intelligence Estimate: The Terrorist Threat to the U.S. Homeland.* July 2007 at http://www.dni.gov/press_releases/20070717_release.pdf.

Imagine, for example, a terrorist attack on the New York City subway system similar to or even worse than the 2005 London attacks—explosive devices set off almost simultaneously in multiple locations underground, with large numbers of casualties, extensive and prolonged infrastructure disruption, including massive power outages and telecommunications disruption, and intelligence that suggests additional attacks could be planned. Now imagine that this occurs on January 20, 2009. Will the President's new National Security Team, including the Secretary of Homeland Security, be prepared to trust the judgment of the career officials who seek approval to work with officials across the region or Nation to shut down airports, move troops onto city streets, or ban trucks from the tunnels and bridges that connect the city to the goods that are critical to daily life? Will minutes or days be lost to the process of understanding the full range of options available before decisive actions are taken?

While the focus, thus far, has been largely on the risk of terrorism, it is equally important that the Federal government is prepared to respond immediately to natural disasters. Like terrorists, Mother Nature cares little about our desire for a calm, orderly Presidential transition. A massive earthquake in San Francisco could cause uncontrollable fires, create gigantic plumes of toxic smoke, shut down both Oakland and San Francisco International Airports, and result in thousands of fatalities. DHS leadership must be prepared and able immediately to identify and prioritize the decisions that must be made, make those decisions, and mobilize and coordinate the deployment of resources across the Federal government—in Defense, Transportation, Housing, Treasury, and elsewhere—as well as supporting the efforts of State and local governments and the private sector.

The Academy Panel has made a number of important recommendations to help DHS with the upcoming Presidential transition. This report aligns recommended strategies with key events—the political conventions, the election, the inauguration and beyond. Identifying and filling critical positions, training new executives and working aggressively to get the next President's homeland security team in place are vital steps that need to be taken. To succeed in these efforts, DHS also will need the support of Congress and the White House.

The Panel also focuses on two issues that, left unresolved, will continue to make it difficult for DHS to fulfill its mission. First, the Panel believes that there is more work to do to overcome resistance to DHS headquarters' role in integrating the work of the individual components. This was one of the founding goals for the department. Second, the Panel notes the problems created for DHS by the multiple congressional oversight committees to which it reports. The Panel found that this oversight has stretched DHS resources, made it difficult to enact important legislation and created a potential for policy disarray.

The Academy was pleased to undertake this study. I would like to thank the Academy Fellows who served on the Panel; their insights and guidance were excellent. I also want to thank DHS executives and other stakeholders for their time and cooperation. Finally, I extend my appreciation to the study team for its hard work in producing this important and timely report.

Jennifer L. Dorn
President
National Academy of Public Administration

TABLE OF CONTENTS

FOREWORD ..... **iii**

ACRONYMS ..... **xi**

EXECUTIVE SUMMARY ..... **xiii**

CHAPTER 1: INTRODUCTION **1**

Origins and Purpose of this Study 1

Objectives, Scope and Methodology 2

Objectives 2
Methodology 3

CHAPTER 2: TRANSITION ENVIRONMENT AND CHALLENGES **7**

The Formation of DHS 7

DHS' First Organization 10
The 2005 Reorganization 11
Legislation Strengthens FEMA's Role 13
National Response Plan / National Response Framework 13

Defining DHS Headquarters' Role 15

Executive and Legislative Branch Oversight 18

Views of DHS 19

Findings 21

CHAPTER 3: DHS' EXECUTIVE PROFILE **23**

DHS' Total Number of Executives 23

Adequacy of DHS Executive Resources 26

Increases in the Number of DHS SES Executives 28
Number of DHS Executives Compared With Other Departments 29
SES Positions in Border and Immigration Field Offices 31

Career versus Non-Career Executives 34

Career/Non-Career Mix Compared With Other Federal Departments 37
Leadership Continuity and the Role of Career Executives 39
Use of Career and Fixed-Term Appointments 40
FEMA Non-Career Executive Positions 41

Gaps in the DHS Career Senior Leadership Structure 43

Vacant Executive Positions 44
DHS Career Executives and Turnover 45
Ethnic and Gender Profile of DHS Executives 48

Findings 51

CHAPTER 4: DHS TRAINING FOR TRANSITION READINESS 53

DHS Training and Development Initiatives 54

Executive Leadership Development 54
Training Related to Homeland Security and Crisis Management 55
Transition Specific Training 56
Cross–Government Collaboration 57

Criteria to Evaluate Training Effort 58

Other Agencies' Transition Training 58

Findings 59

CHAPTER 5: TRANSITION PLANS FOR DHS 63

DHS' Five Prong Plan 63

Orders of Succession 64
Succession Planning 64
Knowledge Transfer and Inter-Agency Relationship Mapping 67
Best Practices Study 67
Transition Guidance 68

Operations Coordination and Planning Initiative 69

Gaps in DHS Transition Planning 70

The Intelligence Reform and Terrorism Prevention Act of 2004 70
Early Identification of Key Appointees of the Next Administration 70
Transition Team Members and Security Background Checks 74
Developing a Plan to Address Succession Planning Challenges 75
A Transition Plan and Director 77

Findings 77

CHAPTER 6: RECOMMENDATIONS FOR A COMPREHENSIVE TRANSITION PROGRAM 81

Pre-Conventions 82
Pre-Election 84
Election to Inauguration 85
Post-Inauguration 85

APPENDICES

Appendix A: Panel and Staff 87
Appendix B: Bibliography 91
Appendix C: Officials Contacted During the Study 99
Appendix D: Secretary Order of Succession 103
Appendix E: Succession Order and Order for Delegation for DHS Offices and Components 105
Appendix F: Council for Excellence in Government Panel or Experts 111
Appendix G: Recommendations of the Homeland Security Advisory Council Administration Transition Task Force 113

EXHIBITS

Exhibit 1: Academy Panel Recommendations for a Comprehensive Transition Program xvi
Exhibit 2: Agencies Terrorism Relationships Chart (pre-September 11, 2001) 8
Exhibit 3: Original DHS Organization 10
Exhibit 4: DHS Organization Chart—March 2003 11
Exhibit 5: Current DHS Organization Chart 13
Exhibit 6: Public View of Federal Agencies 21
Exhibit 7: Summary of DHS Executive Positions 24
Exhibit 8: Distribution of DHS Executives by Position and Component 24
Exhibit 9: Criteria for Assessing Requests for SES Positions 27
Exhibit 10: Increase in DHS SES Allocations 29
Exhibit 11: Number of Executives per 1,000 Employees 30
Exhibit 12: Number of Executives for Each Billion Dollars of the Budget 31
Exhibit 13: Comparison of the Number of Criminal Agents for Each Senior Executive 32
Exhibit 14: CBP Executives and Employees in Key States 33
Exhibit 15: DHS Senior Leadership Positions by Type of Appointment 36

Exhibit 16: Career/Non-Career Profile of Filled DHS Executive Positions 37
Exhibit 17: Percentage of Executives That Are Non-Career 38
Exhibit 18: Selected Department Senior Leadership Positions 39
Exhibit 19: FEMA Career and Non-Career Executives, 1998 to 2008 42
Exhibit 20: DHS Executive Positions 44
Exhibit 21: Status of Current Executive Vacancies 45
Exhibit 22: Percentage of Career Executives Leaving, October 2003 to September 2007 46
Exhibit 23: Percentage of Career Executives Leaving, October 2003 to September 2007, by DHS Component 47
Exhibit 24: Years in Position for DHS Career Executives 48
Exhibit 25: Percentage of Career and Non-Career Executives That Are Minority 49
Exhibit 26: Percentage of Career and Non-Career Executives That Are Female 50
Exhibit 27: Percentage of Executives Considered Critical by DHS Components 65
Exhibit 28: Examples of Analysis Needed of Critical Position Database Information 67
Exhibit 29: Key Operating Components Leadership Profile 71
Exhibit 30: Key Headquarters Offices Leadership Profile 73
Exhibit 31: Academy Panel Recommendations for a Comprehensive Transition Program 82

ACRONYMS

2SR	Second Stage Review
Academy	National Academy of Public Administration
ATTF	Administration Transition Task Force
CBP	United States Customs and Border Protection
CIS	United States Citizenship and Immigration Services
CSIS	Center for Strategic and International Studies
DEA	Drug Enforcement Administration
DHS	United States Department of Homeland Security
DoD	United States Department of Defense
DSO	Deputy Secretary for Operations
FBI	Federal Bureau of Investigation
FEMA	Federal Emergency Management Agency
GAO	Government Accountability Office
GSA	General Services Administration
HHS	United States Department of Health and Human Services
HSAC	Homeland Security Advisory Council
HSC	Homeland Security Council
HSPD	Homeland Security Presidential Directive
ICE	United States Immigration and Customs Enforcement
ICS	Incident Command System
IG	Inspector General
IPA	Intergovernmental Personnel Act
NIMS	National Incident Management System
NPPD	National Protection and Programs Directorate
NRF	National Response Framework
NRP	National Response Plan
NSC	National Security Council
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PA	Presidential Appointment
PAS	Presidential Appointment Requiring Senate Confirmation
SAC	Special Agent in Charge
SES	Senior Executive Service
SL	Senior Level Executive
ST	Scientific/Professional Executive
TSA	Transportation Security Administration
TSES	Transportation Security Senior Executive Service
USCG	United States Coast Guard
USSS	United States Secret Service

EXECUTIVE SUMMARY

The U.S Department of Homeland Security (DHS) was created in January 2003 to prepare for and respond to national emergencies, with an emphasis on preventing terrorist attacks. The largest federal reorganization since the creation of the U.S. Department of Defense in the late 1940s, DHS' establishment brought together 22 separate agencies and more than 200,000 employees to form the third largest agency in government. Melding the efforts of these wide-ranging and disparate organizations into an integrated and comprehensive approach to homeland security was the new department's stated goal.

Since its founding, DHS has undergone continuous change; it has built new organizations from the ground up, undertaken two major departmentwide reorganizations and absorbed new or expanded responsibilities that were not part of its original charter. The department also has been the focus of enormous public scrutiny, either because of its highly visible responsibilities—witness recent efforts to secure the southern border with Mexico—or due to a major mission breakdown, such as the response to Hurricane Katrina in 2005. The perception of the department and its ability to protect the homeland is poor, as demonstrated by surveys of both the public and DHS employees. This continuously changing environment, coupled with major ongoing operational responsibilities, has provided DHS leaders with a continuous "white water" management environment. With the 2008 Presidential election on the horizon, DHS leadership is about to turn over responsibility for managing this complex and challenging organization to a new team.

Recent history demonstrates that political transitions present an opportunity for terrorists to take advantage of real or perceived weaknesses in a nation's ability to detect, deter, prevent or respond to attacks. The final report of the National Commission on Terrorist Attacks upon the United States (9/11 Commission) raised concerns about the impact of future transitions on the government's ability to deal with terrorism. Due partly to the delayed resolution of the 2000 election, the incoming Bush administration did not have its deputy Cabinet officials in place until Spring 2001 or its sub-Cabinet officials in place until that summer. Historically, getting the Presidential team in position has been a slow process. The Commission strongly pushed for changes to the process so that the Nation is not left vulnerable to these types of delays in a post-9/11 world, particularly at DHS which soon will face its first Presidential transition.

With a forthcoming Presidential change on the horizon and concern that a departure of significant members of DHS' leadership team could further reduce the department's capabilities, congressional leaders thought it prudent to review DHS' senior staffing structure and composition, as well as assess and benchmark senior career training and development programs; these leaders were "concerned that the department and its components will not be able to function effectively when the change in administration occurs in 2009."[2] Congress and DHS asked the National Academy of Public Administration (Academy) to look at these issues and provide guidance. This report is the result of the request. Chapter 6 details the Academy Panel's recommendations and a suggested timeline for implementation.

[2] Senate Report 110-37.

This study has focused on DHS' senior leadership cadre—political appointees and career civil servants—and the department's existing and anticipated plans to make the transition go smoothly. In addition to an extensive review of reports and data from DHS and outside sources, the study team interviewed 81 individuals representing each of DHS' major components, individuals with broad government experience at all levels and others from the private sector and academia with homeland security perspectives.

To provide helpful and practical guidance to DHS, the Panel proposes that the department take the following steps tailored to Presidential transition timeframes. Specifically:

- Now until this summer's national party conventions. Focus on quickly completing, updating and executing its transition plans; identify key operational executive positions; ensure that training and joint exercises are begun; and implement the hiring and training proposal in this report.
- From the national party conventions to the election. Consistent with the recommendations of the 9/11 Commission and "Sense of the Senate" provisions, work with Executive Branch agencies and Congress to reach out to the Presidential candidates to identify potential homeland security transition team members and help them cbtain security clearances by Election Day.
- From the election to the inauguration. Work with the incoming administration, the Executive Branch and Congress to ensure that the new Secretary of Homeland Security is sworn in on Inauguration Day; that key executives are identified and voted on by the Senate as quickly as possible, recognizing that any day a critical position is vacant is a "gap" in our homeland security coverage; and that transition training and joint exercises are provided to executive appointees and nominees.
- Following Inauguration Day. Continue training of new appointees, nominees and careerists to build trust and operational performance, and reexamine current executive positions and allocations to support administration priorities. Within the first six months of the new administration, conduct a "capstone" scenario exercise to evaluate the effectiveness of transition planning, training and overall operational readiness.

The Panel also has overall observations that are important for framing the results of this study:

- The Panel has heard or reviewed many observations about DHS executive staffing, specifically that the department has too many senior executives and/or has too high a ratio of political appointees to career executives. No entity has provided a formula or guidelines for the specific optimum number of executives or political appointees in an agency, using agency size as measured by either staffing or budget. However, the Panel concludes that the total number of DHS executives and the percentage of political appointees are well within the norms of other Cabinet-level agencies. However, DHS must shift more executives to field locations in immigration and border management agencies and change non-career deputy officials, FEMA regional administrators and other officials to career executives.

Concern about the nation's vulnerability during a Presidential transition stems from the potential for leadership gaps in the transition of DHS senior leadership, compromising the department's ability to respond to an attack. There are several important elements to consider in this regard:

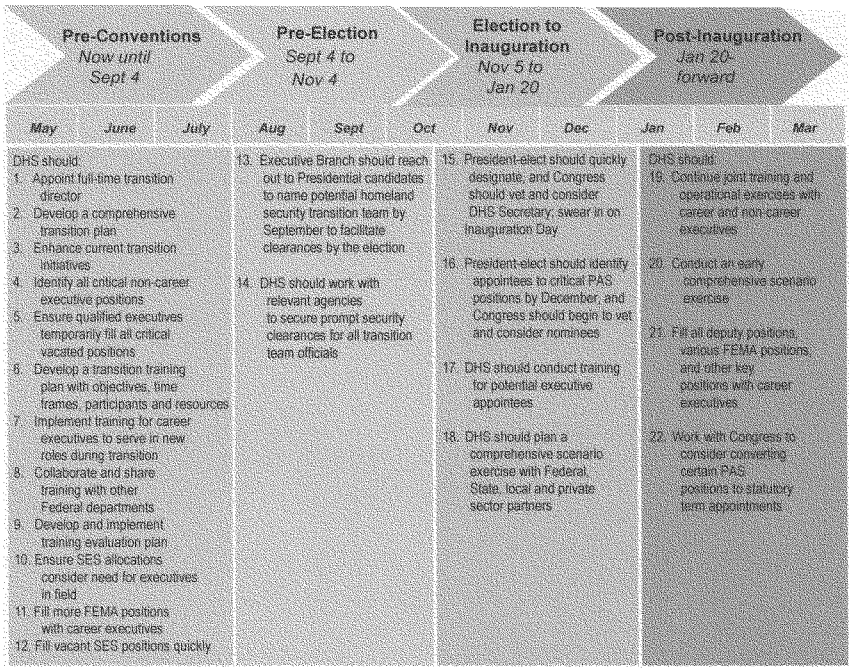
- Given that operational chains of command for DHS components will remain largely intact during the transition, the components' ability to respond to crises should not be seriously compromised *on an individual agency basis*. These agencies should be able to meet their mission responsibilities with the same degree of competence as during a non-transition period. If the crisis involves the coordination of multiple DHS components, however, the absence of key headquarters leaders could significantly increase the risk of DHS and other agencies not being able to respond appropriately.
- The Secretary of Homeland Security is the principal federal official for domestic incident management and responsible for coordinating federal operations and response to terrorist attacks, major disasters and other emergencies. Coordination with other federal agencies, state and local governments, and the private sector is a critical DHS responsibility. Leadership gaps from one leadership cadre to the next could be very problematic if an incident occurs during the transition period.
- A loss of public confidence in DHS could result should a homeland security crisis take place when senior leadership is not completely in place or fully prepared.

This report and others have strongly urged DHS to take certain steps to provide a "seamless transition" from one leadership cadre to the next. The Panel was pleased to note that the department has taken some steps to help it to be well positioned for the transition. However, there remain important areas that must be addressed if the department is to be completely prepared. To the greatest extent possible, incoming DHS leadership—including the Secretary and key staff—must be in place on Inauguration Day or shortly thereafter. This requires the support and cooperation of other federal agencies with background check and clearance responsibilities, as well as the Congress given its confirmation role and responsibilities.

It is not surprising that DHS has not fully achieved its intended role—providing an integrated and comprehensive approach to homeland security—given the sheer scope of its mission and the difficulties it has faced since its founding in 2003. The Panel believes that the department's key components still largely operate as "stand alone" entities, although important steps are being taken at headquarters and in the field to improve intra-departmental coordination and collaboration. However, to the extent that components operate independently in areas that call for a more collaborative approach, DHS operational efficiency or effectiveness will suffer and its stated objectives will remain out of reach. This reality will provide a major challenge for the leadership team appointed by the next President.

Exhibit 1 shows the Academy Panel recommendations which are discussed in greater detail in Chapter 6.

Exhibit 1: Academy Panel Recommendations for a Comprehensive Transition Program



CHAPTER 1
INTRODUCTION

> *The ability of the government to carry out its primary function of responding to the wishes of its citizens through executing the laws depends crucially on capable civil servants. And the effectiveness of these civil servants in the Executive Branch is intimately linked with the quality of the leadership of the executive branch, that is, Presidential appointees.*
>
> James P. Pfiffner, Professor
> School of Public Policy, George Mason University

ORIGINS AND PURPOSE OF THIS STUDY

The responsibilities of the U.S. Department of Homeland Security (DHS) are among the most vital in government. The legislation creating the department charges it to:

- Prevent terrorist attacks within the United States.
- Reduce the vulnerability of the United States to terrorism.
- Minimize the damage, and assist in the recovery, from terrorist attacks that occur within the United States.
- Carry out the functions of entities transferred to the department, including by acting as a focal point regarding natural and manmade crises and emergency planning.[3]

As detailed in Chapter 2 of this report, the President also designated the Secretary of Homeland Security as the principal federal official responsible for domestic incident management and coordination to prepare for, respond to and recover from terrorist attacks, major disasters and other emergencies within the United States.[4]

In establishing DHS, Congress appreciated the difficulties of an undertaking of this magnitude and significance. The reality and severity of the threats to homeland security convinced Members that the difficulties inherent in the reorganization were worth the benefits that could flow from it. More than five years later, the department faces significant organizational and human resources challenges that directly impact its ability to carry out its responsibilities.

Transitions to a new President and administration, positive occurrences in our democracy, nonetheless present governance challenges of their own. The President's new policy and leadership team must absorb a huge amount of information and the timeframe for doing so is short. Meanwhile, members of the outgoing administration will leave with most non-career leaders departing by Inauguration Day. The time between the election and the inauguration is

[3] P.L. 107-296, November 25, 2002.
[4] Homeland Security Presidential Directive/HSPD-5, February 23, 2003.

less than three months, giving the incoming President very little time to put his or her new governing team together. The growing length of the appointments and confirmation process for those assuming Advise and Consent positions further delays the time it takes Presidents to get key leadership personnel on board and operating effectively.

Adding to these challenges is the concern that terrorists may attempt to take advantage of perceived vulnerabilities during the transition period. Terrorists attacked New York City in 1993, shortly after President Clinton first took office; New York City and the Pentagon in 2001, 8 months after President George W. Bush took office; Madrid, 3 days before Spain's 2004 national elections; London in 2005, 2 months after the British national elections; and Glasgow's airport in 2007, within hours of the appointment of a new British Prime Minister and Cabinet.

OBJECTIVES, SCOPE AND METHODOLOGY

Given the ongoing importance of DHS' mission and the special challenges posed by the 2008 election transition period, Congress asked the Academy to examine and report on the department's leadership and personnel readiness.

The Conference Report on the Emergency Supplemental Appropriations for FY 2007[5] noted that:

> The conferees agree with the Senate's concern that the management and administrative challenges facing the department will increase unless a stronger focus is placed on hiring, training and maintaining career leaders. In particular, the conferees are concerned that the department and its components will not be able to function effectively when the change in administration occurs in 2009.

Public Law 110-28, May 25, 2007, referred to House Report 110-27 and specifically made appropriations to

> ...the (DHS) Office of the Under Secretary for Management for an independent study to compare the DHS senior career and political staffing levels and senior career training programs with those of similarly structured Cabinet-level agencies.

DHS subsequently engaged the Academy to undertake the study requested by Congress.

Objectives

As directed by Congress and DHS, the Academy undertook a set of tasks. These tasks and the Academy's analysis for each of them appear in this report as outlined below.

[5] House Report 110-107, April 24, 2007.

DHS Executive Profile (Chapter 3)

1. Assess the appropriateness of the overall number of executives for DHS, given its size and broad mission objectives.
2. Assess the department's allocation between career and non-career executives.
3. Compare the department with similarly structured agencies' career and non-career executives.
4. Identify gaps in the department's career senior leadership structure, including risks associated with changing leadership during a Presidential transition.

Transition Training (Chapter 4)

5. Assess the adequacy of career SES and other career development training programs as they relate to the transition.
6. Compare DHS' transition training programs with those of similarly structured Cabinet-level agencies.

Transition Plans—Leadership Continuity (Chapter 5)

7. Review DHS planning for the transition and propose changes to address any gaps.

Final Recommendations and Implementation Plan with Transition-Based Timeline (Chapter 6)

Through these tasks, the Academy's goal was to help DHS identify and remedy leadership and management gaps that currently exist or could arise during the Presidential transition. The final recommendations contained in this report include an implementation schedule to assist the department in addressing the gaps or potential gaps identified through this study.

Methodology

The Academy appointed six Fellows to the expert Panel directing and overseeing this study. Appendix A provides their names and biographies, including their relevant experience and expertise. Four Panel meetings were held during the 7-month engagement to guide the study and work of the Academy's project team.

Throughout the course of this study, which began in October 2007 and ended in April 2008, the project team conducted extensive research on homeland security issues, transition procedures, career versus political management issues and other relevant themes. Appendix B has a bibliography and list of studies reviewed.

Interviews were critical to the project's methodology. The project team met with 81 officials, including DHS executives from departmental and operating components and regional offices;

executives from outside agencies; members of the Homeland Security Advisory Council;[6] former DHS officials; management officials from the Department of Defense, Department of State, Department of the Treasury, Department of Agriculture, Office of the Director of National Intelligence, Federal Bureau of Investigation (FBI), Office of Management and Budget (OMB), and Office of Personnel Management; and academics and other experts from various organizations. Appendix C has a comprehensive list of individuals contacted and interviewed.

The project team analyzed extensive information on DHS' executive resources. This included information maintained by the department's Chief Human Capital Office and Personnel and Payroll System, and personnel and payroll data from the Transportation Security Administration (TSA), which are maintained separate from DHS' other personnel data. Additional data included DHS requests for additional Senior Executive Service (SES) positions from OPM; the location and occupational mix of executive resources for three DHS components: United States Immigration and Customs Enforcement (ICE), United States Customs and Border Protection (CBP), and United States Citizenship and Immigration Services (CIS); the number of Federal Emergency Management Agency (FEMA) career and non-career executives over the past 10 years; the turnover of DHS career and non-career executives over the past 4 years; the ethnicity and gender profile of DHS executives; the critical position database developed by DHS for its succession planning program; and DHS' orders of succession

To compare DHS' executive profile to other departments, the project team analyzed data contained in FedScope, OPM's online database on federal civilian employment. FedScope provides information on the civilian workforce for all departments and agencies, except some intelligence agencies. The most recent data available at the time of the study was as of September 30, 2007. They provide information only on employees in filled positions and do not include details on some agencies covered by personnel systems other than title 5, U.S. Code. For example, TSA executive data are not separated from all other employee data; this limited the team's analysis of TSA executives. The team staff also analyzed some information from OPM's Executive and Schedule C system on other departments' executive profiles. These data provided information on vacant positions, but the team determined that they were not sufficiently current or reliable for detailed analysis. To assist in the analysis of other departments' executive profiles, the team used information from the Leadership Directory.[7]

The project tasks called for comparisons with similarly structured departments and agencies. The consensus among officials interviewed was that there were no departments similar to DHS. Some DHS law enforcement agencies can be compared to other such agencies; the team compared executive/employee ratios with ICE, the U.S. Secret Service, Bureau of Alcohol, Tobacco, Firearms and Explosives, Drug Enforcement Administration and FBI law enforcement. Other comparisons were made among DHS' headquarters offices and the Departments of State, Treasury, Justice and Defense, and overall with all 15 Cabinet-level departments.

---

[6] The Homeland Security Advisory Council (HSAC) provides advice and recommendations to the Secretary on matters related to homeland security. It is composed of leaders from state and local government, first responder communities, the private sector and academia.

[7] Leadership Directories, Inc. provides information on the leaders of major U.S. government, business, professional and nonprofit organizations.

The project team also analyzed DHS' departmentwide transition plan initiatives and training as provided by headquarters, including plans for transition training being developed by the Council for Excellence in Government.

CHAPTER 2
TRANSITION ENVIRONMENT AND CHALLENGES

Every federal agency faces challenges when transitioning from one Presidential administration to the next. For DHS, these challenges are compounded by the complexity and importance of its mission, the newness of the organization itself and the ever-changing landscape of operational issues with which it has to contend. To understand the challenges fully, it is important to be aware of the department's evolution, including its formation, significant reorganizations and shifts of responsibility among its components, changes to national incident response plans, and the multiple levels of Executive and Legislative Branch oversight. Further complicating the transition are the negative views of DHS held by its employees, and the public.

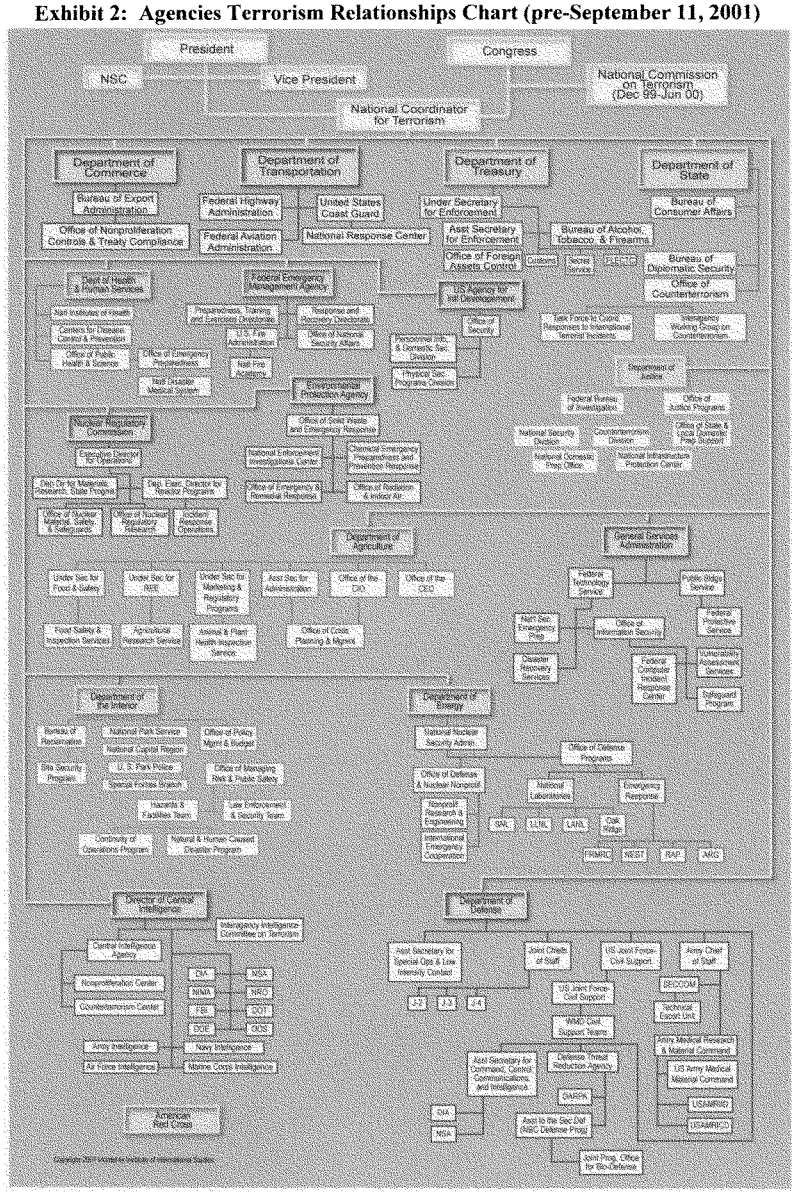
THE FORMATION OF DHS

The U.S. Department of Homeland Security (DHS) is charged with protecting the security of the American homeland. Its primary missions are to "prevent and deter terrorist attacks and protect against and respond to threats and hazards to the nation" and to "ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free flow of commerce."[8] Born in the aftermath of the September 11, 2001 attacks on the World Trade Center and the Pentagon, the department brought together government agencies responsible for domestic security.

The 9/11 attacks served as a sharp wake up call regarding the federal government's capability to prevent terrorists attacks on the homeland. There was widespread concern about the seeming ease with which the terrorists entered and remained in the United States and the inability of federal agencies to "connect the dots" concerning the evidence of the upcoming attacks. In October 2001, President Bush issued an Executive order establishing the Office of Homeland Security within the White House to coordinate counterterrorism efforts. Exhibit 2 depicts the confusing array of entities that made up the pre-9/11 organization for homeland security. It shows the agencies, programs and offices that had a role in anti-terrorism, counterterrorism and domestic efforts at that time, as well as the organizational relationships among them. President Bush selected Pennsylvania Governor Tom Ridge to head the office and lead the coordination efforts.

[8] U.S. Department of Homeland Security Mission statement.

Exhibit 2: Agencies Terrorism Relationships Chart (pre-September 11, 2001)



Source: Center for Nonproliferation Studies

The public response to Governor Ridge's appointment was generally favorable. At the same time, there were concerns that this new position did not possess the authority or resources needed to centralize the homeland security function and that Ridge's advisory position gave him no control over the many agencies involved. The appointment also troubled some Members of Congress because their oversight role was minimized under the structure. Legislation based on the recommendations of the Commission on National Security/21st Century[9] was soon introduced to establish a Cabinet-level Department of Homeland Security. The Bush administration initially opposed such a step; as support grew, however, the White House began its own design work and unveiled its plan in June 2002.

A small group of aides devised a plan which was reviewed only by senior White House officials prior to being approved by President Bush. The plan, which came as a surprise to the Cabinet officials most affected by it, was unveiled in June 2002 following 6 weeks of meetings. Many viewed the lack of open debate among key players, which was designed to expedite the process by limiting review, as setting in motion some of the organizational problems that plague DHS to this day.

Following several months of debate focused primarily on a new personnel system, Congress passed legislation establishing the new department along the lines proposed by the White House and the earlier congressional legislation. On November 25, 2002, the President signed into law the Homeland Security Act, which led to the largest federal reorganization since the creation of the Department of Defense in 1947. Governor Ridge was named the department's first Secretary.

The Secretary of Homeland Security was designated as the principal federal official for domestic incident management with responsibility for coordinating federal operations within the United States to prepare for, respond to and recover from terrorist attacks, major disasters and other emergencies. DHS coordinates the federal government's resources when any one of four conditions applies: (1) a federal department or agency has requested DHS' assistance; (2) the resources of state and local authorities are overwhelmed and federal assistance has been requested; (3) more than one federal department or agency has become substantially involved in responding to the incident; or (4) the Secretary has been directed to assume responsibility for managing the domestic incident by the President.[10]

DHS also supports state and local governments with planning, equipment, training and exercise activities; provides assistance to develop all-hazards plans and capabilities; and ensures that federal, state and local plans are compatible. The department coordinates with the private and nongovernmental sectors to ensure that planning, equipment, training and exercise activities are adequate and to promote partnerships to address incident management capabilities

---

[9] The U.S. Commission on National Security/21st Century/Hart-Rudman Commission was chartered to review U.S. national security requirements for the next century. The Commission's report, published in September 1999, warned that, in the course of the next quarter century, terrorist acts involving weapons of mass destruction were likely to increase. "Americans will likely die on American soil, possibly in large numbers," it said. http://en.wikipedia.org/wiki/National_Commission_on_Terrorism

[10] Homeland Security Presidential Directive/HSPD-5. February 23, 2003.

DHS' First Organization

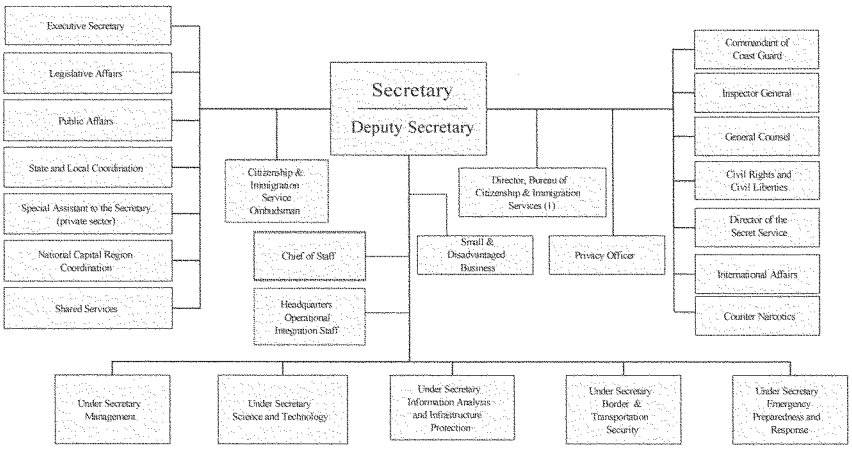
DHS initially organized operations into four major directorates: Border and Transportation Security, Emergency Preparedness and Response, Science and Technology, and Information Analysis and Infrastructure Protection. Exhibit 3 outlines the offices and components of each directorate and their legacy department.

Exhibit 3: Original DHS Organization

Directorate	Office or Component (Agency of origin shown in parentheses)
Border and Transportation Security	• U.S. Customs Service (Treasury) • Immigration and Naturalization Service (part) (Justice) • Federal Protective Service (General Services Administration) • Transportation Security Administration (Transportation) • Federal Law Enforcement Training Center (Treasury) • Animal and Plant Health Inspection Service (part)(Agriculture) • Office for Domestic Preparedness (Justice)
Emergency Preparedness and Response	• Federal Emergency Management Agency • Strategic National Stockpile & the National Disaster Medical System (Health and Human Services) • Nuclear Incident Response Team (Energy) • Domestic Emergency Support Teams (Justice) • National Domestic Preparedness Office (FBI)
Science and Technology	• Chemical, Biological, Radiological and Nuclear Countermeasures Programs (Energy) • Environmental Measurements Laboratory (Energy) • National Biological Weapons Defense Analysis Center (Defense) • Plum Island Animal Disease Center (Agriculture)
Information Analysis and Infrastructure Protection	• Federal Computer Incident Response Center (GSA) • National Communications System (Defense) • National Infrastructure Protection Center (FBI) • Energy Security and Assurance Program (Energy)

The U.S. Secret Service (Treasury) and the U.S. Coast Guard (Transportation) were included, but remained intact and reported directly to the Secretary. Immigration and Naturalization Service adjudications and benefits programs reported directly to the Deputy Secretary as the U.S. Citizenship and Immigration Services. Exhibit 4 shows DHS' initial organization chart.

Exhibit 4: DHS Organization Chart—March 2003



A DHS Inspector General (IG) report, issued 1 year following the department's creation, noted that the "reorganization had elements of a merger, divestiture, acquisition, and startup."[11] Progress was noted in numerous areas, but the report stated that integrating 22 separate components into a "single, effective, efficient and economical department" remained the biggest challenge. The report also focused on the difficulty of changing FEMA's mission from one which was geared toward natural disasters to one which included the ability to respond to terrorist attacks. Contract management, grants management, financial management, information technology management, human capital management, intelligence matters, border security and transportation security all were cited as areas presenting significant challenges.

Fallout from the response to the Gulf Coast hurricanes in 2005, problems stemming from TSA-driven changes to airport security, perceived weaknesses in border security, control of illegal immigration and other issues led to a widespread view that DHS was failing at its fundamental missions. Given the extraordinary scope of its responsibilities, it was—and is—difficult to find many days when some aspect of DHS or it components did not make the news,[12] in an often unflattering light.

The 2005 Reorganization

On December 2, 2004, Secretary Ridge announced that he would resign his position effective February 1, 2005. Federal Judge Michael Chertoff was nominated by the President and later

[11] Review of the Status of Department of Homeland Security Efforts to Address Its Major Management Challenges. DHS IG Office of Audit. OIG-04-21, March 2004.
[12] For example, a search on Google for the week of January 31 to February 6, 2008 generated more than 500 news articles referencing DHS.

confirmed as the new Secretary of Homeland Security on February 15, 2005. Chertoff quickly initiated a Second Stage Review (2SR) of DHS' organization, operations and policies to be driven by six imperatives:

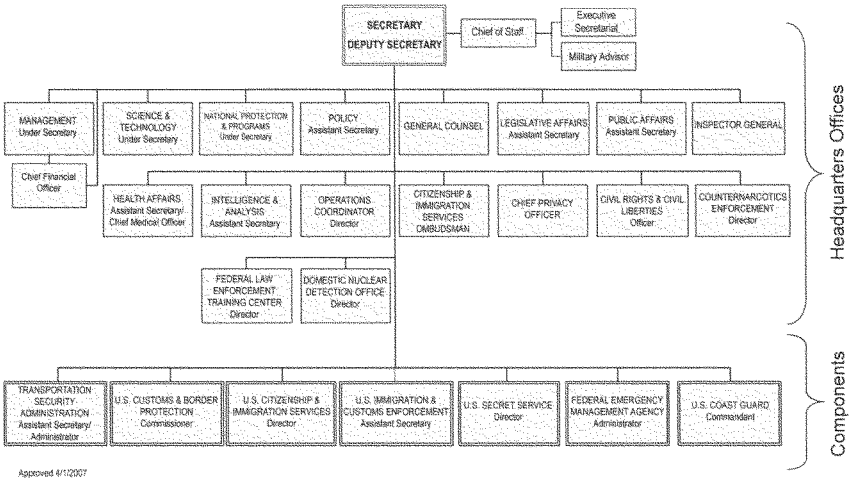
1. Increase preparedness, with a particular focus on catastrophic events.
2. Strengthen border security and interior enforcement and reform immigration processes.
3. Harden transportation security without sacrificing mobility.
4. Enhance information sharing with state, local, tribal and private sector partners.
5. Improve DHS stewardship, particularly with stronger financial, human resources, procurement and information technology management.
6. Re-align the DHS organization to maximize mission performance.

Numerous significant structural changes were made as a result of the 2SR review, including the formation of a new, departmentwide policy office; changes in how DHS manages intelligence and information sharing responsibilities; formation of a new Operations Coordination office and other measures to increase operational accountability; and a consolidation effort to integrate the department's preparedness mission.

A fundamental change took place when the four directorates with responsibility for managing the components were replaced with a structure in which all seven primary operational components report directly to the Office of the Secretary. A position of Director of Operations Coordination was created to work with DHS components and other federal agencies to ensure that actions were well coordinated and executed in a timely fashion. However, the Secretary said this new organization was not to "disrupt our operators in the field, nor will it interfere with component chains-of-command."[13] This office was to serve as the hub for crisis management, as well. The resulting and current organization, shown in Exhibit 5, has 24 direct reports to the Secretary/Deputy Secretary.[14]

[13] Statement of Secretary Michael Chertoff. U.S. Department Of Homeland Security. Before the Senate Committee on Commerce, Science and Transportation, July 19, 2005.
[14] DHS' current organization is a result of 2SR, the Post-Katrina Act, and a January 2007 Sec. 872 notice.

Exhibit 5: Current DHS Organization Chart



Legislation Strengthens FEMA's Role

There have been more recent changes to DHS' organization. The Post-Katrina Emergency Reform Act, signed by President Bush on October 4, 2006, gave FEMA a quasi-independent status similar to the U.S. Coast Guard. Specifically, the act transferred the following offices from the Preparedness Directorate to FEMA: the U.S. Fire Administration, Office of Grants and Training, Chemical Stockpile Emergency Preparedness Division, Radiological Emergency Preparedness Program and Office of National Capital Region Coordination. Second, the head of FEMA was renamed an Administrator and Deputy Administrator/Chief Operating Officer and Deputy Administrator for National Preparedness positions were created. Third, the act required that FEMA be led by no more than four Deputy Administrators, each of whom would be a Presidential Appointment Requiring Senate Confirmation (PAS) position. Fourth, several functions were left in the Preparedness Directorate, subsequently renamed the National Protection and Programs Directorate (NPPD). Fifth, the act created the Office of Health Affairs, led by the Chief Medical Officer, which includes the Weapons of Mass Destruction and Biodefense, Medical Readiness and Component Services Divisions.

National Response Plan / National Response Framework

Changes have been made to coordinate the nation's response to disasters, as well. Beginning with the creation of FEMA in 1979, the government developed a Federal Response Plan—later evolving into the National Response Plan (NRP)—which took a comprehensive "all hazards" approach to domestic incident management.

The plan was severely tested by the Gulf Coast hurricanes that struck Louisiana and Mississippi in 2005. In testimony[15] on the national response to Hurricanes Katrina and Rita, then-Comptroller General David M. Walker stated that:

- Because the storms were not designated as a catastrophic incident,[16] the additional provisions of the NRP were not triggered.
- The efforts of all federal agencies involved in the response remained disjointed because the Principal Federal Official's leadership role was unclear.
- The NRP framework did not yet have the types of detailed plans needed to better delineate capabilities that were required or how such assistance would be provided and coordinated.
- The NRP base plan and its supporting catastrophic provisions needed to be supported and supplemented by more detailed and robust implementation plans.

A 2006 DHS IG report[17] noted that integrating the department's 22 components into a cohesive whole remained its biggest challenge. As for FEMA's performance during the Gulf Coast hurricanes, the report stated that earlier IG reports had pointed out weaknesses in some FEMA operations and that Hurricanes Katrina and Rita presented an unprecedented opportunity for fraud, waste and abuse. FEMA was widely criticized for its hurricane response efforts; though some systemic conditions were cited as contributing to poor performance, Members of Congress also raised concerns that problems might have stemmed from FEMA's move to DHS and the resulting organizational and budget changes.

GAO found an incomplete understanding of roles and responsibilities under the NRP, leading to misunderstandings, problems and delays. A contributing factor was the fact that Secretary Chertoff had become Secretary just 8 months earlier and much of the department's senior leadership had changed.

The problems highlighted by the Gulf Coast storms led DHS, working with a broad array of stakeholders at all levels of government, to develop a new, 90-page National Response Framework (NRF)[18] as the successor to the 427-page NRP. The NRF was designed to:

- Be scalable, flexible and adaptable.
- Always be in effect.
- Articulate clear roles and responsibilities among federal, state and local officials.

---

[15] Statement by Comptroller General David M. Walker on GAO's Preliminary Observations Regarding Preparedness and Response to Hurricanes Katrina and Rita to the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina, February 1, 2006.

[16] A catastrophic incident is one that results in extraordinary levels of mass casualties, damage or disruption severely affecting the population, infrastructure, environment, economy, national morale and/or government functions.

[17] Major Management Challenges Facing the Department of Homeland Security. Office of Inspector General. Office of Audits. OIG-06-14, December 2005.

[18] The website for NRF, which is effective March 22, 2008, is http://www.fema.gov/emergency/nrf/aboutNRF.htm.

The NRF also restored FEMA's authority to coordinate federal disaster operations. Management responsibilities during a disaster response remain with DHS headquarters officials, but FEMA makes operational decisions about deploying federal resources in most disasters. Additionally, the DHS Secretary no longer has to designate an Incident of National Significance to initiate an aggressive response. The NRF now spells out plans for dealing with different types of crises.

DEFINING DHS HEADQUARTERS' ROLE

DHS' creation was an enormous undertaking conducted in a highly charged environment over a very short period of time. During this period, some observers commented that the process needed to proceed more slowly and deliberately and include the input of the organizations involved. The most optimistic forecasts estimated that it would take 5 to 10 years for DHS to become fully functional. Headquarters' difficulty fostering an integrated and comprehensive—"one DHS"—approach to homeland security is not surprising; nonetheless, it remains an elusive challenge for department leaders who recognize this as an important issue. Numerous reports suggest specific steps that DHS could take to advance this approach.

By both necessity and design, component organizations routinely work together in the field. The responsibilities of TSA, CBP, ICE and others require close cooperation and coordination on a number of issues. Efforts are being made to have corresponding component headquarters elements work in a more integrated fashion, but this effort has a long way to go.

Among the factors that combine to make integrating DHS component activities one of the most daunting tasks in government are the mix of organizational cultures (which include some of the oldest and youngest federal agencies); the reorganizations and multiple levels of Executive and Legislative Branch oversight; the mission challenges highlighted by the response to the Gulf Coast hurricanes of 2005; and the problems dealing with illegal immigration and border security.

In 2006, Secretary Chertoff asked the Homeland Security Advisory Council (HSAC) to provide recommendations "for creating, achieving and maintaining an empowering, energetic, dedicated, mission-focused culture within the department." The report,[19] issued in 2007, made several recommendations designed to help DHS integrate its overall approach to its mission and create a positive organizational culture:

- Recommendation 1: DHS Headquarters Must Further Define and Crystallize Its Role. *DHS leadership needs to ultimately define the role of headquarters so that the operational components can focus on their operational strengths, while the headquarters provides the overall policy, supports integrating processes where appropriate to leverage individual component strengths, and creates the organizational alignment necessary for overall DHS success. It is important that DHS headquarters not assume final operational responsibility for component missions but rather take responsibility for providing the effective vision, policies and resources to ensure the successful execution of all component missions.*

[19] Homeland Security Advisory Council. Report of the Culture Task Force, January 2007.

- Recommendation 2: Implement Homeland Security Management and Leadership Models. *DHS should adopt a closed loop management model that sets the key relationships between strategic accountabilities, organizational units, performance expectations and management processes to achieve DHS goals. DHS should also adopt a leadership and training model, including "joint duty and training" experience that will help all DHS leadership to focus collaboratively on key leadership expectations and objectives*
- Recommendation 3: Establish an Operational Leadership Position. *The (HSAC'S Culture Task Force) believes there is a compelling need for the creation of a Deputy Secretary for Operations (DSO) who would report to the Secretary and be responsible for the high level department-wide measures aimed at generating and sustaining seamless operational integration and alignment of the components. We recommend that the position be a career federal employee in order to provide continuity and freedom from political influence.*

To bring about a more integrated approach, the report also suggested specific headquarters roles:

- Establish overall DHS strategy and annual operational and financial performance objectives.
- Insure DHS performance against operational and financial objectives through oversight of DHS component commands.
- Actively engage with DHS component commands in their strategies, investments and leadership development.
- Rely on DHS component commands for day-to-day execution of DHS objectives.
- Sponsor and lead DHS values, ethics and compliance standards.
- Sponsor initiatives that have DHS-wide impact on performance.
- Manage shared DHS services.
- Lead and coordinate interface with Congress and other governmental agencies and organizations.

DHS has taken steps to develop a common leadership development model that includes a departmentwide Senior Executive candidate development program and the promotion of joint duty assignments. However, the headquarters role remains unclear and DHS has not established a career Deputy Secretary for Operations.

Other studies have focused on the difficulties of creating a cohesive, integrated approach at DHS. A 2008 study on strengthening homeland security[20] suggested that improving the department's planning and resource allocation processes could help integrate the budgets and policies of the individual components. It noted that when DHS was first formed, its staff understood that the

[20] Strengthening Homeland Security: Reforming Planning and Resource Allocation. Cindy Williams, Principal Research Scientist. Security Studies Program. Massachusetts Institute of Technology. Washington, D.C.: IBM Center for the Business of Government, 2008.

legacy components would be reluctant to give up budget and autonomy to the new department. As a result, DHS instituted a planning, programming, budgeting and execution system in order to create an effective, integrated process. The report suggested there is much to be done before this will be accomplished. The congressional budget process—with 86 committees and subcommittees having jurisdiction over different DHS components—is seen as a major contributor to this shortcoming.

As noted earlier, DHS' current organizational structure has all seven primary operational components reporting directly to the Office of the Secretary. An Operations Coordination Office works with component leadership and other federal agencies to help ensure that actions are well coordinated and executed in a timely fashion, but it has no role in coordinating field operations. FEMA officials commented that the role of the Operations Coordination Office should not be to coordinate operations as it would conflict with the role of FEMA National Response Coordination Center and the statutory role of FEMA to manage inter-agency operations. Other headquarters officials believed that additional coordination is needed.

With few exceptions, each component could stand on its own as an independent organization; there are very few integrated activities at headquarters. This raises questions about its ability to take a strategic approach to managing the components. An important step as been a recent effort to strengthen the operations coordination function (discussed in Chapter 5) to develop options for the Secretary should an event occur requiring coordination across components.

DHS is aware of the need for further integration in a number of areas. In her recent testimony before the House Committee on Homeland Security, Subcommittee on Management, Investigations and Oversight, Deputy Under Secretary for Management Elaine Duke identified key elements in DHS' strategy to create a more integrated department.[21] These include

- Improving acquisition and procurement throughout the department.
- Strengthening the requirements and investment review processes.
- Acquiring and maintaining human capital.
- Seeking efficiencies across the enterprise in the use of resources.
- Making the key management systems, such as financial and human resources, world class.
- Acquiring funding and approval for DHS' consolidation at St. Elizabeth's West Campus and efficient realignment of all DHS off-campus locations.

[21] Statement of Elaine Duke, Department of Homeland Security, Deputy Under Secretary for Management. *The Future of DHS Management.* Testimony before the House Committee on Homeland Security, Subcommittee on Management, Investigations and Oversight, April 9, 2008.

EXECUTIVE AND LEGISLATIVE BRANCH OVERSIGHT

The Homeland Security Council (HSC), the successor to the Office of Homeland Security, was created by Homeland Security Presidential Directive 1 on October 29, 2001. Led by the Assistant to the President for Homeland Security and Counterterrorism, its mission is to "ensure coordination of all homeland security-related activities among executive departments and agencies and promote the effective development and implementation of all homeland security policies." As with the National Security Council, HSC has a full-time staff and is composed of the Cabinet Secretaries and White House senior officials with homeland security responsibilities. Given its policy coordination and advisory responsibilities, HSC interacts frequently with DHS and its establishment led to creation of a homeland security branch in OMB.

Congressional oversight of DHS has taken on extraordinary dimensions with 86 congressional committees and subcommittees having some responsibility for the department or its components. The impacts of this complexity are illustrated in a report by the Center for Strategic and International Studies (CSIS)[22] which observed, "Congress has failed to remove a major impediment to effective homeland security: the balkanized and dysfunctional oversight of the Department of Homeland Security." The report made several observations and recommendations for Congress:

- DHS is still responsible to everyone, which makes it accountable to no one.
- Homeland security needs to be guided by a smaller set of members of Congress, who can develop long-term expertise on homeland security issues and be responsible for developing a strategic and well-informed perspective that can guide and advise the department.
- Partial reform or piecemeal efforts will be ineffective. DHS will be insufficiently accountable unless true reforms are made to place the majority of oversight responsibility in one committee in each chamber of Congress. The current situation poses a clear and demonstrable risk to our national security.
- Both the House and Senate should each create strong standing committees for homeland security, with jurisdiction over all DHS components.

The 9/11 Commission noted an excessive number of congressional committees with oversight responsibilities for DHS and recommended that Congress create a single point of oversight for homeland security. In 2005, the Senate Committee on Governmental Affairs was given jurisdiction over matters related to DHS and renamed the Committee on Homeland Security and Governmental Affairs. The House made the Committee on Homeland Security a permanent committee that same year. While improvements,, these changes have not resolved the issue of the excessive number of oversight committees as demonstrated by HSAC's January 2008 report calling on Congress to "implement the 9/11 Commission recommendation to reduce the number

[22] Untangling the Web: Congressional Oversight and the Department of Homeland Security. A White Paper of The CSIS-BENS Task Force On Congressional Oversight of the Department of Homeland Security, December 10, 2004.

of congressional oversight committees and subcommittees from its current unwieldy eighty-six."[23]

The report *Strengthening Homeland Security: Reforming Planning and Resource Allocation*[24] also cited several major problems for DHS caused by this complex congressional jurisdiction:

- It is difficult for the DHS Secretary to align resources to strategy. Component leaders who feel they are not getting their fair share can circumvent the process by going to one of their congressional committees of jurisdiction.
- Intersecting jurisdictions make it difficult to pass important authorizing legislation.
- DHS leaders report to many committees and subcommittees which opens the door to policy disarray as the department receives conflicting guidance from multiple committees or their staffs.
- There are numerous requests for testimony and information. From January to July 2007, DHS provided 195 witnesses to 141 hearings and presented more than 1,500 briefings to congressional committees.

Many interviewed during the course of this study cited the "excessive amount of oversight" that the department receives as an impediment to effectiveness.

Contemporaneous with the creation of the Department of Defense in 1947 was the formation of the Senate Committee on Armed Services and the House Armed Services Committee, the first-ever single committee in each body responsible for national defense. Just as these efforts a half century ago were meant to streamline and improve legislative oversight over military affairs, Congress now needs to reconsider its approach to homeland security.

VIEWS OF DHS

DHS employees rank their department at or near the bottom in most categories of government-wide surveys. Describing the results of OPM's 2006 Federal Human Capital Survey, a Washington Post[25] article stated that, "The employees have spoken...and sent a jolt through the Department of Homeland Security, which scored last or almost last in job satisfaction, leadership and workplace performance...To a large extent, the 2006 responses by Homeland Security employees closely track what employees said in 2004, an indication that the department may face a significant morale problem in some of its bureaus." Based on the results of this survey, the Partnership for Public Service and American University's Institute for the Study of Public

[23] Homeland Security Advisory Council. Report of the Administration Transition Task Force, January 2008.
[24] Loc Cit.
[25] Homeland Security Employees Feeling the Blues. Stephen Barr. *Washington Post*. January 31, 2007.

Policy Implementation found that DHS ranked 29th out of 30 large departments and agencies in their 2007 Best Places to Work Rankings.[26]

Although DHS consistently scores poorly in such surveys, employee perceptions vary widely from one component to another. The U.S. Coast Guard and U.S. Secret Service receive high marks as agencies where good performance is rewarded, that have good communications and offer opportunities for advancement. TSA, however, receives very low ratings in the same categories. OPM again will administer the Federal Human Capital Survey in Summer 2008, with results expected to be released in January 2009.

The public's view of DHS reflects similar concerns. According to one account, expectations for DHS were low from the start: "The first national opinion poll (December 2002) regarding the newly created Department of Homeland Security (showed that only) 13 percent of Americans polled by the Gallup Organization say they have confidence that the new department will make them 'a lot' safer. Nearly 4 in 10 Americans expect that the new department will not make the country any safer.[27]

The 2005 Gulf Coast hurricanes and the corresponding DHS/FEMA response dealt a severe blow to both entities' reputations. Said one account: "Less than half of Americans in a national survey said they hold favorable views of the Federal Emergency Management Agency, a sign that the Bush administration's sluggish response to Hurricane Katrina continues to shape perceptions of the agency. FEMA came in last, for a second consecutive year, in the survey, which asked respondents to give their views of 22 agencies.[28]

A recent Associated Press poll[29], summarized in Exhibit 6, illustrates the public's view of DHS and two of its major components, TSA and FEMA, as compared with other federal agencies:

---

[26] Partnership for Public Service and American University Institute for the Study of Public Policy Implementation. 2007 Best Places to Work Rankings http://bestplacestowork.org/BPTW/about/. This analysis uses data from OPM's Federal Human Capital Survey.

[27] Gallup Poll: Homeland department draws poll skepticism. Ann McFeatters. *Post-Gazette National Bureau*, December 4, 2002 http://www.post-gazette.com/nation/20021204securenat2p2.asp

[28] FEMA's Image Still Tarnished by Katrina. Stephen Barr. *Washington Post*, January 29, 2008.

[29] Conducted by Ipsos Public Affairs. December 17-19, 2007.

Exhibit 6: Public View of Federal Agencies

Executive Branch Agency	Favorable (percentage)	Unfavorable (percentage)	No Answer (percentage)
Postal Service	89	10	1
Federal Bureau of Investigation (FBI)	77	17	6
Department of Defense (DoD)	65	29	6
Social Security Administration (SSA)	64	32	4
Environmental Protection Agency (EPA)	63	31	6
Food and Drug Administration (FDA)	62	32	6
Department of Homeland Security (DHS)	**60**	**34**	**6**
Department of Education	59	38	3
Central Intelligence Agency (CIA)	58	30	12
Transportation Security Administration (TSA)	**56**	**25**	**19**
Internal Revenue Service (IRS)	56	39	5
Federal Emergency Management Administration (FEMA)	**49**	**41**	**10**

Source: Associated Press, December 2007

These views by the DHS' employees and the public could further complicate efforts for a smooth transition.

FINDINGS

The primary objective of this study is to provide an assessment of DHS' plans to address the Presidential transition. Much of that assessment, detailed in the next three chapters, focuses on specific steps that the department has taken with regard to executive staffing and training and transition planning. These steps, which take place in a highly challenging environment, are necessary but not sufficient given DHS' organizational dynamics.

The Panel believes that the transition requires a strong reliance on career executives to play a key role in providing the stability needed as the senior political leadership turns over. Reliance on career civil servants to play the "bridging" role through this period should be an essential strategy for both current and future DHS political leadership. The department is taking steps to make this happen, but it is just as important for the incoming political team to embrace the approach if it is to be successful.

An important task for every agency is getting incoming non-career appointees to appreciate career executives as people who "care about the long-term health of their organizations and embody the institutional memory of their agencies"[30] and who can help implement the new President's policy and organizational goals. It is critical for DHS and its mission to provide a focused national approach to homeland security. Both current DHS leaders and members of

[30] David Maranto, Beyond a Government of Strangers: How Career Executives and Political Appointees Can Turn Conflict to Cooperation, 2005: Lexington Press.

congressional committees with DHS oversight can help transmit this important message to the incoming administration.

The Panel believes that defining the proper role of DHS headquarters and taking an integrated approach to managing individual components will challenge the department's leaders for years to come. Nonetheless, it is an effort that must continue for DHS to meet the substantial goals set for it upon its creation. The issues discussed in the next three chapters—related to staffing, training and transition planning—are vital. At the same time, it is imperative to recognize that the broader task of integrating DHS' many missions and operating components is the key to its long-term effectiveness.

CHAPTER 3
DHS' EXECUTIVE PROFILE

One of this study's key tasks was to analyze DHS' executive profile as part of an overall analysis of the department's transition efforts. This chapter responds to the first four project tasks:

1. Assess the appropriateness of the overall number of DHS executives, given the department's size and broad mission objectives.
2. Assess the department's allocation of career and non-career executives.
3. Compare DHS with similarly structured agencies' career and non-career executives.
4. Identify gaps in the department's career senior leadership structure, including risks associated with changing leadership during a Presidential transition.

The following sections provide background information on DHS' executive profile, the adequacy of its executive resources, the extent to which career or non-career appointees fill executive positions, and gaps in the department's leadership structure. The comparison with other agencies—Task 3—is made in the first two sections. The Panel's findings are provided at the conclusion of the chapter and its recommendations are provided in Chapter 6.

DHS' TOTAL NUMBER OF EXECUTIVES

Like other departments, DHS has three broad types of executive positions:

1. Executive level positions that are either Presidential appointment with Senate confirmation (PAS) positions or Presidential appointment (PA) positions. These positions are established in statute.
2. SES positions that are either career-reserved (must be filled by a career appointment) or general (can be filled by either a career or non-career appointment). Non-career appointments to the SES cannot exceed 25 percent of the agency's SES position allocation—governmentwide, only 10 percent of SES positions may be filled by non-career appointees.[31] Agencies also may use term appointments of up to three years to fill SES positions.
3. Senior Level (SL) and Scientific/Technical (ST) positions which are high-level positions that do not meet requirements for the SES.

As of March 20, 2008, DHS had 775 executive positions, of which 636 positions were filled and 139 positions were vacant. These positions are summarized in Exhibit 7.

[31] DHS has 8 percent (57 positions) of its 695 SES positions filled by non-career appointments. All other references in this report to the percent of executives who are non-career include all non-career executives (PAS, PA and non-career SES).

Exhibit 7: Summary of DHS Executive Positions

Type of Position	Total	Filled	Vacant
Executive Level			
PAS (non-career)	20	19	1
PA (non-career)	6	4	2
Total Executive Level	26	23	3
SES/TSES			
Non-Career SES/TSES	[a]	57	[a]
Career SES/TSES	[a]	481	[a]
Term SES/TSES	[a]	33	[a]
Total SES/TSES	695 [b]	571	124
SL/ST			
SL	29	21	8
ST	25	21	4
Total SL/ST	54	42 [c]	12
Total All Executives	775	636	139

Notes:

a) SES/TSES positions can be filled by non-career, career or term appointments. Thus, the only breakdown available for SES positions is when they are filled.

b) OPM has authorized DHS with 536 SES positions, 29 SL positions and 25 ST positions. The department also has 150 additional TSA TSES positions for a total of 740 positions. DHS notes that, as of March 20, 2008, it had created nine additional "floater" positions to provide the time to fill executive positions.

c) Three SL/ST positions are filled with term appointments.

Source: DHS Executive Resources

Exhibit 8 shows how these executive positions are distributed across DHS components.

Exhibit 8: Distribution of DHS Executives by Position and Component

Component	PAS	PA Non-Career	SES/ TSES Non-Career	SES/ TSES Career	SES/ TSES Term	SL/ ST	Vacant	Total Executive Positions	Total Civilian Employees
Headquarters									
Domestic Nuclear Detection Office		1		5			1	7	
Intelligence and Analysis	1		1	13		4	6	25	
Management	1		1	31	1	3	13	50	
National Protection and Programs Directorate	1	1	4	7		1	14	28	
Office of General Counsel			4	5		3	8	20	
Office of Health Affairs	1			1		7	2	11	

Component	PAS	PA Non-Career	SES/ TSES Non-Career	SES/ TSES Career	SES/ TSES Term	SL/ ST	Vacant	Total Executive Positions	Total Civilian Employees
Office of Inspector General	1			11			1	13	
Operations Coordination				4	1		1	6	
Office of the Secretary	3	1	14	3	2		5	28	
Policy	1		4	5	4	5	5	24	
Science and Technology	1		1	7	2	17	8	36	
Total Headquarters	10	3	29	92	10	40	64	248	3,417
Operating Components									
Customs and Border Protection	1		4	76	3		22	106	47,254
Citizen and Immigration Services	1		5	38			7	51	8,588
Federal Emergency Management Agency	4	1	15	34	4		19	77	16,119
Federal Law Enforcement Training Center				8			1	9	1,141
Immigration and Customs Enforcement	1		2	50	1		14	68	16,825
Transportation Security Administration	1		2	124	15		9	151	56,966
US Coast Guard [a]	1			12			2	15	7,716
U.S. Secret Service				47		2	1	50	6,587
Total Non-Headquarters	9	1	28	389	23	2	75	527	161,196
TOTAL	19	4	57	481	33	42 [b]	139	775	164,613

Notes:

a) Coast Guard includes only the Commandant of the Coast Guard and civilian executives, not any other senior uniformed executives.

b) Three SL/ST positions are filled with term appointments.

Source: DHS Executive Resources Office as of March 20, 2008 (for executives); FedScope as of September 30, 2007 (for employees).

As shown in Exhibit 8, the great majority of DHS executives are SES members. The department had 139 vacancies in executive positions as of March 20, 2008. This total included one PAS

position, two PA positions, 124 SES positions,[32] and 12 SL/ST positions. The SES vacancies included 93 career SES vacancies, 5 non-career SES vacancies and 26 SES positions that were not designated as career or non-career. The last section of this chapter has a more complete discussion of these vacancies.

ADEQUACY OF DHS EXECUTIVE RESOURCES

No clear criteria specify the appropriate number of senior executive positions in a federal organization. When assessing requests from departments and agencies for additional positions, OPM uses various broad criteria included in section 3132 of title 5, U.S. Code, in addition to its own criteria; it also consults with OMB about the resource implications of requested increases.

First, an agency must initially determine and persuade OPM that the position is classifiable above the GS-15 level, the highest level in the General Schedule.[33] This test is met if the proposed position meets the functional criteria set forth in 5 U.S.C. 3132(a)(2). Exhibit 9 outlines these criteria and shows examples of the types of responsibilities that support them.

---

[32] Except where stated otherwise, the use of SES in this report refers to both SES and TSES positions.

33 Classification of the grade of General Schedule positions includes such factors as the program scope and effect, the organizational setting, the supervisory and managerial authority exercised, the extent of personal contacts, the difficulty of typical work that is directed, and other conditions. 5 U.S.C. 5104(15) defines grade GS-15 level work as follows:

Grade GS–15 includes those classes of positions the duties of which are—

(A) to perform, under general administrative direction, with very wide latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments;

(B) to serve as head of a major organization within a bureau involving work of comparable level;

(C) to plan and direct or to plan and execute specialized programs of marked difficulty, responsibility, and national significance, along professional, scientific, technical, administrative, fiscal, or other lines, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or

(D) *to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.*

Exhibit 9: Criteria for Assessing Requests for SES Positions

SES criteria as set forth by 5 U.S.C. 3132(a)(2)	Specific Responsibilities Outlined by OPM
Directs the work of an organizational unit.	• Assesses policy, program and project feasibility. • Determines program goals and developing implementation plans. • Designs an organizational structure to promote effective work accomplishment. • Sets effectiveness, efficiency, productivity and management/internal control standards.
Held accountable for the success of one or more specific programs or projects.	• Obtains the resources necessary to accomplish the program or project goals and assuming responsibility for their effective use. • Deals with key officials from within and/or outside the agency to gain understanding and support for the program or project.
Monitors progress toward organizational goals and periodically evaluates and makes appropriate adjustment to such goals.	• Monitors work status through formal and informal means to evaluate progress toward objectives • Assesses overall effectiveness, efficiency and productivity of the organization. • Identifies, diagnoses and consults on problem areas related to implementation and goal achievement; and makes decisions on alternative courses of action.
Supervises the work of employees (other than personal assistants).	• Requires accomplishment of work through combined technical and administrative direction of others. • Constitutes a major duty occupying at least 25 percent of the position time. • Meets at least the lowest level of Factor 3 in the *General Schedule Supervisory Guide* based on supervision of non-contractor personnel.
Otherwise exercises important policy-making, policy-determining, or other executive functions.	• Reviews staff recommendations on policies developed to affect the organization's mission; considers political, social, economic, technical and administrative factors with potential impact on the recommended policies; and approves the policies.

Source: OPM

To assess an agency's request for additional SES positions (assuming the positions meet the functional criteria), OPM asks agencies to submit the title and organizational location for the specific position requested and to provide for each position the following information: mission-critical factors giving rise to the need; the source of funding to support the initiative; the outcomes anticipated from each additional executive position; the number of FTEs expected to report to the position; and an organization chart identifying all current and proposed SES positions. Agencies also are asked to prioritize current and proposed new positions, and to provide an analysis of "how the agency can best meet the highest priority needs by redirecting resources from lower priority areas."[34] In the case of its last two requests for additional spaces in 2007, DHS did not include the prioritizing or analysis of redirected resources.

[34] Memorandum for Heads of Departments and Selected Independent Agencies, "Biennial Review of Executive Resource allocations for FY 2008 and 2009, OPM, January 31, 2007 attachment, "Supporting Requests for Additional Allocations, pp. 1–3.

Based on its review of the detailed justification, consultation with OMB and an understanding of an agency's SES and broader human resources management status, OPM advises the agency of its increased allocation of SES spaces and indicates which positions are approved and not approved. The written feedback to DHS for its March 2007 increase was limited with respect to why a position was not approved; in some cases, however, DHS learned that OPM believed the position description was not sufficient to support an SES classification.

A formal analytical assessment of the adequacy and appropriateness of DHS' SES allocations rightly relies on a global position management review that analyzes the agency's SES allocations in the context of established position management principles.[35] "Position management" is predicated on a comprehensive review of the existing organizational structure. Given the duration of this study, the Panel did not conduct an independent top-down review of the existing DHS structure and sub-structures, usually a 2-year process. Thus, a comprehensive determination of the sufficiency of the SES numbers must be tied to a deeper level review of the DHS structure and associated staffing levels.

The Panel based its assessment of the adequacy of SES resources on the leadership needed for new programs and required by workforce increases; an examination of DHS' 2SR operational review to obtain organizational information; an assessment of the demographic profile and current executive staffing levels of filled and vacant positions; an analysis of the staffing level of comparable field component executives; and a comparison with other similar Cabinet-level agencies. Neither OPM nor OMB provided substantive criticism of the last two DHS requests for an increased allocation.

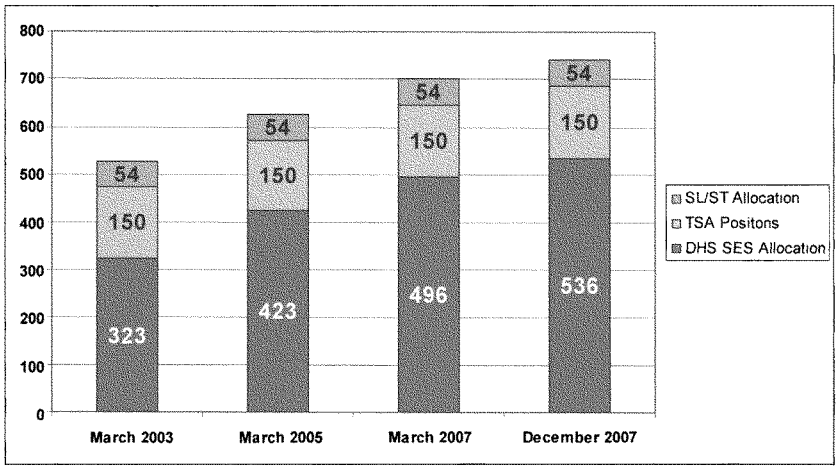
Increases in the Number of DHS SES Executives

Since its creation in 2003, DHS has rapidly expanded its number of SES positions. The department inherited a number of components from Justice and Treasury that were generally lower graded with fewer SES positions than other organizations. This dynamic, combined with the increased importance of homeland security generally and to border and immigration missions specifically, has resulted in DHS seeking and receiving approval for many new SES positions. As shown in Exhibit 10, the OPM allocation of SES positions has increased 66 percent, from 323 positions when DHS was created in March 2003 to 536 positions in December 2007. In addition, DHS has 150 TSES positions in TSA[36] and 54 SL/ST positions.

[35] Position management is the continuous and systematic process of assuring that organizations and positions are structured efficiently and economically. It is the series of steps that managers and supervisors go through to determine the type of organizational structure that is required to fulfill the function(s) assigned to a particular unit, how many positions are needed, and how positions should be designed.

[36] Although most senior executive service positions are authorized by OPM, TSA's positions are not. DHS has agreed with TSA that the number of the TSA executives (TSES) positions can range from 150 to 165 positions.

Exhibit 10: Increase in DHS SES Allocations



Note: In addition to the 740 positions authorized (536 SES, 150 TSA, and 54 SL/ST), DHS has 20 PAS positions that are not included in their allocations. DHS has also created 15 "floater" positions to help maximize the number of SES positions actually filled given the turnover in positions. Therefore the total number of executive positions at DHS is the 740 indicated in this Exhibit (Exhibit 11), plus the 20 PAS positions and the fifteen "floating positions" for a total of 775 as shown in Exhibit 9.
Source: DHS Executive Resources Office

DHS officials believe that a further increase in its SES allocation is needed. In an October 19, 2007 letter to Chairman Bennie G. Thompson, U.S. House Committee on Homeland Security, former Deputy Secretary Michael Jackson stated that, "Continued growth in DHS senior managerial levels is appropriate for our mission and growth trajectory." He noted that management growth was needed to decrease reliance on contractors, implement mandates from the chemical security legislation and staff the recently authorized Office of Assistant Secretary for Health Affairs and congressionally reorganized FEMA. Responding to these concerns, OPM granted DHS an additional 40 SES positions in December 2007. Since that time, departmental components and offices have developed information to support the need for another 131 positions.[37] As of March 2008, DHS was determining whether it would seek more.

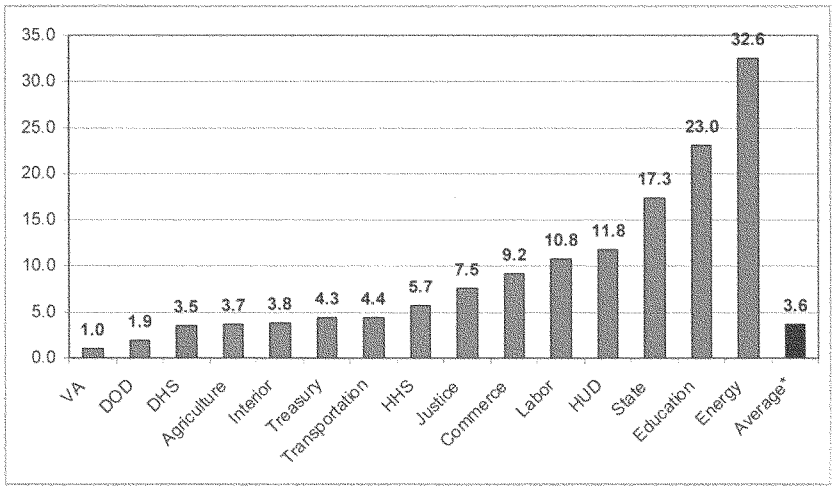
Number of DHS Executives Compared With Other Departments

A key aspect of this study was a comparison of DHS' executive profile to that of other departments. There are various ways to accomplish this task; two criteria are the ratio of employees to executives and the dollar volume of budget authority that an executive oversees.

[37] DHS has indicated that the majority of these SES positions would be for career appointments, but could fill any general position with a non-career appointment.

DHS has 3.5 executives (SES, PAS and PA) for every 1,000 employees, fewer than all departments except DoD and VA. Exhibit 11 compares DHS' number of executives with other departments.

Exhibit 11: Number of Executives per 1,000 Employees

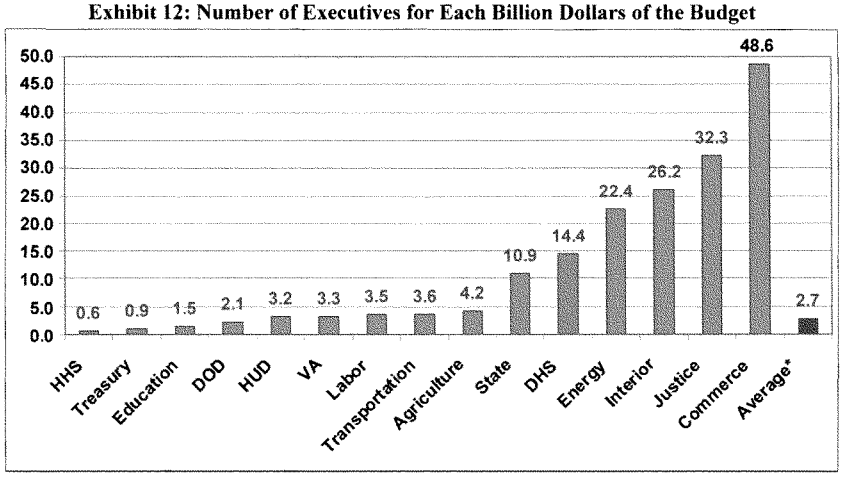


* Average is the total number of executives divided by the total number of employees divided by 1,000 for all 15 departments.
Source: FedScope as of September 30, 2007 adjusted for TSA executives, which are not identified in FedScope. FedScope data only include information on filled positions. Information on all executive positions should be included in OPM's Executive and Schedule C System, but this information is not current or complete.

Exhibit 11, which provides an overall comparison with other departments, demonstrates that DHS is on the low end of total executives per 1,000 employees on a department-by-department comparison. Compared with the governmentwide total of all department executives and all department employees, DHS' ratio is at the average. It is important to note that DoD, VA, State and HHS have a significant number of executives who are in compensation systems other than the SES and not included in this information. These include military leadership and executives at VA's Department of Medicine and Surgery, the State Department's Foreign Service, DHS' Public Health Corps and in medical and scientific positions at the National Institutes of Health.

Comparing executives to the budget of federal departments, the number of DHS executives overseeing each billion dollars of the budget exceeds those in ten departments and is less than those in four departments. At DHS, 14.4 executives oversee each billion dollars of the budget. Governmentwide, the average for the 15 Cabinet departments is 2.7 executives for each billion dollars.

Exhibit 12: Number of Executives for Each Billion Dollars of the Budget



* Average is the total number of executives divided by the total budgeted dollars divided by 1 billion for all 15 departments.
Source: Budget data are FY 2007 actual budget authority shown in the FY 2009 Budget of the United States; FedScope as of September 30, 2007, which includes only filled positions and is adjusted for TSA executives not identified in FedScope.

Again, such broad comparisons need to be viewed with caution given departments' different operating structures and missions. Beyond these general comparative analyses, consideration should be given to the fact that different departments have different types of responsibilities and workforces. For example, some agencies manage large amounts of grants, others conduct their work primarily through contractors and still others are significantly operational.

SES Positions in Border and Immigration Field Offices

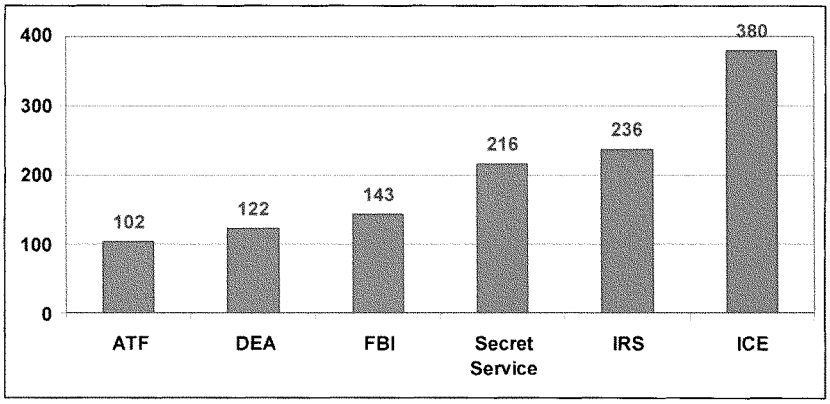
DHS officials interviewed said additional senior executive positions are needed in the field locations of Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), and Citizenship and Immigration Services (CIS). Officials in these components stated that increased border enforcement and immigration responsibilities have resulted in the need for more field executives to lead the programs.

ICE is an investigative agency that is responsible for securing the United States by enforcing immigration and customs laws, protecting Federal buildings and other key assets, and providing law enforcement support in times of national emergency. The agency documented its needs for additional executives in a September 2007 "Senior Executive Service Position Request Strategic Plan" that provides a rationale for additional SES spaces and reflects concern over a "highly fragmented deployment of executive positions in the field and a shortage of executive positions to head critical headquarters and field program and leadership roles." With respect to consolidating executive leadership in top field offices, ICE believes that all Special Agent in

Charge (SAC) and Field Office Director positions should be at the SES level given their responsibilities and because they are at that level in such comparable law enforcement agencies as the FBI and DEA. Currently, only 16 of 26 ICE SACs are SES executives. For example, an ICE official said the FBI in Manhattan has one Assistant Director and six SACs, all of whom are SES. In contrast, the New York City SAC is the only ICE SES member in the New York area; the deputy and the SACs in New Jersey, Baltimore and Philadelphia are GS-15s.

ICE's key occupation is Criminal Investigator, GS-1811, a common occupation in other law enforcement agencies. It has 6,049 criminal investigators, the largest occupation of its 16,975 employees.[38] Analysis shows that 5,695 agents are in the field, of whom only 15 are senior executives—a ratio of 1 executive for every 380 agents. The project team compared this ratio with five other agencies with more than 2,000 criminal agents. As shown in Exhibit 13, ICE has the highest number of field agents for each SES field executive of these agencies.

Exhibit 13: Comparison of the Number of Criminal Agents for Each Senior Executive



Source: FedScope as of September 2007.

CBP is responsible for protecting the Nation's borders to prevent terrorists and terrorist weapons from entering the United States, while facilitating the flow of legitimate trade and travel. Its officials said they need 60 to 70 additional SES positions, noting that law enforcement needs a lower ratio of management to employees, especially along the southern border where its mission has expanded rapidly. CBP officials told the project team that some field locations have a GS-15 supervising very large offices.

Comparing CBP with other law enforcement agencies is imprecise because only several of its employees are criminal agents. Seventy percent are Customs and Border Protection Inspectors and Border Patrol Agents, 99 percent of whom are based in the field. However, only 7 SES Border Patrol Agents and 20 Directors of Field Operations and Port Directors are field-based.

[38] As of March 23, 2008, ICE had 17,295 on-board employees (includes full time and part time employees, those on LWOP, volunteers, etc.).

Overall, 33 field executives in CBP supervise 45,000 field CBP employees. The large border states have large numbers of employees with few executives, as shown in Exhibit 14.

Exhibit 14: CBP Executives and Employees in Key States

State	Senior Executives	Total Employees	Number of Employees for Each Executive
Texas	9	11,207	1245
California	6	8,001	1334
Arizona	3	4,787	1596
New York	4	3,527	882
Florida	2	2,878	1439
New Mexico	0	1,517	∞

Source: FedScope as of September 2007.

CIS, responsible for administering immigration and naturalization adjudication functions and for establishing immigration services policies and priorities, is the third DHS component voicing the need for additional field executives. Although their number of SES positions had grown from 15 to 50 positions, CIS officials reported that they could benefit from an additional twenty. They noted that most of those positions deemed necessary would be in the field, not headquarters.

CIS is a service organization and it is difficult to find exact comparisons with other federal agencies. Sixty-five percent of all CIS employees are in General Inspection and Investigation Compliance and Compliance and Inspection Support occupations and 95 percent of them are based in the field. Overall, CIS has 7,552 field employees with 15 field executives—a ratio of 1 executive for every 500 employees. Officials noted that 15 field executives are not sufficient to cover its four regions, 26 domestic districts, and three international districts. Some field organizations have from 600 to 1,000 employees with GS-15s managing the office.

Exhibit 9, shown earlier in this chapter, outlines the criteria that OPM considers when determining whether SES positions are warranted. Key responsibilities for field executive positions in CIS, ICE, and CBP meet several of them. For example, an ICE field director is responsible for directing district programs that call for securing the United States by enforcing immigration and customs laws; protecting Federal buildings and other key assets; providing law enforcement support in times of national emergency; eliminating vulnerabilities that pose a threat to the Nation's borders; enforcing economic, transportation and infrastructure security; and significantly minimizing the potential threat of terrorist acts against the nation. This position meets four of the five broad criteria for an SES position, including directing the work of an organizational unit; being held accountable for the success of a program; monitoring progress toward organization goals; and supervising the work of employees.

Several factors support the need for more DHS SES positions in field locations. These include:

- leadership for new programs and programs that are enhanced by virtue of additional resources, authority, a higher priority status or a combination of these factors, examples being border security and immigration, identity security, cyber security and operations

- leadership required by a substantially increased workforce to ensure sufficient direction and oversight, such as Border Patrol Agents
- supplementary leadership, often in the form of deputy positions, to ensure sufficient depth and continuity
- appropriate classification for certain GS-15 positions that have grown in responsibility and authority to the point that they should be established as an SES position
- the lack of equivalency with other agencies regarding executive level law enforcement positions

As noted earlier, DHS components have submitted requests for an additional 131 SES positions. These requests are being reviewed in the Office of the Under Secretary for Management for possible submission to OPM, yet the department has not decided whether to pursue additional ones at this time. If it does, this request will reflect not only component priorities but departmental ones based on which requested positions most clearly align with the department's priority programs, taking funding sources, congressional interest and other factors into consideration. In late 2008, OPM will conduct a biennial review of SES allocations that will provide DHS an opportunity to request additional spaces.

CAREER VERSUS NON-CAREER EXECUTIVES

An analysis of DHS' career/non-career executive profile was another key study task. There has been significant debate over the appropriate balance between non-career and career employees in government agencies. On the one hand, it is argued that reducing the number of political appointees drawn from outside the civil service deprives the President of the ability to bring new energy, perspective and responsiveness to federal programs. In addition, it is believed that top political leaders, such as Cabinet Secretaries, require an immediate staff that is trusted, loyal and politically aligned with the President's agenda. On the other hand, those in favor of reducing the number of political appointees—or replacing them with career executives—have pointed to the management advantages of career executives; that is, their subject area expertise, public management experience and longer tenure arguably are beneficial to continuity and the efficient operation of government programs.

OPM has not developed specific criteria for the types of positions that career appointments or non-career appointments should fill. It has outlined the criteria for the type of position that should be designated career-reserved and therefore must be filled with a career appointment. Such positions are created to "ensure the impartiality or the public's confidence in the impartiality, of the government." Career reserved positions "involve day-to-day operations, without responsibility for or substantial involvement in the determination or public advocacy of the major policies of the administration or agency." Career officials must occupy various occupations, including adjudication and appeals; audit and inspection; civil or criminal law enforcement and compliance; contract administration and procurement; grants administration; investigation and security matters; and tax liability.

Using the definition of career-reserved positions, it can be posited that positions potentially to be filled by non-career appointees are those that, as a function of their duties, require commitment to the policies of the President and administration they serve. Non-career appointee qualifications are not scrutinized against the same executive criteria as career appointees. The overarching consideration for the latter is their potential to implement and/or execute the duly established policies of the President and administration.

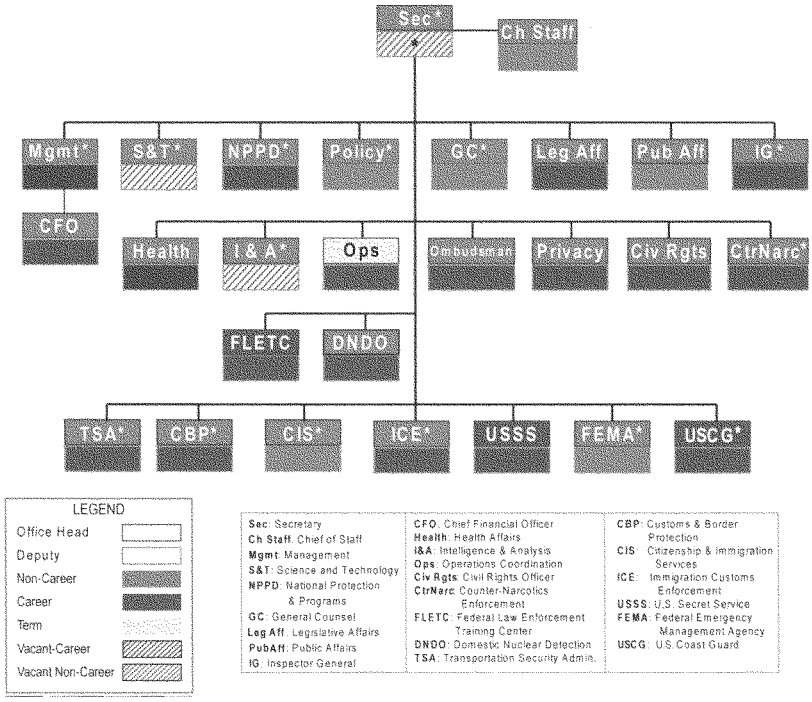
Nearly all non-career executives will leave as a result of the Presidential transition. At DHS, approximately 11 percent (83 of 775) of all executive positions are non-career. About 13 percent (80 of 636) of filled executive positions are non-career. This distribution will change somewhat as DHS implements executive staffing plans related to the transition. Acting Deputy Secretary Paul Schneider stated in the January 19, 2008 issue of the *DHS Leadership Journal*, "As part of (transition) planning, we're filling some of the top jobs previously held by political appointees with career professionals....By promoting dedicated civil servants who've proven their mettle, we're not only building for the future, but are helping ensure that during the transition...our department is prepared." Examples of this approach are the appointments of career deputies in CBP and TSA. In addition, career appointees filled three FEMA Regional Administrator positions.

It is interesting to note that some positions currently filled by non-career SES appointees would have been filled by career appointees if sufficient candidates had responded to merit staffing announcements; examples include the Chief of Staff and Assistant Director for Public Affairs positions at ICE. DHS officials noted that some post-Katrina Regional Administrator jobs at FEMA were filled on a non-career basis rather than career in order to hire qualified persons on an expedited basis.[39] Hiring a non-career employee or a term employee can take just a few weeks; in contrast, DHS' career executive hiring process averages several months when using an open announcement/competitive process. However, non-career employees cannot receive recruiting or relocation incentives which are available to career executives.

DHS' 80 non-career executives fill key executive positions, including Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, deputies and other key officials. Exhibit 15 shows the 54 DHS executives filling the head and deputy positions based on the department's organization chart. Of the 54 positions, thirty are non-career.

[39] FEMA officials point out that the Regional Administrator positions have largely been non-career appointments because various Administrations have wanted to reserve the positions for non-career appointments.

Exhibit 15: DHS Senior Leadership Positions by Type of Appointment



*** PAS Appointment**

Source: DHS Executive Resource Data as of March 20, 2008.

As depicted in Exhibit 16, the large operating components have fewer non-career executives than headquarters offices. FEMA is the exception; its executive profile is discussed in the next section.

Exhibit 16: Career/Non-Career Profile of Filled DHS Executive Positions

Component	Non-Career	Percent Non-Career	Career	Percent Career	Term[a]	Total
Headquarters						
Domestic Nuclear Detection Office	1	17%	5	83%	0	6
Intelligence and Analysis	2	11%	17	89%	0	19
Management	2	5%	34	92%	1	37
National Protection and Programs Directorate	6	43%	8	57%	0	14
Office of General Counsel	4	33%	8	67%	0	12
Office of Health Affairs	1	11%	8	89%	0	9
Office of Inspector General	1	8%	11	92%	0	12
Operations Coordination	0	0%	4	80%	1	5
Office of the Secretary	18	86%	3	14%	2	23
Policy	5	26%	8	42%	6	19
Science and Technology	2	7%	23	82%	3	28
Total Headquarters	42	23%	129	70%	13	184
Operating Components						
Customs and Border Protection	5	6%	76	90%	3	84
Citizen and Immigration Services	6	14%	38	86%	0	44
Federal Emergency Management Agency	20	34%	34	59%	4	58
Federal Law Enforcement Training Center	0	0%	8	100%	0	8
Immigration and Customs Enforcement	3	6%	50	93%	1	54
Transportation Security Administration	3	2%	124	87%	15	142
U.S. Coast Guard	1	8%	12	92%	0	13
U.S. Secret Service	0	2%	49	98%	0	49
Total Non-Headquarters	38	9%	391	86%	23	452
TOTAL DHS	80	13%	520	82%	36	636

Note:

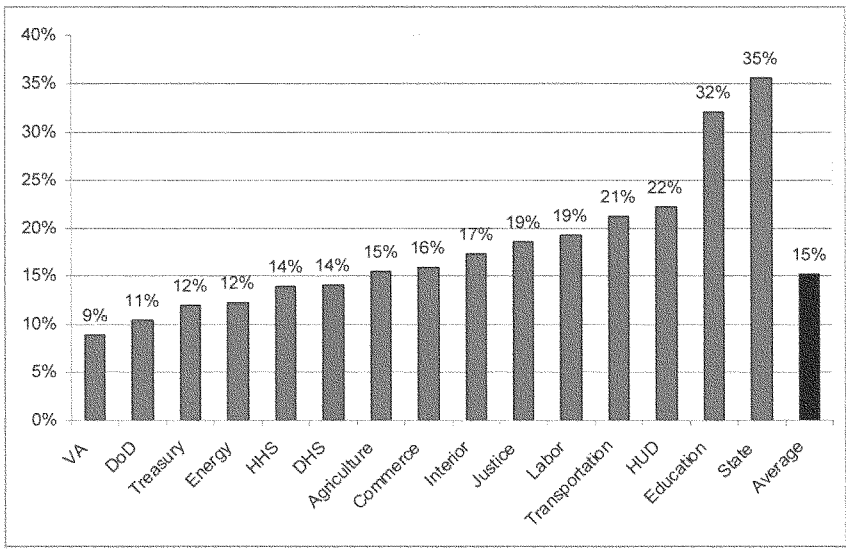
a) Term executive appointments at DHS have largely been used to fill temporary expert needs. The overwhelming majority of the incumbents in these positions have had long-term careers in the government. .A small number of these executives have previously held political positions.

Source: DHS Executive Resources as of March 20, 2008.

Career/Non-Career Mix Compared With Other Federal Departments

To compare DHS' career/non-career executive mix with other departments, the project team used information in OPM's FedScope as of September 30, 2007. The data showed that 14 percent of DHS' executives were non-career, which differs from more recent DHS data showing 13 percent. DHS' percentage of non-career executives is slightly lower than the governmentwide average of 15 percent. Exhibit 17 compares the DHS' percentage of non-career executives to other departments.

Exhibit 17: Percentage of Executives That Are Non-Career



Source: FedScope as of September 30, 2007 (for filled positions; adjusted for TSA executives not identified in FedScope). Accurate information from OPM on authorized executive positions is not available.

Compared with other departments, the percentage of DHS' currently filled non-career executives (14 percent) ranks it as one of six departments with the lowest percent of non-career executives, alongside VA, DoD, Treasury, Energy and HHS.

In addition to determining the overall percentage of non-career executives, it also is important to show the percentage of key non-career executives in a department's headquarters structure. Exhibit 15 depicts the 54 career/non-career positions on DHS' organizational chart; of that number, 30 positions or 56 percent are non-career. The project team then analyzed the career/non-career mix of other departments based on their headquarters organizational charts: State, Justice, Treasury and Defense.[40] The results of this analysis are shown in Exhibit 18.

[40] These departments were chosen because they also have homeland security responsibilities.

Exhibit 18: Selected Department Senior Leadership Positions

Department	Non-Career Executives*	Percent Non-Career	Career Executives	Percent Career	Total Executives
DHS	30	56%	24	44%	54
State	57	66%	29	34%	86
Justice	44	59%	31	41%	75
Treasury	45	49%	46	51%	91
Defense	70	59%	49	41%	119

* Includes PAS, PA and non-Career SES appointments.
Source: OPM's Executive and Schedule C System as of January 31, 2008 supplemented with information from Leadership Directory.

The percentage of key positions at these departments filled by non-career appointments range from 49 percent at Treasury to 66 percent at State. DHS' 56 percent is similar to that of the other large departments with homeland security responsibilities.

Leadership Continuity and the Role of Career Executives

Various studies have highlighted the importance of leadership continuity. Because non-career employees generally stay in a position fewer than 2 years, longer fixed-term appointments established by statute or career executives must provide that continuity. For example, an Academy study for the FBI outlined options for organizing the bureau's management functions and noted that, "Regardless of which option the FBI selects for organizing its management functions, it should address its difficulties with leadership continuity." In describing the need for Chief Operating Officers and Chief Management Officers, GAO also spoke to the importance of leadership continuity and ways to achieve it. In a November 2007 report, GAO stated, "Given that organizational results and transformational efforts can take years to achieve, agencies need to take steps to ensure leadership continuity in the (Chief Operating Officer/Chief Management Officer) position."[41] It included term or career appointments as possible mechanisms to increase leadership continuity.

Fixed-term appointments established in statute can instill a long-term focus, but they also may reduce rapport with a new Administration's non-career leadership team. Several term appointments for senior federal positions have been established to promote and enhance continuity and independence. These include:

- the 5-year term of the Chief Operating Officer of the Air Traffic Organization in the Federal Aviation Administration
- the 10-year term of the Director of the FBI
- the 3- to 5-year term of the Chief Operating Officer of Federal Student Aid in the Department of Education

[41] U.S. Government Accountability Office, *Organizational Transformation: Implementing Chief Operating Officer/Chief Management Officer Positions in Federal Agencies*, GAO-08-34, November 2007.

- the 5-year term of the Commissioner of the Internal Revenue Service
- the 6-year term of the Commissioner of the Social Security Administration

Some experts interviewed by GAO said such fixed-term appointments could protect "the incumbent from undue political influence" and enhance the "continuity of leadership in the agency."

Use of Career and Fixed-Term Appointments

Leadership continuity also could be enhanced if specific non-career leadership positions were converted either to fixed term or career appointments. Several officials, both inside and outside DHS, thought that several non-career positions should be filled with career executives. In January 2007, the DHS Homeland Security Advisory Commission Culture Task Force stated that the department should establish a Deputy Secretary for Operations to report to the Secretary and be responsible for high level departmentwide integration and alignment of the components. The task force report recommended that the position be a career executive to provide continuity and freedom from political influence. It was envisioned that this official also would be in a position of continuity to help drive organizational maturation and reinforce the culture required for the long-term success of DHS and its components.

In its January 2008 report, the DHS Homeland Security Advisory Council Administration Transition Task Force recommended that Congress and current DHS leadership "continue to reduce the number of senior political appointees so that there is a more even mix of career and Presidential appointed senior positions to maintain continuity and historical knowledge." The task force did not identify specific political positions that should be redesignated as career.

One option is to convert some positions to fixed-term appointments, similar to those identified earlier in this chapter. For example, one official suggested that the Assistant Secretary of ICE be made a 5-year term position. It was noted that law enforcement positions are not meant to be partisan. In addition, as discussed in Chapter 2, one presidential candidate has suggested that the FEMA Administrator have a fixed term. These positions are largely operational and less policy oriented. PAS appointees may be chosen from career ranks. For example, Under Secretaries at the Department of Veterans Affairs have 4-year term PAS appointments and often are chosen from the non-partisan career executive ranks. Making a PAS position a fixed-term appointment requires a change in authorizing legislation.

Several DHS offices and components have indicated that career executives should fill certain non-career positions.[42] These include one position in an operating agency, the CBP Assistant Commissioner for International Affairs and Trade Relations, and several positions in headquarters, specifically:

[42]This information was developed as a part of DHS' succession planning database. More information on this database is contained in Chapter 5.

- Deputy Under Secretary for Operations in Intelligence and Analysis
- Deputy Under Secretary for National Programs and Protection
- Director for Immigration Refugee and Asylum Affairs in the Office of Policy
- Director of the Visa Waiver Program in the Office of Policy
- Chief of Staff in Science and Technology
- Director of the Interagency Programs Division in Science and Technology
- Chief of Staff in the Office of the Under Secretary for Management
- Chief Human Capital Officer
- Chief Financial Officer

To provide greater continuity, some officials suggested that all Deputy Under Secretary positions, Deputy Assistant Secretary positions, and deputy positions in other DHS offices and components be filled with career executives. Currently, most offices have a career deputy, but there are exceptions. Offices that do not have a career deputy or second-in-charge position include FEMA, CIS, the National Programs and Protection Directorate, Office of Policy, Office of General Counsel and Office of Public Affairs. In addition, several offices have career deputy positions, but the positions are not filled, including Science and Technology, Intelligence and Analysis, the Office of Legislative Affairs and Office of the Chief Financial Officer.

Based on these data and analysis, the Panel believes it important that offices and components have top leadership that includes both career and political appointees. Each has an important role and set of responsibilities to carry out. An effective mix of career and non-career positions can ensure that these officials complement each other and create positive synergy.

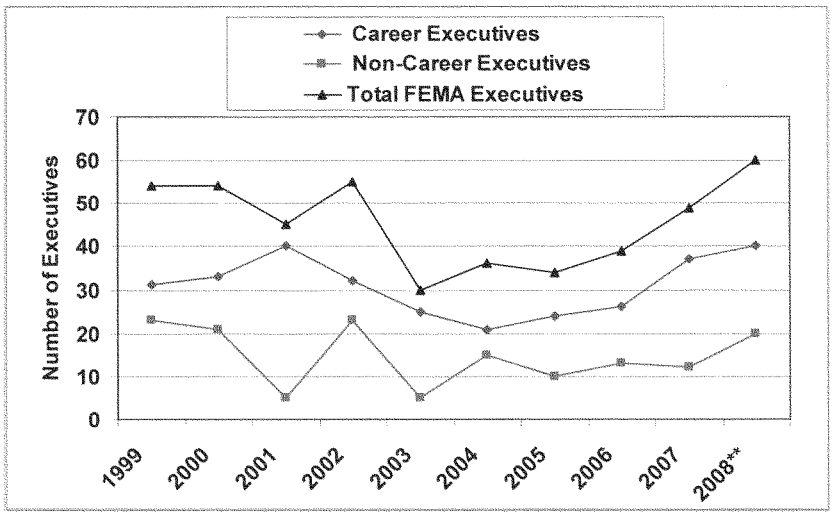
FEMA Non-Career Executive Positions

FEMA is the key DHS component that needs to address its number of non-career executives. As shown in Exhibit 16, FEMA stands out in terms of its number and percentage of non-career executives when compared to other department offices and components. It has 20 non-career executives, 4 term executives and 35 career executives. The 20 non-career executives include 6 of the 10 Regional Administrators. FEMA also has 19 vacant executive positions,[43] one non-career, 11 career and seven not designated. Nearly all current and former DHS officials interviewed said FEMA should have significantly fewer non-career executives; they specifically recommended that career executives fill Regional Administrator positions.

FEMA has a history of filling a large number of executive positions with non-career executives. Exhibit 19 shows that the number of career executives has remained relatively constant, but the number of non-career executives has fluctuated, primarily with the change in Administration in 2001 and DHS' creation in 2003.

[43] As of April 23, 2008, FEMA had 3 SES selections pending on-boarding in the next 30 to 40 days, 3 in final interviews; and 8 closed announcements in the ranking process.

Exhibit 19: FEMA Career and Non-Career Executives, 1998 to 2008



* Data as of September 30.
** 2008 data are as of March 20, 2008.
Source: FedScope (1998 through 2007); DHS Executive Resources (2008)

A position-based breakdown of FEMA's non-career positions indicates that as of March 20, 2008:

- Five are PAS positions and one is a non-career SES position designated by the President under the Stafford Act:[44]
  - the Administrator and Deputy Administrator (PAS)
  - three top-level positions: Associate Administrator, Grants Program; Deputy Administrator for National Preparedness; and Assistant Administrator, U.S. Fire Administration (PAS)
  - Director, Small State and Rural Advocate/Director, Community Preparedness (Stafford Act)

- Fifteen are SES non-career positions (administratively determined):
  - nine Assistant Administrator, Deputy Administrator, and Director positions for major program areas
  - six Regional Administrator positions

[44] PAS and PA positions are all established in statute. The non-career SES position designated by the President is shown in the exhibits in this report as a PA position.

In the past year, three Regional Administrator positions were converted from non-career to career. One such position is currently vacant as of March 20, 2008.

The 1993 Academy report, *Coping with Catastrophe: Building an Emergency Management System to Meet People's Needs in Natural and Manmade Disasters*, found that FEMA had too many political appointees and recommended that non-career positions be limited to the Director and Deputy Director, and that a career Executive Director be appointed, as well. Fifteen years later, current and former FEMA officials interviewed agreed. Specifically, they viewed the Regional Administrator position as more appropriate for career appointment.

Views were more mixed on whether other FEMA non-career positions should be career. The agency has non-career appointees in several positions, including the Assistant Directors for Disaster Assistance, Disaster Operations, Mitigation, National Continuity Programs and National Capital Region Coordination. Similar positions for other operating components are career. These executives are responsible for primary FEMA programs and, with the exception of the National Capital Region Director, all have career deputies. As they are general SES positions, DHS has the authority to fill them with either career or non-career appointees.

FEMA officials themselves have indicated that a number of positions currently filled by non-career executives should be converted to career. Providing input to a DHS succession planning database, FEMA recommended that all of its Regional Administrator positions be converted to career executives, noting that the positions require:

- comprehensive knowledge of the principles, practices and organizations that affect the emergency management activities in the United States and of the operations, policy and program concerns of significant emergency management constituencies
- ability to work with diverse interests and viewpoints to achieve consensus on goals and objectives
- knowledge of organization and program management theories, principles and techniques
- ability to exercise leadership and manage a diverse and complex organization

FEMA officials believe that these skills can best be provided by a career executive who also would provide leadership continuity. They also noted that the Assistant Administrator of the U.S. Fire Administration and the Assistant Administrator of National Continuity Programs should be career.[45]

GAPS IN THE DHS CAREER SENIOR LEADERSHIP STRUCTURE

Another critical study task was to identify gaps in DHS' career senior leadership structure, including risks associated with changing leadership during a Presidential transition. Because most of the non-career leadership will leave with transition, career executives must fill many

[45] In April 2008, FEMA began efforts to recruit a career executive to fill the position of Assistant Administrator, U.S. Fire Administration.

positions until new non-career executives are sworn in. DHS' plans to address leadership continuity are discussed in Chapters 4 and 5.

Vacant Executive Positions

A large number of vacancies is a major gap in DHS' career leadership structure. As noted earlier, there were 139 vacant executive positions as of March 20, 2008.[46] Most are for career SES, but there are three non-career positions: Deputy Secretary, Chief Information Officer and Chief Human Capital Officer.[47] The department has indicated that careerists will fill the other vacancies, senior executive positions, except for five positions being held for non-career appointments. Those 139 vacancies are spread across department offices and components; the largest percentage of vacant executive positions is in the National Protection and Programs Directorate. In addition, DHS has flagged 34 of the 139 vacant positions as critical. Exhibit 20 shows the distribution of these vacancies.

Exhibit 20: DHS Executive Positions

Component of Office	Total	Filled	Vacant	Percent Vacant	Vacant Positions That Are Critical[a]
Headquarters					
Domestic Nuclear Detection Office	7	6	1	14%	1
Intelligence and Analysis	25	19	6	24%	2
Management	50	37	13	26%	4
National Protection and Programs Directorate	28	14	14	50%	7
Office of General Counsel	20	12	8	40%	0
Office of Health Affairs	11	9	2	18%	0
Office of Inspector General	13	12	1	8%	0
Operations Coordination	6	5	1	17%	1
Office of the Secretary	28	23	5	18%	0
Policy	24	19	5	21%	0
Science and Technology	36	28	8	22%	4
Total Headquarters	**248**	**184**	**64**	**26%**	**19**

[46] DHS components and offices have identified critical positions as a part of DHS' transition planning efforts. This initiative is discussed in Chapter 5.

[47] The positions all have acting officials serving in them. For example, the Deputy Secretary is currently filled by the Under Secretary for Management on an acting basis. In addition, the Chief Information Officer position was filled as of April 2008.

Component of Office	Total	Filled	Vacant	Percent Vacant	Vacant Positions That Are Critical[a]
Operating Components:					
Customs and Border Protection	106	84	22	21%	5
Citizen and Immigration Services	51	44	7	14%	1
Federal Emergency Management Agency	77	58	19	25%	1
Federal Law Enforcement Training Center	9	8	1	11%	0
Immigration and Customs Enforcement	68	54	14	21%	4
Transportation Security Administration	151	142	9	6%	2
U.S. Coast Guard	15	13	2	13%	2
U.S. Secret Service	50	49	1	2%	0
Total Non-Headquarters	**527**	**452**	**75**	14%	**15**
DHS TOTAL	**775**	**636**	**139**	**18%**	**34**

Note:
a) These positions were deemed critical in DHS' Critical Position Database, discussed in Chapter 5.
Source: DHS Executive Resources Database and Critical Position Database.

DHS is working to fill executive vacancies; in the past year, it has filled more than 150 executive positions. Keeping executive positions filled has been a challenge given the addition of new positions and a high executive turnover rate. The status of filling the current 139 vacancies is shown in the Exhibit 21.

Exhibit 21: Status of Current Executive Vacancies

Appointment Type	No Action	Pending Recruitment	Active Recruitment Process	Assessing Applicants	Candidate Selected	Total
SES Career	2	21	15	40	22	100
SES Non-Career	1	4				5
PA	2					2
PAS	1					1
SES Not designated	7	18			6	31
Total	13	43	15	40	28	139

Source: DHS Executive Resources as of March 20, 2008.

DHS received 40 new SES positions in December 2007; of this number 38 positions are vacant with sixteen pending recruitment, seven in the active recruitment process, nine undergoing assessment and six candidates being selected.

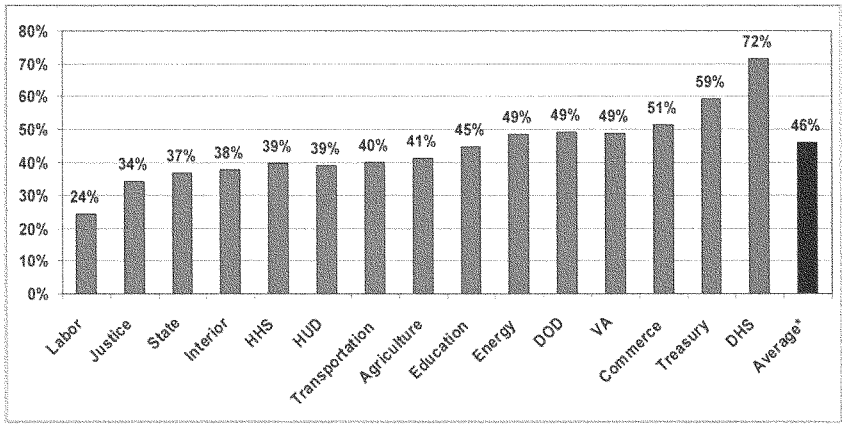
DHS Career Executives and Turnover

Another gap in DHS career executives results from the relatively short time that executives have served in their positions, partially attributable to a high turnover rate. Both non-career and career executives ranks have suffered excessive turnover. In 2007, scholar Paul Light noted that "Homeland Security has experienced extraordinary personnel turnover. In its first four years, the

department has gone through two secretaries…three deputy secretaries, eight under secretaries, three FEMA administrators, four TSA administrators, a dozen assistant secretaries, hundreds of senior executives…"[48]

Although non-career executives generally serve in their positions for shorter periods of time than career executives do, large numbers of DHS career executives also have left, mostly due to retirement.[49] Officials noted that many executives came to the department toward the end of their career and that the lack of clarity of the headquarters mission has caused others to find positions in other departments. Overall, 72 percent of DHS career executives left the department from October 1, 2003 to September 30, 2007, the highest rate of any Cabinet department. These data are shown in Exhibit 22.

Exhibit 22: Percentage of Career Executives Leaving, October 2003 to September 2007



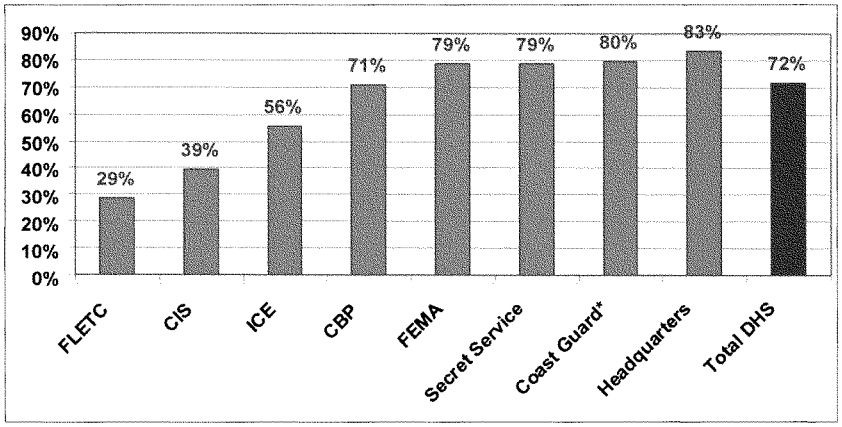
* The average is for all 15 departments.
Source: Academy analysis of FedScope data.

Since the beginning of FY 2004, the turnover rate has been high for most DHS offices and components, but especially at headquarters and in the U.S. Coast Guard, U.S. Secret Service, FEMA and CBP. Exhibit 23 depicts the turnover rate for DHS headquarters and components.

[48] The Homeland Security Hash. Paul C. Light. Wilson Quarterly. Spring 2007

[49] Turnover is defined as the number of separations divided by the average number of executives employed. Separations are executives who transferred out of the department to another department, quit, retired, were part of a reduction-in-force, terminated, removed, died or separated for other reasons.

Exhibit 23: Percentage of Career Executives Leaving, October 2003 to September 2007, by DHS Component

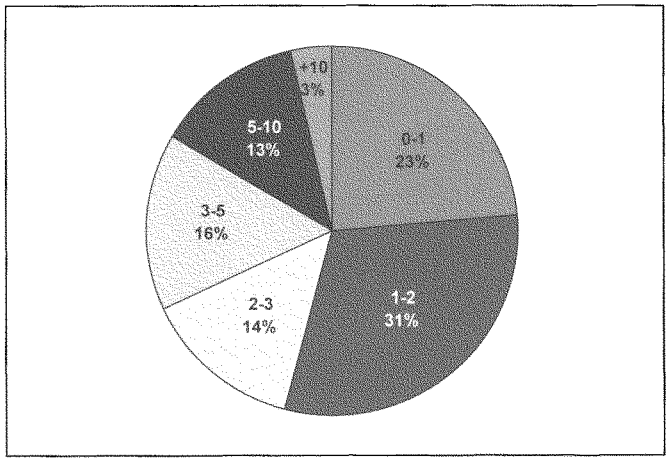


* U.S. Coast Guard data only include civilian executives, not uniformed service.
Source: FedScope (data do not identify TSA executives).

As a result of this turnover rate and because of the creation of many new executive positions, more than half of DHS career executives have been in their positions less than 2 years and two-thirds less than 3 years.[50] Exhibit 24 depicts this distribution.

[50] Time-in-position was calculated from the date of appointment to the current position for an executive until March 20, 2008.

Exhibit 24: Years in Position for DHS Career Executives



Source: Academy analysis based on DHS personnel data as of November 2007. The analysis does not include TSA executives; TSA executive appointment data were not available.

Ethnic and Gender Profile of DHS Executives

The relatively low number of minority and female executives is the last area of concern pertaining to DHS' senior executive leaderships; the department has relatively fewer minority executives and female executives than most other federal departments. This is especially true for non-career executives, of whom 12 percent are female and 12 percent belong to a minority group.[51] Further, 7 percent of career and non-career executives in headquarters offices are minority.

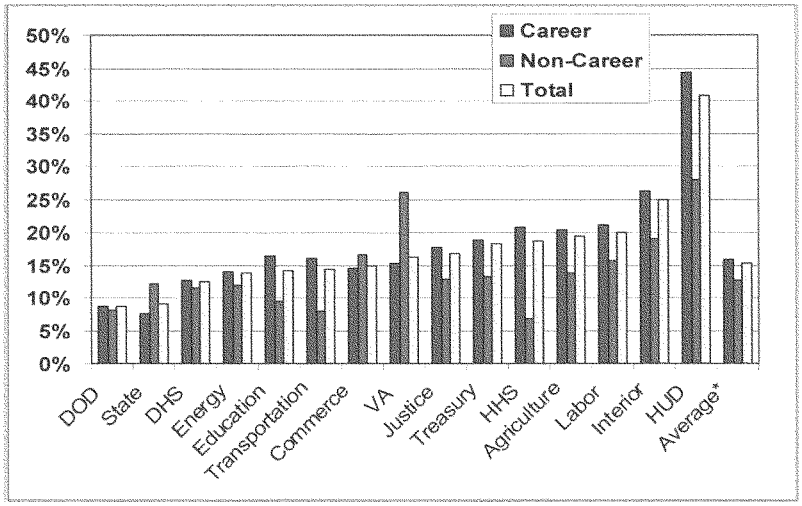
A diverse and inclusive workforce is a competitive advantage for achieving results. GAO's model of effective strategic human capital management includes "empowerment and inclusiveness" as one of eight critical success factors. In its report describing that model, GAO noted:

> Organizations that promote and achieve a diverse workplace can attract and retain high-quality employees and increase customer loyalty. For public organizations, this also translates into effective delivery of essential services to communities with diverse needs.[52]

[51] These comparisons do not include TSA as data on executives are not available in FedScope.
[52] U.S. Government Accountability Office, *A Model of Strategic Human Capital Management*, GAO-02-373SP, March 2002.

DHS has a lower percentage of minorities in executive positions than all other departments, except DoD and State. Exhibit 25 shows the percentage of career, non-career and total executives that are minority for the 15 departments.

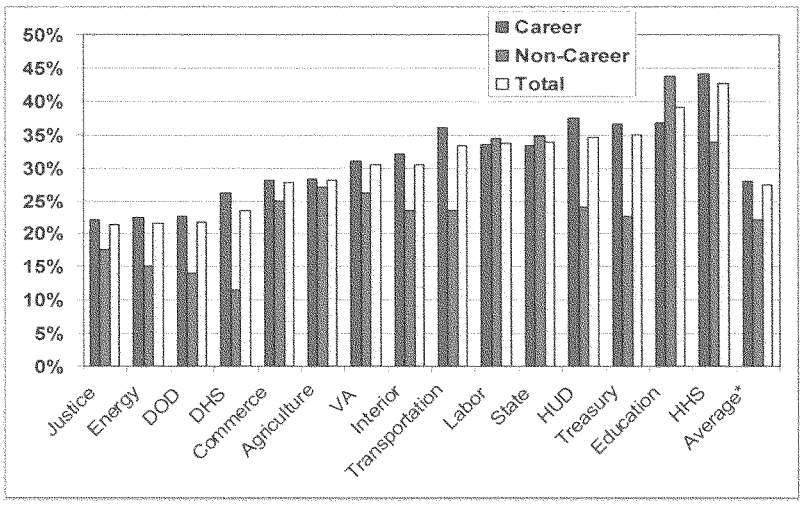
Exhibit 25: Percentage of Career and Non-Career Executives That Are Minority



* Average is for all 15 departments.
Source: FedScope as of September 30, 2007. DHS data do not include TSA because its executives are not separately identified in FedScope.

DHS has a lower percentage of female executives than all but three departments: Justice, Energy and DoD. Exhibit 26 shows the percentage of female career, non-career and total executives in federal departments.

Exhibit 26: Percentage of Career and Non-Career Executives That Are Female



* Average is for all 15 departments.
Source: FedScope as of September 30, 2007. DHS data do not include TSA because its executives are not separately identified in FedScope.

A March 2008 report by the majority staff of the House Committee on Homeland Security noted the lack of diversity of DHS executives.[53] In releasing the report, the Committee Chairman stated that "the makeup of the department's senior leadership must be reflective of the face of America." The report concluded:

> To realize its potential, become the agency Congress intended, and fulfill the expectations of the American people, DHS must actively seek to bring to bear divergent perspectives on every aspect of its operations. Failure to develop a culture that incorporates, recognizes, and promotes diversity as an organizational strength is not only counterproductive to the organizational goals but a disservice to the American taxpayer.

DHS has recognized that it must improve its executive diversity profile, and it has taken several steps to that end. The department recently designated its management council as DHS' de facto diversity council to provide high level direction, priorities and support toward enhancing diversity. One of the council's first actions will be to approve a departmentwide diversity strategy and implement a diversity action plan for FY 2008-2010.

[53] House Committee on Homeland Security Majority Staff, *The Department Of Homeland Security: Minority and Gender Diversity in the Workforce and Career Senior Executive Servi*ce, March 2008.

FINDINGS

Task 1: Assess the appropriateness of the overall number of executives for DHS given its size and broad mission objectives.

The Panel did not conduct a position management review of DHS' organizational structure, but compared its executive structure to other Federal agencies to judge it appropriateness. Several important conclusions can be drawn based on this review:

- DHS' initial allocation of total senior executive slots was well below the number it ultimately would need to accomplish its mission. Additional executives were needed to deal with increases in staffing, the establishment of new organizations and new or expanded responsibilities that were not part of the department's original charter. As a result, the agencies which examine and approve agency requests for additional SES slots—OMB and OPM—have raised DHS' allocation of SES slots from 323 positions in March 2003 to 536 positions in December 2007.[54] The Panel believes these increases are warranted.
- Given changes in the border and immigration missions, there appears to be a shortage of senior executives in ICE, CBP and CIS field locations. Given its unfilled SES positions, DHS could consider using some open slots to fill executive positions in the border and immigration components or requesting additional slots from OPM.
- The DHS organizational structure has not stabilized. With two major reorganizations in 5 years, the department continues to struggle with headquarters' role in managing the components as a unified whole to better protect homeland security. As DHS refines its organizational and operating structure, the Panel believes it will have the opportunity to examine executive resources needs across the entire organization and components. As part of this process, the department will be able to structure positions and optimize supervisor and employee ratios at all levels.

Task 2: Assess the department's allocation of career and non-career executives.

The Panel finds that the overall allocation of non-career and career executives is reasonable. It is important that offices and components have top leadership that includes both types of appointees; as DHS has proposed, some shifts from non-career to career appointments are warranted. Non-career and career appointees have important and interlocking, if somewhat different, roles and responsibilities to carry out. An effective relationship between them can create a positive synergy for the department. The Panel believes that DoD's mix of career and non-career civilian executives and career military leaders enhances its leadership continuity. This career/non-career mix could provide a model for DHS'

The number of FEMA non-career appointments raises questions compared with other DHS components and on a position-type basis. DHS officials have identified numerous non-career

[54] In addition to the SES positions authorized by OPM, DHS has 150 SES positions in TSA and 54 ST and SL positions that DHS considers a part of its executive resources. The TSA, SL and ST positions have not been increased over this period.

positions that should be filled with career executives, including all Regional Administrators. FEMA officials agree that these positions should be filled with career appointments, but not Assistant Administrator positions, which they view as having significant policy roles.

Task 3: Compare DHS with similarly structured agencies' career and non-career executives.

Overall, DHS' executive profile is similar to that of other federal departments. Recognizing the limitations of overall average comparisons, the department has relatively fewer executives per employee than most others, yet more executives to oversee each billion dollars of the budget than most others. About 14 percent of DHS' executives are non-career, slightly less than the average percentage for all departments.

Task 4: Identify gaps in the department's career senior leadership structure, including risks associated with changing leadership during a Presidential transition.

Given the departure of non-career executives during the Presidential transition, DHS must rely more on its career executives. To be fully prepared, it needs to address the following gaps in its career executive leadership structure:

- There are numerous vacancies that need to be filled.
- Due to high turnover, DHS career executives have less experience relative to most other departments' executives. More than half have less than 2 years of experience.
- DHS must improve its diversity profile.

Filling critical positions with experienced executives poses a challenge to DHS during routine times. The challenge can become even more daunting during a Presidential transition when most non-career executives leave.

CHAPTER 4
DHS TRAINING FOR TRANSITION READINESS

Training and developing DHS executives are critical for ensuring that the department has sufficient executive capacity during the Presidential transition and beyond. Incoming executives must quickly gain an understanding of DHS and their respective roles related to homeland security, especially in the event of a major homeland security incident. Current DHS career executives, a number of whom may assume acting positions upon the departure of non-career executives, will need additional or refresher training on homeland security responsibilities. In addition, they may benefit from participating in crisis scenario tabletop exercises and training designed to build positive relationships with the new Administration's transition team and appointees. And, both non-career and career executives will need opportunities for interaction that will build trust among them.

DHS began addressing its transition leadership and training challenges in 2007, under the leadership of the former Deputy Secretary, former Chief Human Capital Officer, and acting Deputy Secretary. Accepting the recommendation of the Homeland Security Advisory Council,[55] it has taken major steps to design and implement a departmentwide leadership development program as a major pillar of the DHS University System. Individual leadership development programs, such as the SES Candidate Development Program and the DHS Fellows Program, further address the department's homeland security responsibilities and related executive roles.

Under the framework of its Preparedness Center, DHS provides courses related to specific aspects of homeland security and crisis management. As a key component of its transition planning and preparation, it is developing training focused on the knowledge and skills that new and current executives need to plan for and manage major incidents that threaten homeland security during the transition. The Council for Excellence in Government has been engaged to assist with transition training efforts.

This chapter addresses the fifth and sixth tasks posed by Congress and DHS for this study:

5. Assess the adequacy of career SFS and other career development training programs as they impact transition readiness.
6. Compare DHS' transition training programs with those of similarly structured Cabinet-level agencies.

The Panel's findings are at the end of the chapter and recommendations are in Chapter 6.

[55] Homeland Security Advisory Council. Report Of The Culture Task Force, January 2007

DHS TRAINING AND DEVELOPMENT INITIATIVES

Two components of DHS' training and development programs are key to preparing DHS leaders to handle their transition responsibilities:

1. executive leadership development
2. homeland security and crisis management, including transition-specific training and cross-government collaboration

Executive Leadership Development

The department's overall learning and development strategy is carried out through a DHS University System established in 2007. Announcing the system, Secretary Chertoff noted its importance in streamlining and integrating DHS training and development programs and building a performance culture. The system is led by the DHS Chief Learning Officer located within the Office of the Chief Human Capital Officer.

DHS' executive development program, the Leadership Institute, is used to develop department employees at all levels and prepare DHS leaders by providing essential training at career milestones. The Leadership Institute includes the following programs:

- The **SES Candidate Development Program** develops executive level leadership competencies and core qualifications as part of an intensive 18-month course. The first program began in January 2007; a second one will begin in July 2008. Each program involves up to 30 managers and executives departmentwide. DHS plans to expand the program to help meet the continuing need for new executives. In addition, it was recently agreed that CBP and TSA would have their own SES development programs for specific mission-critical training due to their increased need for SES candidates. Their programs are reviewed and approved by the Chief Learning Officer to ensure conformity with department and OPM standards.
- The **Executive Leadership Program,** provided in cooperation with FEMA and the Naval Post-Graduate School, is designed for select DHS Senior Executives. The program enhances executives' capacity to identify and resolve homeland security issues, as well as build networks among the Nation's homeland security officials.
- The **DHS Fellows Program**, provided in cooperation with the Council for Excellence in Government, is designed to develop leadership skills via individual and team coaching, practical and experiential learning and job rotation. It is a 9GS--month program intended for GS-15, 14 and exceptional GS-13 employees. Succession and transition issues are covered.
- The **Strategic Studies Program,** offered in partnership with the National Defense University and U.S. Coast Guard, aims to improve strategic planning and analytical skills through a 4-month program for senior leaders.
- **Multi-Tier Leadership Development Courses** enable candidates to choose from a variety of DHS courses to enhance leadership skills and build new leadership

competencies. Several directorate and component leadership courses are included among the choices.

- The **Training, Education and Development Plan for DHS Chiefs of Staff** was launched in February 2008. Participants include the Chiefs and Deputy Chiefs of Staff across DHS, consisting of both career and non-career employees at the GS-15 and SES levels. A major component is "Preparedness/Contingency Tasks and Responsibilities," which provides baseline training on such topics as the Incident Command System, Continuity of Operations, National Incident Management System, Multi-Agency Coordination System, National Infrastructure Protection Plan and National Response Framework.

Rotational assignments are a developmental initiative announced in November 2007. A DHS directive established a rotational assignments program for SES and TSES managers and supervisors, as well as participants in the SES candidate development, management development and career development programs. Rotational assignments are viewed as a vehicle for fostering greater information sharing and team building and for obtaining depth and breadth of experience. The Under Secretary for Management is responsible for the program's overall direction, development and implementation, with operational assistance from the Chief Human Capital Officer. All employees in SES candidate development and selective management or career development programs must complete a rotational assignment prior to completing the program. Other SES members, supervisors and managers may participate in rotational assignments on an individual basis. To date, several DHS component offices have implemented rotational assignments, including the Office of the Under Secretary for Management, the Science and Technology Directorate, TSA, CIS, and ICE.

Training Related to Homeland Security and Crisis Management

The DHS University System houses the Preparedness Center, which provides training that specifically addresses homeland security and crisis management. The center's goal is to establish a culture of preparedness throughout the department by offering programs that build knowledge and understanding of protection and response capabilities in a multi-threat/all-hazards environment. A number of DHS-recognized interagency and national preparedness training programs have been identified:

- The **Online DHS 101 Program** informs new employees of DHS' organizational structure and provides information on component and directorate initiatives and programs.
- The **National Planning and Execution System Course** is a pilot training program that offers operational-level training related to planning for domestic incident scenarios. It is being developed in conjunction with the Office of Operations Coordination, Center for Domestic Preparedness and National Security Education Consortium.
- The **"All Medical Hazards" Program** consists of online training courses that offer information on medical challenges associated with homeland security, such as the avian/pandemic influenza.

- The **Terrorism/Counterterrorism (T/CT) Course** is a 40-hour program that is offered in cooperation with several directorates and offices from across the department. It is designed to establish baseline knowledge of terrorism and counterterrorism while gaining insights from experts in law enforcement, intelligence and policy, as well as authorities from academia and foreign embassies.
- The **National Incident Management System (NIMS), Incident Command System (ICS) and National Response Framework (NRF) database of approved training,** provided in partnership with the Emergency Management Institute and U.S. Coast Guard, offers departmentwide emergency management training which aims to develop NIMS, ICS and NRF knowledge and skills.

Transition Specific Training

Existing leadership and preparedness training programs address some homeland security needs related to the transition process, but they do not primarily focus on the skills that new and current executives need to plan for and manage major incidents that threaten homeland security during the transition. Consequently, DHS has undertaken several initiatives to meet that need. The following activities are provided specifically for DHS executives:

- The **DHS Leadership Conference,** held February 19–21, 2008, provided attendees with opportunities to interact, discuss and participate in presentations and demonstrations aimed at increasing the understanding of ways that the department fulfills its mission. Senior leaders, primarily career executives, received examples of front-line collaboration between department components and other agencies to bring greater effectiveness to homeland security programs. This conference was the first of several planned for 2008.
- A **DHS Transition Readiness Conference** for senior career leadership is planned for May 2008.[56] The purpose of this 3-day conference is to broaden the perspectives of senior career leaders about the department's multiple missions: prevent, protect, respond and recover. The conference, to be held at the Federal Law Enforcement Training Center, also is designed to help participants gain an understanding of how DHS components operate on a daily basis and encourage relationship building that would be critical during a crisis. A FEMA-run incident management exercise will be given to career leaders who are expected to receive foundational understanding of Homeland Security Presidential Directives, NRF, the National Homeland Security Strategy and the department's legal underpinnings. Specific attendees are being identified, and participation will be required.
- The **Training for New Executives** program, under development, is expected to provide a concentrated, 1- to 2-week training course for executives hired during the transition. It will include a half-day or day-long briefing by leaders from each component so that attendees can learn about DHS programs and functions and develop relationships. This training will be provided to new career executives throughout the transition, and will continue after the inauguration to include new non-career appointees.

[56] The conference was held the week of May 12, 2008.

Cross–Government Collaboration

DHS recognizes the importance of intra- and interagency relationships which support the homeland security mission. To facilitate the transfer of operational knowledge and the accompanying operational relationships and networks, DHS has entered into an interagency collaboration initiative led by the Council for Excellence in Government (CEG) to design and develop the training needed to transfer operational knowledge and identify and map relationships, protocols and interfaces among homeland security operational stakeholders. Ultimately, this training will deliver a knowledge transfer strategy that addresses DHS' relationship to the broader homeland security community. This includes DHS roles, responsibilities and operational procedures, as well as those of federal, state, local, and tribal entities with which the department shares responsibility.

Given that objective, CEG is expected to deliver an inventory and visual map of the operational protocol and the responsibilities of DHS, related federal agencies and state and local governments; and course curricula, training materials and workshop protocols for transition officials. The material will be designed to "ensure that the critical roles, responsibilities and protocols for emergency response will be understood, executed and coordinated seamlessly by DHS officials, other federal officials with homeland security responsibilities, state and local government officials, and private sector leaders."[57] This will be accomplished, in part, through discussions about DHS' future, tabletop exercises on incident scenarios and on-site training to learn what each entity's work entails. DHS participants will include career executives, transition officials and incoming appointees. Officials from other agencies, levels of government and the private sector will participate, as well. DHS staff and contractors will be the primary instructors.

In concert with FEMA and other DHS components, CEG will utilize the NRF and deliver multiple tabletop exercises during the time of the Presidential election campaign, inauguration and subsequent appointments of Senate-confirmed positions. DHS officials note that these exercises will enable inter-agency participants to practice their roles and build camaraderie with other key decision makers in a variety of emergency scenarios. DHS states that this effort will strengthen participants' knowledge of national security protocols and help to ensure that the nation is collectively prepared should a crisis arise.

CEG's work is guided by a bi-partisan panel of experienced practitioners and experts, led by Admiral James Loy, former DHS Deputy Secretary, and New York City Police Commissioner Ray Kelly. Appendix F lists the panel members. The project began February 15, 2008, and the training is to begin in mid-Summer 2008.

In addition, FEMA has scheduled several scenario exercises planned for the new Administration during the first half of 2009. For example, it plans three principal-level exercises for DHS executives in January, April and June 2009.

[57] Council for Excellence in Government summary of engagement.

CRITERIA TO EVALUATE TRAINING EFFORT

This Panel's assessment of DHS executive leadership development is based on the Academy's studies of executive development programs, such as those at the National Aeronautics and Space Administration and FBI,[58] the assistance provided to the World Bank in its self evaluation of executive development, and its 2003 study, "The 21st Century Federal Manager," which included a specific report on developing a leadership team.[59] These studies identify the following key dimensions of a successful leadership development program, and they are reflected in the department's leadership development program and courses offered through the Leadership Institute:

- Program leadership and governance roles are established. Specifically,
  - The program's mission, vision and guiding principles are communicated.
  - The program's offerings are competency based.
  - The program covers the continuum of leadership positions.
  - The program includes developmental experiences in other program areas and agencies.
- Leadership development is linked to succession planning.
- A Learning Management System (LMS) is used to communicate, deliver and manage training opportunities based on automated and web-based tools.

The Panel's assessment of DHS transition training related to homeland security and crisis management was guided by the work of Dr. Michael Watkins, a professor of organizational behavior formerly at the Harvard Business School,[60] who has identified essential elements[61] of an organization's crisis response capacity. Dr. Watkins' work suggests that this training should include the identification of preset triggers to move the leader and the organization from peacetime activities to activities that are appropriate and responsive to a heightened threat level, such as command post operations, communication channels and resource availability.

OTHER AGENCIES' TRANSITION TRAINING

Top level executives were interviewed at the Departments of Agriculture, Defense, State and Treasury, the General Services Administration, the Office of the Director of National Intelligence, FBI, OMB and OPM. Appendix C has the complete list of interviewees. At the time of these interviews (January 2008), most departments had not yet begun to actively plan for the Presidential transition or slated special transition training for executive preparedness related

---

[58] National Academy of Public Administration, *NASA: Human Capital Flexibilities for the 21st Century Workforce*, February 2005; National Academy of Public Administration, *Improving the Governance, Efficiency and Effectiveness of Training at the Federal Bureau of Investigation*, November 2007 (Internal Use Only).

[59] National Academy of Public Administration, *Developing the Leadership Team: An Agency Guide*, December 2003.

[60] Dr. Michael Watkins is now with IMD, an international business school in Lausanne, Switzerland.

[61] Watkins, Michael, *Your Crisis Response Plan: The Ten Effective Elements*, September 30, 2002; 2008 President and Fellows of Harvard Weekly Newsletter.

to homeland security. The interviewees were confident that the transition would be well managed and responsive to homeland security incidents because of their mature career executive leadership corps and extensive experience with transitions. Further, their executives and others with homeland security responsibilities have been and will continue to be involved with DHS crisis response and management training, such as FEMA training[62] and the upcoming CEG workshops.

FINDINGS

Task 5: Assess the adequacy of career SES and other career development training programs as they impact transition readiness.

With respect to executive leadership development, the Panel finds that the program substantially reflects the key dimensions of a successful leadership development program. Specifically:

- Program leadership and governance roles are established through the Secretary's strong support of the program and the University System's Executive Steering Committee's guidance and recommendations for program management and development; and the Chief Learning Officer, who is responsible for ongoing development and implementation.
- The program's mission, vision and guiding principles are communicated through the department's publication, "Establishing a Department of Homeland Security University System," which the Deputy Secretary approved in September 2007.
- The program's offerings are based on established leadership competencies.
- Key elements of the DHS leadership continuum are leadership development for non-supervisors, supervisory training, the DHS Fellow's Program for managers, SES Candidate Development Program and Executive Leadership Program.
- The recently established rotational assignment program adds a vital dimension to programming by providing other developmental and stretch opportunities outside the classroom.
- The DHS succession planning effort, described in Chapter 5, illustrates the department's initial efforts to develop a succession planning database to support executive development and deployment.
- DHS recently established its Learning Management System (LMS–DHScovery) to communicate, deliver and manage training opportunities based on automated and web based tools. It is envisioned that DHScovery eventually will link approximately nine major LMSs that support employee learning and professional development activities across the department.

[62] FEMA's Emergency Management Institute provides extensive training to government officials at all levels regarding emergency management. Training relates to the National Incident Management System, Disaster Operations and Recovery and the Multiagency Coordination system.

The Panel believes that the department's transition training and development efforts are consistent with executive development programs in most federal agencies. Its efforts also respond to a key recommendation of the Culture Task Force of the Homeland Security Advisory Council: to implement homeland security management and leadership models.

The Panel believes that DHS has a balanced set of transition-specific training programs underway. If implemented timely, they should help executives prepare to meet their homeland security responsibilities during the transition period. Training is planned for both new non-career and career executives, as well as for other governmental and private sector leaders. It is particularly noteworthy that the training focuses on the essential elements identified by Dr. Watkins:

- Understanding the various crisis management functions of DHS and its partners.
- Participating in crisis response scenarios.
- Gaining an understanding of the multitude of Homeland Security Presidential Directives, NRF and the National Homeland Security Strategy.
- Building trust between DHS career executives and new appointees and DHS and its partners.

This finding is based on the comments of DHS and non-DHS senior officials interviewed for this study; they emphasized the importance of this kind of training for new executives as they come on board and for current executives on an as-needed basis. Officials at the IBM Center for the Business of Government, OMB and DHS' National Protection and Programs Directorate and Office of Operational Coordination expressed especially strong views about the need for this kind of preparation. Several suggested that tabletop exercises related to various incident scenarios be an essential part of such training.

This transition-specific training, including CEG's workshops, was in the formative stage during the data gathering and analysis portions for this study. Consequently, detailed training plans or curricula were not available to review. However, the project team did receive the detailed Training, Education and Development Plan for DHS Chiefs of Staff created through a cooperative effort with the Secretary's Chief of Staff, numerous component Chiefs and Deputy Chiefs of Staff, and Chief Learning Officer. A review of this material indicates that DHS has the capacity to develop relevant training for executives related to their homeland security and crisis management responsibilities.

Although this positive beginning is commendable, substantial additional work is needed to ensure that the transition training efforts are fully developed, implemented and evaluated on a timely basis in order to reduce risks associated with the turnover of key executives during the transition. Specifically, a comprehensive implementation plan and evaluation plan are needed. DHS' transition training programs appear to be well conceived, and ahead of the transition training activities in other departments, but the department is racing the clock to have its programs in place in the coming months.

A comprehensive implementation training plan would specify the objectives, scheduling timeframes, participants and required resources for each training initiative, as well as the officials who are accountable for each training effort and the overall effort. The plan also could address unanswered questions concerning the relationship of CEG's cross-government collaboration workshops to other transition-related programs; the extent of participation in the workshops by other officials from other federal agencies, levels of government and the private sector; the relationship of ongoing FEMA scenario training to these programs; and the role that the Homeland Security Institute[63] might play in developing these new training initiatives.

In addition, DHS does not have an evaluation plan for its transition training. An evaluation of training, using the Kirkpatrick Evaluation Model[64] as a reference, could provide DHS with essential data regarding training effectiveness at the time training begins. At this point, the first two levels of evaluation are specifically relevant:

1. Assess reactions at the end of class with respect to whether objectives were met, performance of the trainer, training materials, content and coverage, as well as such administrative issues as length of training and the facility logistics. These data provide the basis for making immediate modifications to the training.
2. Establish a knowledge baseline on entering training and measure the level of learning following completion of the training through the use of pre- and post tests. The framework developed by Dr. Watkins and noted earlier in the chapter can be adopted to develop pre- and post-tests for DHS operational leadership knowledge and readiness.

The two advanced elements of the Kirkpatrick framework—change in on-the-job behavior and organizational or program results—would be appropriate for more long-term evaluation plans.

Further, the implementation plan could focus on ensuring that DHS training familiarizes new leaders with the emergency operations center and the communication channels and responses; includes a series of checklists that can be regularly updated to ensure that backup resources are readily available; and provides for debriefing participants in the various simulation exercises. A disciplined performance review of and feedback to new leaders during the scenarios would provide them with the opportunity to learn and improve their operational capability and leadership response.

The Panel believes that if DHS' transition training initiatives are implemented as planned, they should provide a balanced set of training initiatives for preparing new and current DHS executive

---

[63] The Homeland Security Institute (HSI) is a Federally Funded Research and Development Center established pursuant to the Homeland Security Act of 2002 that provides analysis and advice in homeland security policy development, decision-making, analysis of alternative approaches, and evaluation of new ideas on issues of significance.

[64] The four levels of Kirkpatrick's evaluation model essentially measure:

- Reaction of student. What they thought and felt about the training
- Learning. The resulting increase in knowledge or capability
- Behavior. Extent of behavior and capability improvement and implementation/application
- Results. The effects on the business or environment resulting from the trainee's performance

and their state, local, and private sector partners to deal with homeland security responsibilities during the transition.

The Panel finds that a "capstone" scenario exercise conducted within the first 6 months of the new administration could be of substantial value in evaluating and improving the capabilities of all homeland security partners to respond to and manage critical homeland security incidents. It would provide a real-time evaluation of the effectiveness of transition planning, training and overall operational readiness. White House direction of this event would ensure that it would be a priority activity and that sufficient resources would be provided for it. It should be nationwide in scope, involve all federal partners, state and local governments and the private sector, and include multiple scenario elements. This finding appears consistent with the two top-tier exercises that DHS conducts as part of its homeland security exercise program: the "Top Officials 4" exercise that took place October 15-17, 2007 and for which a national after-action conference was planned for April 10, 2008, and "National Level Exercise 2-08" scheduled for May 1-8, 2008.[65]

Task 6: Compare DHS' transition training programs with those of similarly structured Cabinet-level agencies.

When comparing DHS' transition training programs with other similarly structured Cabinet-level agencies, the Panel finds that DHS is well along in its transition training when compared with other agencies, especially given that it is a young agency with a critical national mission and going through its first Presidential transition. To be sure, DHS has needed to begin its transition planning earlier than its more organizationally mature counterparts. Yet it also has undertaken important initiatives in many areas to ensure that its executives are prepared to meet their homeland security responsibilities during the transition. The Panel believes that other departments with homeland security responsibilities would benefit from the plans and preparations that DHS has made for transition training related to homeland security. There needs to be collaboration and sharing among entities with respect to training executives on preventing and responding to national incidents during this period.

[65]FEMA, National Exercise Division Homeland Security Exercise and Evaluation Program, Quarterly Newsletter, Spring 2008, p. 8.

CHAPTER 5
TRANSITION PLANS FOR DHS

One of the most important elements of a Presidential transition to ensure the "operational continuity of homeland security"[66] are the plans developed by DHS and their successful execution. The department has taken major steps to begin to address the transition, the centerpiece of which is a strategy called "The Homeland Security Transition Concept of Operations," also known as the "Five Prong Plan."

This chapter considers the plan's individual elements, issues that impact Presidential transition planning, and the transition efforts of individual DHS components. Also included is an analysis of the Secretary's Operations Coordination and Planning Initiative, which would create a permanent Operations Coordination group in headquarters to coordinate efforts across DHS' seven components, especially during a major crisis. This review also examines the gaps in DHS transition planning and addresses the seventh task posed by Congress and DHS.

7. Review DHS planning for the transition and propose changes to address any gaps.

The Panel's findings are at the end of the chapter and recommendations are in Chapter 6.

DHS' FIVE PRONG PLAN

The Five Prong Plan takes a wide-ranging approach to the elements necessary for a successful transition, including:

1. Orders of Succession: an updated Order of Succession for the Secretary and all headquarters offices and operating components
2. Succession Planning: a new succession planning program that lists critical positions with a succession risk and the identification of acting interim career officials for all non-career positions
3. Knowledge Transfer and Interagency Relationship Mapping: an interagency collaboration effort, led by CEG, which is designed to ensure that relationships, protocols and interfaces among homeland security operational stakeholders are clear and that the development of leadership training and other activities promote knowledge and relationships and facilitate the transition
4. Best Practices Study: the identification by the Homeland Security Advisory Council of transition best practices used by state and local governments and the private sector
5. Transition Guidance: the development of a transition guidance handbook

[66] Homeland Security Advisory Council. Report Of The Administration Transition Task Force. January 2008.

Orders of Succession

On August 13, 2007, President Bush issued Executive Order 13442 which provided the succession of officials who would assume the Secretary of Homeland Security's position "...in case of death, resignation or inability to perform the functions of the Office." A revision was needed due to the extensive departmental reorganization that took place in 2005 and 2007. The order lists the 17 positions that would succeed the Secretary, flowing from the Deputy Secretary to various Under Secretaries and Assistant Secretaries, the General Counsel, component heads, Chief Financial Officer, and finally to FEMA's Regional Administrators. All officials on the list are non-career, except FEMA's Regional Administrator in San Francisco, number sixteen in the order of succession.

Two months later, the Secretary of Homeland Security signed Delegation and Succession Order 0106 which specified orders of succession for the head of each operating components and the 17 headquarters offices. The number of successors for each office ranges from ten at FEMA and CBP to three at the Office of Counternarcotics Enforcement, which DHS considered appropriate given the relative sizes of those offices. The first successor is a career executive for 18 of the 24 components and offices. The exceptions are FEMA, CIS, the National Protection and Programs Directorate, Office of Policy, General Counsel's Office and Office of Public Affairs. The orders of succession is shown in Appendices D and E.

The orders of succession usually are for the top official in each organization, but there is no order of succession for the Deputy Secretary although this individual is critical to the operation of the department. As several officials noted, the Deputy Secretary is the key operational link to DHS offices and components and holds daily briefings and weekly meetings with their heads. As of October 27, 2007, the position was filled on an acting basis by the Under Secretary for Management. This position can only be filled in this manner for 210 days (until May 23, 2008), or until a nomination is submitted,[67] due to Vacancies Act requirements.[68]

Succession Planning

Executive succession planning is the second prong of DHS' transition plan; it is designed to ensure a pipeline of successors for critical positions in the department and to identify senior career civil servants who would assume the responsibilities of non-career appointees during the transition.

To ensure a pipeline of successors for critical positions, a critical position succession planning template was developed to guide components and offices through the process of identifying critical positions with a high succession risk and potential steps to mitigate the risk. In a June 2007 memorandum, the Chief Human Capital Officer asked components and offices to fill out the template for "critical senior positions—those responsible for a major program, having

[67] Paul Schneider, Under Secretary for Management and Acting Deputy Secretary, was nominated for the position of Deputy Secretary on February 26, 2008. Elaine Duke, Deputy Under Secretary for Management, was in turn nominated to fill the position of Under Secretary for Management on April 3, 2008.
[68] Title 5 U.S.C. 3345-3349d.

significant budget responsibility or requiring unique competencies."[69] For each critical position, components and offices:

- Defined the degree of criticality (high, medium or low) of the position to DHS' mission, based on how large the effect of a 1- to 3-month absence would be.
- Identified the competencies necessary to fill the position successfully.
- Identified developmental assignments and training that likely would be found in a potential successor's development plan.
- Determined how many internal candidates are ready now to fill the position, how many would be ready within 1 to 2 years, and how many would be ready within 3 to 5 years.
- Identified potential sources of external candidates for the position.
- Assessed the outlook for recruiting external candidates in the future based on recent experience, current economic climate, the existence of key competencies in other agencies or industries, and the salary comparability of the position with similar positions in other agencies and industries.
- Assigned a succession risk rating (high, moderate, or low) to the position.

A total of 479 positions were identified as critical—340 executives (SES and Executive Schedule) and 139 managers (GS-15s and 14s). Exhibit 27 compares the number of executive positions in each component considered critical with the total number of executives in that component.

Exhibit 27: Percentage of Executives Considered Critical by DHS Components

Component	Critical Executives	Total Executives	Percent Critical
Headquarters:			
Domestic Nuclear Detection Office[a]	7	7	100%
General Counsel	5	20	25%
Gulf Coast Reconstruction	0	3	0%
Health Affairs	1	11	9%
Inspector General	3	13	23%
Intelligence and Analysis	8	25	32%
Management	25	50	50%
National Protection and Programs	17	28	61%
Office of the Secretary	11	25	44%
Operations Coordination	5	6	83%
Policy	6	24	25%

[69] These general criteria were outlined in the June 2007 memo. In a summary of the critical position succession planning database, included in a March 2008 Chief Human Capital Officers' Council document entitled "Collection of Human Capital Practices," DHS noted the criteria for critical is: "Position involves leadership of a program area that is of significant importance to the department's ability to accomplish its mission" and " Position is responsible for major operational areas and a short-term vacancy would adversely affect the ability of the department to accomplish its mission."

Component	Critical Executives	Total Executives	Percent Critical
Science and Technology	13	36	36%
Total Headquarters	**101**	**248**	**41%**
Operating Components:			
U.S. Coast Guard	14	15	93%
Customs and Border Protection	52	106	49%
Citizenship and Immigration Services	6	51	12%
Federal Emergency Management Agency	28	77	36%
Federal Law Enforcement Training Center	8	9	89%
Immigration and Customs Enforcement	37	68	54%
U.S. Secret Service	10	50	20%
Transportation Security Administration	83	151	55%
Total Non-Headquarters	**238**	**527**	**45%**
TOTAL	**339**	**775**	**44%**

Note:
a) Domestic Nuclear Detection Office identified also identified an FBI detailee as critical.
Source: DHS critical position database.

As shown in Exhibit 27, the percentage of executives considered critical ranged from 0 and 9 percent at the Gulf Coast Reconstruction Office and Office of Health Affairs to 100 percent at the Domestic Nuclear Detection Office. DHS' large components ranged from 12 percent at CIS to 93 percent at the U.S. Coast Guard. Although some offices could have a significantly greater percentage of critical executives, some variance likely is due to different criteria being applied by different offices and components. Since the initial request for information, DHS has further defined that the criteria for critical are (1) that the "Position involves leadership of a program area that is of significant importance to the Department's ability to accomplish its mission," and (2) that the "Position is responsible for major operational areas and a short-term vacancy would adversely affect the ability of the Department to accomplish its mission."[70]

This critical position database is designed to assist the components' efforts to ensure that critical positions are filled throughout the transition period. Many DHS executives interviewed said the database was useful and it had assisted them in succession planning. However, components have not developed action plans based on the information collected. Exhibit 28 provides examples of the types of information included in the database and the further analysis needed to address the information.

[70] This criteria was included in a March 2008 Chief Human Capital Officers' Council document entitled "Collection of Human Capital Practices."

Exhibit 28: Examples of Analysis Needed of Critical Position Database Information

Database Field	Information Requested	Analysis Needed
Difficulty of Finding Qualified successor	Consider the unique competencies needed to be successful in the position, as well as the ability to attract qualified candidates.	• What recruiting sources and strategy are needed? • Should recruiting bonuses be considered? • Are reemployed annuitants a source to be considered?
Appointment Status	Select "Political" or Career. If political, indicate if position could be converted to career.	• What criteria should be used to consider whether appointment should be career or non-career?
Readiness of Internal Candidates	Assess internal agency employees and identify the number of candidates in each category (i.e., ready now, ready within 1-2 years, or ready within 3-5 years).	• Do candidates need to go through an SES Candidate Development Program? • What assignments are needed to ensure candidate is ready to assume position?

The database also identifies recruitment challenges to filling several positions. For example, FEMA notes that the Regional Administrator position is "...difficult to fill due to salary comparability and extensive knowledge requirements." DHS and FEMA need to assess whether recruiting incentives or other salary flexibilities would be helpful in filling these positions. Converting them to career appointments, as discussed in Chapter 3, would allow the use of these flexibilities because recruitment, relocation and retention incentives cannot be paid to non-career employees.

In addition to the database, DHS has challenges related to filling critical executive positions vacated by non-careers, filling positions vacated by career executives who move to take "acting" positions and filling current executive vacancies. Several tools are available to help meet these challenges, as described below.

Knowledge Transfer and Inter-Agency Relationship Mapping

As discussed in Chapter 4, the third prong of DHS' transition initiative is being done in conjunction with CEG, which is developing a knowledge transfer strategy that addresses the relationships among DHS and federal agencies and state and local governments with homeland security responsibilities. The strategy will entail a mapping of homeland security responsibilities, as well as related training, workshops and operational exercises. CEG plans to have the mapping completed by April 15, 2008, the training curriculum and implementation strategy by June 1, 2008 and actual training workshops initiated by July 1, 2008. The initiative has been behind schedule and meeting the target dates will be a challenge.

Best Practices Study

The Homeland Security Advisory Council (HSAC), a group composed of leaders from state and local government, first responder communities, the private sector and academia, provides advice and recommendations to the Secretary on homeland security matters. The HSAC formed the Administration Transition Task Force to identify best practices for public and private sector

leadership transitions. The intent was to produce politically neutral recommendations that incorporated the expertise and experiences of organizations that had undergone transitions. The task force had 32 members and consulted with 13 subject matter experts.

The task force's January 2008 report had 39 recommendations distributed among seven topic areas: threat awareness, leadership, congressional oversight/action, policy, operations, succession and training. It assigned responsibility for each action to the outgoing Administration, incoming Administration or Congress.[71] Several recommendations are directly related to the information and recommendations in this study, specifically those concerning leadership, succession planning and training. For example, the task force called for the new Secretary of Homeland Security to be in place on Inauguration Day, that new DHS appointees be identified early, that all non-career positions be backed up by career executives, and that briefing materials and tabletop exercises for new appointees be organized as early as possible. Appendix G has all of the task force recommendations.

Transition Guidance

Originally described as a "handbook" in the five-prong plan, transition guidance has evolved into "handbooks, memos and other communications" to provide guidance on the preparation of briefing materials for DHS, major programs and operational areas and other matters relevant at the time of a change in Administration. In addition, this initiative will result in guidance on security, records, property, contracts, finance, personnel benefits and IT access, as well as scheduled group and individual check-out briefings.

The following target dates have been identified:

- February 14, 2008: Identify component senior transition officer and deputies.
- March 31, 2008: Identify Under Secretary for Management core team for transition.
- April 30, 2008: Prepare guidance on development of briefing materials.
- May 30, 2008: Distribute guidance on development of briefing materials.
- May 30–December 31, 2008: Prepare briefing materials.
- November 30, 2008: Schedule out-briefs.
- Ongoing: Distribute guidance on administrative matters relevant to White House transition.

In addition to preparing briefing materials, it is critical that DHS reinforce them with training and operational exercises, as discussed in Chapter 4. The Deputy Under Secretary for Management has responsibility for this section of the transition plan. To date, headquarters offices and

[71] The recommendations do not total to 39 because responsibility for five recommendations was assigned jointly to Congress and either the outgoing or incoming administration.

components have been asked to identify a senior career executive to serve as their senior transition officer and an official to serve as deputy.[72] This initiative is on schedule.

OPERATIONS COORDINATION AND PLANNING INITIATIVE

The Secretary of Homeland Security has taken steps to create a permanent operations coordination and planning group to coordinate efforts across DHS components, especially during a major crisis. The effort called for full operation of the coordination capabilities and refined procedures for emergency management by June 1, 2008. The original interim deadlines and milestones included the following:

- December 12, 2007: presentation of a problem statement, vision statement and list of milestones for the time period between December 12 and the inauguration
- April 1, 2008: staff recruited, cleared, and ready to work
- April 1, 2008–June 1, 2008: operations tested and other necessary steps taken to becoming fully operational
- Within 48 hours of the President's congratulatory call to the winner of the 2008 election: President-elect briefed on the heightened threat level and ways to best prepare for an emergency incident

This coordination team, staffed with career GS-14s and 15s, will develop options for the Secretary should an event occur that requires coordination across components. To ensure that deadlines were met, the work was begun by a temporary operations coordination group composed of one representative from each component.

Various DHS component heads believed that this initiative would benefit the transition. However, there is concern about the group's specific role. One official noted that the problem statement and vision were being vigorously debated; some components believed the group could gain operational control over operations. There also was concern that the group could duplicate other coordinating mechanisms and might not be consistent with the NRF. This debate has delayed the problem and vision statement, which were to be completed by December 2007.

DHS officials noted that a letter was sent to DHS components in April 2008, outlining the overall strategy of the operations coordination and planning group. It was envisioned that the group's 19 component detailees would be on-board that month, undergo an orientation and training program for 6 weeks and have initial operating capability by June 1. The second phase of the plan calls for additional component support to build toward an overall final operating capability prior to the end of Summer 2008.

[72] This directive was aimed only at the headquarters offices that appear on the department's organization chart; Chief Officers within USM are not being asked to designate senior or Deputy transition officers.

GAPS IN DHS TRANSITION PLANNING

Although DHS has begun to actively plan for the transition, numerous gaps remain. Specifically, the department and the administration have not begun to address the activities outlined in the "sense of the Senate" resolutions contained in the Intelligence Reform and Terrorism Prevention Act of 2004.

The Intelligence Reform and Terrorism Prevention Act of 2004

Responding to the 9/11 Commission recommendations, the Intelligence Reform and Terrorism Prevention Act of 2004 amended the Presidential Transition Act. It included several sense of the Senate provisions[73] to facilitate the early identification of national security officials by the next Administration, to conduct timely background investigations of those individuals, and to quickly consider the nominations. Specifically, the Act stated that:

- The President-elect should submit the nominations of candidates for high-level national security positions, through the level of Under Secretary of Cabinet departments, to the Senate by the date of the inauguration.
- The Senate should consider these nominations and vote to confirm or reject them within 30 days of their submission.
- The President-elect should submit to the FBI or other appropriate agencies the names of candidates for high-level national security positions through the level of Under Secretary of Cabinet departments as soon as possible following the general election.
- The responsible agency or agencies shall undertake and complete as expeditiously as possible the background investigations necessary to provide appropriate security clearances to candidates for high level national security position prior to the inauguration.
- Each major party candidate for President may submit, prior to the date of the general election, requests for security clearances for prospective transition team members who will need access to classified information to carry out their responsibilities as members of the President-elect's transition team.
- Necessary background investigations and eligibility determinations to permit appropriate prospective transition team members to have access to classified information shall be completed, to the fullest extent practicable, by the day following the general election.

Early Identification of Key Appointees of the Next Administration

Given the critical nature of homeland security, the next Administration must give high priority to identifying key appointees for PAS and PA positions as soon as possible. As outlined in the Intelligence Reform and Terrorism Prevention Act, the Senate called for the nomination of

[73] A "sense of the Senate" resolution is not legally binding because it is not presented to the President for his signature. Even if a provision is incorporated into a bill that becomes law, it merely expresses the opinion of Congress or the relevant chamber. It has no formal effect on public policy and is not considered law.

candidates for high-level national security positions at the level of Under Secretary and above by Inauguration Day. At DHS, these positions would include the following:

- Deputy Secretary
- Administrator of FEMA
- Under Secretary for Management
- Under Secretary for Science and Technology
- Under Secretary National Protection and Programs Directorate
- Under Secretary for Intelligence and Analysis

Other key headquarters and field component positions should be identified by Inauguration Day and considered by Congress as quickly as possible. Specifically, operations leadership continuity is critical for the seven large operating components and the Operations Coordination Office. Since the 2005 Second Stage Review reorganization, nearly all operational responsibilities rest with the operating components, two of which are led by executives who will not depart during the transition (the U.S. Secret Service and U.S. Coast Guard). The Operations Coordination Office is responsible for working with component leadership and other federal agencies to ensure that actions are well-coordinated and executed in a timely fashion, without disrupting field operations or interfering with component chains-of-command.[74]

Although the Academy Panel is not positioned to specifically identify the most critical DHS positions, the heads of these organizations are important and their appointment should be given priority status. Exhibit 29 profiles the key responsibilities of these components, the non-career/career executive profile and the plans for leadership continuity.

Exhibit 29: Key Operating Components Leadership Profile

Agency	Responsibilities	Executive Profile	Career Leadership Continuity Plans for the Agency Head
TSA	Protects the Nation's transportation systems to ensure freedom of movement for people and commerce.	• PAS Assistant Secretary • 2 non-career executives • 148 career and term executives	Career Deputy will assume responsibilities (number 2 on order of succession)
CBP	Responsible for protecting our Nation's borders in order to prevent terrorists and terrorist weapons from entering the United States, while facilitating the flow of legitimate trade and travel.	• PAS Commissioner • 4 non-career executives • 101 career and term executives	Career Deputy will assume responsibilities (number 2 on order of succession)

[74] Statement of Secretary Michael Chertoff. U.S. Department of Homeland Security. Before the Senate Committee On Commerce, Science and Transportation, July 19, 2005

Agency	Responsibilities	Executive Profile	Career Leadership Continuity Plans for the Agency Head
CIS	Responsible for the administration of immigration and naturalization adjudication functions and establishing immigration services policies and priorities.	• PAS Assistant Secretary • 5 non-career executives • 45 career executives	Career Associate Director for Domestic Operations will assume responsibilities (number 3 on order of succession)
ICE	Responsible for securing the United States by enforcing immigration and customs laws, protecting Federal buildings and other key assets and providing law enforcement support in times of national emergency.	• PAS Assistant Secretary • 2 non-career executives • 65 career and term executives	Career Deputy Assistant Secretary will assume responsibilities (number 2 on order of succession)
U.S. Secret Service	Protects the President and other high-level officials and investigates counterfeiting and other financial crimes.	• PA Director (has career status) • 49 career executives	Director has traditionally stayed during transition
FEMA	Prepares the Nation for hazards, manages federal response and recovery efforts following any national incident, and administers the National Flood Insurance Program.	• PAS Administrator • 3 additional PAS executives • 1 PA executive • 15 non-career executives • 57 career and term executives	Career Associate Deputy Administrator will assume responsibilities (number 4 on order of succession)
U.S. Coast Guard	Protects the public, the environment, and U.S. economic interests—in the Nation's ports and waterways, along the coast, on international waters, or in any maritime region as required to support national security.	• Commandant is career military • Other military executives • 14 career executives.	U.S. Coast Guard Commandant appointed to 4 year term in May 2006 and will stay into the next Administration.

Source: DHS Executive Resources and other DHS information.

Other headquarters offices have some operational responsibilities where leadership continuity is critical. Exhibit 30 provides information on them.

Exhibit 30: Key Headquarters Offices Leadership Profile

Office	Responsibility	Executive Profile	Leadership Continuity Plans for the Office Head
Directorate for National Protection and Programs	Works to advance the department's risk-reduction mission. Reducing risk requires an integrated approach that encompasses both physical and virtual threats and their associated human elements.	• PAS Under Secretary • 1 PA executive • 4 non-career executives • 22 career and term executives	Director of U.S. Visit program is career executive (7th in order of succession)
Directorate for Science and Technology	Is the primary research and development arm of the department. It provides federal, state and local officials with the technology and capabilities to protect the homeland.	• PAS Under Secretary • 1 non-career executive • 34 career and term executive	Deputy Under Secretary is next in succession. It is designated a career executive and is vacant.
Office of Health Affairs	Coordinates all DHS medical activities to ensure appropriate preparation for and response to incidents having medical significance.	• PAS Under Secretary • 10 career and term executives	Career Principal Deputy is next in succession
Office of Intelligence and Analysis	Is responsible for using information and intelligence from multiple sources to identify and assess current and future threats to the United States.	• PAS Under Secretary • 1 non-career executive • 23 career and term executives	Career Deputy Under Secretary is next in succession
Domestic Nuclear Detection Office	Works to enhance the nuclear detection efforts of federal, state, territorial, tribal, and local governments, and the private sector and to ensure a coordinated response to such threats.	• PA Director • 6 career executives	Career Deputy Director is next in succession
Operations Coordination	Is responsible for monitoring the security of the United States on a daily basis and coordinating activities within the department and with governors, homeland security advisors, law enforcement partners, and critical infrastructure operators in all 50 States and more than 50 major urban areas nationwide.	• Director is a limited term executive • 5 career executives	Director's term expires in June 2009. Limited appointments are not renewable. The position could be filled by another term appointment of a different person, or by a career or non career appointment of the incumbent or different person

Office	Responsibility	Executive Profile	Leadership Continuity Plans for the Office Head
Office of Management	Is responsible for department budgets and appropriations, expenditure of funds, accounting and finance, procurement; human resources, information technology systems, facilities and equipment, and the identification and tracking of performance measurements.	• PAS Under Secretary • PAS CFO • 2 PA • 1 non-career executive • 45 career and term executives	Career Deputy Under Secretary is next in succession
Office of Policy	The primary policy formulation and coordination component for DHS. It provides a centralized, coordinated focus to the development of Departmentwide, long-range planning to protect the United States.	• PAS Assistant Secretary • 4 non-career executives • 19 career and term executives	No career employees are in the succession order. The fourth and fifth officials on the succession order are term officials

Source: DHS Executive Resources and other DHS information.

Of course, the Secretary and Deputy Secretary are the two most critical executives. Virtually all of the individuals interviewed recommended that the new Secretary be in place on Inauguration Day. Various studies have made the same recommendation. For example, HSAC's Transition Task Force recommended in January 2008 that the incoming President-elect should "nominate and seek congressional approval of the new Secretary of Homeland Security as is done with the Secretary of State and Secretary of Defense on the first day of the new administration." The Academy Panel supports this recommendation.

A key criterion for identifying critical positions is the position's importance for an effective response to a crisis event. The President-elect and new Secretary of Homeland Security should be guided by this list and criteria as they make key appointments and work with the Senate to facilitate prompt Senate confirmation as required.

Transition Team Members and Security Background Checks

Another sense of the Senate provision called for the Presidential nominees to submit names of proposed transition team members prior to the election. As outlined in the Presidential Transition Act, transition teams are to assist the President-elect in "promot(ing) the orderly transfer of the executive power," so as to "assure continuity in the faithful execution of the laws and in the conduct of the affairs of the federal government."[75] The names of transition team candidates are to be submitted to the FBI or other appropriate agencies as early as possible in order to conduct timely background investigations so that the elected President's transition team can begin work immediately after the election.

The report of HSAC's Administration Transition Task Force contained recommendations consistent with the legislation and critical to helping to improve transition executive continuity. These included:

[75] Pub. L. No. 88-277, § 2, 78 Stat. 153 (codified at 3 U.S.C. § 102 note (1976)).

- Working with the Presidential nominees, their senior staff and the Senate, prior to the election, to establish an expedited process for handling appointments.
- Encouraging all Presidential nominees to identify members and organize homeland security advisory groups in preparation for the administration transition.
- Nominating and seeking congressional approval of the new Secretary of Homeland Security, as done with the Secretary of State and Secretary of Defense, on the first day of the new administration.

Conducting background investigations and adjudicating security clearances are a time consuming part of bringing transition team members or new executives on board. New appointees must have security clearances to be able to perform the full scope of their jobs. The Justice Department, FBI, OPM and DHS all are part of the clearance process. The Intelligence Reform and Terrorism Prevention Act specifically calls for early identification of key national security officials so that background investigations can be completed and decisions about security clearances made to permit transition team members to begin to perform their duties immediately after the election, and to facilitate prompt executive appointments following inauguration. Some transition team members could be nominees for key executive positions at DHS.

Historically, the FBI has been responsible for conducting background investigations for PAS and PA nominees, while DHS conducts background investigations for its own executives. It is not clear who would conduct the background investigations of officials who might serve on transition teams. DHS security officials noted that it is important that their components provide information on background investigation and security clearance needs so they can ensure adequate resources are devoted to these investigations. Typically, the security clearance process varies from 9 to 18 weeks if everything goes smoothly, but key executive appointments frequently require quicker response.

Developing a Plan to Address Succession Planning Challenges

The lack of a comprehensive plan to address succession planning challenges is an additional critical gap. The associated challenges include ensuring that qualified executives are responsible for the duties and responsibilities of all non-career positions vacated, and filling current executive vacancies. Tools are available to help meet these challenges, such as encouraging some non-carecrists to temporarily remain in their positions and employing experts on a temporary basis through appointment authorities.

Identifying Career Executives To Fill Position or To Serve in "Acting" Roles

DHS has not identified specific career executives who could permanently or temporarily fill non-career positions vacated during the transition. The department's transition initiatives provide a foundation for ensuring that non-career positions are filled, but they are not sufficient. For example, the orders of succession only identify the career official who would assume the duties of the Secretary and the 24 office and component heads. The succession planning database has more comprehensive information, but it does not include all non-career positions. Not only are

plans needed to identify who would fill all non-career positions temporarily, but others are needed to address vacancies created by career executives who temporarily fill the non-career positions. Such plans also need to include an assessment of career officials' knowledge and skills and the likelihood of leaving the department for retirement or other reasons.

Filling Current Executive Vacancies

DHS must focus on filling current executive vacancies. The combination of vacant positions, coupled with the movement of career executives into positions vacated by non-career officials, create numerous voids. In addition, career executives may leave DHS during the transition due to retirement or other reasons. The department should estimate the extent of this movement and plan ways to swiftly fill the resulting leadership voids, such as the appointment of SES Candidate Development Program graduates, recruitment and relocation incentives and temporary appointments.

Some Non-Career Executives Could Stay During Transition

The incoming Administration has several policy options related to the current Administration's non-career appointees. First, it may exercise its right to remove across-the-board all of the current Administration's appointees. Second, it may selectively retain some non-career appointees. Third, it may invite them to stay until further decisions are made. This last option could encompass keeping current appointees in place until their successors are on board or until the new Administration believes its own team is sufficient.

During the transition period, the incoming Administration will have the opportunity to identify non-career appointees it would like to retain. DHS has several non-career executives who are filling key leadership positions and have substantial experience related to homeland security. These could be good candidates to serve at the outset of the next Administration.

Use Temporary Appointments

Another option for quickly filling positions is to use various temporary appointment authorities to hire experts or former employees. Although this approach would not provide the same continuity as a career appointment would, it could be used to make more timely appointments extending through the transition period. DHS is making extensive use of SES term appointments to fill positions where a critical need exists. It has 39 SES term appointments of which at least thirty-three extend into the next Administration. Several serve in important positions, including Director of the Operations Coordination Office. Additional term appointments could assist with leadership continuity during the transition.

Other authorities could be useful in attracting executives for a temporary period. They are the reemployment of federal annuitants, the use of Intergovernmental Personnel Act (IPA) assignments and additional use of SES limited emergency appointments.

- Reemployed Annuitants and waiver of salary reduction. Agencies may hire individuals who have retired from the federal government and, with OPM's approval, waive the

reduction in the retiree's salary required by law. Normally, retired employees must have their salary reduced by the amount of any annuity. However, agencies may apply to OPM for a waiver of this reduction for such reasons as an emergency hiring need, severe recruiting difficulty or need to retain a particular individual uniquely qualified for a specific project. TSA has authority to waive the reduction of salary for a rehired annuitant without seeking OPM approval.

- IPA assignments. Agencies can bring in temporary assignees from federal, state and local governments, colleges and universities, and other not-for-profit organizations under the Intergovernmental Personnel Act Mobility Program. Assignees either are temporarily appointed to the federal agency or serve while on detail. Cost-sharing arrangements for mobility assignments are negotiated between the participating organizations. The federal agency may agree to pay all, some or none of the costs associated with the assignment. Such costs may include basic pay, supplemental pay, benefits and travel and relocation expenses.
- SES Limited Emergency appointments. A Limited Emergency appointment to an SES General position may be for up to 18 months and should be linked to "unanticipated" needs.

A Transition Plan and Director

In addition to its Five-Prong Plan, DHS has asked its components to identify a senior career executive to serve as the senior transition officer for his or her component, and designate a career official to serve as a deputy to the transition officer, including the identification of DHS Fellows and National Defense University graduates as deputies to the senior transition officers.

Other steps also need to be taken, such as identifying critical non-career positions that must be quickly filled by the next Administration, planning for background checks of transition team members prior to the election, and ensuring that there is a back-up for non-career executives until new executives are appointed. DHS needs to develop an overall transition plan that includes all of the needed transition initiatives with objectives, goals and timelines. It should encompass activities identified in this chapter, including all aspects of filling the leadership void by ensuring that career appointees temporarily fill non-career executive positions and laying out the plans to quickly fill the next Administration's key executive positions. The operational coordination initiative and all aspects of transition training discussed in Chapter 4 should be a part of the plan. Although DHS is identifying component transition officers and deputies, an overall full-time Transition Director who reports to the Under Secretary for Management has yet to be named. DHS officials said they plan to announce a full-time Transition Director by June 1, 2008.

FINDINGS

DHS' transition plans are positive and should help to reduce risks associated with the large number of key executives departing with the Presidential transition.

First, it is important to develop a list that identifies critical PAS executive positions that should be filled as quickly as possible by the new President and Secretary of Homeland Security. A key criterion should be the position's importance for an effective response to a crisis event. Several component heads and other positions could fit these criteria. The President-elect and new Secretary should be guided by this list and criteria as they make key appointments and work with the Senate, as provided in the Intelligence Reform and Terrorism Prevention Act, to facilitate prompt Senate confirmation where required. Most important are the two most critical executives: the Secretary and Deputy Secretary. Virtually all of the individuals interviewed and several other studies have recommended that the new Secretary be in place on Inauguration Day. In addition, a succession order for the Deputy Secretary is needed.

Second, the need for security clearances is a key obstacle to quickly appointing new non-career officials. It is vital that the Presidential candidates identify transition teams prior to the election. This will allow ample time for the appointees to complete background information forms and financial disclosure documents so that the processing of clearances and review of financial information can be accomplished prior to the election. The executive branch must facilitate the process so that transition team members are ready to fully perform their duties.

Third, a comprehensive strategy is needed to ensure that the most critical non-career positions are filled. DHS' transition initiatives provide a foundation for such a plan but they are not sufficient. The orders of succession only identify the career official who would assume the duties of the Secretary and the 24 office and component heads. The succession planning database has more comprehensive information, but does not include all non-career positions. Not only are plans needed to identify who will fill non-career positions, but also who will fill positions vacated by the career officials who serve on an acting basis. Such plans also must include an assessment of career officials' knowledge and skills and the likelihood of leaving the department for retirement or other reasons. As part of this process, the 139 vacant executive positions need to be filled as soon as possible. The combination of vacant positions, coupled with the movement of career executives into positions vacated by non-career officials, will create numerous voids that must be addressed.

Fourth, various personnel authorities—including the waiver of salary reduction for reemployed annuitants, IPA assignments and SES limited emergency appointments—would aid in temporarily filling key non-career executive positions and other executive posts. With respect to hiring retirees during the transition period, waiving the required salary reduction may be important to ensure that needed well-qualified federal annuitants are available.

Fifth, DHS has developed several transition initiatives, some of which have been completed with others in progress. It is important that DHS complete all ongoing transition initiatives. Formation of the operational coordination group is particularly important. There have been disagreements about the scope and responsibility of this proposed group and outstanding issues need to be resolved. Another initiative, the succession planning database, is designed to ensure a pipeline of successors for critical positions in the department. An action plan based on this information is an important next step for DHS' succession planning system.

Finally, DHS lacks an overall transition plan that includes all of the initiatives with objectives, goals and timelines. Such a plan should encompass all activities identified in this chapter, including all aspects of filling the leadership void, from ensuring that career appointees temporarily fill non-career executive positions to laying out the plans to quickly fill the next Administration's key executive positions. The operational coordination initiative and all aspects of transition training should be included. To develop and implement a plan, an overall Transition Director is needed to ensure that all aspects are carried out within the appropriate timeframes.

CHAPTER 6
RECOMMENDATIONS FOR A COMPREHENSIVE TRANSITION PROGRAM

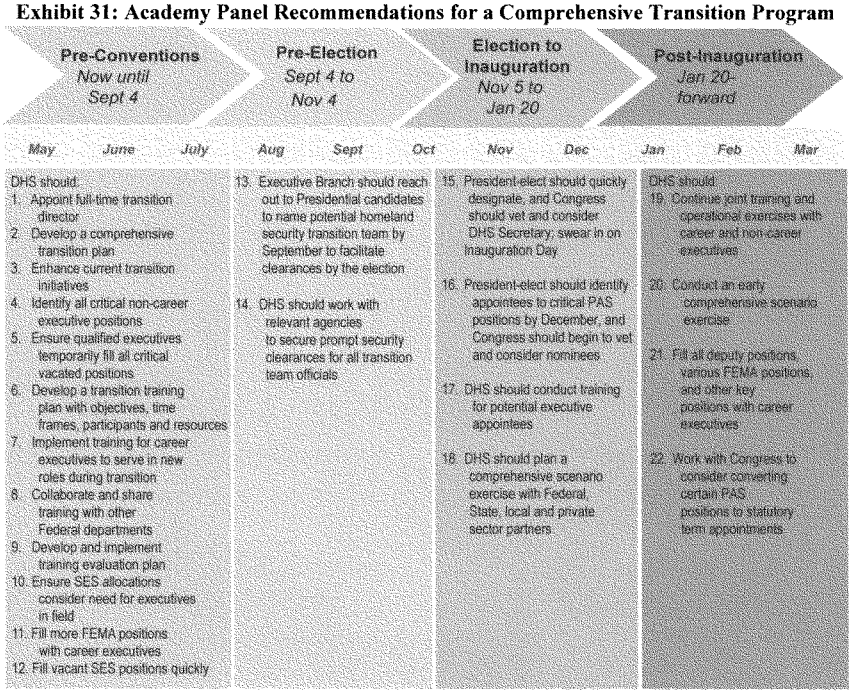
Managing Presidential transition challenges and dealing with leadership gaps are critical tasks that DHS must confront. Against this backdrop is continued uncertainty and lack of clarity regarding headquarters' role which could become even more pronounced as many executives leave during the transition period. Ensuring a clear understanding and appreciation for the leadership role of DHS headquarters may be the single most important long-term task that the department has to effectively respond to or prevent a major disaster or terrorist incident.

In addition to leadership continuity, the Panel shares concerns expressed by the 9/11 Commission and others about the fractured nature of congressional oversight of DHS; the current approach imposes an inefficient and distracting use of resources for both Congress and the department. The Panel urges congressional leaders to take additional steps to consolidate oversight in the key authorizing and appropriations committees using the model that followed the creation of DoD in 1947.

Within this context, DHS has initiated plans for meeting the Presidential transition challenges and mitigating the risks associated with the departure of many key non-career executives. Chapter 3 provided information on DHS' executive profile. Chapter 4 discussed and analyzed DHS' transition training programs. And, Chapter 5 discussed DHS' current plans and identified areas—indeed, gaps—where additional plans and actions are needed.

This chapter provides the Panel's recommendations aimed at addressing DHS' executive profile and planning for the Presidential transition. These recommendations are organized according to a timeline covering the four major phases of the transition period—pre-conventions, pre-election, election to inauguration and post-inauguration—as depicted in Exhibit 31.

Exhibit 31: Academy Panel Recommendations for a Comprehensive Transition Program



PRE-CONVENTIONS

To help address leadership continuity during the transition, the Panel recommends that DHS:

1. Appoint a full-time Transition Director reporting to the Under Secretary (or Deputy) for Management and responsible and accountable for the complete and timely implementation of the transition plan.
2. Develop a comprehensive transition plan that sets forth objectives, goals and milestones for each initiative and transition training, and ensures overall coordination of transition activities.
3. Enhance and continue to refresh existing DHS transition initiatives, specifically:
    a. Develop an order of succession for the Deputy Secretary.
    b. Complete implementation and address component disagreements with the Operational Coordination Initiative.
    c. Analyze and complete the critical position database and develop action plans to ensure information in the critical position database is used.

4. Identify specific key high-level non-career executive positions for which leadership continuity is critical, consistent with the Intelligence Reform and Terrorism Prevention Act. The act called for early identification of individuals for the Deputy and Under Secretary positions by the incoming administration. At DHS, this would comprise the Deputy Secretary, Under Secretary for the National Protection and Programs Directorate, Under Secretary for Intelligence and Analysis, Under Secretary for Management, and Under Secretary for Science and Technology—all positions located in DHS' headquarters. It would also include the Administrator of FEMA. However, as discussed in Chapter 5, the Academy Panel believes that other positions also may be critical, including the heads of the major operational agencies.

5. Develop an overall plan to ensure that qualified executives are responsible for the duties and responsibilities of all non-career executive positions as they are vacated during the transition period, and to fill current executive vacancies on a timely basis. The focus should be on critical non-career positions. Among the options to achieve this.

    a. Identify specific qualified career executives who will serve in non-career positions on an "acting" basis. This would include ensuring that back-ups exist for career positions vacated by those careerists filling in non-career posts. It is particularly important that key non-career positions are filled in FEMA, the National Protection and Programs Directorate, Office of the General Counsel, Policy Office, Office of Public Affairs, Office of Legislative Affairs and Office of Management, given the large number of non-career executives there who will leave during the transition.
    b. Make new career appointments, as appropriate, to all headquarters deputy positions.*
    c. Identify key non-career and career executives, particularly those with considerable homeland security experience and expertise, who would be willing to serve temporarily into the next Administration, subject to the consent of that Administration.
    d. Consider other ways to temporarily fill vacant non-career leadership positions, including appointments of reemployed annuitants, IPA appointments and such other means as SES limited term and emergency appointments. This includes seeking delegated authority from OPM to waive the reduction in salary for reemployed annuitants for executives during the transition.
    e. Maximize the use of existing authorities and human resources flexibilities to expedite the career hiring process for applicable current and additional executive vacancies.*

To enhance the transition training program, the Panel recommends that DHS:

6. Develop a comprehensive transition training plan that specifies the objectives, time frames, and participants, required resources for various individual training programs under development and officials accountable for each training effort.

---

* DHS should continue action on this recommendation during the entire transition period and into the next Administration.

7. Implement on-schedule transition training for career executives who may serve in "acting" roles and new career executives; ensure that training and joint exercises begin no later than Summer 2008.*
8. Offer other departments with homeland security responsibilities information and guidance with respect to plans and preparations it has made for transition training. There must be collaboration and sharing on training career and non-career executives to prevent and respond to national incidents during the transition. There also could be opportunities for collaboration with regard to executive staffing needs through the use of details and joint duty assignments.
9. Develop an evaluation plan for transition training; obtain participant reactions to and suggestions for the training; measure what participants have learned through pre- and post-tests.*

To address DHS executive profile issues, the Panel recommends that DHS:

10. Ensure that the allocation of SES positions adequately considers field executives needed, especially given the increased responsibility in the border protection and immigration missions at ICE, CBP and CIS. Consider using some of its current SES allocations—139 positions are vacant—to help meet this need. In addition, any additional requests for SES positions should include an appropriate number of field positions.*
11. Fill more FEMA executive positions with career executives to foster increased leadership continuity and expertise, especially the Regional administrator position. For some PAS and PA positions, this will require working with the Administration and Congress to revise the legislative requirements for these positions.*
12. Ensure that vacant SES positions are filled as quickly as possible, especially those most critical to crisis prevention and management as identified in the updated critical position database. In addition, new DHS executive appointments need to enhance executive diversity.*

PRE-ELECTION

The Panel recommends that:

13. Consistent with expressed congressional concern, the executive branch reach out to the Presidential candidates to urge them to submit (no later than September 2008) for background investigation the names of potential transition team members for homeland security. This should help to ensure that the transition team can begin its duties immediately following election day, access classified information, become familiar with key national security documents, including the National Response Framework, and develop a partnership with DHS career executives.

---

* DHS should continue action on this recommendation during the entire transition period and into the next Administration.

14. DHS work with relevant agencies to ensure background investigations are conducted and security clearances are granted to homeland security transition team officials.*

ELECTION TO INAUGURATION

The Panel recommends that:

15. The President-elect and Congress promptly identify, vet and consider the Secretary of Homeland Security-designate to ensure that he or she is sworn in on Inauguration Day.
16. The President-elect identify the nominees to PAS positions using information developed in response to recommendation 4. This should be completed no later than December 2008 to ensure that the Senate votes on key executives as expeditiously as possible; every day that a critical position is vacant, there is a "gap" in the nation's homeland security coverage.
17. DHS ensure that transition training occurs for potential executive appointees which includes:*
    a. activities to build trust between career executives and new appointees
    b. joint exercises related to homeland security crisis management with existing non-career and career executives
    c. orientation to the department, administrative matters and ethical requirements
18. As directed by the White House, DHS plan and implement a comprehensive scenario exercise with agency partners, state and local governments and the private sector to be conducted early in the new Administration.

POST-INAUGURATION

The Panel recommends that the next DHS leadership:

19. Continue joint training and exercises related to homeland security crisis management with career executives and new appointees/nominees to strengthen their operational knowledge and build a culture of trust between career executives and new appointees.
20. As noted in recommendation 18, conduct a comprehensive scenario exercise early in the new Administration. This capstone activity will provide a real-time evaluation of the effectiveness of transition planning, training and overall operational readiness.
21. Promote leadership continuity and develop a strong working bond between political and career executives; work with the executive branch and Congress to continue filling several non-career positions with career appointees, including:
    a. all deputy or similar "second-in-charge"

---

* DHS should continue action on this recommendation during the entire transition period and into the next Administration.

b. various FEMA positions, including all Regional Administrators
c. other executives identified by DHS, including the Chief Financial Officer, Chief Human Capital Officer, and Director of the Interagency Programs Division in Science and Technology.

22. In consultation with Congress, consider converting certain PAS positions, such as the Assistant Secretary of ICE and the FEMA Administrator, to statutory term appointments.

APPENDIX A

PANEL AND STAFF

PANEL

Frank J. Chellino, *Chair*[*]—President and Chief Executive Officer, Langley-Hunt International, Inc. Former positions with U.S. Drug Enforcement Administration: Special Agent in Charge, Miami Division Office; Special Agent in Charge, Washington Division Office; Deputy Assistant Administrator, Office of Inspections; Assistant Special Agent in Charge, Washington Division Office; Supervisory Senior Inspector, Office of Professional Responsibility; Unit Chief, Office of Security Programs.

A. James Barnes[*]—Professor and former Dean, School of Public and Environmental Affairs, Adjunct Professor of Law, Indiana University. Former positions with U.S. Environmental Protection Agency: Deputy Administrator; General Counsel; Special Assistant to Administrator/Chief of Staff; General Counsel, U.S. Department of Agriculture; Partner, Beveridge & Diamond; Campaign Manager, Governor William G. Milliken (Michigan); Assistant to Deputy Attorney General and Special Assistant/Trial Attorney, U.S. Department of Justice.

G. Edward DeSeve[*]—Professor, Fels Institute of Government, University of Pennsylvania. Former Professor and Director, Management Finance and Leadership Program, School of Public Affairs, University of Maryland College Park; Managing Partner, Governmentum Partners. Former Partner and National Industry Director, Federal Government, KPMG; Deputy Director for Management, and Controller, U.S. Office of Management and Budget; Chief Financial Officer, U.S. Department of Housing and Urban Development; Special Assistant to the Governor, Commonwealth of Pennsylvania; President, Public Financial Management; Managing Director, Merrill Lynch Capital Markets. Former positions with the City of Philadelphia, Pennsylvania: Analyst and Deputy Director, Community Renewal Program; Assistant to the Director of Finance; Deputy Director of Finance for Budget; Director of Finance.

Doris Hausser[*]—Former positions with U.S. Office of Personnel Management: Senior Policy Advisor to the Director; Assistant Director for Performance and Compensation Systems Design, Workforce Compensation and Performance Service; Strategic Initiatives Coordinator, Office of the Director; Chief, Performance Management and Incentive Awards Division, Human Resources Systems Service; Program Management Officer, Training and Investigations Group.

Glenda E. Hood[*]—Advisor/Member; Chair, Administration Transition Task Force, Homeland Security Advisory Council; President, Glenda Hood and Associates. Former Secretary of State, State of Florida; Mayor, City Commissioner, City of Orlando, Florida; Consultant.

Bernard Rostker[*]—Senior Fellow, The RAND Corporation; Former Director of Selective Service, former Under Secretary (Personnel and Readiness), U.S. Department of Defense; Special Assistant to the Secretary of Defense for Gulf War Illnesses, Medical Readiness and

---

[*] *Academy Fellow*

Military Deployment; Under Secretary of the Army. Former positions with Department of the Navy: Assistant Secretary for Manpower and Reserve Affairs; Principal Deputy Assistant Secretary for Manpower and Reserve Affairs; Economist, Office of the Assistant Secretary of Defense for Systems Analysis. Former positions with RAND Corporation: Director, Defense Manpower Research Center, National Defense Research Institute; Program Director, Force Development and Employment Program; Associate Director, Arroyo Center.

STAFF

J. William Gadsby*—*Vice President for Academy Studies, National Academy of Public Administration.* Former Director, Management Studies Program, National Academy of Public Administration. Former positions with U.S. General Accounting Office: Senior Executive Service; Director, Government Business Operations Issues; Director, Federal Management Issues; Director, Intergovernmental and Management Issues. Former Assistant Director, Financial Management Branch, U.S. Office of Management and Budget.

Alethea Long-Green—*Program Area Director.* HR Director for Academy Studies, National Academy of Public Administration; Adjunct Professor, George Mason University. Former Director of Human Capital Planning and Management, U.S. Department of Commerce; Director of Human Resources, Chief of the Workforce Effectiveness Division, U.S. Patent and Trademark Office; President, Strategic Technical Resources, Inc.; Vice President, Tech International, Inc.; Consultant with various contractors to the Department of Defense.

Edward H. Stephenson, Jr.—*Project Director.* Human capital management senior advisor and project director on previous Academy studies including the National Aeronautics and Space Administration and the Federal Bureau of Investigation; guest lecturer on human capital management for the University of Maryland's Institute for Global Chinese Affairs; more than 35 years experience with management and human capital issues at the U.S. Government Accountability Office and the District of Columbia Control Board.

Hannah S. Sistare*—*Senior Advisor.* Former Vice President for Academy Affairs, National Academy of Public Administration; Executive Director, National Commission on the Public Service (Volcker Commission); Staff Director and Counsel, U.S. Senate Governmental Affairs Committee.

Allan Heuerman—*Senior Advisor.* Former Senior Executive Service; Associate Director for HR Systems Service, U.S. Office of Personnel Management; executive and management positions, U.S. Office of Personnel Management and Civil Service Commission.

Joseph Thompson—*Senior Advisor.* President, Aequus, Inc. Former Under Secretary for Benefits, U.S. Department of Veterans Affairs; Director, VA New York Regional Office; Chairman, Federal Executive Board, New York.

---

* *Academy Fellow*

APPENDIX A

Melissa Dalton—*Research Analyst.* Staff Liaison, Standing Panel on Executive Organization and Management and Standing Panel on Public Service, National Academy of Public Administration. Former State Assessment Coordinator, WestEd; Editor, American Dietetic Association.

Dawn Citrin—*Senior Analyst.* Former Evaluator, Office of Inspector General, U.S. Department of Interior; Program Analyst, U.S. Department of Health and Human Services; Peace Corps Volunteer, Malawi, Africa.

Malika Bouhdili—*Research Associate.* Former Editor/Curriculum Writer, Educational Options Inc.

Martha S. Ditmeyer—*Senior Administrative Specialist.* Staff for a wide range of Academy studies. Former staff positions at the Massachusetts Institute of Technology and the Communication Satellite Corporation.

APPENDIX B

BIBLIOGRAPHY

ARTICLES

Ahlers, Mike and Jeanne Meserve. "Ridge steps down as Homeland Security chief." *CNN.* 2 December 2004. www.cnn.com.

Ballenstedt, Brittany R. "Panelists suggest reducing reliance on political appointees." *Government Executive*. 25 October 2007. www.governmentexecutive.com.

Barr, Stephen. "FEMA's Image Still Tarnished by Katrina." *The Washington Post.* 29 January 2008. www.washingtonpost.com.

Barr, Stephen. "Homeland Security Employees Feeling the Blues." *The Washington Post*. 31 January 2007. www.washingtonpost.com.

Barr, Stephen. "Little Continuity without Leadership in Reserve." *The Washington Post*. 26 September 2007. www.washingtonpost.com.

Broache, Anne. "'Spy Satellite' plan draws fire on Capitol Hill." *CNET News*. 6 September 2007. www.cnetnews.com.

"Careerists make best managers." *Federal Times*. 3 August 2007. www.federaltimes.com.

Deitch, Shana R. "Committee Report: DHS Leadership Vacancies May Pose Security Risk." *Biosecurity Briefing*. 13 July 2007. Center for Biosecurity, University of Pittsburgh Medical Center. www.upmc-biosecurity.org.

Edwards, George C. "Why Not the Best? The Loyalty Competence Trade-Off in Presidential Appointments." The Brookings Institution. 14 February 2008. www3.brookings.edu/articles .

Fessler, Pam. "U.K. Plot Raises Concerns Over U.S. Transition." *National Public Radio.* 5 July 2007. www.npr.org.

Harris, Shane. "Homeland Security could face transition problem." *National Journal*. 1 June 2007. www.nationaljournal.com.

Hsu, Spencer S. "DHS Plagued by Turnover in Top Positions." *The Washington Post*. 16 July 2007. www.washingtonpost.com.

Hsu, Spencer S. "Disaster Plan Is Set for Release." *The Washington Post*. 20 January 2008. www.washingtonpost.com.

Hsu, Spencer S. "Job Vacancies at DHS Said to Hurt U.S. Preparedness." *The Washington Post*. 9 July 2007. www.washingtonpost.com.

APPENDIX B

Joyner, James. "Homeland Security Staffing Problems." *Outside the Beltway*. 9 July 2007. www.outsidethebeltway.com.

Kelman, Steve. "Kelman: 3 Secrets to Productivity. What Federal agencies can do to create workplaces in which employees are more motivated and effective." *Federal Computer Week*. 7 January 2007. www.fcw.com.

King, Rachael. "Homeland Insecurity." *Business Week*. 17 December 2007. www.businessweek.com.

Knowlton, Brian. "Vacant Homeland Security jobs pose danger to U.S., report says." *International Herald Tribune*. 9 July 2007. www.iht.com.

Light, Paul. "Homeland Security Hash." *The Wilson Quarterly*. April 2007. www.wilsoncenter.org.

McFeatters, Ann. "Gallup Poll: Homeland department draws poll skepticism." *Pittsburgh Post-Gazette*. 4 December 2002. www.post-gazette.com

Mosquera, Mary. "DHS' latest red flag: Job Holes. Problems could become acute with the change of the administration in 2008." *Federal Computer Week*. 16 July 2007. www.fcw.com.

Newell, Elizabeth. "Letter of the Law." *Government Executive*. 19 December 2007/ www.governmentexecutive.com.

"Read Barack Obama's Speech." *The Times-Picayune*. 6 February 2008. www.nola.com/news/.

Rutzick, Karen. "Getting to the SES." *Government Executive*. 31 May 2007. www.governmentexecutive.com.

Stables, Eleanor. "Chertoff, Analysts Assess DHS 2007 Performance Differently." *CQ Homeland Security*. 12 December 2007. Homeland Security Policy Institute. www.gmumc.edu/hspi/indez.cfm.

Strohm, Chris. "Resignation of DHS deputy prompts questions on Capitol Hill." *Congress Daily*. 25 September 2007. www.nationaljournal.com.

Watkins, Michael. "Your Crisis Response Plan: The Ten Effective Elements." *Harvard Business School Weekly Newsletter*. 30 September 2002. http://hbswk.hbs.edu/item/3124.html.

REPORTS, STUDIES AND BOOKS

Advancing the Management of Homeland Security, Protecting the Homeland: Lessons from Prior Government Reorganizations. Washington, DC: National Academy of Public Administration, 2003.

APPENDIX B

Beermann, Jack Michael and William P. Marshall. "The Law of Presidential Transitions." North Carolina Law Review, Vol. 84, No. 4.

Collins, Melissa, Carra Glatt, David E. Lewis and Michael Shapiro. "Politicization and Federal Management Performance: Evidence from Surveys of Federal Employees." Woodrow Wilson School of Public and International Affairs, Princeton University, 2005.

Coping With Catastrophe: Building an Emergency Management System to Meet People's Needs in Natural and Manmade Disasters. Washington, D.: National Academy of Public Administration, 1993.

CSIS-BENS Task Force on Congressional Oversight on the Department of Homeland Security. *Untangling the Web: Congressional Oversight and the Department of Homeland Security.* 10 December 2006.

Davidson, Roger H. "The Advent of Modern Congress: The Legislative Reorganization Act of 1946." Legislative Studies Quarterly. Vol. 15, No. 3, pp. 357-373. Comparative Legislative Research Center: Iowa City, August 1990.

Developing the Leadership Team, An Agency Guide. Washington, DC: National Academy of Public Administration, 2003.

Drezner, Steve, Jesse Reyes, Rachel Rue and Lynn M. Scott. "Compensating for Incomplete Domain Knowledge." Santa Monica, CA: RAND Corporation, 2007.

Fraser, Jay. "DHS – The Presidential Transition Plan." *Threats Watch.* 29 January 2008. www.threatswatch.com.

Grimmet, Richard R. "9/11 Commission Recommendations: Implementation Status." Washington, DC: Congressional Research Service, 2006.

Hogue, Henry B. "9/11 Commission Recommendations: Changes to the Presidential Appointment and Presidential Transition Processes." Washington, DC: Congressional Research Service, 2004.

Homeland Security Advisory Council. *Report of the Administration Transition Task Force.* Washington, DC: DHS, January 2008.

Homeland Security Advisory Council. *Report of the Culture Task Force.* Washington, DC: DHS, January 2007.

Improving the Governance, Efficiency, and Effectiveness of Training at the Federal Bureau of Investigation. Washington, DC: National Academy of Public Administration, 2007.

Kamarck, Elaine. "Fixing the Department of Homeland Security." Washington, DC: Progressive Policy Institute, 2007.

Lewis, David E. "Policy Brief: Political Appointments and Federal Management Performance." Woodrow Wilson School of Public and International Affairs, Princeton University, 2005.

Lewis, David E. "Political Appointments, Bureau Chiefs, and Federal Management Performance." Woodrow Wilson School of Public and International Affairs, Princeton University, 2005.

Lewis, David E. "Presidents and the Politicization of the United States Federal Government, 1988-2004." Woodrow Wilson School of Public and International Affairs, Princeton University, 2005.

Maranto, Robert. *Beyond a Government of Strangers: How Career Executives and Political Appointees Can Turn Conflict Into Cooperation*. Lanham, MD: Lexington Books, 2005.

Moffit, Robert E. "Personnel Is Policy: Why the New President Must Take Control of the Executive Branch." Washington, DC: The Heritage Foundation, 2001.

NASA: Human Capital Flexibilities for the 21st Century Workforce. Washington, DC: National Academy of Public Administration, 2005.

National Commission on Terrorist Attacks Upon The United States. *The 9/11 Commission Report.* Washington, DC: U.S. Government Printing Office, 2004.

National Intelligence Estimate: The Terrorist Threat to the U.S. Homeland. Office of the Director of National Intelligence, July 2004. http://www.dni.gov/press_releases/20070717_release.pdf.

Patterson, Bradley H. and James P. Pfiffner. "White House 2001: The White House Office of Presidential Personnel." *Presidential Studies Quarterly*. Vol. 31, No. 3. September 2001.

Pfiffner, James P. "Presidential Appointments: Recruiting Executive Branch Leaders." In *Innocent Until Nominated: The Breakdown of the Presidential Appointment Process*, G. Calvin Mackenzie (ed). Washington, DC: Brookings Institution, 2001.

Pfiffner, James P. "Presidential Transitions." In *Oxford Handbook of the American Presidency*, George C. Edwards and William Howell (eds). Oxford, U.K.: University Press, forthcoming 2009.

Pfiffner, James P. *The Strategic Presidency: Hitting the Ground Running.* 2nd ed. Lawrence, KS: University Press of Kansas, 1996.

Relyea, Harold C. "Department of Homeland Security Reorganization: 2SR Initiative." Washington, DC: Congressional Research Service, 2005.

U.S. Department of Homeland Security. *National Response Framework*, January 2008.

APPENDIX B

U.S. Department of Homeland Security, Office of the Inspector General. *Major Management Challenges Facing the Department of Homeland Security.* OIG-06-14. Washington, DC: December 2005.

U.S. Department of Homeland Security, Office of the Inspector General. *Review of the Status of Department of Homeland Security Efforts to Address Its Major Management Challenges*. OIG-04-21. Washington, DC: March 2004.

U.S. Government Accountability Office. *A Model of Strategic Human Capital Management.* GAO-02-373SP. Washington, DC: March 2002.

U.S. Government Accountability Office. *Department of Homeland Security: Progress Report on 2Implementation of Mission and Management Functions*. GAO/RCED-07-454. Washington, DC: August 2008.

U.S. Government Accountability Office. *Department of Homeland Security: Strategic Management of Training Important for Successful Transformation.* GAO/RCED-05-888. Washington, DC: September 2005.

U.S. Government Accountability Office. *Homeland Security: DHS's Actions to Recruit and Retain Staff and Comply with the Vacancies Reform Act*. GAO/RCED-07-758. Washington, DC: July 2007.

U.S. Government Accountability Office. *Organizational Transformation: Implementing Chief Operating Officer/Chief Management Officer Positions in Federal Agencies*. GAO/RCED-08-34. Washington, DC: November 2007.

U.S. House Committee on Homeland Security. *Critical Leadership Vacancies Impede United States Department of Homeland Security*. 110th Cong., 1st sess.

U.S. House Committee on Homeland Security. *The Department of Homeland Security: Minority and Gender Diversity in the Workforce and Career Senior Executive Service.* 110th Cong., 2nd sess. March 2008.

U.S. Office of Personnel Management. *Presidential Transition Guide to Federal Human Resources Management Matters*. Washington, DC: 2005.

Williams, Cindy. "Strengthening Homeland Security: Reforming Planning and Resource Allocation." Washington, DC: IBM Center for the Business of Government, 2008.

APPENDIX B

TESTIMONY

Chertoff, Michael. *Statement of Secretary of U.S. Department of Homeland Security Michael Chertoff.* Testimony before the Committee on Commerce, Science and Transportation, U.S. Senate. 19 July 2005.

Duke, Elaine. Statement of Elaine Duke, Department of Homeland Security, Deputy Under Secretary for Management. *Hearing on the Future of DHS Management.* Testimony before the House Committee on Homeland Security, Subcommittee on Management, Investigations and Oversight. 9 April 2008

Hawley, Kip. *Hearing on the United States Department of Homeland Security Transportation Security Administration.* Testimony before the Subcommittee on Transportation and Infrastructure Protection, Committee on Homeland Security, U.S. House of Representatives. 16 October 2007.

Rabkin, Norman J. *Overview of Department of Homeland Security Management Challenges.* Testimony before the Subcommittee on Management, Integration, and Oversight, Committee of Homeland Security, U.S. House of Representatives. 20 April 2005.

Stanton, Thomas H. *Hearing on Legislative Options to Strengthen Legislative Defense.* Testimony before the Committee on Government Affairs, U.S. Senate. 12 October 2001.

Walker, David M. *Statement by Comptroller General David M. Walker on GAO's Preliminary Observations Regarding Preparedness and Response to Hurricanes Katrina and Rita.* Testimony before the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina. 1 February 2006.

LEGAL SOURCES

Congressional Record. 107th Cong., 1st sess., 2002. Public Law 107-296.

Congressional Record. 110th Cong., 1st sess., 2007. House Conference Report, 110-107.

Congressional Record. 110th Cong., 1st sess., 2007. Senate Appropriations, 110-37.

Details, Vacancies, and Appointments. Title 5 U.S.C. § 3345-3349d.

Homeland Security Presidential Directive/HSPD-5. February 2003.

Public Law No. 88-277, § 2, 78 stat. 153. Codified at 3 U.S.C. § 102 note. 1976.

The Senior Executive Service. Title 5 U.S.C. § 3133.

The Federal Vacancies Reform Act of 1998.

APPENDIX B

FREQUENTLY USED WEBSITES

U.S. Office of Personnel Management
www.opm.gov/index.asp

U.S. Department of Homeland Security
http://www.dhs.gov/index.shtm

OTHER RESOURCES

Fedscope: Federal Human Resources Data. Office of Personnel Management.
http://www.fedscope.opm.gov/.

http://bestplacestowork.org/BPTW/about/.

http://facts.hillaryhub.com.

http://youdecide08.foxnews.com/mike-huckabee/

Memorandum for Heads of Departments and Selected Independent Agencies from Linda M. Springer, Director, Office of Personnel Management. "Biennial Review of Executive Resource Allocations for FY 2008 and 2009." 31 January 2007. (Attachment: "Supporting Requests for Additional Allocations, pgs. 1-3).

The Leadership Library on the Internet. Leadership Directories, Inc.
http://www.leadershipdirectories.com/.

The Partnership for Public Service. *2007 Best Places to Work Rankings.*

APPENDIX C

OFFICIALS CONTACTED DURING THE STUDY

U.S. DEPARTMENT OF HOMELAND SECURITY

Departmental Offices

National Protection and Programs
Robert Jamison, Under Secretary

Policy
Stewart A. Baker, Assistant Secretary

Office of the Chief Human Capital Officer
Carmen Arrowood, Executive Resources
Maura Daly, Deputy Chief Learning Officer
Christine Greco, Acting Director for Executive Resources
Kevin LeGrand, Advisor to the Chief Human Capital Officer (contractor)
Ronda Holbrook, Lead Human Resources Specialist
Marta B. Pérez, Chief Human Capital Officer (former)
Eugenio Ochoa Sexton, Director of Recruiting, Staffing and Services
George L. Tanner, Chief Learning Officer

Office of the Under Secretary for Management
Scott Krause, Chief of Staff
Elaine J. Rigas, Advisor to the Under Secretary for Management

Office of Operations Coordination
Raby Miller, Director of Administration and Logistical Support
Wayne Parent, Deputy Director

Office of the White House Liaison
Mathew Adkins, Confidential Assistant, Office of the White House Liaison
Laura Fullerton, Acting White House Liaison (as of December 2007)
Jocelyne Gray, White House Liaison

Operating Components

Citizenship and Immigration Services
Emilio Gonzalez, Director
James W. McCament, Senior Counselor to the Director
Thomas Paar, Chief of Staff
Jonathan R. Scharfen, Deputy Director

APPENDIX C

U.S. Coast Guard
Admiral Thad Allen, Commandant

Customs and Border Protection
Jayson P. Ahern, Deputy Commissioner
W. Ralph Basham, Commissioner

Federal Emergency Management Agency
Marko Bourne, Director, Office of Policy and Program Analysis
Joshua C. Dozor, Director of Transformation Management, Office of Policy and Program Analysis
Harvey Johnson, Deputy Administrator/Chief Coordinating Officer
Patty Kalla
Deidre Lee, Deputy Director of Operations
Robert F. Shea, Jr., Associate Deputy Director

Immigration and Customs Enforcement
Theresa Bertucci, Deputy Assistant Secretary for Management
Julie Myers, Assistant Secretary

U.S. Secret Service
Brian K. Nagel, Deputy Director
Mark Sullivan, Director

Transportation Security Administration
Gale D. Rossides, Deputy Assistant Secretary/Deputy Administrator
Richard A. Whitford, Assistant Administrator and Chief Human Capital Officer

Regional Offices

Citizenship and Immigration Services
Andrea Quarantillo, District Director, NY Regional Office

Customs and Border Protection
Leon Hayward, Assistant Director (and Acting Director of Field Operations), Trade and Cargo Security, New York Regional Office

Immigration and Customs Enforcement
Sal D'Alessandro, Special Agent in Charge, Office of Investigations, New York Regional Office

Transportation Security Administration
Joseph Morris, Federal Security Director, JFK International Airport, New York Regional Office

APPENDIX C

OTHER FEDERAL AGENCIES

U.S. Department of Agriculture
Boyd Rutherford, Assistant Secretary for Administration

U.S. Department of Defense
David S.C. Chu, Under Secretary of Defense for Personnel and Readiness and Chief Human Capital Officer
David Des Roches, Liaison to the Department of Homeland Security
Peter Verga, Principle Deputy Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs

U.S. Department of State
Frank J. Coulter, Jr., Executive Assistant, Office of the Under Secretary for Management
Patrick F. Kennedy, Under Secretary for Management
Linda S. Taglialatela, Deputy Assistant Secretary for State, Bureau of Human Resources

U.S. Department of Treasury
Rochelle F. Granat, Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer

Federal Bureau of Investigation
Donald E. Packham, Executive Assistant Director, Human Resources Branch

General Services Administration
Gail Lovelace, Chief Human Capital Officer

Office of the Director of National Intelligence
Ron Sanders, Associate Director of National Intelligence and Chief Human Capital Officer

U.S. Office of Management and Budget
David Haun, Deputy Associate Director, Transportation, Homeland, Justice and Services
Clay Johnson, Deputy Director for Management
Steve Mertens, Chief, Homeland Branch

U.S. Office of Personnel Management
Dino Carluccio, Deputy Director, Office of Congressional Relations
Bill Collins, Personnel Management Specialist
Tricia Hollis, Chief of Staff and Director of External Affairs
Richard B. Lowe, Deputy Chief of Staff/Executive Secretariat
Susan G. Marshall, Director, Office of Congressional Relations
Cathy Penn, Group Manager, Executive Resources Services Group
Nancy E. Randa, Deputy Associate Director
Paul R. Thompson, Executive Resources Group

APPENDIX C

OTHER EXPERTS

Mark Abramson, Chairman, Leadership Inc.
Jonathan Breul, Executive Director, IBM Center for The Business of Government
Richard Falkenrath, Counterterrorism Deputy Commissioner, New York Police Department
Edward A. Flynn, Police Chief, Milwaukee Police Department
Henry B. Hogue, Analyst in American National Government, Congressional Research Service
Michael Jackson, former Deputy Secretary, U.S. Department of Homeland Security
Lynn Jennings, Vice President for Strategic Initiatives, Council for Excellence in Government
Frederick M. Kaiser, Specialist in American National Government, Congressional Research Service
David E. Lewis, Assistant Professor of Politics and Public Affairs, Woodrow Wilson School, Princeton University
Admiral James Loy, Senior Counselor, The Cohen Group
Harold C. Relyea, Specialist in American National Government, Congressional Research Service
Cindy Williams, Principle Research Scientist of the Security Studies Program, Massachusetts Institute of Technology
James Lee Witt, Chairman and Chief Executive Officer, James Lee Witt Associates
Evan D. Wolff, Director, Homeland Security Practice, Hunton & Williams

Homeland Security Advisory Council
Frank Cilluffo, Advisor/Member
Glenda Hood, Advisor/Member; Chair, Administration Transition Task Force.
Herb D. Kelleher, Co-Chair, Private Sector Senior Advisory Committee
Michael Miron, Director, State and Local Officials Senior Advisory Committee
Candace Stoltz, Director, Private Sector Senior Advisory Committee
William H. Webster, Chair

APPENDIX D

SECRETARY ORDER OF SUCCESSION

Secretary Order of Succession
As listed in Executive Order 13442 of August 13, 2007

Order	Position Title	Appointment Type
1	Deputy Secretary for Homeland Security	PAS
2	Under Secretary for National Protection and Programs	PAS
3	Under Secretary for Management (as of January 31, 2008 vacant; currently acting as Deputy Secretary)	PAS
4	Assistant Secretary of Homeland Security (Policy)	PAS
5	Under Secretary for Science and Technology	PAS
6	General Counsel	PAS
7	Assistant Secretary of Homeland Security (Transportation Security Administration)	PAS
8	Administrator of the Federal Emergency Management Agency	PAS
9	Commissioner of U.S. Customs and Border Protection	PAS
10	Assistant Secretary of Homeland Security (U.S. Immigration and Customs Enforcement)	PAS
11	Director of U.S. Citizenship and Immigration Services	PAS
12	Chief Financial Officer	PAS
13	Regional Administrator, Region V, Federal Emergency Management Agency	Non-Career
14	Regional Administrator, Region VI, Federal Emergency Management Agency	Non-Career
15	Regional Administrator, Region VII, Federal Emergency Management Agency (vacant as of January 31, 2008)	Non-Career
16	Regional Administrator, Region IX, Federal Emergency Management Agency	Career
17	Regional Administrator, Region I, Federal Emergency Management Agency	Non-Career

Notes
- PAS = Presidential Appointee with Senate Confirmation
- Non-Career: Non-Career SES appointment through the White House
- Career: Career SES with competitive appointment

APPENDIX E

DHS SUCCESSION ORDER AND ORDER FOR DELEGATION FOR DHS OFFICES AND COMPONENTS

Component/Position	Career Status (see notes at end of document
U.S. Coast Guard	
Commandant	S
Vice Commandant*	C
Chief of Staff	C
Commander, Pacific Area	C
Commander, Atlantic Area	C
Federal Emergency Management Agency	
Administrator	S
Deputy Administrator and Chief Operating Officer*	S
Deputy Administrator, National Preparedness	S
Associate Deputy Administrator	C
Director, Office of Policy & Planning Analysis	N
Region V Administrator	N
Region VI Administrator	N
Region VII Administrator	N
Region IX Administrator	C
Region I Administrator	N
U.S. Secret Service	
Director	C
Deputy Director	C
Assistant Director, Administration	C
Assistant Director, Protective Operations	C
Assistant Director, Investigations	C
Assistant Director, Protective Research	C
Assistant Director, Human Resources and Training	C
Assistant Director, Inspection	C
Assistant Director, Government and Public Affairs	C
U.S. Immigration and Customs Enforcement	
Assistant Secretary	S
Deputy Assistant Secretary, Operations*	C
Director, Office of Investigations	C
Director, Office of Detention & Removal Operations	C
Director, Office of the Principal Legal Advisor	N
Deputy Assistant Secretary, Management	C
U.S. Citizenship and Immigration Services	
Director	S
Deputy Director*	N
Associate Director, Domestic Operations	C
Associate Director, National Security & Records Verification	C

APPENDIX E

Component/Position	Career Status (see notes at end of document
Chief Financial Officer	C
Director, New York District	C
U.S. Customs and Border Protection	
Commissioner	S
Deputy Commissioner*	C
Chief, Border Patrol	C
Assistant Commissioner, Field Operations	C
Director, Field Operations, New York	C
Sector Chief, El Paso	C
Director, Field Operations, Houston	C
Sector Chief, Tucson	C
Sector Chief, San Diego	C
Director, Field Operations, Miami	C
Transportation Security Administration	
Assistant Secretary / Administrator	S
Deputy Administrator*	C
Assistant Administrator, Office of Transportation and Sector Management	L
Assistant Administrator, Office of Security Operations	C
Assistant Administrator, Office of Law Enforcement/ Federal Air Marshal Service	C
Federal Security Director, Los Angeles International Airport	C
Federal Security Director, Orlando International Airport	C
Management	
Under Secretary	S
Deputy Under Secretary*	C
Chief Financial Officer	S
Chief Information Officer	P
Chief Human Capital Officer	P
Chief Procurement Officer	C
Chief Administrative Officer	C
Science and Technology	
Under Secretary	S
Deputy Under Secretary*	C
Director, Office of Transition	C
Director, Interagency Programs	L
Director, Office of Innovation	C
Division Head, Office of Explosives	C
Division Head, Office of Borders & Maritime Security	C

APPENDIX E

Component/Position	Career Status (see notes at end of document
National Protection and Programs Directorate	
Under Secretary	S
Deputy Under Secretary*	P
Assistant Secretary, Infrastructure Protection	P
Assistant Secretary, Cybersecurity & Communications	N
Assistant Secretary, Intergovernmental Affairs	N
Deputy Assistant Secretary, Infrastructure Protection	N
Director, U.S. Visitor & Immigrant Status Indicator Technology (US-VISIT)	C
Office of Policy	
Assistant Secretary	S
Deputy Assistant Secretary*	N
Assistant Secretary, Policy Development	N
Assistant Secretary, International Relations	L
Director, Screening Coordination Office	L
Office of Intelligence and Analysis	
Under Secretary, Chief Intelligence Officer	S
Deputy Under Secretary*	C
Deputy Under Secretary, Operations	N
Assistant Deputy Under Secretary, Intelligence	C
Assistant Deputy Under Secretary, Mission Integration	C
Assistant Deputy Under Secretary, External Communications	C
Office of Operations Coordination	
Director	L
Deputy Director	C
Director, National Operations Center	C
Chief of Staff	C
Director, Incident Management & Interagency Planning	C
Office of Health Affairs	
Assistant Secretary, Chief Medical Officer	S
Principal Deputy Assistant Secretary, Deputy Chief Medical Officer*	C
Chief of Staff	C
Associate Chief Medical Officer, Medical Readiness	T
Associate Chief Medical Officer, Component Services	C
Associate Chief Medical Officer, Weapons of Mass Destruction & Biodefense	C
Federal Law Enforcement Training Center	
Director	C
Deputy Director	C
Assistant Director, Training	C
Assistant Director, Field Training	C
Assistant Director, Training Innovation & Management	C

APPENDIX E

Component/Position	Career Status (see notes at end of document
Assistant Director, Administration	C
Assistant Director, Chief Financial Officer	C
Assistant Director, Chief Information Officer	C
Senior Associate Director, Washington Operations	C
Domestic Nuclear Detection Office	
Director	P
Deputy Director	C
Assistant Director, Mission Management	C
Assistant Director, National Technical Nuclear Forensics Center	C
Assistant Director, Transformational & Applied Research	C
Assistant Director, Product Acquisition	C
Office of the General Counsel	
General Counsel	S
Principal Deputy General Counsel*	N
Deputy General Counsel	C
Associate General Counsel, General Law	N
Chief Counsel, TSA	C
Director of Field Legal Operations, Principal Legal Advisor, ICE	C
Office of Legislative Affairs	
Assistant Secretary	N
Deputy Assistant Secretary, Operations	C
Deputy Assistant Secretary, Senate Liaison	N
Deputy Assistant Secretary, House Liaison	N
Director, Intelligence & Analysis/Operations	N
Director, National Protection & Programs Directorate	C
Office of Public Affairs	
Assistant Secretary	N
Deputy Assistant Secretary	N
Director, Strategic Communications	N
Director, Internal Communications	C
Office of Inspector General	
Inspector General	S
Deputy Inspector General*	C
Counsel to the Inspector General	C
Assistant Inspector General, Audits	C
Assistant Inspector General, Investigations	C
Assistant Inspector General, Inspections	C
Citizenship and Immigration Services Ombudsman	
Ombudsman	N
Executive Officer	C
Chief, Programs, Policy, Strategy & Research	C
Chief, Intake Evaluations & Problem Resolution	C

APPENDIX E

Component/Position	Career Status (see notes at end of document
Chief Privacy Officer	
Chief Privacy Officer	N
Deputy Chief Privacy Officer, Privacy	C
Deputy Chief FOIA Officer, Freedom of Information Act	C
Civil Rights and Civil Liberties	
Civil Rights and Civil Liberties Officer	P
Deputy Officer, Equal Employment Opportunity Programs	C
Deputy Officer, Programs and Compliance	C
Executive Officer	C
Office of Counternarcotics Enforcement	
Director	S
Chief of Staff*	C
Principal Asst Director	C

Notes

- S = Presidential Appointee with Senate Confirmation
- P = Presidential Appointee
- N = Non-Career SES or Schedule C
- C = Career
- L = Limited term appointee
- T = Scientific Professional
- * = First Assistant, pursuant to the Federal Vacancy Reform Act

DHS plans to update this Order of Succession in the summer of 2008.

Source: DHS Office of the Chief Human Capital Officer

APPENDIX F

COUNCIL FOR EXCELLENCE IN GOVERNMENT PANEL OF EXPERTS

- Admiral James Loy, *Co-Chair,* Former Deputy Secretary, U.S. Department of Homeland Security.
- Ray Kelly, *Co-Chair*, Commissioner, New York City Police Commissioner.
- Prudence Bushnell, former Ambassador and Assistant Secretary of State for African Affairs and CEO of Sage Associates.
- Michael Byrne, former Senior Director, White House Office of Homeland Security and Senior Vice President for Emergency Management and Homeland Security, ICE International.
- Darrell Darnell, Director, District of Colombia Homeland Security and Emergency Management Agency.
- Glenda E. Hood, former Secretary of State, State of Florida and President, Glenda Hood and Associates.
- Major General Timothy K. Lowenberg, Adjutant General, Washington State, U.S. Air Force.
- John McLaughlin, former Acting Director and Deputy Director, Central Intelligence Agency.
- Henry Renteria, Director, California Governor's Office of Emergency Services.
- Michael Wallace, President, Constellation Generation Group.

APPENDIX G

RECOMMENDATIONS OF THE HOMELAND SECURITY ADVISORY COUNCIL ADMINISTRATION TRANSITION TASK FORCE

RECOMMENDATIONS

The recommendations are divided into seven broad categories. The ATTF recognizes that several of its recommendations could be aligned into multiple categories. The seven categories include: Threat Awareness, Leadership, Congressional Oversight/Action, Policy, Operations, Succession and Training. There is no rank order of recommendations within each category. We (ATTF) believe all constitute national imperatives and must be expeditiously implemented.

THREAT AWARENESS

Outgoing DHS Leadership should:

- Work with media partners to educate and inform the public that a period of heightened threat is likely before, during and shortly after the Presidential election and transition period.
- Clarify the meaning of "heightened threat" during the transition period by notifying all homeland security partners of historical patterns.
    - Provide timely and reliable dissemination of any credible threat reports to all Presidential and Vice Presidential nominees
    - Encourage issuance of one joint statement on heightened threat level from all Presidential nominees
- Enlist non-partisan/bi-partisan/neutral third parties and use public service announcements to assist in informing the public of increased threat levels and the rationale behind them.
- Develop contingency plans around the now common themes of Prevent, Prepare, Respond, and Recover.

LEADERSHIP

Outgoing DHS Leadership should:

- Provide the Presidential nominees with identified best practices and lessons learned domestically and internationally from analysis of incidents during leadership transitions.
    - Engage past White House Office of Homeland Security and DHS officials and transition teams at all levels of government (Federal, State, local) and the private sector.

  - Engage the expertise of other Federal departments' transition efforts with particular emphasis on the efforts of National Security organizations (e.g., Defense, State and Justice Departments).

- Work with the presidential nominees, their senior staff, and the Senate, prior to the election, to establish an expedited process for handling appointments and confirmation to critical assignments (this goes far beyond the top three or four senior positions in the Department). Encourage, with incentives (i.e., bonuses), current appointees to overlap the new administration term until the transition process is complete and new appointees are in place.
  - Draft lists of potential candidates for appointed positions in early summer.
  - Identify ways to accelerate the processing and Senate confirmation of Presidential appointments.
  - Ensure an increase in OPM investigative and adjudicative manpower to quickly clear senior and second-tier appointees (i.e., down to a minimum of Deputy Assistant Secretary positions).
  - Perform updates rather than completely re-do the clearance history for people already holding clearances (at least for all but very top positions).
  - Develop a framework for engaging all Presidential nominees to ensure consistency on how they should interact with DHS and vice versa.
  - Ensure Departmentwide reciprocity for suitability that would allow for quicker movement between components.

- Encourage all Presidential nominees to identify members and organize Homeland Security advisory groups in preparation for the administration transition.
  - Offer time and expertise from DHS HSAC membership to all interested Presidential nominees and the President-Elect.
- Encourage, and where possible, obtain the commitment of current political appointees to remain until at least the end of the current administration. (Note: this recommendation is also under Congressional Oversight/Action)

- Hold personal meetings for outgoing leadership (Secretary, Deputy Secretary, etc.) with incoming leadership.

- Build and maintain a comprehensive list of DHS alumni of both political and senior career personnel for reference purposes.
  - Provide each incoming appointee, at the time he or she is nominated, with a complete list of recent predecessors/equivalents and their contacts (i.e. email, telephone, postal address, etc.).

- Implement further recommendation number one of the HSAC's Culture Task Force Report -- "DHS Headquarters Must Further Define and Crystallize Its Role."

- Prepare an outreach strategy to Federal, State, local, tribal and private sector leaders to accelerate the new senior leadership teams' ability to implement phone calls, meetings, etc. as soon as they officially assume their positions.

- Generate cost-benefit reports on the more controversial line items in the budget so that decisions can be made either to protect or remove prior to and through the transition process.

APPENDIX G

Incoming DHS Leadership should:

- Nominate and seek Congressional approval of the new Secretary of Homeland Security as is done with the Secretary of State and Secretary of Defense on the first day of the new Administration. (Note: this recommendation is also under Congressional Oversight/Action)
- Meet with Federal, State, local, tribal, private sector, and media partners to discuss transition details.
- Ensure the current career Deputy Under Secretary for Management remains in this position during the next administration. (Note: the ATTF commends the Department for quickly appointing a senior career individual to this position.)

CONGRESSIONAL OVERSIGHT/ACTION

- Act with the same sense of urgency in considering and expeditiously approving the new Administration's Secretary of Homeland Security as is done with the Secretary of State and Secretary of Defense. (Note: this recommendation is also under Leadership)
- Form a select bipartisan group from existing Senate oversight committees to expedite confirmation for all incoming DHS nominees for national security positions with the deadline being the start of the August 2009 recess. (Note: we [ATTF] are NOT asking Congress to form another Committee.)
- Continue to update the Transition Act of 1963 as amended to reflect post-9/11 realities.
- Implement 9/11 Commission recommendation to reduce the number of Congressional oversight committees and subcommittees from its current unwieldy eighty-seven.
- Pass a Fiscal Year 2009 budget for the Department of Homeland Security much sooner than the Fiscal Year 2008 budget was passed to avoid negative impacts on operations and training that can result from continuing resolutions. Congress should also review the Department's FY 2008 budget to ensure sufficient resources are available and allocated for transition activities. This must include pre-election and post-election transition crisis management exercises. Budget shortfalls should be supplemented where necessary.
    - Fund crisis exercises at adequate levels prior to the transition period.
    - Establish critical line items for the budget.
- Continue work to reduce (with outgoing DHS leadership) the number of Presidential-appointed senior positions at DHS. (Note: this recommendation is also under Succession)
- Provide early briefings and interactions with DHS Presidential nominees and appointees detailing Congressional expectations with respect to homeland security responsibilities.
- Interact with Presidential nominees in a bipartisan manner because homeland security is a non-partisan undertaking.
- Encourage incoming appointees to serve as consultants to DHS during their confirmation process.

- Encourage incoming DHS leadership to continue employing current appointees until they are replaced. (Note: this recommendation is also under Leadership)
- Discourage any reorganization of the Department prior to or during the transition period. (Note: this recommendation is also listed under Operations)
- Consider current political appointees with highly specialized and needed skills for appropriate career positions. (Note: this recommendation is also under Succession)

POLICY

Outgoing DHS Leadership should:

- Continue to encourage all homeland security partners to support and participate in transition efforts.
- Continue to enhance and build consensus among all partners (Federal, State, local, tribal, private sector, Congress, etc.) around policy issues that are a priority to the outgoing administration.
- Prioritize critical policies with measurable benchmarks that need to be addressed prior to the change in administration.
    - Provide the incoming administration detailed "End of Appointment"/Departure reports, including lessons-learned, organizational, operational and program successes/failures, and objective/non-partisan recommendations to move forward.
    - Engage and provide a process and templates by which Federal, State, local, tribal and the private sector authorities may submit to incoming DHS officials their list of priorities and compilation of 'decisions made' and 'decisions needed.'
- Continue to support the active involvement of the Council for Excellence in Government and the National Academy of Public Administration to make recommendations at all levels of government and the private sector for transition efforts.

OPERATIONS

Outgoing DHS Leadership should:

- Continue to vigorously support the establishment of State fusion centers with both funding and personnel. Listen to their specific information requirements necessary to empower State and local collaboration during the possible heightened threat period at the time of transition and throughout the new administration.
- Offer operational briefings to Presidential nominees and their staff. Develop executive summaries of important issues for the nominees to consider.
- Develop a clear and concise communications strategy for transition planning and increase coordination through media representatives.

- Discourage any reorganization of the Department prior to or during the transition period. (Note: this recommendation is also listed in Congressional Oversight/Action)
- Take advantage of the period from January through November 2008 as an important time to establish and standardize processes and procedures in consultation with State, local, tribal and private sector authorities. Refrain from trying to implement hasty requirements the last few months of the Administration.

SUCCESSION

Outgoing DHS Leadership should:

- Continue to ensure all key positions currently filled by appointees have back up senior level career personnel for operational continuity and a more fluid transition process. This should also be coordinated with the Department's succession planning efforts to make certain that all key leadership positions are currently filled.
- Support and implement a cadre of individuals fully focused on transition with the leadership designation of Deputy Chief of Staff for Transition (DCST). Provide the DCST with a task force composed of representatives from each component and staff office.
- Generate a priority list of briefing materials and ensure they are in a consistent format, clearly and concisely written, well organized, and professionally presented.
    - Identify a departmental topic specialist for each functional area and major program and any associated working group assigned to it.
    - Make certain that incoming senior managers have quick references – issue papers – for each topic to prevent information overload.
    - List all of the existing cross functional working groups and the initiatives or programs on which they are working.
    - Allow personnel to do their jobs, as opposed to being consumed with briefings, through use of secure automated or web-based tools.
- Compile a list of all Presidential and Homeland Security Directives and strategies and show how each align or not with the others.
- Continue to reduce the number of senior political appointees so that there is a more even mix of career and Presidential appointed senior positions to maintain continuity and historical knowledge. (Note: this recommendation is also under Congressional Oversight/Action)
- Consider current political appointees with highly specialized and needed skills for appropriate career positions. (Note: this recommendation is also under Congressional Oversight/Action)
- *(ATTF) Note: The National Academy of Public Administration is providing key recommendations in this area.*

APPENDIX G

TRAINING

Outgoing DHS Leadership should:

- Organize tabletop exercises (based upon DHS's top ten scenarios) for new administration officials as early as possible and assure adequate funding, preparation, and delivery of same.
- *(ATTF) Note: The Council for Excellence in Government is providing key recommendations in this area.*

National Academy of
Public Administration®

900 7th Street, N.W.
Suite 600
Washington, DC 20001
Phone: (202) 347-3190
Fax: (202) 393-0993
Web: www.napawash.org

Ms. HAUSSER. The lessons learned from this work can be applied to other Federal departments and agencies. For example, the Academy panel assessed DHS's allocation of executives between career and political appointees and compared it with other departments. Overall, about 13 percent of DHS executives are political appointees, about average for all Federal departments. The percentage of all executive appointees who are political appointees ranged from 9 percent at the Veterans Administration to 35 percent at the Department of State. But the Academy panel also noted that 30 of the top 54 executive positions, or 56 percent at DHS, are filled by political appointees.

Large percentages of other departments' top executives are also political. This includes 49 percent at Treasury, 59 percent at Justice and Defense, and 66 percent at the Department of State.

Overall, the Academy panel believes that efforts need to be made to reduce the number of political appointees, specifically in the DHS security and national disaster environment, so that these positions can be filled with career executives who will learn the job over time versus a noncareer appointee with a much shorter tenure. At DHS the Academy panel recommended that noncareer headquarters deputy officials, FEMA regional administrators, and other professionals be career executives.

Another part of the Academy's DHS study compared their transition training programs with those of similarly structured Cabinet-level agencies. The Academy panel concluded that DHS's transition training and development efforts are consistent with executive development programs in most Federal agencies, and it has a balanced set of transition-specific training programs underway. If implemented, these should help executives prepare to meet their homeland security responsibilities during transition.

DHS is well along with its—in its transition training, especially given that it is a young agency with a critical national mission going through its first Presidential transition. The panel believes other departments could benefit from learning about DHS's transition training.

Finally, we looked at their transition planning and the report laid out a series of actions that were tailored to Presidential transition timeframes. Specifically, before the national party conventions, DHS was to have completed, updated, and executed its transition plans, identified key operational executive positions, ensured that training and joint exercises had begun, and filled vacant executive positions.

Between the conventions and the elections, consistent with the recommendations of the 9/11 Commission and sense of the Senate provisions, the panel recommended DHS should work with executive branch agencies and Congress to reach out to Presidential candidates to identify potential homeland security transition team members and help them obtain security clearances by Election Day.

Between the election and the inauguration, DHS should work with the incoming administration, the executive branch, and Congress to ensure that the new Secretary of Homeland Security is sworn in on Inauguration Day, that key executives are identified and voted on by the Senate as quickly as possible, recognizing that

any day a critical position is vacant is a gap in our homeland security coverage and that transition training and joint exercises are provided to executive appointees and nominees.

Following Inauguration Day, training of new appointees, nominees, and careerists should continue to build trust and operational performance. Within the first 6 months there should be a capstone scenario exercise to evaluate the effectiveness of transition planning. We want to—are happy to report that in June the DHS appointed retired Coast Guard Admiral John Acton to a full-time transition director who reports directly to the Deputy Under Secretary for Management, and they have completed a comprehensive plan for all facets of transition that focus on particularly critical issues.

In addition, they are collaborating with relevant departments within the Federal Government, with State and local governments, and with the private industry. And joint training and exercise opportunities are being actively coordinated.

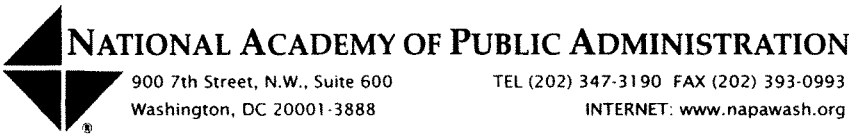
Many of the Academy panel recommendations for DHS do also apply to other Federal departments such as the appointment of a transition director, development of a comprehensive plan, identification of critical noncareer positions and transition training. The report notes that to the greatest extent possible, incoming DHS leadership, including the Secretary and key staff, must be in place on Inauguration Day or shortly thereafter. This will require the support and cooperation of Congress, and certainly Federal agencies with background checks and clearance responsibilities.

The Academy panel believes all Federal departments and agencies need to begin immediately to address the issues that are appropriate—that are presented in our DHS report.

Mr. Chairman, that concludes my statement. Thank you again for inviting the Academy to this hearing and I would be happy to respond to any questions.

Mr. TOWNS. Thank you very much.

[The prepared statement of Ms. Hausser follows:]



900 7th Street, N.W., Suite 600
Washington, DC 20001-3888
TEL (202) 347-3190 FAX (202) 393-0993
INTERNET: www.napawash.org

Statement of Doris Hausser,
Panel Member for the Department of Homeland Security
Presidential Transition Study,
National Academy of Public Administration

On the Presidential Transition

Before the
Subcommittee on Government Management, Organization, and Procurement he Federal Workforce and the District of Columbia,
Committee on Oversight and Government Reform,
House of Representatives

September 24, 2008

Statement of Doris Hausser,
Panel Member for the Department of Homeland Security
Presidential Transition Study,
National Academy of Public Administration

On the Presidential Transition

Before the
Subcommittee on Government Management, Organization, and Procurement he Federal Workforce and the District of Columbia,
Committee on Oversight and Government Reform,
House of Representatives

September 24, 2008

Mr. Chairman and Members of the Subcommittee, thank you for inviting the National Academy of Public Administration to testify on the best practices for the 2009 Presidential Transition. I served as Panel Member for the Academy's June 2008 report that assessed the Department of Homeland Security's (DHS') executive profile, its transition training, and the department's plans for the 2009 Presidential Transition. Many of the issues and recommendations outlined in that report apply to other departments and agencies, as well as DHS, especially those with national or homeland security responsibilities.

The Presidential Transition of 2009 is the first major transition since "9/11." As we point out in our report, recent history demonstrates that political transitions present an opportunity for terrorists to take advantage of real or perceived weaknesses in a nation's ability to detect, deter, prevent or respond to attacks. The final report of the 9/11 Commission raised concerns about the impact of future transitions on the government's ability to deal with terrorism. Owing in part to the delayed resolution of the 2000 election, the incoming Bush administration did not have its deputy Cabinet officials in place until Spring 2001 or its sub-Cabinet officials in place until that

summer. Historically, getting the Presidential team in position has been a slow process. The Commission strongly pushed for changes to the process so that the Nation is not left vulnerable to these types of delays in a post-9/11 world. During the transition, DHS must retain the ability to respond quickly to both man-made and natural disasters.

In light of these issues, Congress and DHS asked the Academy to assess DHS' executive profile, study its transition training, and review its plans for the 2009 Presidential transition. Our June report was the result of the request.

The lessons learned from this work can be applied to other federal departments and agencies. For example, the Academy Panel assessed DHS' allocation of executives between career and political appointees and compared it with other departments. Overall, about 13 percent of DHS' executives are political appointees—about average for all federal departments. The percentage of all executives who are political appointees ranged from 9 percent at the Veterans Administration to 35 percent at the Department of State. But the Academy Panel also noted that 30 of the top 54 executive positions, or 56 percent at DHS are filled by political appointees. Large percentages of other departments' top executives are also political—this includes 49 percent at Treasury, 59 percent at Justice and Defense, and 66 percent at the Department of State. Overall, the Academy Panel believes that efforts need to be made to reduce the number of political appointees, specifically in the DHS security and national disaster environment, so that these positions can be filled with career executives who will learn the job over time, versus a non-career appointee with a much shorter tenure. At DHS, the Academy Panel recommended that non-career headquarters deputy officials, FEMA regional administrators and other officials be career executives.

Another part of the Academy's DHS study compared DHS' transition training programs with those of similarly structured Cabinet-level agencies. The Academy Panel concluded that DHS' transition training and development efforts are consistent with executive development programs in most federal agencies and it has a balanced set of transition-specific training programs underway. If implemented, these should help executives prepare to meet their homeland security responsibilities during transition. DHS is well along in its transition training especially given that it is a young agency with a critical national mission and going through its first Presidential transition. The Academy Panel believes other departments could benefit from learning about DHS' transition training.

Finally, the Academy Panel reviewed DHS' transition planning, and the report lays out a series of actions that are tailored to Presidential transition timeframes. Specifically:

- Before the national party conventions. DHS was to have completed, updated and executed its transition plans; identified key operational executive positions; ensured that training and joint exercises had begun; and filled vacant executive positions.
- From the national party conventions to the election. Consistent with the recommendations of the 9/11 Commission and "Sense of the Senate" provisions, DHS should work with Executive Branch agencies and Congress to reach out to the Presidential candidates to identify potential homeland security transition team members and help them obtain security clearances by Election Day.
- From the election to the inauguration. DHS should work with the incoming administration, the Executive Branch and Congress to ensure that the new Secretary of

Homeland Security is sworn in on Inauguration Day; that key executives are identified and voted on by the Senate as quickly as possible, recognizing that any day a critical position is vacant is a "gap" in our homeland security coverage; and that transition training and joint exercises are provided to executive appointees and nominees.

- Following Inauguration Day. DHS should continue training of new appointees, nominees and careerists to build trust and operational performance, and reexamine current executive positions and allocations to support administration priorities. Within the first six months of the new administration, DHS should conduct a "capstone" scenario exercise to evaluate the effectiveness of transition planning, training and overall operational readiness.

DHS has begun to address these recommendations. In June it appointed retired Coast Guard Admiral John Acton as a full-time transition director who reports directly to the Deputy Under Secretary for Management. DHS has recently completed a comprehensive plan for all facets of the transition that focuses on several areas:

- Ensuring that management processes are in place and memorialized in policies and procedures;
- Concentrating on knowledge retention for current executives and knowledge transfer to the next administration's executives;
- Conducting a series of seminars, training, and exercises to make sure current leadership is trained in incident response, as well as positioning the new leaders for these roles; and
- Focusing on the deputy positions in each office and component to make sure they understand transition issues.

In addition, DHS is collaborating with partners such as the Departments of Transportation, Defense, State, and Health and Human Services; State and local governments; and with private industry. Joint training and exercise opportunities are being actively coordinated. Also, the Academy understands that later this month, OMB is hosting the first Agency Transition Coordination meeting, which will afford an ideal opportunity to enhance collaboration among the federal departments and agencies.

Many of the Academy Panel recommendations for DHS also apply to other federal departments such as the appointment of a transition director, development of a comprehensive transition plan, identification of critical non-career positions, and transition training. The report notes that to the greatest extent possible, incoming DHS leadership—including the Secretary and key staff—must be in place on Inauguration Day or shortly thereafter. Key leadership positions at other federal departments, especially those with national and homeland security responsibilities, must also be filled quickly. This requires the support and cooperation of federal agencies with background check and clearance responsibilities, as well as the Congress given its confirmation role and responsibilities. The Academy Panel believes that all federal departments and agencies need to begin immediately to address the issues as appropriate that are presented in our DHS report.

Mr. Chairman that concludes my statement. Thank you for inviting the Academy to this Hearing.

I would be happy to respond to any questions.

Mr. TOWNS. As you know, the bells just sounded, which means that we have votes. How many votes do we have? I would say 10 minutes after the last vote we resume.

Mr. BILBRAY. I'll try to make it back. At 4 I have——

Mr. TOWNS. OK. Well, I can't say what time because we have three votes. But as soon as we finish.

Mr. BILBRAY. As soon as the Chair is back.

Mr. TOWNS. Ten minutes after the last vote we'll be back. OK. So the committee is in recess.

[Recess.]

Mr. TOWNS. Ms. McGinnis.

STATEMENT OF PATRICIA McGINNIS

Ms. MCGINNIS. There we go. Thank you very much, Mr. Chairman, for inviting me to be part of this discussion. The Council for Excellence in Government, as I'm sure you know, is a nonprofit, nonpartisan organization made up of private sector leaders who work together to improve performance. And we've been involved in—actively in past Presidential transitions in several ways.

One, we publish a quadrennial "prune book." I don't know whether you've heard of it it or seen it. It is not the "plum book," which is the list of 7,000 political appointees. But instead we choose a smaller number of prunes, the top appointed tough management jobs. And then we profile them in terms of qualifications and what it takes to succeed. So we say that a prune is a plum, seasoned by experience and wisdom and with a much thicker skin. So the metaphor has sort of taken on a life of its own.

We also produce a survivor's guide for Presidential nominees, which helps people navigate the very complicated process and helps those who are reporting about it or overseeing it understand it. And we're taking all of this online this year in an interactive Web resource related to transition.

We also have been asked by the George W. Bush White House and the Clinton White House to organize and help with orientation leadership programs for new top Presidential appointees and White House staff. So that has been a privilege to do. And we have worked closely with steering committees in the White House to structure those programs in ways that work best for each President and each administration. But they focused on managing for results and managing in the context of the Federal Government and the Washington context and the national context.

This year we were also asked by the Department of Homeland Security and Congress to focus on DHS transition. And we're helping them assure continuity by working first with the acting career officials to make sure they're prepared to respond to a major emergency, and then the transition leaders, and then the new appointees as they come in. So we have thoughts about an effective Presidential transition that I'll share a few with you, and there are more in my testimony.

Of course, looking back to the past to see what's worked and what hasn't makes a lot of sense. But this year more than any transition I can think of, it's just as important, maybe more important, to look to the future and the kinds of challenges that we're facing. We know that this is a historic transition. We have Presi-

dential and Vice Presidential candidates, none of whom have worked in the executive branch of the Federal Government before. We're at war. Our economy is facing unprecedented risk. And 83 percent of Americans think that things in our country are off on the wrong track. The public's priorities are understandably the economy, the war in Iraq, health care reform, and terrorism. And those really defined the context for the Presidential campaign. And transition. Campaigns usually focus on ideas and policies and what needs to change. But success in governing depends as much or more on the ability to implement and execute those ideas well. And the same goes for a Presidential transition. So organization and management and results really matter.

In my testimony I laid out the key indicators of a successful Presidential transition, and I won't go through them all. But it's really about the quality and experience of the people who are appointed to the leadership roles and, equally important, getting them in place early so that we do have continuity on January 20th or as closely as possible for the Cabinet and the top sub-Cabinet officials. And then, of course, having the White House organized and a decisionmaking process in place, a lot of consultation and outreach with other government officials and stakeholders and the public and being ready to lay out the agenda through the President's Budget, the Inaugural Address, the first address to a joint session of Congress.

The things that I want to say in terms of our advice, or to the transition leaders and to the Congress, the transition leaders should take advantage of the provisions in the Intelligence Reform and Terrorism Prevention Act, which allow them to submit—today they could submit 100 names to begin the security clearance process for transition advisors. It's my understanding that very few names have been submitted at this point. And then the day after the election, they can begin to submit names for prospective nominees. The goal should be to have the Cabinet confirmed on January 20th, the White House staff in place. The White House chief of staff should be named as soon after the election as possible. And if you're going to have 50 to 100 sub-Cabinet appointees in key departments like Treasury, Homeland Security, national security agencies, you have to start early with the Cabinet. It probably means that the Cabinet needs to be selected soon after the election in order to have them—or at least the most critical Cabinet members involved in the selection of the sub-Cabinet appointees.

The other piece of this puzzle for the executive branch in the Bush administration is to make sure that you can move these clearances and move the appointments process, the nomination process, as rapidly as possible. Clay Johnson has said that they are prepared to have 100 people in place by April 1. And we say that's not good enough. You have to have people in place sooner than that. And the way to do that, given the way the process works—and it has been streamlined and expedited—is to have more investigators. If you can get the Cabinet in place on Inauguration Day, or the week after, with enough investigative capacity you can get 50 or more sub-Cabinet critical appointees in place within 30 days of inauguration.

I want to commend Clay Johnson and his work as Deputy Director for Management because I think it really has been outstanding. But again, we think that this should go faster. And if you sort of map out the process, I think we could all figure out how to do that, and expanding the capacity is important.

The final piece of the puzzle is that the Senate should be prepared to confirm nominees within a reasonable period of time. The Intelligence Reform and Terrorism Protection Act suggests 30 days. We think that's right. And we have just—along with the heads of a number of organizations, including the National Academy of Public Administration—sent a letter to both candidates saying that they should not only get their names forwarded but implore their Senate colleagues to agree on a timeframe for considering and approving these—voting on these nominees and perhaps changing the rules about holds to prevent votes and any other process changes that would make sense to try to get those in place before the election and before we have a winner and loser. All of those ingredients together.

If the transition teams, the FBI, and OPM investigative capacity is expanded and the confirmation process can go rapidly, I think that we could have a strong team in place and really ensure continuity in this challenging time.

Thank you very much. And I look forward to the discussion.

Mr. TOWNS. Thank you very much.

[The prepared statement of Ms. McGinnis follows:]

THE COUNCIL FOR
Excellence
IN GOVERNMENT

Board of Trustees

HONORARY CO-CHAIRS
President George H.W. Bush
President Jimmy Carter
President William Jefferson Clinton

CHAIR
John D. Macomber

VICE CHAIRS
Patrick W. Gross
Maxine Isaacs

TREASURER
Joseph L. Kasputys

SECRETARY
J.T. Smith II

TRUSTEES
Jodie T. Allen
Dennis W. Bakke
Colin C. Blaydon
Richard E. Cavanagh
William F. Clinger Jr
Abby Joseph Cohen
Robert H. Craft Jr.
Thomas Dohrmann
William H. Donaldson
Cal Dooley
Leslie C. Francis
William Galston
Dan Glickman
Lee H. Hamilton
Edwin L. Harper
James F. Hinchman
Arthur H. House
Suzanne Nora Johnson
Gwendolyn S. King
Susan R. King
Robert G. Liberatore
Kenneth Lipper
Norman Mineta
Edward Montgomery
Susan K. Neely
Sandra Day O'Connor
Tom Ridge
Charles O. Rossotti
George P. Shultz
Rodney E. Slater
John C. Whitehead
James Lee Witt

PAST CHAIRS AND VICE CHAIRS
Alan K. Campbell
Louis J. Gambaccini
David O. Maxwell
William A. Morrill
Paul H. O'Neill
Frank A. Weil

PRESIDENT AND CEO
Patricia McGinnis

1301 K Street NW, Suite 450 West
Washington, DC 20005
T: 202.728.0418 • F: 202.728.042
www.excelgov.org

Testimony of
Patricia McGinnis, President and CEO
Council for Excellence in Government
Before the Subcommittee on Government Management, Organization and Procurement
U.S. House of Representatives

September 24, 2008

Thank you, Mr. Chairman, Mr. Bilbray and members of the subcommittee for inviting me to participate in this important discussion about preparing for the Presidential Transition.

The Council's Role in Presidential Transitions

The Council for Excellence in Government is a nonprofit, nonpartisan organization of leaders in the private sector who have served in government and are committed to improving its performance and accountability to the public. The Council has played an active role in past transitions and is actively engaged in providing information and assistance to the major party candidates' transition planners. Attached to my testimony is a description of the Council's 2008-09 Presidential Transition Initiative. We are creating an interactive web resource for transition leaders, Congressional leaders, new appointees, career government managers and the public. The site will include:

- Profiles of the critical top appointed "Prune Jobs"* across the Federal government with major responsibilities, qualifications, key relationships, lists of previous incumbents and insights from these predecessors and others – colleagues, overseers, stakeholders, and customers.
- Commentary from experts and past transition leaders on selecting and organizing the White House staff and the Cabinet.
- A Survivor's Guide for Presidential Nominees, an update of our original publication in 2000, provides information and advice to prospective nominees about navigating the often perplexing nomination and confirmation processes, with insights about what to expect, links to the government forms online, and what it's like to live in official and unofficial Washington.

**You may be wondering what "Prune jobs" are. As you know, political appointments are often referred to as "Plum jobs". We think that "Prune" is a better metaphor for the critical top jobs. "Prunes" are "Plums", seasoned by experience and wisdom and with a much thicker skin.*

- A guide on how to succeed for presidential appointees, with special emphasis on achieving progress and results for the people they serve.
- Links to Transition related resources from government, scholars and other organizations.

The Council for Excellence in Government has also been privileged to work with the Clinton and George W. Bush Administrations to help organize leadership and orientation workshops and resources for Presidential Appointees and White House staff. Attached to my testimony is a history of the appointee preparation efforts of the current and past Administrations dating back to Eisenhower. Appointee orientation was institutionalized by the Transition Act of 2000, which authorizes the program and funding through the General Services Administration.

Key Components and Indicators of a Successful Presidential Transition

A successful presidential transition is critical for the next President and his team to hit the ground running in the midst of tremendous challenges to our economy, our security and our productivity at home and in a global context. We at the Council define excellence in government in several dimensions – **Leadership, Innovation, Participation, Results and Trust**. You'll see these five words on the wall when you come to the Council. The order is important, with trust as the pinnacle, which follows results. Results require participation and innovation and it all starts with leadership.

So, in our lexicon, what is an excellent Presidential Transition and what does it take to achieve?

Leading an excellent Transition requires careful examination of past transitions to identify what worked and what did not, and imaginative anticipation of future challenges because the context of this transition is unlike any other.

This is an historic election, this is the first campaign since 1952 where the Presidential candidates haven't included an incumbent President or Vice President. In fact, none of the Presidential or Vice Presidential candidates have ever served in the Executive Branch of the federal government. We are at war, our economy is facing unprecedented risks, and 83% of Americans think that things in our country are off on the wrong track, according to a recent Washington Post/ABC poll. The top three priorities are jobs and the economy, the war in Iraq and health care reform.

Presidential campaigns focus on ideas, policies and what needs to change (as much as possible in this era of media sound-bites and negative campaigning). Success in governing depends as much, or more, on effective implementation than on the appeal of ideas. The same is true of Presidential Transitions. Organization, management, timing, and results really matter.

"Ready to Lead on Day One" is not just about experience, judgment and good ideas. Preparing to turn promises into reality and priorities into results requires systematic Transition plans and actions, beginning months before the election. Regardless of how presumptuous it may seem, the planning required for a new President to be ready to govern on day one should begin at least six months before the election. The 77 days between the election and inauguration simply does not allow enough time for effective completion of the necessary tasks. A hastily planned or poorly managed Presidential Transition may squander the promise of new leadership and increase our vulnerability to national security, economic disruption and other threats.

Reviewing lessons learned from past transitions is a good place to start but attention to new realities and associated challenges and opportunities is also critical. As we have seen in Madrid in 2004, London in 2005 and Glasgow in 2007, national elections and transitions present opportunities for terrorists to exploit potential gaps in leadership continuity. To prepare the new Administration to hit the grounding running on Inauguration Day, early attention must be given by Transition planners to enhanced security requirements and new opportunities to expedite lengthy security clearances for transition advisors and prospective appointees. The Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA) allows presidential nominees to submit names of Transition advisors for security clearances and states that the necessary investigations and eligibility determinations should be completed by the day after the election, to the extent practicable. The President-elect may also submit on the day after the election the names of prospective nominees for high level security positions at the cabinet and sub-cabinet levels. IRTPA also provides a sense of the Congress that the Senate committees and full Senate should complete their consideration of these nominees within 30 days of submission by the new President.*

There are extensive efforts underway to streamline the security clearance process, which now takes about 112 days, compared to 162 days in 2005. Even if the process can be further streamlined and expedited, do the math: the names of Transition advisors requiring security clearances should be submitted selected in early September. The names of prospective nominees (some of whom may be transition advisors) should be submitted as soon as possible after election day in order for key positions requiring high level security clearances to be filled on or shortly after Inauguration Day.

---

* *There are more than 7000 political jobs to be filled, including about 400 cabinet and subcabinet positions that require Senate confirmation. No more than 25 of the top 400 positions have ever been confirmed within three months of any new Administration and only half within six months.*

In my view, the key indicators of a successful Presidential Transition are:

First and foremost, the quality and experience of the people appointed to leadership roles and having the critical White House, Cabinet and sub-cabinet posts filled on or shortly after January 20.

Second, the effectiveness of the structure and process for decision making in the White House and for effective management throughout Federal departments and agencies.

Third, the credibility of outreach, consultation and communication with Congress, state and local government leaders, critical stakeholders and the public to build ownership of a new agenda.

Fourth, the quality and persuasiveness of the President's commitments, plans and requests, as expressed in his Inaugural speech, first budget, first address to a joint session of Congress, early actions to move key elements of his agenda and frame longer term initiatives.

Finally, the capacity of the new leadership team to manage their responsibilities well and hold themselves accountable for measurable progress and results.

Important transition milestones and actions:

Presidential Nominees should designate their Transition Directors to organize the personnel operation, agency transition teams, preparation of a transition budget, research on White House staff structure and processes, and a schedule of activities and deliverables by January 20, including those related to the Inauguration, the preparation of the President's budget and legislative agenda, and other early actions and decisions. The notion that visible Transition activity before the election may seem "presumptuous" is both ironic and counterproductive. Transition planning for President George W. Bush began in the spring of 2000 and former Presidents Clinton, Reagan and Carter also set up transition planning efforts months before their elections.

Transition leaders should submit the names of up to 100 transition advisors who need access to classified information as soon as possible and prepare to send the names of prospective nominees for critical positions on the day after the election or shortly thereafter, as allowed by IRTPA. The goal should be for the White House Chief of Staff to be named as soon after the election as possible, the Cabinet should be confirmed on Inauguration Day and the top sub-cabinet posts confirmed within the next 30 days.

The investigative capacity of the FBI and OPM needs to expand to handle the volume of clearances necessary to achieve this goal. We cannot afford to have significant gaps in leadership or confirmed cabinet secretaries "home alone" for an extended period of time. The Deputy Director for Management at OMB has and is playing an important leadership role to expedite the security clearance process and to ensure a smooth transition for the next Administration. As a result, the projected time frame for Presidential appointments (100 in place by April 1) is far better than in the past but I think we need to do even better. Expanding the capacity for the necessary clearances could achieve a more

ambitious goal. We would like to have 50-100 top appointees in place within 30 days of the Inauguration.

It is also imperative for Senate leaders to expedite the confirmation process to consider and vote on key nominees as soon as possible to assure leadership continuity in critical positions. The establishment of timeframes for confirmation hearings and votes (30 days, as stated in the Intelligence Reform and Terrorism Prevention Act), limits on "holds" to delay confirmation votes, and other process agreements should be worked out before the election—before we have a winner and a loser.

Broader reform of the Presidential appointments process is long overdue and we hope that the House and Senate will consider legislative action in the 111th Congress. However, we urge you and your colleagues to do as much as possible before the election to expedite the nomination and confirmation of well qualified leaders for critical posts across the federal government. Attached to my testimony is a letter to Senators McCain and Obama requesting that they join together to implore their colleagues in the Senate to a timeframe for considering and voting on 50 critical positions within 30 days of Inauguration and others within 45 days of nomination. We also urge both the House and Senate to lead more comprehensive reform of the appointments process in the next Congress. The letter is signed by the leaders of several organizations, including the Council for Excellence in Government, the Center for the Study of the Presidency, the National Academy of Sciences and the National Academy of Public Administration.

Thank you very much. I look forward to a lively discussion of the elements of a successful transition.

3 Attachments:
The Council for Excellence in Government's 2008-2009 Presidential Transition Initiative
Preparing Presidential Appointees for Leadership: A History
Letter to 2008 Presidential Candidates

THE COUNCIL FOR
Excellence
IN GOVERNMENT

Board of Trustees

HONORARY CO-CHAIRS
President George H W. Bush
President Jimmy Carter
President William Jefferson Clinton

CHAIR
John D Macomber

VICE CHAIRS
Patrick W. Gross
Maxine Isaacs

TREASURER
Joseph E. Kasputys

SECRETARY
J T Smith II

TRUSTEES
Jodie T. Allen
Dennis W. Bakke
Colin C. Blaydon
Richard E. Cavanagh
William F Clinger Jr.
Abby Joseph Cohen
Robert H. Craft Jr.
Thomas Dohrmann
William H. Donaldson
Cal Dooley
Leslie C. Francis
William Galston
Dan Glickman
Lee H. Hamilton
Edwin L. Harper
James F. Hinchman
Arthur H. House
Suzanne Nora Johnson
Gwendolyn S. King
Susan R. King
Robert G. Liberatore
Kenneth Lipper
Norman Mineta
Edward Montgomery
Susan K Neely
Sandra Day O'Connor
Tom Ridge
Charles O. Rossotti
George P Shultz
Rodney E. Slater
John C. Whitehead
James Lee Witt

PAST CHAIRS AND VICE CHAIRS
Alan K Campbell
Louis J. Giambaccini
David O Maxwell
William A. Morrill
Paul H. O'Neill
Frank A. Weil

PRESIDENT AND CEO
Patricia McGinnis

1301 K Street NW, Suite 450 West
Washington, DC 20005
T: 202.728.0418 • F: 202.728.042
www.excelgov.org

THE COUNCIL FOR EXCELLENCE IN GOVERNMENT'S 2008-09 PRESIDENTIAL TRANSITION INITIATIVE

I. The Council's Role in Presidential Transitions

The eyes of the world will be firmly focused on America on the first Tuesday in November when millions of citizens head to neighborhood polling places to select the 44th President of the United States. Six blocks from the White House, the eyes and energy of everyone at the non-partisan **Council for Excellence in Government** already are fixed on the critical dimensions of the transition, which officially spans eleven weeks, from election day until the new Chief Executive takes the oath of office at noon on January 20, 2009. The planning and management of this historic changing of the guard in the federal government is of vital importance not only to the new President and his team, but also to the American public and the world.

Transitions by their nature are times of great hope and anticipation, when citizens look to newly elected leaders to deliver on the promises of their campaigns and to bring people together. This transition is the first in more than half a century without an incumbent president or vice president on the ballot. It will unfold with economic, energy, environmental, health care and national security challenges certain to test the mettle of the new President and the 111th Congress. This will be only the third transition taking place with the country at war (Nixon succeeded Johnson in 1969 at the height of the Vietnam conflict; Eisenhower became President during the Korean War), and the first post 9/11 transition.

The Council for Excellence in Government offers a variety of resources to the new Administration to help navigate a smooth transition and get its programs, personnel and policies off to a strong start. Founded a quarter-century ago by business leaders who had held high government posts and believed passionately in public service, the Council serves as an independent, trusted and valued source of information and assistance for the White House and those the President appoints to run the executive branch. The Council is not an advocacy group, think tank or association with a point of view to pitch to the new Administration; it is a pragmatic, results-oriented, non-partisan organization that works to facilitate excellence in government performance and accountability to the public for progress and results.

The Council has played an active role in past transitions and already is engaged in preparations for the 2008-09 transition—to provide valuable information and assistance for the candidates' transition planners; the official transition team of the President-elect; the Senators and Senate Committees that will consider the new President's nominees; the nominees themselves; the career public servants who will keep the government running through the 77-day transition and beyond;

the news media that even in quieter times covers transitions with a special intensity; and every citizen with a stake in excellence in government.

- **Orientation for the President's Team.** Both the Clinton and Bush Administrations called on the Council to organize leadership and orientation programs for hundreds of senior appointees and White House staff. These workshops and briefings were first offered in the second Clinton term from 1997 until 2000 and, with new authority under the Transition Act of 2000, for the Bush Administration from 2001 until 2004. They were designed with the guidance of White House steering groups to help new managers prepare to run major government enterprises, drawing on best practices and lessons learned and with a special focus on collaboration, accountability for measurable results, ethical principles of public service, and the strategic use of resources, including people, technology and partnerships, in the context of the process requirements, oversight and media coverage that are often intense and unique to government and politics.

- **Profiling the top Prune Jobs.** Since 1988 the Council has published the invaluable *Prune Book* series profiling the toughest management jobs in government. Beyond mere title and job descriptions, these books give the White House and nominees a hands-on view of the challenges ahead, drawn principally from those who once occupied these top appointed positions. The title is a play on the *Plum Book* that Congress publishes every four years listing the thousands of jobs and board seats subject to political appointment. "Prunes," in Council lexicon, are "Plums," seasoned by experience and with a much thicker skin. The *2009 Prune Job Profiles* will appear in an expanded online transition resource with links to a wealth of information from the Office of Personnel Management, the Office of Government Ethics, Senate committees and other sources. In this new, electronic format, the *Prune Job Profiles* will be fully searchable and kept up to date beyond 2009. The Council this fall also will update its *Survivor's Guide for Presidential Nominees,* a lively compendium of practical advice for nominees to posts that require Senate confirmation. The Council published the *original Survivor's Guide* in 2000 in conjunction with The Brookings Institution.

II. 2008-09 Transition Resources Web 2.0

The Council is taking its transition assistance online by creating a dynamic new web resource which, along with a variety of meetings, workshops and other gatherings, will provide transition leaders, prospective nominees, and others the following resources:

- ***Appointing the President's Team: Prune Job Profiles***

Appointing the right people to a select group of top leadership and management posts in the federal government is critical to the success of a new President and Administration. Beyond the Cabinet appointments and White House Staff, sub-cabinet appointments to lead critical government agencies and functions – such as emergency management, social security, Medicare and Medicaid require seasoned experience and savvy management skills.

For nearly two decades, the **Council for Excellence in Government** has produced the *Prune Books*, comprehensive guides written specifically to equip the incoming presidential administration with insights into one of its most difficult tasks: staffing the key appointed positions that carry out the new President's agenda throughout the Executive Branch of government.

Since the first ***Prune Book*** was released in 1988, nearly a dozen additional editions have been published in book form, and have explored a range of issues: from the toughest management and policy making jobs to the toughest science and technology jobs.

As we approach a new administration in 2009, the Council is taking the *Prune* series from book form to a major web presence (Prunes 2.0) and expanding its value and reach as an ongoing resource for top government managers. This initiative is taking the concept of Prune Jobs to another level. Not only are we profiling the jobs, but we are explicitly pointing Page 3 of 5 to the management qualifications and attributes that the President and Senate should consider for these appointments. What are the qualifications and skills required for excellent performance in these jobs? What are the qualities and perspectives a successful candidate should have? We are selecting and highlighting **top Prune Jobs**, and we will also list and provide information about other appointed positions, using the *Plum Book* and other sources.

A Steering Committee has been formed to select the key appointed positions and to guide the development of the job profiles and qualifications. Members of the Steering Committee include selected Council Principals and others who have served in Prune Jobs, in Presidential Personnel or have experience in executive search. Their perspectives and insights are informing our analysis of recruiting best practices along with the skills and qualifications it takes to excel in these positions.

We are also conducting extensive outreach to past leaders of Presidential transitions, White House Chiefs of Staff, Senators and Committee staff, key career employees, and selected experts and stakeholders.

This year, as in the past, the *Prune* profiles will concentrate on a selection of Executive Schedule jobs, filled by presidential appointment and confirmed by the Senate. The Steering Committee has culled these jobs from the more than 1,100 in the PAS category. Key criteria for making these choices included:

- Budget and staff size and scope of management duties
- Congressional and public visibility
- Consequences of failure to perform effectively
- Missions that address priorities of the public and the candidates

The Council is also reaching out to past leaders of Presidential transitions, White House Chiefs of Staff, Senators and Committee staff, key career employees, and other experts and will share their wisdom and advice online.

- ***Dynamic Online Communities***

We will organize dynamic online communities to share insights and information about how to succeed, best practices, and lessons learned. Utilizing the same tools that have drawn millions to Facebook and other social networking sites, the Council will manage the sharing of information, blogs, case studies, and other resources online and at workshops and briefings for new appointees and career managers as well as overseers, stakeholders, and the news media -- all designed with the singular purpose of improving government performance. Among the interactive communities envisioned are ones for:

- Chief Operating Officers
- Chief Information Officers
- Chief Financial Officers
- Chief Acquisition Officers
- Chief Human Capital Officers

We will also pursue cross-agency communities that manage programs in key areas of public priority such as:

- Health Care
- Homeland Security
- Jobs and the Economy

These online communities can and will be tailored, expanded and clustered around what new appointees and their teams decide are the categories and topics that interest them most.

- ***Selecting the Cabinet and White House Staff.*** Past Transition and Administration leaders will offer advice on strategy, timing, roles and responsibilities, what worked well, and lessons learned, with attention to history, context and effectiveness in the public interest.

- ***Inventory of Appointed Positions.*** In addition to the profiles in the *Prune Book,* the Council will provide a full inventory of appointed positions, drawing on the *Plum Book*, compiled by the House Committee on Government Reform, and other resources.

- ***New Survivor's Guide for Presidential Nominees.*** The Council also will publish online a new edition of its 178-page *A Survivor's Guide for Presidential Nominees,* which former OPM Director Constance Horner described on its release in November 2000 as "a classic on how Washington works." This electronic *Survivor's Guide* will explain how to navigate the often perplexing nomination and confirmation process, offer a ***Confirmation Roadmap*** with steps, mileposts, barriers and a path to the finish line, and furnish clear instructions and links to all the ***Government Forms Online*** that nominees must fill out, including the financial disclosure and other Executive Branch forms and as many of the Senate Committee questionnaires as available.

- ***Special Events.*** The Council will hold forums and workshops where appointees and other government managers can brainstorm and exchange best practices with each other, learn from the experiences of former officials and engage informally with stakeholders, the media and other transition watchers.

- ***Blogs.*** The Council's Transition Web site will include interactive blogs for senior managers and appointees to exchange experiences, information, and ideas on bringing out the best in managing government programs. Some features may be password protected.

- ***Transition News.*** Links to key media sites that track transition news.

- ***Other Key Links.*** We will also provide links to a full array of Transition-related Web sites, inside and outside the government, including:

  - ✓ White House
  - ✓ Office of Government Ethics
  - ✓ Congressional sites
  - ✓ Partner Web sites

- ***Timing and Beta Web site.*** While the public launch is scheduled for November, the Council will make a beta Web site available for testing and use by the candidates' transition planners in September. The beta site will contain extensive information about appointments, navigating the nomination and confirmation process, and gearing up to meet the challenges that will confront the new Administration.

THE COUNCIL FOR

Excellence

IN GOVERNMENT

Preparing Presidential Appointees for Leadership: A History
September 22, 2008

Foreword

The Council for Excellence in Government organized orientation leadership programs for top Presidential Appointees and White House staff at the request of the Bill Clinton and George W. Bush administrations. We welcomed these assignments as critically important to our mission of improving the performance and accountability of government. As a reference for future Presidents, we have also documented the organized efforts of previous administrations to assist appointees, at or near the beginning of their service, to perform their jobs as effectively as possible.

As this history makes evident, eight of the ten U.S. presidents between 1953 and 2004 - including the last six - organized a variety of projects to prepare their high-level political appointees for the operational challenges of leadership. In 2000, for the first time, Congress recognized the value of ongoing appointee orientation by authorizing this activity under the Transition Act of 2000 and appropriating funds for its design and implementation.

It is important to understand that past orientation efforts differed widely in scope, content, durability and location. There was little carry-over or continuity from one administration to another. But they show that appointee preparation has become a fixture on the agendas of successive administrations. This is an important and positive development. Appointees, after all, are the women and men entrusted not only with the day-to-day political leadership of the executive branch but also with the responsibility for the management and performance of government departments and agencies.

The Council for Excellence in Government welcomes the emergence of leadership preparation for presidential appointees as a permanent institution under White House direction. We are privileged to play a role in it and - with the assistance of John H. Trattner - to have produced this history of the effort.

Pat McGinnis

Patricia McGinnis
President and CEO

Introduction

Covering the period 1953-2004, this history addresses the appointee orientation programs of each administration that organized and carried them out, or in which there was some attempt to do so. Knowledge of how administrations have tackled that necessary task—what happened, what worked, what didn't work—will serve as a useful resource for those to follow.

The concept of leadership preparation enjoyed the endorsement of expert observers and senior officials inside and outside government throughout the modern era. The value of orientation was recognized even within two administrations that for various reasons never actually implemented organized or continuing orientation. One of many expressions of this advocacy is a 1960 memo written by Bradley Patterson when he was deputy secretary to the cabinet in the Eisenhower White House, assisting in preparations for transition to the Kennedy administration. Asserting that the Kennedy White House should conduct orientation for new political appointees, he said that "no one should make the mistake of overestimating how much new cabinet members really know about government; even John Foster Dulles thought the CIA was a part of the Department of State."[1]

I. Summary of Key Findings

Origin. The notion of appointee preparation seems to have had in-house roots in three administrations (Eisenhower, Johnson, Ford). In two other cases, orientation programs were adopted from the previous administration (Carter) or established to emulate a preceding program (George W. Bush). Outside suggestion or advocacy played at least partial roles in generating the orientation programs of the Reagan and Clinton administrations. In 2000, Congress institutionalized appointee orientation by authorizing and funding it under the Transition Act of 2000.

Presidential role. Even though most of these presidents did not personally take a part in the preparation of their appointees for service, there is unanimity that such a role is imperative. Even without substantive orientation, a quick handshake and photo with the president at the beginning of each appointee's service - a practice followed in the Reagan administration - is deemed invaluable.

Substantive scope and content. Half a dozen subject areas were central to all of the programs and were nearly always the focus of speaker and panel presentations. They were: (1) the White House and the president's executive office - operations, relationships with agencies, and coordination on policy decisions; (2) the budget and OMB; (3) legislative affairs and dealing with the Congress; (4) media relations; (5) the career civil service; and (6) ethics. Other areas were covered in briefing books, live presentations, or both: economic and domestic policy development, managing for results, the National Security Council, interest groups, public trust, presidential personnel, and the U.S. Constitution. Case studies were used in the programs of two administrations.

Participants. As practiced, appointee orientation focused mainly on subcabinet officials in the PAS category - appointed by the president and confirmed by the Senate - at the levels between deputy secretary and assistant secretary in cabinet departments and their equivalents in other executive agencies. Though some programs included cabinet officials and White House staff, their attendance was infrequent. Some administrations scheduled separate orientation for Schedule C appointees. Selection for the program was normally the responsibility of the departments and agencies, with no detectable mandate as to which operational and functional areas were to receive priority. Although the lists of those designated in each administration are not available, interviews and research done for this history support the conclusion that participants in a given briefing represented a cross-section of the cabinet departments. In general, regulatory agencies were not represented; two administrations deliberately excluded them.

Design and management. Logically enough, the history of program design and management shows a pattern similar to that of program origin. Except for the Reagan, Clinton and George W. Bush administrations, it was exclusively senior staff in the White House and/or OPM who decided on structure and content; the programs ran under their supervision and sometimes with their participation. The Reagan, Clinton and George W. Bush administrations selected outside organizations to assist in the design and delivery of programs for appointees.

Speakers and panelists. Again, with the exception of the Reagan, Clinton and the George W. Bush administrations, the "faculty" for leadership orientation was confined to senior White House staff, agency heads, administration spokespeople, and an occasional member of the Congress. In the second Clinton administration and the first George W. Bush administration, the Council for Excellence in Government arranged speakers and panelists. In the George W. Bush administration, former cabinet members and representatives from state and local government were also invited to lead discussions. In the second Clinton term speakers and panelists included senior White House staff, agency heads, former appointees, members of the Congress and the media, attorneys, and authors. This was also the only bipartisan mix of presenters offered in any orientation program. During parts of the two Reagan administrations, Kennedy School of Government faculty led sessions centered on case studies.

Format. This varied, from briefings for appointees by their individual agencies; to plenary sessions featuring both single briefers and panels; to plenary sessions combined with multiple break-out discussion groups. Most orientation was interactive; presentations plus questions and discussion.

Location. Four administrations conducted their orientation programs in the White House (including the Eisenhower Executive Office Building). Two programs combined White House premises with other locations. One took place at OPM, and one was the responsibility of individual agencies.

Evaluation. Formal evaluation surveys of participating appointees took place in connection with orientation programs in the second Reagan, Bush, second Clinton, and first George W. Bush administrations (there is anecdotal evidence from the programs of other administrations). The Reagan, Clinton and George W. Bush surveys were done by the outside

organizations that designed and/or conducted the programs in partnership with the White House. Additional, amplifying information is available in surveys of appointees in the Bush and first Clinton administrations performed by experienced observer and analyst Judith A. Michaels. Results of all the surveys were generally favorable. Most participants in these three programs thought orientation was useful. Abundant data and individual comments support the "useful" characterization and also provide specific views about substance and structure. Details can be found in Section II, below.

Cost. Except for the Reagan, Clinton and George W. Bush administrations, costs of leadership preparation programs were minimal for combinations of reasons. Programs took place in cost-free premises, with small groups; few meal or reception outlays were involved; little logistical support was necessary; and outside groups were not involved in design, planning, or implementation.

Continuity between administrations. There were only two instances of continuity. The first occurred when the Carter administration continued for a year the program conducted by the Ford administration. A decade and a half later the first Bush administration, keenly aware of the programs conducted by the Reagan Administration, launched appointee briefings within four months of taking office and continued them for most of the presidential term.

II. Lessons Learned: Recommendations

Personal participation of the president and White House venue. A personal role for the president is essential as much for team building and morale as for substantive reasons. The president's active participation sends a strong signal of the urgency an administration attaches to the proper preparation of appointees for leadership as members of the team and, of equal significance, of the individual value to the president of each appointee. For many appointees, this may be their only opportunity to experience the physical presence and participation of the president in an administration's collective endeavor. More than any other factor, the president's involvement gives them a tangible sense of the importance the White House attaches to their service and performance, and of the direct concern at the very top that they succeed. Absent the president's own role, the only viable fallback is the participation of the vice president and senior White House officials including the chief of staff—but they are by no means a substitute.

Presidential participation and a White House venue also appear to be strong factors in (1) motivating White House staff and agency heads to keep the appointee briefing program going and give it meaningful speakers and panelists; and (2) countering the natural tendency of busy (not to say swamped) new appointees to view orientation as something for which, however valuable, they simply don't have time. A program conducted at and with the direct involvement of the White House itself carries an *esprit* and momentum that, as history shows, cannot be duplicated under the aegis of any other government agency or in any other location.

Which appointees? How mandatory? An experienced academic observer, Calvin Mackenzie of Colby College, suggested that subcabinet appointees fall into two groups: those who really do not need much preparation for service and those who need it badly. He believed the number of appointees in the latter group is probably shrinking. That is because, he said, a

growing number come from the Washington, D.C. area and many have served before in the federal government. Even among those who are new to government service, this observer said, a "great many" appointees have worked in Washington and "probably either know the sorts of things discussed in an orientation or have been in government before. This is not going to be news to them."[2]

Making participation as nearly mandatory as possible is the recommended formula. At its best, this means the personal expectation of the president, directly and clearly communicated to those chosen to take part. Next best is a tactic along the lines suggested by Bob Nash, Office of Presidential Personnel director during most of the Clinton years. It would help, he reflected, for the president to direct his cabinet team to encourage the attendance of the designated appointees in their departments.[3] The actual selection of participants is most effectively done by the departments and agencies, which have a far better feel for who can most benefit.

Timing. Views vary on the best time to stage leadership orientation. Some with experience in the process have proposed that it take place while prospective appointees are awaiting Senate confirmation, before they are sworn in. Other veterans believe appointees should receive orientation at the very beginning of their service. Still others think orientation is most effective for appointees who have been in their jobs for a month or so—just long enough to acquire a sense of the specific problems they face and answers they need, but before they are too deeply immersed. (For more on this, see "Reaction from Participants" in this section.)

In fact, there is no optimum juncture for appointee preparation. The best answer is therefore the practical one provided by several past administrations: schedule the sessions at periodic intervals, especially starting early in the first year of a new administration when most appointments take place. Continue them throughout the term, but less frequently as the inflow of new appointees slackens. (Re-elected administrations should do the same, even though new appointees may be fewer in number than the first time around.) Variations of this model were practiced by the Ford, Reagan, first Bush, and second Clinton administrations ("I wish we had done it sooner," Nash said).

Content. Judging by what most administrations actually decided, there is broad agreement on what the substance of orientation should be. Appointees need grounding in the operations of the White House and Executive Office of the President, cabinet affairs, and how to do business with the White House in management areas such as; the budget, cost efficiency, financial management, performance measurement, and teamwork; in effective relationships with outside entities both public and private—the Congress, the media, and interest groups; and in the behavioral aspects of their jobs, such as working with the career service, accountability, and personal and ethical integrity. Contemporary case studies and real examples can animate what otherwise might be boring lectures on government processes and procedures.

Structure. No consensus exists on a best approach. Administrations that conducted orientation seem to have been basically satisfied with its design, apart from fine tuning which in retrospect was seen to be desirable. The format of plenary sessions plus break-out discussion groups was used in two of the three orientation programs run by the Clinton administration. Thurgood Marshall, Jr., secretary to the cabinet in the second Clinton term, thinks the structuring

of break-out groups should seek to build networks of appointees throughout government with similar responsibilities, for example in health care or the environment. But care is necessary to ensure that appointees in any break-out group represent all agencies that work in a given area, not just one or two whose appointees "are going to deal with each other all the time anyway." [4]

Presentations. Watch out for eye-glazers, especially on technical topics like budget. "You go through a whole series of flow charts," said a former OMB director, "and unless you make it interesting, I challenge you to find one person awake in the room. If you explain it in bureaucratic terms or legalese, they'll fade out on you." Speakers, whether alone or in panels, should be informed, if not expert on their topics, relaxed, informal, engaging, interactive with the audience—and brief. Speakers with relevant experience have the most credibility when they talk about not only successes but mistakes and lessons learned.

Reaction from participants. The Council for Excellence in Government surveyed participants after each of the leadership conferences it jointly designed and conducted with the George W. Bush and Clinton White Houses, in 1997. The Bush appointees were particularly positive about the sessions with the president, along with the vice president or cabinet officials held in each of the four years of the first term. They also praised the opportunity to get to know colleagues from other agencies and preferred smaller interactive group sessions over large plenaries with speakers. The retreats for Deputy Secretaries and other members of the Presidents Management Council and the cabinet department Chiefs of Staff were seen as particularly valuable to the management of cross agency issues.

In the second Clinton term, a majority of those taking part over three years liked the opportunity to interact with people with direct experience in the topics covered, especially topics not typically offered in training courses, and felt the programs reinforced their sense of belonging to the administration's team (For example, a Clinton appointee wrote that he enjoyed "meeting people with whom I can work on shared concerns."). Many surveyed Clinton appointees wished the orientation program had begun earlier - in the administration's first term; many thought the program should continue; and some said they would like to return for them. The format of plenary panel discussions combined with smaller, break-out group sessions, used in the first two years (1997, 1998), found favor with most of those surveyed. They were less appreciative of the large-group discussion led by a single speaker, which was part of the format in 1998. Ratings for panel discussions were directly proportional to their briskness and dynamism. [9]

In 1996, an unpublished survey by Judith Michaels of first-term Clinton appointees (some of whom had also been PAS's in earlier administrations) showed that the Congress had barely nudged out ethics as the topic of most interest. Of 182 respondents, 85.5 percent thought interactions with the Congress were very important or of very great importance for an orientation program. Eighty-three percent of 181 respondents gave the same ratings to ethical guidelines.

Chase Untermeyer, director of the Office of Presidential Personnel in the George H.W. Bush Administration, had also been an assistant Navy secretary under Ronald Reagan and helped establish orientation under the elder Bush. He agreed that focusing on appointees with some weeks of service, rather than on those who have just arrived, "means they'll have more real-life questions, rather than supposition questions."[6] His deputy, Jan Naylor Cope, who managed the

Bush orientation program, also saw merit in this point. Recalling some of the key comments from surveyed appointees, she said that if what appointees hear in the orientation program is totally new because they themselves are still very new in their jobs, "it was almost as if they didn't know enough to know what to ask."[7] At the same time, Untermeyer and Cope recognized the value of orientation, whenever it occurs in an appointee's tenure. Cope said it allowed brand-new appointees to make connections with people whom they could later seek out for more information, once they encountered some of the issues covered in the orientation. She said Bush appointees surveyed afterward felt that the program's biggest value was simply the opportunity to meet other participants. Second was the chance to meet White House staff. Third was "getting a grip on what the intersection is between the White House and the agencies" - learning about the coordinating functions, cabinet affairs, and how to get things done interagency.

A GAO-sponsored survey of appointees serving in the Bush administration, by veteran analyst and author Judith E. Michaels, offers additional evidence of how appointees felt about orientation's importance and results (some of these individuals had served in previous administrations). Ethical guidance, for example, headed their list of topics that an orientation program should include. Of 178 who answered the question on this subject, 94 percent thought it was very important or of very great importance. Other subjects to which heavy majorities of appointees gave high importance were public policies relevant to PAS's individual agencies, the president's policy objectives, interactions with the Congress, the federal budget process and personnel system, relations with the news media, and OMB's decision making process. As for results, the great majority of respondents rated their orientation as generally adequate or very adequate on all topics covered.[8]

Harvard's Kennedy School of Government ran case-study seminars over the course of several years for Reagan appointees. They took place in combination with the administration's own briefing program (detailed in Section III, below). Peter Zimmerman, a senior Kennedy School official, raised an especially relevant point among those that emerged from surveys of appointee participants. Early on, he said, it was clear that the substantial number of participants who had been formally nominated but not confirmed - "those who were not yet really in the saddle" - tended to approach the seminar with the view that "anything was possible." They were too new, as yet too inexperienced with the challenges they faced, to be able "to engage the issues on a concrete level." As a result, the program's managers switched the focus to confirmed appointees who had been in place for a while. "People needed to have been on the job long enough to stub their toes, bang their heads a couple of times, get a sense of the reality of the situations in which they found themselves," Zimmerman said. "We're talking about the difference between people who have been in Washington for 30 days, with a building pass and an office, and the same people 90 to 120 days later." At the later point, "there was a material difference between their receptivity and interest and hunger for orientation discussions from when they were looking at all this in prospect."[5]

Appointee contact with predecessors. Perhaps for understandable reasons, no administration specifically advocated this as part of its own appointee preparation program. However, several observers argue the considerable benefits to individual new appointees of the practical insights that earlier tenants of their jobs can impart from their own experience. They suggest that administrations make a point of encouraging their appointees to take advantage of this rich resource. Further, Kathryn Higgins, a Clinton appointee at the U.S. Department of Labor who also served at the White House as secretary to the cabinet, noted a tradition among previous occupants of a certain position to get together as a group with the individual who has newly been appointed to their former job - "almost like an alumni group." People who have held positions before "tend to still be doing that kind of work in this town," she said. So it serves their interest to have relationships with each other and with whoever is their current successor in the administration. "They get together at the beginning of each administration and welcome that person to the fray. It's a good idea." [10]

Alternative to live orientation. Technology now offers rich opportunities to connect appointees with information and interactive discussions. The first website developed for Presidential appointees was launched in 2002 by the George W. Bush administration. For reasons stated earlier, these online resources and connections would lack the immediacy, proximity to the president, contacts, and team-building qualities of live group sessions.

Leadership preparation as an institution. Most administrations in the period covered here conducted some organized kind of appointee preparation for the operational challenges of their jobs. Moreover, the value of appointee orientation is universally acknowledged. So it is something of a paradox that orientation *as a concept* has rarely achieved enough visibility or momentum to cross through the transition from one administration to the next. Five of the seven administrations that conducted it apparently arrived at their decisions virtually independently of anything that occurred in the past. Sometimes, as with Reagan and Clinton, the decision was partly the result of conversations with outside individuals or groups that suggested or advocated it. One of the reasons why orientation is not more of an institution at this point can be traced to transitions between administrations of different parties, when the instinct of those coming in, at least at the outset, is usually to ignore or reject advice in such matters from those they are replacing.

Orientation as a permanent part of the picture has now been authorized by the Presidential Transition Act of 2000. It amends earlier transition legislation (in 1963) to provide for "payment of expenses during the transition for briefings, workshops, or other activities to acquaint key prospective Presidential appointees with the types of problems and challenges that most typically confront new political appointees when they make the transition from campaign and other prior activities to assuming the responsibility for governance..." [11]

III. Individual Administration Histories since 1957

This section covers those administrations that designed and provided substantial orientation programs to their sub cabinet appointees. Some notes on those that did not:

- There is no evidence of such a program conducted under Presidents Kennedy or Nixon, although Nixon is said to have been quite focused on problems of federal management and organization.

- In the Johnson administration, said veteran government official Dwight Ink, "I didn't really see much of an effort with respect to briefing the incoming leadership from a management standpoint." What did occur were "episodic" efforts to brief incoming cabinet members and White House staff.[12] Another source, a Johnson appointee, reportedly recalled orientation of a sort: a senior White House aide organized events for new appointees, presumably of the sub cabinet, who were invited to the White House, given an autographed picture of the president, and convened in the Roosevelt Room for "a session about the Johnson administration."

- In December 1992, President-Elect Clinton agreed to a two-day meeting for designated heads of cabinet departments and independent agencies, but it did not occur. Although sub cabinet orientation was recommended by outgoing Bush officials, none took place in the Clinton administration until its second term.

Where it is available, information on the expenses of orientation activities, and how they were paid, is included for the programs described below.

Dwight D. Eisenhower

Appointee orientation in the Eisenhower period began in August 1957, according to James Pfiffner, a George Mason University faculty member who has written extensively on the presidency. Departments, agencies, boards, and commissions in the Eisenhower administration were responsible for briefing their own appointees about federal government operations and their own places in the scheme of things, he wrote in 1987.

Chief among the topics were the Constitution, separation of powers, the external relations of the appointee's agency, the merit system, the Hatch Act, conflict of interest legislation, and the agency's organization, programs, and personnel. "The strength of the program was that it was instituted by the White House," Pfiffner said. "The weakness was that it was to be delivered by the departments and agencies. As with many other policy initiatives in the federal government, agency interest cannot be sustained without White House interest and follow-through." As a result, he noted, the Eisenhower orientation program did not achieve much recognition within the administration and did not carry over to the Kennedy administration. A further reason for the program's failure to survive into the next administration "was that sufficient staff were not assigned to develop and carry it out."[13]

Gerald R. Ford

The Ford administration program was designed and managed by the White House Office of Presidential Personnel in cooperation with OMB and the Civil Service Commission. The central operational figure, however, was Bradley Patterson, an assistant director of OPP (who as deputy secretary to the cabinet in the Eisenhower administration had worked on a White House initiative in this area). In all, three sessions for about 30 appointees each took place during 1975 and 1976, on invitation from the White House chief of staff (Dick Cheney and, later, Donald Rumsfeld). Participants were non-career appointees at the GS-16 level or higher who were new to government service. Usually held at the end of the week, sometimes including Saturday, the two-and-a-half-day orientation events encompassed a kick-off dinner, two days of orientation in the White House family theater, and a concluding reception with the president. "Jerry Ford was very good about that," Patterson remembered. For some, it was "a big morale booster—probably the only time they'd ever meet him." [14]

The orientation sessions began with an introduction by the White House chief of staff. Agenda topics mentioned by Patterson, who moderated the sessions, were working with career public servants, handling the media, the functions of the National Security Council, managing relationships with members and staff of the Congress, avoiding conflicts of interest, and abiding by the requirements for ethical behavior. Among the presenters on these subjects were the chair of the then-Civil Service Commission, the White House press secretary, the House minority leader, the White House counsel, and interest group representatives. Each appointee received a tabbed notebook book that included relevant statutes like conflict of interest regulations and information about the purpose and operations of various executive and legislative branch entities. In addition, a dinner meeting was scheduled for each group with "four or five" senior federal career executives.

Selection of participants focused on confirmed appointees to cabinet departments and agencies. It did not include regulatory agencies, judged to be semi-independent of the executive branch. Patterson said appointee orientation would have continued in a re-elected Ford Administration, because the president "was delighted with this" and appointees, although they were not formally asked to evaluate the program, were "very pleased."

Jimmy Carter

As already noted, the Carter administration continued the Ford program described just above. This was the result of the interest that Carter budget director Bert Lance took in the program run under the aegis of his Ford predecessor, Roy Ash. But as recorded in a letter to the director of the Federal Executive Institute from the late Edward Preston—then a career OMB official who was closely involved with the program—President Carter had no personal interest in the program Lance adopted. It took place in the Old Executive Office Building. On Lance's departure a year later, the Office of Personnel Management took it over. With no White House involvement and consequent difficulty in getting senior White House officials involved, however, the program faded out.[15]

Late in the Carter administration Arnie Miller, who had become director of OPP, and deputy OPM director Jule Sugarman began discussing a plan that, Miller said, would train appointees "with no background in government how to deal with the federal budget, how to handle the media, and how to cultivate relationships with Congress." The orientation program, he said, would also begin discussions about policies. In addition, Miller saw it as a team-building vehicle, integrating people at the policy making level in the White House and the Executive Office of the President with relevant officials in the departments and agencies. This would "establish from the very beginning connections that would serve to offset departmental loyalty," Miller said. "People would start seeing themselves as part of an administration and a team, working for a president as opposed to working for a particular department." Housed in OPM, the program was to be a "key element" in a projected second Carter term.[16]

Ronald Reagan

The Reagan era saw the most extensive effort yet undertaken to ready appointees for the management responsibilities of their service. It originated partly in conversations during the first year between presidential counselor Edwin Meese and Jonathan Moore, then-head of the Institute of Politics at Harvard's Kennedy School of Government (which since the early 1970s had been interested in the problems of presidential transitions). As related by Peter Zimmerman of the Kennedy School, Meese next asked the secretary to the cabinet to take the lead on the idea of training for new appointees. In 1982, the Kennedy School ran a two-day pilot workshop at the White House for newly confirmed and unconfirmed appointees including sub cabinet members (at the assistant and under secretary level) and independent agency heads as well as agency general counsels and inspectors general. It was staffed by faculty of the Kennedy School and the university's law and business schools. This was deemed a success, according to Zimmerman.[17]

What followed, from 1982-1987, was a series of about 20 orientation programs in Washington, running from two-and-a half to three days and scheduled "whenever 20 to 30 new appointees had been sworn in." Again, OMB career official Edward Preston assisted in the design of the program. It took place in the White House and in the Old Executive Office Building and featured a consistent format. On the first day, as recounted by Pfiffner and Preston, senior officials including Meese welcomed the group and spoke to them about the administration's agenda. White House staff members briefed on such subjects as the budget, legislative and cabinet affairs, presidential personnel, and policy development. A White House reception and dinner followed.

On days two and three, Harvard faculty ran case-study seminars for between 25 and 35 appointees, with a focus on political and administrative processes and the effective management of federal agencies. According to Pfiffner and Zimmerman, the case studies—from the public and private sectors alike—addressed three problems facing public managers: dealing with an organization's external environment; organizing and deploying its internal resources; and devising strategies to achieve its goals. Appointee participants joined in analyzing various approaches to the problems presented. The seminars were divided into about six sessions of 60 to 75 minutes each over the two days, with lunch the first day, no dinner that evening, and a closing lunch on the final day with a high-level official as speaker.

Zimmerman estimated that, in all, the Harvard-run seminars reached more than 400 Reagan political executives— "a healthy sampling of about two-thirds of the most important sub cabinet appointees." In the 1986-87 period, the Kennedy School commissioned two junior faculty members to interview a hundred appointees who had taken part in the program. Among the data they sought was evaluation of the seminars and their impact. Their survey was not published, but several of its findings are worth noting here. Asked what had been most surprising about their experience in Washington, appointees said they had developed a new appreciation of the complexity of the policy process. To a slightly different question—what had they found in Washington that they did not anticipate—they expressed increased respect for the commitment and professionalism of career civil servants. A third finding, about timing of appointee orientation, is included in Section II, above.

Two other kinds of orientation unfolded in the Reagan administration. One, in Pfiffner's description, was a series of White House briefings "on specific policy issues in areas of major public controversy." Cabinet officers usually ran these 90-minute sessions; all PAS-level appointees were invited. Preston wrote that such sessions were also sparked by the announcement of major policy initiatives. The other kind of orientation consisted of several conferences for non career (politically appointed) members of the Senior Executive Service and for Schedule C appointees. They were conducted by the White House and OPM and directed variously at national security policy, foreign and domestic economic and social policy, and management techniques.

Finally, early in the first Reagan term, the president on two occasions addressed large groups of new appointees, including cabinet members, about administration plans and goals. Later on, as the number of incoming appointees diminished, he met about every six weeks with small groups of new appointees for brief remarks and individual photographs. E. Pendleton James, the first Reagan director of OPP, said it was important "that appointees meet the president at the beginning, not at the end when they go home."[18]

The Kennedy School received a fee for its seminar services from the White House, which covered the expense at least in part by charging agencies for their participating appointees.

George H. W. Bush

Bush transition planners were well aware of the orientation activities of the Reagan era. They called on retired Ford OMB veteran Edward Preston to help design a program for Bush appointees. Jan Naylor Cope, a member of the transition team who was to be deputy director of OPP, got the job of putting together the orientation sessions, working with OPM and its new administrator, Constance Newman, as well as with Preston.[19] President Bush, Cope added, "clearly gave us the message that he wanted appointees, whether they were returning or totally new, to have a clear understanding that the civil service was not the enemy."

Day-and-a-half orientation sessions, each with about 20 PAS appointees, began in April 1989 and took place every three weeks into the fall, usually in the Eisenhower Executive Office Building. As the number of new or recent appointees dropped, the sessions slowed to about one a month by the fall, then fell off further, but continued through the Bush term. They covered

White House components, including cabinet affairs, and their relationship to the rest of the executive branch; ethics/financial disclosure; budget; economic and domestic policy formulation; congressional and media relations; working with career employees; and government ethics. Separate time was also reserved to discuss how to bring outside individuals into government on Schedule C appointments.

Attendance at the sessions was just all but mandatory, and the pressure to take part began with the president. Cabinet members, however, were not often present. "That's fairly understandable," Cope said, "but we did an effective job down the rest of the line. We hounded people who said they had a conflict." The program reached a total of 450 individuals, each of whom also received a detailed briefing book and a copy of *A Survivor's Guide for Government Executives*, published in 1989 by the Council for Excellence in Government. Program sessions began with a reception in the Indian Treaty Room with senior White House officials, including the president or vice president "depending on their availability," Cope said.

The faculty for the program was top executive branch officials, each covering one of the areas mentioned above—such as the White House counsel, the director or deputy directors of OMB, and the chief of OPM. A typical presentation occupied 20 minutes, with the rest of the hour on that topic given over to interactive discussion. On the topic of relations with the career service, presenters included senior career executives. For congressional and media relations, the presentation broadened into panels with such figures as former members of the Congress, White House or agency congressional affairs people, and the White House press secretary.

"We tried not only to get the cross-pollenization of PAS's meeting one another, but to give them a point person in all the senior places in the White House," Cope said. "A lot of people frankly didn't know how the White House was organized and what their relationship with them would be." Constance Horner headed OPP in the administration of George H.W. Bush after serving as deputy secretary of the Department of Health and Human Services. Earlier, she headed OPM under Reagan. "From a networking point of view, these sessions are fantastic," she said. "This may be the only time you'll see the head of the Federal Trade Commission, for example, in your four years of service. It creates wonderful bonding in a very short period of time."[20]

Parallel to the PAS orientation, according to Preston, OPM ran similar sessions for (1) non-career appointees of the Senior Executive Service and new career SES executives; and (2) Schedule C appointees. During the Bush/Clinton transition, the Bush administration made an informal effort to advise Clinton personnel officials about the program and to recommend that the process be continued.

Since the Bush program was an in-house operation, its costs were low. The White House paid for meals and receptions.

William Jefferson Clinton

The second Clinton administration conducted orientation programs in 1997, 1998, and 1999.[21] They originated in a series of conversations between Patricia McGinnis, President of the

Council for Excellence in Government, Ann Lewis, Council Vice President, and White House senior officials including Kitty Higgins, Secretary to the Cabinet, Bob Nash, Director of OPP, John Koskinen, Deputy OMB Director for Management, and several senior cabinet department representatives. These discussions led to a formal White House request in 1997 that the Council work with it to jointly plan and run a leadership conference for appointees and nominees.

To help design the conference, the Council created a bipartisan advisory group comprising a number of Council members and trustees. Some of these advisors and other Council members as well would serve as facilitators for the break-out discussion groups in the conference.

With an opening address by the vice president, the first conference, a day-long event, took place in May 1997 (on a Saturday) at the U.S. Department of State. A hundred and fifty appointees and nominees from 27 executive branch cabinet departments and agencies attended. The conference was designed to connect the appointees with their colleagues across government and with the White House staff in discussions about effective leadership and management. Four plenary panel discussions, plus a dozen break-out discussion groups that met twice during the day, examined several key objectives—getting results in the public interest, working effectively with the Congress and the media, proper stewardship of the public trust. To exemplify these themes for participants, the Council also developed five case studies of actual problems that had been met and resolved earlier in this administration. The plenary and break-out meetings allowed appointees to hear and interact with 40 expert, diverse presenters: current and former appointees and members of the Congress of both political parties, public affairs and media veterans, and academic and think-tank specialists. A reception in the diplomatic rooms of the U.S. Department of State ended the day.

Satisfaction with the results of the 1997 program, plus good marks from those who took part, generated a renewal in 1998. Nearly 180 appointees from 34 federal agencies took part in a day-and-a-half event (on a Friday and Saturday in April), again jointly planned and carried out by the White House and the Council. With a format similar to that of the 1997 program, the conference began in the Eisenhower Executive Office Building with a conversation with the vice president and a reception in the Indian Treaty Room, and continued at the U.S. Department of State, with a reception at the close. The discussions were led by a large, bipartisan group of eminent speakers, panelists, and discussion leaders with especially relevant experience—the same mix as for the 1997 event, plus an author, an academic, a nonprofit leader, and an opinion specialist. In addition to the subject matter examined by the 1997 conference, this one looked at leadership among competing interests and the relationship between all of these issues and public trust in government. At lunch, six senior White House staff members described their responsibilities and answered questions. Case studies were employed to illustrate the operational strategies under discussion.

In 1999, the White House and the Council offered appointees a different format: five luncheon panel discussions over a two-month period in nongovernmental locations. Between them, the five sessions covered three topics—getting results (two sessions), dealing effectively with the media (one), and working productively with the Congress (two). Appointees could choose the sessions they preferred to attend in covering all three topics. Each session also

emphasized the necessity to sustain momentum as the administration's term entered its final year. Attendance at the five meetings totaled 150. As panelists, the program called on a group of 17 individuals representing business, the executive and legislative branches, academic institutions, think tanks, and the media. Among these experts were the chair of the Consumer Product Safety Commission, the vice president's director of legislative affairs, two faculty members of Harvard's Kennedy School, a former Senator and a former Congressman, the congressional correspondent of the *Baltimore Sun,* a resident scholar of the American Enterprise Institute, the staff director of the Senate Committee on Government Affairs, a senior policy advisor to the vice president, and the director of the Federal Emergency Management Agency.

Appointees attending all three Clinton programs received briefing books and other relevant materials. Expenses for the programs were chiefly for logistical support, rental of premises, catering, preparation of case studies, and staff time. A small number of honorariums was involved. In the first year, the federal government's expenses were financed through tuition payments from federal agencies with participating appointees; support from The Carnegie Corporation of New York, The Fannie Mae Foundation, The Andrew W. Mellon Foundation, and The German Marshall Fund of the United States made the Council's role possible. Tuition payments covered nearly all of the total cost of the 1998 conference as well as all costs in 1999.

George W. Bush

The Presidential Transition Act of 2000 authorized an orientation program for Presidential appointees and White house staff. An appropriation of $1 million was provided for the creation of an Appointee Directory and orientation programs.

In late summer 2001, the Council for Excellence in Government was selected to assist with the development and implementation of a Presidential Appointee Orientation Program. Council CEO Patricia McGinnis recommended the creation of a steering committee of White House staff and several top appointees to guide the effort. The steering committee was chaired by Clay Johnson, Assistant to the President for Presidential Personnel. Its members included Albert Hawkins, Assistant to the President for Cabinet Affairs, two veterans of government service, Michael Jackson, Deputy Secretary of Transportation and Marion Blakely, Chair of the National Transportation Safety Board, and two newcomers to government, Leo McKay, Deputy Secretary of Veterans Affairs and Kathleen Cooper, Under Secretary of Commerce for Economic Affairs.

Clay Johnson described the goals of the orientation effort as "to build a strong team, to share ideas and best practices about what works and what is not working and to give appointees tools to help them be successful." He pointed to "ethics rules, how Congress works, oversight," and the President's Management Agenda.[22]

There was a strong focus on management and results, the theme of three large sessions for subcabinet appointees held at the State Department. The President spoke to appointees at least once a year during the first term, when the orientation program was underway.

- October 2001: "Dedicated to Serving America" – Presidential address to cabinet and subcabinet appointees and SES at Constitution Hall.

- February 2002: The President met with cabinet, subcabinet and White House staff to discuss goals and expectations. The Vice President and three cabinet secretaries also spoke.
- December 2003: The President met with cabinet and subcabinet appointees to discuss goals and expectations for the second half of the administration at the Reagan Building. OMB Director Mitch Daniels and HHS Secretary Tommy Thompson also spoke.
- January 2004: The President met with cabinet and subcabinet appointees and SES at Constitution Hall.

Small discussion sessions and workshops were organized to engage appointees in the President's Management Agenda and Managing for Results.

Discussion Sessions on the President's Management Agenda
Four half-day sessions for presidential appointees. These interactive sessions were created to help appointees achieve results for the people they serve.

- February 2002: Electronic Government
- March 2002: Budget and Performance Integration
- March 2002: Strategic Management of Human Capital
- May 2002: Competitive Sourcing

Workshops on Integrating Budget and Performance

- In-depth sessions for appointees on PART with Congressional staff – April 2003, October 2003, January 2004.
- Follow-up sessions for agency leads on budget and performance integration – spring and summer 2004.

Discussion Sessions on Managing for Results for Appointees

- March 2003: Admiral Jim Loy and Transportation Deputy Secretary Michael Jackson discussed the creation of the Transportation Security Administration.
- January 2003: Former Secretary of State George Shultz discussed his experience leading OMB and several cabinet departments and lessons learned.

A website, www.results.gov was launched in September 2002 with information and resources for appointees, including the Appointee Directory with photographs and short biographies, updates on the President's Management Agenda, including updates from the OMB Deputy Director for Management and the lead staff in each element, updates and best practices from the Departments, guidance on ethics rules, records management, legislative affairs and government oversight. The website also included video and transcripts of the President's meetings with appointees and other speakers at events for appointees.

Retreats were also organized for Deputy Secretaries and Chief Operating Officers, Chiefs of Staff and Deputy Chiefs of Staff, and Regional Appointees from across the federal government.

- March 2002: One-and-a-half day retreat for President's Management Council (Deputy Secretaries and Chief Operating Officers of departments and agencies) to discuss President's Management Agenda and how to get to green on the PMA scorecard.

- January 2003: One-and-a-half day retreat for Chiefs of Staff and Deputy Chiefs of Staff to discuss the role of the COS and to share best practices and practices to avoid.
- February 2003: One-and-a-half day retreat for PMC (Deputy Secretaries and Chief Operating Officers of departments and agencies) to discuss President's Management Agenda and how to get to green on the scorecard.
- May 2003: One-and-a-half day retreat for Regional Appointees to discuss effective regional management – challenges and best practices.

Funds for appointee orientation in the second term were not appropriated by the Congress with the rationale that federal departments and agencies could use existing funds for orientation. Patricia McGinnis noted "orientation for new appointees has value throughout an Administration's tenure, especially given the turnover of leadership." The authorization of appointee orientation is a valuable ongoing resource for every president.

IV. Putting this history together

To document the history of appointee orientation, the Council interviewed a number of former officials of various administrations who were involved, as well as experienced observers who have written about the process. These individuals are identified in the text, in endnotes, and in the list of interviewees, below. The Council also consulted written sources: published texts, congressional documents, memoranda, and the briefing books that accompanied the orientation programs of the Ford, Bush, and Clinton administrations.

Interviewees and their current or former positions relevant to this history

Jan Naylor Cope, Deputy Director, Office of Presidential Personnel, George H.W. Bush administration

Kathryn Higgins, Secretary to the Cabinet, Clinton administration

Constance B. Horner, Director, Office of Presidential Personnel, George H.W. Bush administration, and Director, Office of Personnel Management, Reagan administration

Dwight Ink, who held many senior positions in several administrations

E. Pendleton James, Director, Office of Presidential Personnel, Reagan administration

Clay Johnson, Deputy Director for Management, Office of Management and Budget, George W. Bush administration

Calvin Mackenzie, Goldfarb Family Distinguished Professor of Government, Colby College

Thurgood Marshall, Jr., Secretary to the Cabinet, Clinton administration

Judith E. Michaels, analyst and author

Arnie Miller, Director, Office of Presidential Personnel, Carter administration

Bob Nash, Director, Office of Presidential Personnel, Clinton administration

Bradley Patterson, Assistant Director, Office of Presidential Personnel, Ford administration

Chase Untermeyer, Director, Office of Presidential Personnel, George H.W. Bush administration

Joseph R. Wright, Jr., Deputy Director and acting Director, Office of Management and Budget, Reagan administration

---

Endnotes

[1] The White House, memorandum by Bradley Patterson on the first meeting of the Brookings Institution Advisory Committee on Presidential Transition, September 16, 1960, quoted in "Strangers in a New Land: Orienting New Presidential Appointees," by James P. Pfiffner in *The In-and-Outers: Presidential Appointees and Transient Government in Washington*, ed. by G. Calvin Mackenzie (Baltimore: The Johns Hopkins University Press, 1987), 143

[2] Calvin Mackenzie, interview with author, November 19, 2001

[3] Bob Nash, interview with author, December 13, 2001

[4] Thurgood Marshall, Jr., interview with author, November 19, 2001

[9] Council for Excellence in Government, tabulation of evaluation survey results, 1997-2001.

[6]Chase Untermeyer, interview with author, November 13, 2001.

[7]Jan Naylor Cope, interview with author, November 2, 2001.

[8] Judith E. Michaels, *The President's Call: Executive Leadership from FDR to George Bush*, University of Pittsburgh Press, 1997, 257, 300-301

[5] Peter B. Zimmerman, Senior Associate Dean for Program Development and Executive Education, John F. Kennedy School of Government, Harvard University, interview with author, November 1, 2001.

[10] Kathryn Higgins, interview with author, December 14, 2001.

[11] Washington, D.C., The Presidential Transition Act of 2000.

[12] Dwight Ink, interview with author November 15, 2001.

[13] Pfiffner, in Mackenzie, *The In-and-Outers*, 148

[14] Bradley Patterson, interview with author, November 14, 2001.

[15] Edward F. Preston, *Orienting Presidential Appointees: An Essential White House Task*, paper prepared for the Panel on the Presidency of the National Academy of Public Administration, November 1988, revised in November 1992, page 3.

[16] Arnie Miller, interview with author, October 29, 2001.

[17] Peter Zimmerman, interview with author, November 1, 2001.

[18] E. Pendleton James, interview with author, November 29, 2001.

[19] Jan Cope, interview with author, November 2, 2001.

[20] Constance Horner, interview with author, November 30, 2001.

[21] The sources of information in this section, on the history of Clinton Administration orientation, are the relevant files and briefing books of the Council for Excellence in Government as well as the staff of the Council, including the author.

[22] Clay Johnson, quoted in The Washington Post, 2001

CENTER FOR THE STUDY OF THE PRESIDENCY

HONORARY CHAIRMEN:
GEORGE H. W. BUSH
JIMMY CARTER
WILLIAM J. CLINTON

September 19, 2008

The Honorable John McCain
The Honorable Barack Obama

Dear Senators McCain and Obama:

There are occasions when statesmen put aside political differences and come together to demonstrate unity on matters on national importance. The two of you did so when you joined together recently to commemorate the seventh anniversary of September 11, 2001.

We, the undersigned, ask that you join together again in an effort to help assure the quality of governance in the years ahead. The collaboration we seek would make it possible to have critical Presidential appointees confirmed on or soon after the Inauguration on January 20.

As you are aware, over the years an increasingly protracted and intrusive Presidential appointment process has discouraged highly capable individuals from accepting the call to public service and has caused delays in appointments that put the country at risk. Given the track record in the Bush and Clinton administrations, a new President should expect that most appointees who require Senate confirmation will not be in place until Labor Day or even later. National and homeland security threats during this vulnerable period and the urgency of challenges to our economy call for a new and sharply expedited process for key posts to assure continuity of leadership.

We urge your transition planning teams to submit the names of national security transition advisors and prospective nominees to critical appointed positions for security clearance as soon as possible, as allowed by the National Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458), to expedite the nomination process.

1020 NINETEENTH STREET, NW ☆ SUITE 250 ☆ WASHINGTON, DC 20036 ☆ 202-872-9800 ☆ FAX 202-872-9811 ☆ CENTER@THEPRESIDENCY.ORG

We also request that you join together to implore your colleagues in the Senate, especially the Majority and Minority Leaders, to agree to a timeframe for considering and voting on nominees to the 50 most critical positions within 30 days of Inauguration, and others within 45 days of nomination.

As you know, Congress over the years has considered various legislative proposals for reform, but none has achieved final passage or signature by the President.

This year presents an extraordinary opportunity to begin clearing the bureaucratic and political morass that clogs the nomination and confirmation process for Presidential appointments process.

For the first time in history the nominees of the Republican and Democratic Parties both are members of the Senate and both of you are devoted to improving the performance of the Federal government.

Accordingly, we also urge you to lead comprehensive reform in the appointments process through administrative and legislative changes.

- To call on Congress for immediate reforms in the nomination, review and confirmation process for appointments, and
- To pledge that whoever assumes the office of the Presidency will carry out similar reforms in the Executive Branch with the support of the other candidate who will have a leadership role in the Senate.

A letter signed by you both and directed to the leaders in the Senate would serve to catalyze Congressional action on the Presidential appointment process and, moreover, to inspire capable individuals to serve their country when called to serve in what Benjamin Franklin deemed "posts of honor."

On behalf of our institutions and all those who are devoted to good governance, we thank you for your consideration of this request.

Sincerely,

The Honorable David Abshire
President
Center for the Study of the Presidency

Dr. Ralph J. Cicerone
President
National Academy of Sciences

Ms. Jennifer L. Dorn
President and CEO
National Academy of Public Administration

Professor Paul C. Light
Paulette Goddard Professor of Public Service
New York University

Mr. Max Stier
President and CEO
Partnership for Public Service

Ms. Patricia McGinnis
President and CEO
Council for Excellence in Government

The Honorable Richard A. Meserve
President
Carnegie Institution for Science

Dr. Gilbert S. Omenn
University of Michigan and
Past President
American Association for the Advancement of Science

Norman J. Ornstein
Resident Scholar
American Enterprise Institute

Mr. TOWNS. Mr. Kettl.

STATEMENT OF DON KETTL

Mr. KETTL. Mr. Chairman, thanks very much, and not only for the opportunity for the chance to testify before the subcommittee today, but also for the subcommittee's leadership in taking on this absolutely critical and important issue. We already knew this was going to be an important transition. We knew that with the issues of homeland security, we're facing challenges unlike any we've seen before. But what we've seen in the last week with the issues of financial security, we now know that we have challenges that are multiplied. We have big problems that emphasize all the more the importance of leadership and that emphasize even more fundamentally the importance of confidence in the system to be able to drive things forward. And that's the most important thing that we can accomplish in the transition that's coming, of creating capacity to ensure both competence and confidence in the American government.

The challenges are huge, in part because the problems are so dynamic and changing, in part because the pace at which the decisions are being made is so fast, in part because any decision that we make has implications that spill over internationally, not only within our own hemisphere but around the world. We have institutions that we are in the process of creating, recreating, and transforming in the process. And we have big issues for which there's no clear roadmap. And so it's all the more important that we establish principles to guide our actions instead of running the risk of stumbling through on an ad hoc basis, dealing with one problem as it comes up after the other, which can only serve to undermine the ability of the system to create confidence to begin with.

We have homeland security, which is already important. We have financial security, which has become even more important. We have other issues that are out there, including management of the census, the care for our wounded warriors returning from wars in Afghanistan and Iraq. We have a need to try to manage the war in a productive kind of way. And in short, we have a whole set of issues that demand the highest levels of both confidence and competence in our system.

Let me suggest five things, Mr. Chairman, that we might be able to do to ensure that the transition gives the American people what it is that they deserve.

The first is to make the obvious point that some of the others today have made as well, which is the essential importance of beginning now. And in fact beginning now is already too late. We need to have transition processes in place long before now so that when Election Day comes, the new team is ready to begin that process of transition into executive decisionmaking and responsibility.

To even talk about this out loud is so often seen as hubris. But one of the most important things this committee can do and, in fact, that all those who care about this issue can accomplish, is to make it possible and politically safe for people to talk about what it is that needs to happen, because it is is irresponsible not to. One of the things that we are electing is the Chief Executive of the

United States, and we need to make sure that the President's in the position to ensure that the laws are faithfully executed.

The second thing is fast track confirmation. As many of my colleagues today have talked about, we need to be able to make sure that, first, the new administration is in a position to identify the mission-critical positions; that the security clearances and background checks are done expeditiously; that the Senate confirms them quickly; and that we can get the key people in the key positions ready to act, so that we are not in a position, as we might well have been in in the middle of a financial crisis, without the key people in place, confirmed by the Senate, in the position to exercise legal authority. At this point there is simply no alternative but to ensure that we have fast track confirmation for those key mission-critical positions if we're going to have a government that works.

Third thing is preparing the team to lead. We need not only orientation programs for the top political appointees, but we need a kind of rolling process to ensure that as others come onboard after the first 100 days, the first 200 days, given the pace of clearance and the way in which these positions are filled, we need an ongoing orientation program and we need a program on top of that to provide ongoing support.

We did a project not too long ago with Danish senior civil servants and Danish political appointees who told us that one of the hardest things that was hardest about their jobs was a sense of loneliness and the lack of support. Having people in a position to provide guidance on some of these key issues is absolutely critical to ensuring that the kind of executive experience we need is in place. This requires, in some cases, a small bit of budget support; but to do otherwise is to risk leaving the country unprepared.

Fourth is to build the budget. If the President doesn't have the priorities in place when the new budget's submitted, then in many cases it may be a year and a half until there's another crack at trying to attack those issues. It's absolutely critical that the administration has the capacity in place to make those decisions quickly.

Finally, if there's anything that's become clear about this election is it's an election about change. One of the things we have not heard, though, is how the candidates propose to translate that change into results. The new President needs to be in a position quickly to ensure that the rhetoric of change is translated into results that matter; that we need to have a system for management for results. We need, as the Comptroller General suggested earlier, far better contract management and, in particular, an attack on the high-risk programs that especially expose the government to fraud, waste and abuse.

And finally, we have a looming human resources crisis that will require continuing effort to make sure that we have in place the people who are equipped to be able to do the jobs that need to be done.

In short, Mr. Chairman, we need a government that can not only provide competence but also confidence, and that's why this transition is so absolutely critical.

Mr. TOWNS. Thank you very, very, very much.

[The prepared statement of Mr. Kettl follows:]

Preparing for the Presidential Transition: Critical Issues, Essential Steps

Statement

Subcommittee on Government Management, Organization, and Procurement
Committee on Oversight and Government Reform
United States House of Representatives

September 24, 2008

Donald F. Kettl

Robert A. Fox Leadership Professor
Frederic Fox Distinguished Resident Scholar
Professor of Political Science

Fox Leadership Program
University of Pennsylvania
3814 Walnut Street
Philadelphia, PA 19104

Phone: 215.746.4600
email: dkettl@sas.upenn.edu

Donald F. Kettl
Robert A. Fox Leadership Professor
University of Pennsylvania

Preparing for the Presidential Transition: Critical Issues, Essential Steps

In the 1970 movie classic Patton, two soldiers in General George Patton's army, rushing forward to capture Berlin, have stopped their tank to puzzle over where they are and where to head next. "This place isn't on the map," one solder says. "You know why?" the other replies. "We've run clear off the map."

The Financial Crisis

This is precisely the situation the president we elect on November 4 will find. September's financial meltdown is leading to the largest and most fundamental redefinition of the role of government since the 1930s. In important ways, our situation today is far more complex than what Franklin D. Roosevelt faced after the 1932 election.

- *Dynamic problems.* For Roosevelt, the stock market crash had occurred three years before and the problems had ripened. For the president we elect in 2008, the problems are continuing to emerge and change. Roosevelt was not trying to rebuild a system in the middle of the meltdown. The new president will need a clear understanding of the policy issues and a crisp strategy for action, aggressively followed and clearly explained.

- *Fast pace.* For Roosevelt, the pace of change was comparatively measured. For the president we elect in 2008, the 24-hour news cycle provides little time for reflection. Financial markets move not in reaction to policy decisions but in anticipation of the next policy move and market shift. The new president will need to move fast with sure steps.

- *International pressures.* For Roosevelt, the Great Depression had international roots and America's problems created international fallout. For the president we elect in 2008, however, the instantaneous international rebound gives an immediate report card on any policy decision. The new president will need to build a strong international consensus, and engender global support, to ensure that international cross-pressures do not undermine his strategy.

- *Institutional transformation.* For Roosevelt, his New Deal initiatives redefined government's role and created new governmental structures. For the president we elect in 2008, there will not only be a fundamental redefinition of government's role. We are now moving even farther, to broaden government's role and to strengthen its institutions. The new president will need to confidently lead the nation into this new era and to effectively manage these new institutions. These are very big, very broad, very critical, and very new challenges.

Managing the vast complexities of the financial bailout has now pushed everything else aside. This will be the single most important challenge facing the new president.

Other Issues

Beyond the financial meltdown is a series of other important challenges.[1] Consider these critical issues in particular:

- *Homeland security*, including the need to protect the nation from any attempt by terrorists to use uncertainties in the transition to launch an attack. Moreover, Mother Nature pays no attention to the calendar, and natural disasters can threaten at any time. This is the first transition for the new Department of Homeland Security, and the need for careful planning to ensure a seamless transition is especially great.[2]

- *National defense,* including the ongoing conflicts in Iraq and Afghanistan. The nation faces critical months ahead in continuing the transition of security responsibilities to Iraqi forces, reconstructing critical infrastructure in Iraq, and seeking to stabilize Afghanistan. Everyone involved in those two nations will be looking for signs of future policy decisions and some forces will be seeking to take advantage of the transition to destabilize the efforts.

- *The nation's decennial census,* which shapes everything from the distribution of federal dollars to the redrawing of congressional districts. Field tests of new technological systems to support the census count will begin in the spring of 2009. The Census Bureau has already encountered serious problems with its systems, which has prompted the Government Accountability Office to include the census on its "high-risk list" of federal programs especially prone to waste and mismanagement.

- *Caring for wounded warriors,* especially those returning from service in Iraq and Afghanistan. Tens of thousands of wounded soldiers are returning from service, and subtle injuries are certain to service in the years to come among tens of thousands of other veterans. The Department of Defense and Veterans Affairs health care and benefits system need substantial transformation to deal with the care our wounded warriors unquestionably deserve.[3]

- *The federal budget,* which will now be saddled with perhaps a trillion dollars of new debt and with economic worries that will overhang fiscal planning. Big issues that were already posing enormous challenges for the federal budget—the expiring tax cuts, the difficulty of untangling the alternative minimum tax, rising entitlements (especially in the Medicare and Medicaid programs), and the looking costs of the Baby Boomers' retirement—will compound the fresh challenges of the mortgage meltdown.

---

[1] For analysis, see National Academy of Public Administration, Presidential Management Capacity to Respond to 21st Century Challenges, at http://www.napawash.org/pmc/index.html

[2] See National Academy of Public Administration, *Addressing the 2009 Presidential Transition at the Department of Homeland Security* (Washington: National Academy of Public Administration, 2008), at http://www.napawash.org/pc_management_studies/DHS/DHSExecutiveStaffingReport2008.pdf

[3] National Academy of Public Administration, *Beyond the Yellow Ribbons: Building a Veteran-Centered System* (Washington, DC: National Academy of Public Administration, 2008).

Transitions are always times of great excitement and great risk. What was certain already to be a transition of great challenge has now become the most important and most difficult presidential transition in 75 years, since 1933. The issues loom large. The intellectual capital for charting a new strategy is low. We have, in fact, run clear off the map. In the appendix at the end of this testimony, drawn from my forthcoming book, *The Next Government of the United States,* I explore many of these broader issues in more detail.

Steps for Effective Transition

That makes it all the more important for the next president to chart a strategy that ensures a smooth and effective transition. Let me outline the steps that the next president must take and how Congress can best support them.

1. *Begin early.* The issues are so important that the candidates must ensure that their transition efforts are underway long before the election. This can create political problems, since critics might suggest that the candidates are being too presumptuous. But it is the height of irresponsibility *not* to plan the candidates' strategies and tactics for tackling these issues long before election day. Waiting until mid-November to start would expose the nation to enormous and unnecessary risks. In fact, it is critical for each candidate to describe how he would exercise his constitutional obligation as chief executive and ensure his oath of office to "faithfully execute the Office of President of the United States." A public discussion of these issues would greatly benefit the campaign. At the very least, thorough planning for the transition ought to be protected from political attack. Everyone touching the political process ought to demand a public discussion of how candidates would govern and ought to do everything possible to make such discussion politically safe. Indeed, it would show the utmost irresponsibility if the candidates were not now planning for how to fulfill the oath of office. The new president needs to be prepared to govern effectively, starting at noon on January 20, 2009.
    - The incoming administration must have a transition planning operation in place now to ensure that all the other necessary steps can begin as soon as the election's results are know.
    - Congress should join everyone else in the political system to support this effort.

2. *Plan for fast-track confirmation.* The burdens of sorting through positions, identifying appointees, preparing disclosure statements, and securing congressional confirmation can leave a new administration without its top leaders for many months. The White House Personnel Office has identified the 100 most important appointed positions and has outlined a strategy for getting them confirmed by April 1—followed by the next 300 appointees by August 1. It is a sign of the complexity of the process that it takes so long. It is also a sign of our sluggish efforts to reform the system, including simplifying the financial disclosure form and reducing the number of positions that require full Senate confirmation. But despite these continuing roadblocks:
    - The incoming administration should plan for fast-track confirmations: identifying the mission-critical positions; recruiting candidates for these positions first;

providing assistance in completing the confirmation paperwork; and working with Congress in streamlining the confirmation process.

- The Senate should work closely with the incoming administration to ensure a thorough but rapid confirmation of individuals nominated for such mission-critical positions.

3. *Prepare the team to lead.* The new president's first job is building the team who will help him manage the government. He must staff the White House and appoint the members of his cabinet. He must fill more than 1,600 policy-making Schedule C positions and deal with thousands of other political appointments—all while dealing with tens of thousands of applicants sure to be disappointed. Most important, he must prepare the team to lead.
    - The incoming administration should create a systematic program to provide its political appointees with the job skills required for success in senior government positions, as outlined in invaluable guides like the new *The Presidential Appointees Handbook.*[4] The program should begin with the first appointees and continue through the following years, in part to help appointees deal with the ongoing challenges of their positions and in part to help new appointees who assume office in the midst of the term to hit the ground running.
    - Congress should supply the modest appropriation required to support this effort.

4. *Build the budget.* From the moment the celebration confetti meets the broom and dustpan, the clock is ticking on the new president's budget. The president-elect has just weeks to put together his new budget and, with the budget, put his stamp on new priorities and existing programs. There are, of course, other opportunities to introduce new plans and only rarely is the budget passed on time. But the introduction of the budget is an important event, for both policy substance and political theater. The president's first budget will shape activity until nearly the end of his second year in office, so grabbing these reins is an important part of the transition. That will be all the more important this year, with the Congressional Budget Office projecting that the deficit will more than double from $171 billion in fiscal year 2007 to $407 billion in 2008; with most of the government operating without a regular budget; and with major budget issues on the table: the cost wars in Iraq and Afghanistan, the decision about whether to extend the tax cuts scheduled to expire in 2010, and a fix for the alternative minimum tax which is drawing in more taxpayers every year. The cost of the financial bailout will swamp even these numbers. That makes the president-elect's transition decisions about the FY2010 budget all the more important.
    - The incoming administration should assemble its financial team as its first order of business after building the president's personal staff. The financial team must move quickly to establish a long-term plan to deal not only with the nation' long-run fiscal problems but also with the immediate financial crisis.

[4] G. Edward DeSeve, *The Presidential Appointees Handbook* (Washington: Brookings Institution Press, 2008).

- Congress should act expeditiously on the coming year's budget to provide the financial markets with additional assurance about the nation's fiscal health.

5. *Change = results.* The two presidential campaigns have focused their efforts on change. As the financial crisis makes inescapably clear, change is more than ideas or rhetoric. Making change stick requires achieving results. For the new administration, the most important results will lie in reinforcing the nation's financial security.
   - The incoming administration should focus its efforts on moving aggressively from ideas to results. This means managing the transformation of financial policy outlined earlier—and building the next generation of reform outlined in the appendix below.
   - Congress should focus its efforts and energy on reinforcing the pursuit of results, from effective use of its own tool, the Government Performance and Results Act, to ensuring effective oversight of government programs.

Appendix

An Action Plan for the Next Government of the United States

Donald F. Kettl

from
The Next Government of the United States:
Why Our Institutions Fail Us and How to Fix Them
(New York: W.W. Norton, forthcoming © 2008)

American government is at a turning point. More of the same government is likely to produce more of the same unacceptable results. What we need is a fresh, even revolutionary approach to governance. What should be the action plan for this approach—to the next government of the United States?

As this book has shown, we have been here before: critical points in American history at which old ideas have run out of gas and where new reforms have been needed to replace them. Reform 5.0, which dominated American government since the beginning of the Reagan administration, is no longer up to the big challenges we face, as both the Mildred and Katrina cases have shown. American government needs the next generation of reform—a fresh, even revolutionary, Reform 6.0 strategy. In previous tectonic shifts, the reform path was clearer. There were big ideas—ideological, pragmatic, and theoretical—to guide reformers. With the natural end of Reform 5.0, however, the problems are big, but there is no map for the next stage. Without a new Reform 6.0 strategy, American government is doomed to be mired in more disappointing Katrina-style results. It's time now to develop the plan for Reform 6.0, the *next* government of the United States.

The action plan must begin by charting what reformers should *not* do. As Katrina showed, the biggest risks come from charging blindly down the wrong road. Indeed, the initial step in Reform 6.0 is a Hippocratic Oath for governance: first, do no harm. The second step is avoiding the temptation to promise sweeping symbolic changes that, at best, produce only a quick flash and no lasting results—and, at worst, create mischief that will only make the problems worse. For example, reformers regularly pledge to eliminate the unholy trinity of waste, fraud, and abuse. There surely is waste, fraud, and abuse in public programs, and government needs to relentlessly root it out. But that can't be the plan for Reform 6.0, because it wouldn't get at the core problems. It is tempting to promise cuts in earmarks and narrow spending programs without a broad public purpose, but that won't produce substantial budget savings or attack the underlying governance problems. It is tempting to juggle organization charts, but as this book shows, the core issues aren't fundamentally structural. More transparency will help, but opening the window wider won't help if what is inside doesn't work any better. Moreover, Reform 6.0 shouldn't toss away the best efforts of Reforms 4.0 and 5.0, especially the Clinton and Bush tactics of bringing improved citizen service to a leaner government. The government needs to push public officials to define goals and improve outcomes, so more of this approach would move us in the right direction.

But none of these tactics can be the core of Reform 6.0. Some of them might help, but none of them will solve the core problems. If we use old reforms to attack new problems, we will surely fall short.

What *should* Reform 6.0 look like? As I concluded in Chapters 6 and 7, America needs *rocket science leaders* to take the nation to the next level. It needs a *government of transformation and collaboration* to grow these rocket science leaders and to ensure they have what they need to work effectively.[5] Much—perhaps most—of government is not a vending machine into which citizens insert taxpayers and government officials dispense goods and services. It is increasingly a system in which government officials must leverage the activities of partners, some governmental and many not, toward public purposes. Many local government social workers do not do social work; instead, they manage contractors who do much of the work with the young and elderly who receive public help. Most state transportation department officials do not build roads but work with federal and local partners to design transportation systems, and work with private contractors who do most of the actual construction. Most federal EPA workers do not themselves clean the environment but, rather, work through state officials who administer many of the environmental regulations and through contractors who clean up toxic waste sites.

Government needs to redefine its role. Government, and only government, can leverage complex partnerships to achieve public goals. It needs *transformation* to create and lead these partnerships and to ensure the public interest is paramount. And government needs *collaboration* to build the networks that can get the job done.

To produce this Reform 6.0, government must focus squarely on results. We need to provide citizens with effective, efficient, and responsive programs, in the manner that this book's rocket scientists do. Accountability built on last-generation procedures would serve twenty-first-century government as well as a Model T would serve interstate highway travelers. At best, the trip would be slow, bumpy, and unpleasant. At worst, we might not get where we're going. We need Reform 6.0, built on five balanced elements.

1. Focus on results. Citizens care little about government's organizational building blocks. They don't really care about the Federal Aviation Administration or the Food and Drug Administration

[5] For an exploration of the process of transforming government agencies, see James E. Kee and Kathryn Newcomer, *Transforming Public and Nonprofit Organizations: Stewardship for Leading Change* (Vienna, VA: Management Concepts, 2008).

per se. They want to be able to get on a plane and arrive safely at their destination. They want to shop for food and eat it safely. Producing results that matter to people, and that do not focus narrowly on managing government agencies, must lie at the core of Reform 6.0. This, in fact, is the central lesson of Katrina. FEMA's efforts failed because the agency's leaders tried to solve big problems by managing them within the agency's borders, instead of FEMA working to bring together the capacity, based in many agencies, needed to help the storm's victims.

Moreover, the fundamental realities of the Mildred paradox—that government funds many services without itself providing them—and of the Mildred corollary—that many services depend on complex networks in which no one is in charge—means that trying to solve problems simply by managing agencies is a fool's errand. Successful government increasingly depends on building and managing networks, and successful networks emerge only when their members share a common vision of the results they are trying to produce. *We need to put the pursuit of outcomes at the center of the government's work.* That means agency managers must see their job as getting the job done—of looking past the boundaries of their agencies to accomplish the broad mission, rather than simply managing the more narrow activities within their agency's walls.

This step will be critical throughout government, for as we have seen in this book, no single agency can control any program or fully shape any outcome that matters. Federal transportation officials do not just distribute grants and administer regulations. They seek a transportation system that moves people and goods smoothly and that minimizes congestion and hassle. Federal labor officials do not just run job training programs, but try to use the federal government's leverage to promote job growth and safe workplaces. No agency can successfully do what must be done if it tries to do it alone. Focusing narrowly on an individual agency's processes only blinds it to the broader results that matter most and cripples its ability to build the partnerships it needs.

2. Develop place-based performance measures. State and local governments, especially in Baltimore and New York, have demonstrated that real-time, place-based, performance-driven systems can help them drive public programs to effective results.[6] As Maryland Governor Martin O'Malley, who created Baltimore's CitStat process as the city's mayor, explained, there are four key steps: "timely, accurate information, shared by all; rapid deployment of resources, so that we can respond in real time; effective tactics and strategies; and relentless follow-up and assessment."[7] This approach has led to the creation of new systems for tracking problems (such as the occurrence of crimes or the accumulation of storm-sewage problems), identifying the location by neighborhood, and developing cross-agency, neighborhood-based responses. The strategy transformed Baltimore's service systems. If the recurring problem of Reform 5.0 is the inability of agencies to leverage results for actions that lie outside their boundaries, the great promise of Reform 6.0 is to use place-based and citizen-based service systems to build the coordination mechanisms we need. This local government approach has spilled over to the state level, including Maryland. At the federal level, the EPA has begun charting quarterly performance measures on maps that show the progress being made toward a cleaner environment.

Focusing on results that matter to citizens, and then integrating the functional components of government's activities so that they work effectively for people where they live and work, are the core elements of Reform 6.0 practice. The next-generation performance measures need to build on the Clinton

---

[6] For an analysis of these systems, see Robert D. Behn, *What All Mayors Would Like to Know About Baltimore's CitiStat Performance Strategy* (Washington, DC: IBM Center for the Business of Government, 2007), at www.businessofgovernment.org/pdfs/BehnReportCiti.pdf.

[7] See Governor Martin O'Malley's testimony before the U.S. Senate Subcommittee on Federal Financial Management, Government Information, and International Security, for the Committee on Homeland Security and Governmental Affairs (July 24, 2008), at http://hsgac.senate.gov/public/_files/OMalleyTestimony.pdf .

and Bush efforts by creating better data on outcomes—the results produced—instead of just activities—the things that agencies do. They also need to bring national policies to sharp reality in communities by linking agencies that share a contribution to solving a particular problem, and by bringing together the data that bear on each community. *We need to focus on outcomes to drive collaboration across functional boundaries if we are to produce the results citizens expect.* Local governments could overlay the locations of their schools and the placement of their recreation and nutrition centers to improve the coordination of services for children. State governments could link the location of Medicaid recipients with the location of senior centers and transportation programs to help seniors. The federal government could even further strengthen its mapping of public health problems, including disease outbreaks, with the programs designed to counter them. We need to manage our problems through functionally organized agencies. We need to solve our problems in the communities where people live. Reform 6.0 must provide a powerful mechanism for linking functions with places and people.

3. Create rocket science leaders. The lessons of government's rocket scientists—the leaders who have found ways to make transformation and collaboration work—is that they *are* leaders. They have discovered how to bring together the resources they have available to them to solve the problems people care about. The good news is that the government has produced so many rocket science leaders. The bad news is that, except for a handful of agencies such as the Coast Guard, the process for producing these leaders has been haphazard. To make government work, we have had to rely too much on the leaders' own drive to solve the problems we all face. We have not worked hard enough to develop a system to produce a steady stream of such leaders. Thus, when big crises arise and when big challenges face government administrators, we have had to rely too much on the luck of having the right person at the right place at the right time. That's too risky a strategy for twenty-first-century government, where wicked problems quickly punish governments that do not rise quickly enough to the challenges they face.

The more complex government's policy strategies become, both technically and organizationally, the more government needs skilled rocket science leaders. However, the government over the last generation has systematically underinvested in its people. Government workers have often been seen as impediments to efficiency, as dead weights that clog government's operations, or often simply as assets that do not matter. The nadir came during the Reagan administration, when Terry Culler, who once headed the federal government's efforts to improve workforce effectiveness, wrote a 1986 *Wall Street Journal* op-ed that argued "most federal workers need only be competent." Better, he argued, to put society's smartest workers in the private sector, where they create more value.[8] In fact, as we slide deeper into the Mildred paradox and its corollary, government needs a large and steady supply of smart leaders. Government's results are only as good as the government officials who build the bridges among the complex components of public programs—and the private sector can only be successful when these bridges work.

The Office of Personnel Management has historically been charged with developing the federal government's managers, but it increasingly has fallen short in this mission. The powerful lesson of successful private sector companies is that they look on their people as their most important asset. The government must do the same, with an aggressive program to hire and develop skilled managers. *We need to devise a government-wide strategy of developing rocket science leaders, because only skilled leaders can drive the next generation of government.* In homeland security, we need skilled leaders who can reach across government's many organizational boundaries and complex cultures to weave a more seamless system for preventing and responding to problems. In agriculture and environmental protection, we need officials who can link the processes of saving trees with the need to produce sustainable forest products. In human services, we need officials who know how to build a safety net whose web is tight enough to

[8] Terry Culler, "Most Federal Workers Need Only Be Competent," *Wall Street Journal* (May 21, 1986).

keep society's needy from falling through. We need rocket scientists throughout government—and a strategy to produce a strong and steady supply of them.

4. *Sort out the who-does-what.* The deep patterns identified in this book—the growing privatization of government and the publicization of the private sector—are irreversible. Some reformers are looking for a solution that will draw clear boundaries, once and for all, but that is a fool's errand. The boundaries between the sectors have become blurred, and interdependence between the two is here to stay. However, government's reliance on the private sector, not only for administrative support but also for fundamental policy decisions, threatens both the effective administration and democratic control of government action.

We've simply pushed government's dependence on the private sector too far. We have defense contractors who not only build weapons systems but design them and oversee other contractors. We have had crises in space because NASA struggled to evaluate the advice it was getting from its contractors. We have local social workers who are trained to help society's needy but who spend most of their time managing contracts with nonprofit organizations who do most of the work: they are not doing what they were trained to do, they weren't trained for the jobs they're doing, and the very people for whom the programs were created often suffer in the process. As then-head of the U.S. Government Accountability Office, David B. Walker argued in 2007, "there is a need to focus greater attention on what type of functions and activities should be contracted out and which ones should not."[9] The fundamental problem is not the ideological debate between conservatives and liberals, which characterized the Reagan-era debates over Reform 5.0. Rather, the issue is the Reform 6.0 question of how government can best accomplish the people's work, who ought to do it, and how the people can hold government accountable for getting that work done.

To govern well, government needs to be a smart buyer: to make the fundamental decisions about what goods and services to buy and how well they are working.[10] As Reform 5.0 advanced, government's capacity to act as a smart buyer diminished. In many areas, anything that could be contracted out *was* contracted out. This not only blurred the lines of public and private roles but made it vastly more difficult to ensure that taxpayer-funded programs served the public purpose. We do not need to pretend we can (or should) put the privatization genie back into its bottle. Indeed, tight partnerships among government, the private sector, and nonprofit organizations are irreversible and useful, for they provide government valuable flexibility and expertise. But *we do need to enhance government's capacity to oversee the complex interdependence that has emerged.*

This does not mean we need to grow government, because a very small number of government workers can leverage a vast network of public and private partners. But if government does not enhance its own capacity—to do the things that only government can do and that government must do in a democratic society—the quality of public services and the accountability of public programs will inevitably diminish. We will have more waste, fraud, and abuse because of contractors who steer public money to their narrow interest. From defense policy to environmental protection and from homeland security to drug safety, we will have private partners who work to the narrow letter of the law but miss making the connections among programs that are needed to make these programs work. We will inevitably find ourselves mired in more crises like 2007's mortgage meltdown, in which the tunnel-vision

---

[9] See David B. Walker's testimony before the U.S. Senate Committee on Homeland Security and Governmental Affairs, *Federal Acquisitions and Contracting: Systemic Challenges Need Attention,* Report GAO-07-1098T (July 17, 2007), 12, at www.gao.gov/new.items/d071098t.pdf.

[10] See Donald F. Kettl, *Sharing Power: Public Governance and Private Markets* (Washington, DC: Brookings Institution, 1993).

decisions of private rating agencies and mortgage lenders crippled the economy and pulled the government into a multibillion bailout.

5. *Drive commitment to results from the very top.* On each of these steps, government needs a commitment from the very top. We need top-level officials focused on producing results that matter to citizens. They do not need to do it themselves, but they need to make sure it gets done. In particular, the president needs a performance czar, a White House official whose sole job is to focus the efforts of the executive branch on producing results. The president also needs someone who, in a crisis, can bring to the table the management instincts required to solve problems. There is little political payoff for government doing hard things well, but there is a large, growing, and inescapable political cost for doing important things badly. Indeed, this proved to be the central political problem for the George W. Bush administration. Despite the roller coaster of the administration's problems with the war in Iraq—and the big changes in public opinion polls that resulted—the point at which the president's negative ratings exceeded his positive ones and remained there was in the month after Katrina struck, when the public concluded the administration had bungled the response to the storm.

The history of presidential "czars" is a checkered one, but *we need—and the president needs—a point person whose sole job is to make the pursuit of outcomes the federal government's top priority.* A senior member of the president's staff, present in the West Wing for important meetings on big issues, could bring a who-does-what-and-how perspective to the important decisions. The president is a political leader but also the nation's chief executive officer, and the president needs a management consultant at hand to ensure that the law is in fact faithfully executed. Such a management czar would have saved the Bush administration tremendous heartache in the days after Katrina.

On Capitol Hill, Congress must grapple with the powerful instincts for fragmentation of policy making among the scores of congressional committees and subcommittees and for selective intervention in areas of credit-claiming, casework, and micromanagement.[11] Congress has at its disposal a powerful tool, the Government Performance and Results Act of 1993, which requires agencies to identify the outcomes they are seeking to achieve and to measure their success in doing so. Federal agencies are already producing GPRA reports, although there is little evidence that they take them very seriously.[12] But Congress can change that. In their oversight hearings, congressional committees ought on every occasion to call on agency managers to summarize the outcomes they are seeking to achieve and to inform members of Congress of their success in achieving them. Budget hearings ought to begin with a careful look at the objectives of federal programs, agencies' success in achieving outcomes, and what plans they have for improving their success in the future. *We need to make these simple questions—what government agencies are trying to do and how well they are doing it—the core of every congressional hearing.*

Too often, Congress reinforces the executive branch's instinct toward tunnel vision by holding hearings focused on hyper-narrow (and often headline-grabbing) issues. It isn't reasonable to try to change the laws of politics. But it is essential that when the Secretary of Labor appears before a committee, members of Congress ask about the department's broader mission and its success in achieving it: jobs created, workers trained, workplaces made safe. The head of the FDA needs to answer on a regular basis for the overall health of the American public and for the safety of the drugs citizens take. Such a dialogue doesn't need to lengthy, but it needs to remind everyone—the members of Congress

---

[11] See David R. Mayhew, *Congress: The Electoral Connection,* 2nd ed. (New Haven, CT: Yale University Press, 2004).

[12] See testimony of Bernice Steinhardt, U.S. Government Accountability Office, *Government Performance: Lessons Learned for the Next Administration on Using Performance Information to Improve Results*, GAO-08-1026T (July 24, 2008), at www.gao.gov/new.items/d081026t.pdf.

asking the questions and the members of the executive branch answering them—about the broader goals they all seek.

These five elements in Reform 6.0 focus mainly on the federal government. However, state and local governments can—indeed, must—take the same steps. The nation's government system has become so interdependent that government does not work well unless all parts of government work. This, in fact, is the lesson of Katrina. Reform 6.0 requires a seamless focus on effective governance.

This strategy requires elected officials to step away, even if only periodically and momentarily, from the short-term political behavior that focuses administrators on narrow areas in which they can deflect scrutiny and control results. That kind of defensive administration, however, ducks the big problems—and often makes them worse. Solving the problems of the twenty-first century requires government administrators to take risks on the job, in an environment that often provides few rewards for good results and strong penalties for public failure. The rise of government's rocket scientists—of skilled leaders who have discovered smart transformation and collaboration strategies that get results—is proof that taking risks to make government work better can in fact produce better government. It is also proof that government can build a culture in which the quest for high performance produces its own rewards.

We know what the government needs to work better. And we know how to take the steps we need. An increasingly complex world and increasingly wary citizens will surely punish a government that fails to rise to the challenges of the twenty-first century with a governance system that works: one that mobilizes government in the public interest and ensures collaboration to achieve results that matter for people. This is the core of Reform 6.0, and it must drive the next government of the United States.

If we fail to rise to the challenges of Reform 6.0, we'll end up with a government that works poorly, proves unacceptably expensive, and is unresponsive and unaccountable. And for the first time in American history, we will have failed to rise to the challenge of our founders: adapting America's robust democratic system to the tectonic shifts we have regularly faced and conquered. Should we fail, it is no exaggeration to conclude that American democracy and the nation's place in the world will be at risk. And—this is not too big an exaggeration—the future of American democracy will be at risk. We know how to do this. We will be punished if we fail.

Mr. TOWNS. There's one thing that sort of went through—almost every one of you said it, that people must be confirmed quickly. I know Ms. McGinnis indicated 30 days the process should take. Could I get from the rest of you, in terms of time that you think that a person should be confirmed, within how many days?

Mr. KETTL. Mr. Chairman, if I could take just a quick stab at that. It would be hard to have an absolute standard for everyone. There are some positions that are most critical. And one of the things that Mr. Johnson has put together is a list of the mission-critical positions, not only the White House staff but also in Cabinet agencies. What we need to do is figure out who needs to be ready to act and decide at noon on January 20th, limit that to perhaps the first 50, maybe even 75 percent, then work backward to figure out what it is we need to do, when to get it done, and then work through the rest of the processes.

We just have no alternative but to make sure that we have a financial security team in place on January 20. Some positions are going to take much longer. There are some that we just don't have the luxury of being able to deal with that. And the thing to do is to figure out what it is we need to have done when, and backup to make sure that what we need to do can get done, so that decisions are made and the clearances and the background checks are done in the meantime.

Mr. TOWNS. Time limit?

Ms. KUMAR. I think if people start putting in—the candidates start putting in names now, which is something that's not been done before—of their transition team people, they can put people on there who they want to have in their administration when they come in. So this is an opportunity that they should take advantage of. And I think that way they'll be able to increase their capacity.

And I think Ms. McGinnis's suggestion about increasing the number of people involved in the confirmation—in going through the nominee's background—is a critical way of doing it too. But the candidates themselves are going to have to decide who they're going to focus on, what positions.

Like, for example, Reagan, when he knew that the economy was the big issue, and so he chose the 87 positions. He did that—he was able to do that right after the election because they had—they had chosen their chief of staff and they had a team in place that could make—make the choices and start sifting through.

Ms. HAUSSER. Mr. Chairman, I do know that NAPA has supported the 30-day deadline, although I agree with Professor Kettl that probably, it being a hard standard, is a little bit more than we could hope for. But 30 days seems reasonable.

There is the need to have the vetting. We know the Senate committees like to do a lot of vetting. And that's—they're taking their role seriously. But I think are committed—a sense of commitment to expeditious confirmation is something we should—they could also commit to.

Ms. MCGINNIS. Could I just add—and I hope you'll have a chance to look at this letter that was signed by the President of the Center for the Study of the Presidency and the National Academy of Sciences, the Partnership for Public Service and the Carnegie Institution for Science, as well as I signed it and other leading scholars.

And what we called for was to have the Senate consider and vote on the 50 most critical sub-Cabinet nominees within 30 days of inauguration. And after that, the standard we suggested would be 45 days.

I think it's important to set a goal and have a deadline. And that's why we joined with these leaders to suggest that. The process is—it has two parts. It's the nomination process, which the President-Elect in the transition will control, and then the confirmation process. To say that confirmation should happen within 30 days is perfectly reasonable. And the nomination process should be able to be completed within 30 days as well.

Mr. TOWNS. You know, I know that sometimes you have circumstances that can develop and then might slow down the process. But I think that the key here is that we do not do enough up front. I mean, the point is that one of these guys are going to be President of the United States. And of course, I think the process can start, you know, now, because you know—and of course—and by the time the process is over, by the time we find out who the winner is, then we'll be in a position to move forward.

I think that we need to try to eliminate this long delay. And, of course, I think that if we do that, then I think that then we would be able to put people in place in a very timely fashion.

Ms. Kumar, what do you think is the best way to get ready to address the problem? Should the campaign's economic advisors be briefed before the election, especially during this atmosphere and climate that we have today? They are asking for $700 billion over there. I just left.

Ms. KUMAR. Yeah. There's certainly—there's a great deal of information that's already out there. And I think the candidates have been working with the White House, and their transition teams have been working with the White House. And I think the White House has tried to be flexible in what it's providing to candidates. So I think if they want certain kinds of information, I think that they'll probably get it.

Mr. TOWNS. Right. You know, my colleague Congressman Bilbray, you know, mentioned something that I think that, you know, that he said that the lower staff members, in terms of people not at the top but down below, that are now being put out, looking for jobs, that could create problems. You know, what could we do to sort of prevent that sort of thing from happening? I mean, he talked about—I mean, he gave some examples of some experiences that he's had at the lower level. But the point is that he felt that we might have it as well at the level in terms of the Presidency. You know, when you have a situation where you run for office and then somebody loses, then the people that's in know now they have to go. And then they begin to create all kinds of problems. And he gave some examples which I thought were interesting.

Ms. KUMAR. I think that in the end, they didn't turn out to be very big issues. That there weren't as many, you know, w's taken from the computer keyboards and the rest of the things that were—that had been listed early on that had happened in the White House. Most of that, in fact, did not take place.

I think the real problem in coming into a White House is not that kind of thing. It's the fact that there's no institutional mem-

ory. That if—when you come into the Office of Chief of Staff, one person was telling me when he came into his office as staff secretary, that all he had was a desk, a computer and there was no hard drive. This is in the Clinton administration when they came in. And they had no hard drive, because the courts had ordered that they be taken.

The Presidential Records Act provides that everything from a White House goes with the President. So, when somebody comes in, there's no manual of how to do their job. And, there is—and there are not records left behind except some in the counsel's—and the NSC has records. That's a real problem when somebody comes into the White House.

Mr. TOWNS. How can the Congress help? We see it's a problem. You know, what can we do to be helpful? Right down the line.

Ms. MCGINNIS. I think this is a leadership issue. And so, you know, speaking out and making it a high priority to get excellent people in place and have continuity of leadership on the Senate side; a leadership commitment to expedite the consideration of nominees, particularly the critical top 50 to 100. And overall, we would certainly suggest that in the next Congress, legislation be considered to reform the Presidential appointments process. There's a lot in that process that needs to be changed, and some of it will require legislation.

There have been proposals in the past which have not been enacted. And that might be a place to start. But, you know, really look seriously at improving the process and perhaps reducing the number of people who have to be confirmed.

We who think about the prune jobs, you know, feel that these top management jobs, people who are running agencies, are really important in terms of accountability and confirmation. But, I'm not sure that every single assistant secretary or other sort of staff function around a secretary needs to go through the whole confirmation process. So overall reform would be my suggestion.

Mr. KETTL. Mr. Chairman, let suggest three quick things. One is to echo what Ms. McGinnis said about streamlining the appointments process, some of which will require some legislative action, some of which can simply be done to try to at least ensure that everybody makes a promise not to change the forms in the meantime, so at least there is an ability to be able to note what it is that you've got to supply.

Second thing is, relatively modest appropriations to ensure the political appointees in particular have ongoing support through the course of their jobs. We're not talking about very much money, but we're talking about critical money that can make a difference.

And the third, and probably most importantly, is attention, like this hearing, to try to make it safe for people to talk about these issues. The overriding—in some ways—terrible fact about this is that it's a problem that insiders know about, but it's very difficult to talk about it publicly on the outside, outside these Chambers, because otherwise candidates are accused of hubris. They're accused of sticking their neck way out. They're accused of celebrating before the game is over.

And, it's absolutely irresponsible not to think about how to do the job, if you get it, as the process of trying to convince people that

ought to earn it. And, unfortunately it is just impossible to be able to have frank, honest discussions and to be able to use this as a criteria for selecting the President. And, one of the most important things that Congress can do is to make the discussion safe, including discussions like this, and including shining a bright light on the campaigns and asking them what it is that they were doing and what is it they're planning and how they would do the job if they got it.

Mr. TOWNS. Right. Because you're right. Most of the time, they'd feel as if they're being criticized for being presumptuous by taking on transition work. I mean, they were being criticized.

So, I was wondering, if maybe in terms of—you know, statements were not made by Members of Congress to say that this process should be moved forward. I think that might be something that needs to be done. Because you know, being a candidate a few times myself, people, you know, you're concerned about the perception or criticism that you might get. And, this is a very serious issue that I think that needs to be dealt with. And, of course, I think that maybe, you know, that's something that we can make statements about. It's an important time to encourage that process to move forward.

Mr. KETTL. Congressman, I would even consider making a small appropriation available for transition planning to the candidates, with the requirement that the candidates name a transition director as of July 1st, for example. Just a small amount of money in exchange for at least making it public and therefore making it safe to talk about it might make some difference.

Ms. MCGINNIS. Even a resolution to this effect I think would be enormously helpful. A House resolution, a Senate resolution. It gives a lot of cover to the campaigns who are—they do have transition planning teams in place, but no director has been publicly announced. And, it's all being done sort of below the radar. And, that is—it's really kind of silly when you think about all the steps that need to be taken even before the election. So a bipartisan resolution or statement would be excellent.

Mr. TOWNS. Right. Ms. Kumar, what do you think we can do right now to help with this? And, what should the transition team be doing at this moment?

Ms. KUMAR. Well, I think one of the things that's important is the transition budget. They need to have—know how much money they're getting. The problems that are going to result from dealing with continuing resolutions are great because when they—when you do have a winner, they're going to have to deal with a new budget, prepare for a budget 3 weeks after they come in. And here there is no budget in place and they don't have—the funds, I assume, are going to come forth for the transition. But they have to figure out how much private money that they're going to be raising.

I think right now the—in the transition, the transition teams would be focusing on getting—gathering names for appointments and focusing on what are the key issues that the candidates are talking about themselves.

One of the reasons that the Reagan and George W. Bush transitions were so effective was that the candidates spoke about five issues. And, so when they came into office, they were able to take

their five campaign issues and make their governing issues. So when Bush, for example, came in, he took his five issues and he spent the first week on education. Then he did faith-based initiatives, tax cuts, and went down the list of what he had already talked about.

So, one of the things the candidates can do for themselves is focus on just what they're going to do when they're governing. And then that allows their transition teams to focus on bringing people in place for those particular issues.

But, we know that national security is crucial, as is financial security. And, those are going to be the areas that they're going to have to focus their efforts on on recruitment.

Mr. TOWNS. Yeah. We have to get SEC, SEC, we have to get FDIC. We have to get all this. And, with the crisis that we have, I mean, we need to make certain that we get some good people.

Ms. KUMAR. And, there are many vacancies on—a lot of boards are suffering from having vacancies, too. And they have to make sure that they can fill those on crucial—spots that are crucial to those issues.

Mr. TOWNS. Right. I guess, Ms. Hausser, what's preventing the implementation of the rest of the NAPA recommendations? What's stopping it?

Ms. HAUSSER. I don't know that I can say that they're stopped. I think there's—until the appointment of Admiral Acton, I think there was some inertia; that his appointment has really changed things in terms of their focusing. And with respect to some of the executive appointment recommendations, they're making progress. That, by its nature, is a process that you have to go into thoughtfully. Although it can be expedited and should be expedited, it still is—making crucial appointment decisions is—especially at this time in an administration—is its own challenge.

I think there is a renewed—particularly since the appointment of the Admiral—there's a renewed focus on the transition and making sure the training is taking place. That had a little bit of a slow start, but now efforts are panning out. And, there—I think there's been an acceleration in momentum.

So, given where their things were in June with respect to our making recommendations that things happened, of the first 12 recommendations, at least 10 are completed to some degree. So it's coming along. And, I'm—I think the—what you hope for is that there's nothing that occurs that would reverse that momentum, because it has accelerated.

Mr. TOWNS. This committee—Ranking Member Bilbray and I—we're not a finger-pointing committee. I mean, we recognize that we have a role as well to play in trying to fix whatever the problems might be. So we talk to you to try to find out in terms of our role, in terms of what we might need to do to be able to sort of make things work, you know, much more effectively. So, if you have any suggestions or recommendations to us, you know, and we call to talk to you, because you've had so much experience with it, and we think that we need to have that, because if we don't have it, then we're not sure as to what we might do on this side. So, we need to have that information.

So, if you have any suggestions or recommendations to us, you know, as to how we might make this transition much more effective or smoothly, you know, please share.

Ms. HAUSSER. Well, again, with respect to Homeland Security in particular, I think there had been so much turmoil in that Department with its major reorganizations, with the high degree of turnover, the dust took so long to settle—and it arguably hasn't settled completely—that the—it's important to recognize the progress, but I do believe that congressional leadership—acknowledging it and then making it very clear that it's expected to continue, particularly with respect to prompt appointment of key executives.

There was a little bit of—when the Department was asked to identify its critical executive positions, that actually started a while ago and there was an effort made to do that. It turned out the criteria were a little bit confusing. And, when they redid the list, or when they reexamined the list, there was a particular slant on transition. It helped focus the effort. So, the first effort was somewhat successful, but a little bit disappointing in some respects, in that there didn't seem to be a lot of consistency in how people approached the task. But, they took it as a learning experience.

And, with the oncoming transition, they focused it again, particular emphasis on transition. And, I think they're very—they're satisfied with the way they've identified their critical positions. So, now they have much better focus with respect to during a transition, immediately after, where do they really have to make sure they've got good acting career people or career deputies in place and where will the initial appointments need to be made. So, it's—they've done—there's been a lot of organizational learning at Homeland Security, muddled by the major reorganizations along the way.

Mr. TOWNS. Yes.

Ms. MCGINNIS. At the beginning of the hearing, Mr. Chairman, you mentioned that you were for Barack Obama and Mr. Bilbray is for John McCain.

Mr. TOWNS. Yes.

Ms. MCGINNIS. And, that's not what we're here to talk about. But, I think it could be very effective to reach out to the candidates individually and convey, you know, the points that you've raised and confirmed about the importance of beginning that personnel—identifying people, making sure that they can be prepared to send the names of well-qualified people for these most critical positions before the inauguration, so that we can have, you know, the full team on the field on day one.

Mr. TOWNS. Uh-huh. Any other comments?

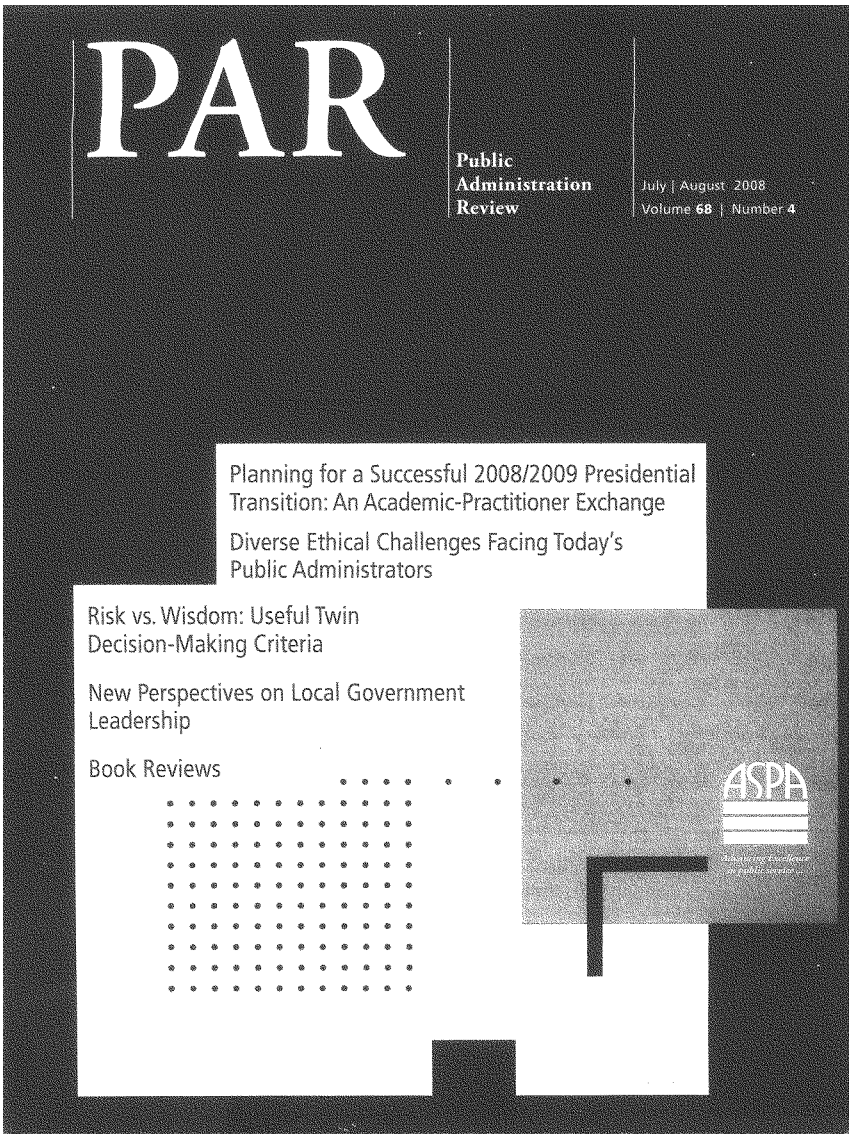
Let me thank you for your testimony. You've been very helpful. And, I think that dialogs must take place and, of course, we might even be talking with you again, you know, as we move forward, because we want to make certain that we have a smooth transition. And, I am concerned because Homeland Security is— that was not a part of any other transition. And, of course, you know, you have to be, you know, concerned about that. Also concerned about the fact that our financial situation is really, really in flux. And of course, it's important that we get to keep people in there that's going to stabilize it to make certain that stays strong.

So, your input is very, very important. So I want to thank you again for your testimony. Thank you very, very much. And, this committee stands adjourned.

[Whereupon, at 4:45 p.m., the subcommittee was adjourned.]

[NOTE.—The Government Accountability Report entitled, "The White House, Allegations of Damage During the 2001 Presidential Transition," can be found in subcommittee files.]

[Additional information submitted for the hearing record follows:]


PAR
Public
Administration
Review
July | August 2008
Volume 68 | Number 4
Planning for a Successful 2008/2009 Presidential Transition: An Academic-Practitioner Exchange
Diverse Ethical Challenges Facing Today's Public Administrators
Risk vs. Wisdom: Useful Twin Decision-Making Criteria
New Perspectives on Local Government Leadership
Book Reviews
ASPA

Martha Joynt Kumar
Towson University

Getting Ready for Day One: Taking Advantage of the Opportunities and Minimizing the Hazards of a Presidential Transition

Academic–Practitioner Exchange: Planning an Effective Presidential Transition in 2008–2009

Martha Joynt Kumar is a professor of political science at Towson University. Her books include *Managing the President's Message: The White House Communications Operation*, *The White House World: Transitions, Organization, and Office Operations* (edited with Terry Sullivan), and *Portraying the President: The White House and the News Media* (with Michael Grossman). She was director of the White House 2001 Project.
E-mail: mkumar@towson.edu

Presidential transitions make a difference to the quality of the start a chief executive has coming into office. With formal presidential transitions a reality since 1952, we have sufficient experience to identify some of the elements of an effective transition. This article focuses on how a president-elect can minimize the hazards and take advantage of the opportunities transitions offer. Opportunities and hazards can be found in the actions and commitments candidates take during their presidential campaigns, the information they gather on past transitions and on the actions of the incumbent president, the coordination they do with those in the Washington community, and their capacity to identify and take advantage of the early goodwill that exists when a new president comes into office.

An effective transition buys a new presidential administration the chance to take advantage of the opportunities that exist at the beginning of an administration and reduce the hazards that inevitably lie in wait. Although there is flexibility in how the transition takes shape, there are ways of handling transitions that have proved more effective than others. Political scientists and others studying transitions have focused on management, personnel, policy, coordination, and timing issues that make a difference to the ways in which a president prepares for office. Even though there is a demonstrated difference that some things work and others do not, it is still difficult for administrations to do the kind of preelection and preinauguration work that pays off in the early months (see Burke 2000, 377–414; Burke 2003; Burke 2004, 209–26; Kumar et al. 2003; Pfiffner 1996).

Even though there is a demonstrated difference that some things work and others do not, it is still difficult for administrations to do the kind of preelection and preinauguration work that pays off in the early months.

"We weren't stumbling around the first couple of months of the administration," commented Deputy Chief of Staff Joe Hagin (2008) about the transition of George W. Bush. "We were able to get right down to business." Because those handling the White House transition—Andy Card, Josh Bolten, and Hagin—had served in previous White Houses, they knew the traps. "We knew all the basics that allowed us to at least walk from the first day rather than crawl," Hagin said. "That is important." From that beginning, the president and his administration focused on their priority issues and did so at their tempo without being sidetracked by the agendas of others. By doing so, they were able to take advantage of the goodwill and interest the public extends to a president in the early weeks of an administration.

In the period since the first formal presidential transition from the Harry Truman to the Dwight D. Eisenhower administration, when the incumbent and the president-elect worked to prepare information for the incoming chief executive, transitions have varied greatly in the types of preparation presidents and their staffs have made and the success they have had in setting the direction of their tenure in office in the days after the election through their first three months in office.

Since President Truman first reached out to his successor to provide him with information on administration programs and activities, presidential transitions have become more formal and complex, as have the office of the presidency and the scope of what the chief executive is responsible for handling. Beginning in 1963, there is a formal government structure to provide assistance to the president-elect and funds to support such an operation. Yet there is a great deal of flexibility on the part of the incumbent president, and the incoming one as well, as to how and when the transition of power from one chief executive to the next is structured. Incumbent presidents can choose how much

information they want to provide the president-elect, and the incoming chief executive can decide how interested she or he is in what the sitting president has to offer.

Whatever they do, early planning is a must for both sides. No matter their level of preparation, at one time presidents and their staffs were reluctant to admit advance planning even while they did it. They feared a public perception of arrogance on their part. By 2000, the perception of the wisdom of early planning had begun to take hold. In early June 2000, David Broder, *Washington Post* columnist and reporter, discussed the good judgment of early planning and quoted officials from all recent administrations in calling for preparation for governing: "In fact, such advance planning has been done in many past campaigns but covertly, to avoid conveying a sense of smug overconfidence to the voters . . . The reality is that when a new president moves in, his top aides find bare desks, empty filing cabinets and disconnected computers. They need help." No longer are candidates criticized for planning for governing; they are lauded for it. In 2008, such planning is even more important than it was in 2000, when the nation was not at war.

Chief executives come into the White House with no institutional memory waiting for them as an informational support system. Other than the Counsel's office and the National Security Council, White House offices do not have files from the previous administration waiting for the president and the incoming White House team to learn from. The Presidential Records Act of 1978 requires that presidential records leave the White House with the outgoing president. How much information is available to the incoming team about the operations of the White House and the 15 cabinet departments depends on the preparations provided for by the incumbent White House and the cooperation of the department secretaries and their deputies.

This article focuses on what we know about presidential transitions and how a new presidential team can minimize the hazards and take advantage of the opportunities transitions represent. Because the institution of the presidency retains its contours and relationships from one administration to the next, the rhythms of transitions do as well. That means presidential candidates can learn from their predecessors what opportunities lay ahead during the transition period and how they can make the most of them. They can also view some of the pitfalls their predecessors experienced. At each stage of the period from the campaign to the first few months of governing, there are actions that presidential candidates, the president-elect, and the new president can take that will ease the strains of office later on in their presidency. Their preparation for office begins with the campaign.

Campaign Commitments Affect the Ease or Difficulty with Which the President-Elect Establishes the Direction of the Administration and Staffs the Offices

Campaigns affect a president-elect's transition into office through promises that have an impact on how he or she shapes the administration. Some management and policy commitments limit what a president will be able to do when in office, whereas a clearly articulated policy agenda during the campaign makes it easier for a chief executive to establish the direction of the administration.

Commitments limiting the staffing of an administration. Many candidates make statements during their presidential campaigns that prove limiting when they become president. The 2008 campaign is no exception. Both Barack Obama and John McCain have taken positions that will influence what they are able to do if one of them takes office. Obama promised in a campaign debate that he would not have anyone on his White House staff who has been involved in lobbying: "When I am President, I will make it absolutely clear that working in an Obama administration is not about serving your former employer, your future employer, or your bank account—it's about serving your country, and that's what comes first. When you walk into my administration, you will not be able to work on regulations or contracts directly related to your former employer for two years. And when you leave, you will not be able to lobby the administration through the remainder of my term in office" (Obama 2007). Prohibiting people from working on issues related to their White House portfolio for the remainder of an Obama administration could also make potential staff members reluctant to come in. By excluding people for staff consideration, Obama could lose a potentially important pool of expertise for his administration.

Believing they needed to demonstrate their willingness to make cuts in the government workforce, Presidents Bill Clinton and Jimmy Carter got into difficulty by promising to make White House staff cuts of 25 percent. Cuts, such as those in the career staff responsible for phones and correspondence, turned out to be unpopular (Burke 2000, 305, 309, 339–40). President Clinton got into additional difficulties over staff promises. One of his early actions was to issue an executive order calling for stiff postemployment regulations requiring appointees to promise, "I will not, within five years after the termination of my employment as a senior appointee in any executive agency in which I am appointed to serve, lobby any officer or employee of that agency" (Clinton 1993a). Additionally, appointees would not be allowed to work for a foreign government for life. A lifetime ban on certain kinds of lobbying and a five-year limitation on all kinds of

lobbying relating to the agency the person served in was viewed as too stiff by groups studying public administration. "It's generally believed this executive order was much too burdensome and that a five-year ban went much too far," said New York University Professor Paul Light, who studied the ethics rules (Minz 2000). Stephen Potts, head of the Office of Government Ethics (OGE), commented that the order "was more restrictive than need be and it was going to have an inevitable chilling impact on their ability to recruit" (Babington 2000). At the end of his administration, President Clinton revoked the order (Clinton 2000).

Campaign promises as limiting policy and procedural actions. Presidential candidate John McCain limited himself in a way that could influence his presidency, as it did that of President George H. W. Bush with a similar promise. In an interview with ABC *This Week*, Senator McCain said emphatically that he advocated "no new taxes" (Curl 2008). When President George H. W. Bush broke a similar pledge that he gave at the convention nominating him, he lost conservative support within the Republican Party in 1992 when he ran for reelection.

Another promise that could cost a President McCain some flexibility is one he made pledging that if he becomes president, he will not issue signing statements. When asked by Glenn Kessler of the *Washington Post* whether he would ever consider issuing signing statements when he disagrees with a bill presented to him by Congress, McCain stated, "Never, never, never, never. If I disagree with a law that passed, I'll veto it" (Abramowitz 2008). Not issuing signing statements would be a break with recent presidential practice.[1] President George W. Bush has regularly issued such statements to limit his interpretation of laws he did not like, including announcements of his refusal to enforce them. McCain would be closing off a practice that Democratic as well as Republican presidents and liberal as well as conservative chief executives have used to respond to legislation.

The Department of Justice in the Clinton administration prepared a memorandum on signing statements that found a president's refusal to enforce a law to be constitutional. The memorandum stated, "In each of the last three Administrations, the Department of Justice has advised the President that the Constitution provides him with the authority to decline to enforce a clearly unconstitutional law. This advice is, we believe, consistent with the views of the Framers. . . . a signing statement that challenges what the President determines to be an unconstitutional encroachment on his power, or that announces the President's unwillingness to enforce (or willingness to litigate) such a provision, can be a valid and reasonable exercise of Presidential authority" (Office of Legal Counsel 1993). By issuing such a definitive rejection of signing statements, McCain has limited his options when discussing legislation he might be signing.

Campaign agenda as governing agenda. While campaign commitments can limit the options a president-elect has at the point when the incoming chief executive is organizing the administration, they can also serve as the center of the government agenda when he or she comes into office. The president-elect can organize policy priorities around campaign commitments. One of the reasons President Bush had an unexpectedly smooth start to his administration after the contested election is that the candidate and his team saw their campaign agenda as their governing one. Clay Johnson said of Bush, "He said our priorities will be what we campaigned on. We want education, we want a strong national defense. . . . We said they were our priorities and they are" (Johnson 2002). Once he came into office, President Bush took the basic issues he had campaigned on and, in a series, laid out his plans for them. His first week in office was devoted to education, followed the next week by faith-based initiatives and the creation of that office, then his tax cuts program and strengthening defense through increased spending.

One of the reasons President Bush had an unexpected smooth start to his administration after the contested election is that the candidate and his team saw their campaign agenda as their governing one.

Sometimes the campaign agenda proves limiting because there are keepers of the promises book or individual items in it who focus on one or more narrow items. "You have often ended up with White House staff . . . who made it their purpose to see to it that this one narrow assignment was achieved," observed Jonathan Breul (2008), who watched several White House operations from his place in the Office of Management and Budget. "Once you get into office it is the bigger picture, but you get Johnny one-notes focusing narrowly. It leads to frustration for everyone." There needs to be a balance between adhering to an agenda and being sufficiently flexible to focus on the needs of the time. For the George W. Bush administration, Breul pointed to competitive sourcing between the public and private sector as a campaign issue that caused difficulty once in office. "They soon bumped into unions and set themselves up for a losing situation."

Establish an Information-Gathering Operation Prior to the Convention

Transitions have a rhythm to them that involves a defined number of people, activities, and decisions to be made. In those presidential elections in which there is a presumptive nominee early in the election cycle, during the primary phase, presidential candidates can designate a person to gather information on personnel and decision timetables. The second period occurs after the party nominating conventions, when government institutions, such as the OGE, get involved in a limited way in the transition process. Following the election, when the winning candidate has been designated president-elect, the formal 75-day transition period into office begins.

Appoint a transition aide tasked with information gathering. Candidates need a transition operation that begins early but is in regular contact with the political operation and with the candidate. Competition between the campaign and early transition operations can derail early transition work and build in a kind of competition the candidate will want to make certain to avoid. The one recent operation in which an early transition operation worked cooperatively with the campaign was that of President George W. Bush.[2]

One of the keys to the success of the Bush transition effort was that the work was under the wing of one person, Clay Johnson, an old friend of George W. Bush and a man who was well known to all of the campaign staff. No one viewed Johnson's operation as a competing one because campaign officials knew Bush had asked Johnson to gather transition information, and they also knew that politics had never been within his ken. Johnson met occasionally with the campaign leaders as well as with the candidate to give them a sense of what he was doing and finding. That way, there was no conflict among them. The same did not happen in most other transitions, during which competition developed between the political and transition operations, such as the Carter and Clinton ones (Burke 2000, 17–26, 283–85). The early Carter transition efforts led by Jack Watson ran into difficulties with the political operation, as did those of Mickey Kantor for Bill Clinton. The result was that early information gathering for personnel and White House staff was hampered.

The first part of a transition takes place during the primary season when the candidate designates a person to gather information. The person looks for information on personnel, past transitions, decisions ahead, and ones made by the incumbent administration, dealing with governing and noting their timing. With those transitions in which there was a change in party, the Ronald Reagan and George W. Bush administrations created an early operation with an emphasis on personnel and gathering information from past transitions. Governor Bush told Clay Johnson in late 1999, "As we focus on this campaign, I want you to figure out what we do after November 7 or 8 when we win, what's involved in a transition, what are we trying to accomplish, how do we organize to get it done. I suggest you talk to the likes of George Schultz and Jim Baker and read what you need to, talk to who you need to and develop a plan. It ought to be separate from the effort required to get elected. Develop a plan for after the election" (Johnson 2001). In the period since John F. Kennedy won the presidency, seven presidents have come into office through election and had a normal transition. Of those, Presidents Carter, Reagan, George H. W. Bush, and George W. Bush designated people to work on transition issues substantially before the party nominating conventions. In all of their cases, gathering information on personnel issues was a shared concern.

Johnson gathered names that notable people sent in and also went out and talked to people they knew in policy areas. "Then I called a lot of people in the state of Texas, in the environmental area, and said who are the prominent people in the environmental area nationally and the HHS [Health and Human Services] world, who are the well known HHS people either from prior federal administrations or in other states who are the people of note. Or parks and wildlife, the interior people. So I started collecting names and knew who the well-regarded people were. There was a list of about 100 names" (Johnson 2001).

Johnson also coordinated with Dick Cheney shortly after he was selected by George W. Bush as his vice presidential nominee. Johnson "sat down with him to talk about the way we were structuring the transition, proposing the structure of the transition, and some of the names that were floating around that had been suggested to us for different positions and got his reaction to them and picked his brain about prospective people." Before the election, "there had been very few decisions made. But we had talked about the kind of person we were looking for, the kind of qualities we wanted. . . . We had more discussion about types of people by the time of the election than we had specific individuals" (Johnson 2001). No one from the Bush camp contacted any of the people or sought résumés. Once the formal transition came, they had lists with supporting information to begin their search. Johnson also had a software program ready to handle all of the people who would send in their résumés. It was a process and a program they had used when Bush as governor had considered appointees.

Transition operations are confronted with the decision of whether to create task forces dealing with government policies and programs. The Reagan administration had five groups comprising 48 task force

operations of 3–20 people each. In his study of presidential transitions, John Burke commented on the problems resulting from the work of the groups: "Some veterans of past administrations were particularly unhappy with the work of their assigned team, including Caspar Weinberger, Terrell Bell, and Alexander Haig. The relationship of transition teams to the independent regulatory agencies was especially rocky" (2000, 99). The George W. Bush transition team eschewed larger task forces composed of lobbyists or those seeking appointments in the administration. They opted instead for "small teams to prepare briefing books for, and interact with, each cabinet department," said Clay Johnson. Once the transition was under way, they created "large advisory groups and let them advise the department policy teams as they saw fit but did not let them interface directly with the departments" (Johnson 2003, 314). They did not have the same difficulties directing the groups as the Reagan transition operation did with their larger operation.

Identifying government transition resources and creating private ones. President Truman was the first president to publicly invite his successor to meet with him to consider transition issues and then call on government departments and agencies to provide information on the status of programs. Formal government involvement came later. The Presidential Transitions Act of 1963, with updates in 1976, 1988, and 2000, provides funds for transitions when there is a new president coming into office. Reelection does not call for a government-funded transition. Once there is a president-elect, the transition takes on a formal shape with office space in Washington, funds available for staff, and funding for staff training, as well as monies for the outgoing president. In 2001, the General Services Administration (GSA) was authorized to provide $7.1 million in funding for the presidential and vice presidential transitions, with $1.83 million for President Clinton's transition out of office, $4.27 million for the transition of president-elect George W. Bush, and $1.0 million for the GSA to "provide additional assistance as required by law" (Smith 2007, 1). The Bush transition operation estimated they needed $8.5 million, which was approximately the amount had Clinton spent (Johnson 2003, 314). In 1992, Clinton received $3.5 million from the federal government and privately raised $4.8 million (Euchner and Maltese 1996, 323). Bush raised private funds before the election was decided, but he made public his transition contributions.

As a way to ease the president's way into office, the Presidential Transition Act of 2000 (P.L. 106-293) calls for GSA-funded presentations for the incoming president's senior-level aides in the cabinet and in executive branch positions (Smith 2007, 9). President Bush's fiscal year 2009 budget calls for an appropriation of $8.52 million for the presidential transition, "to provide for the orderly transfer of Executive power" (GSA 2008). The funds are broken down into a request of $5.3 million for the incoming administration and $2.2 million for the Bush administration's transition out of office. The budget request includes $1.00 million for the personnel orientation called for in the 2000 act.

The appointment process is a maze and requires available institutions to serve as guides.[3] One of the important resources for a presidential transition is the Office of Government Ethics (OGE). When presidential appointees are working through the appointment process, there are ethics rules relating to conflicts of interest with which they will need to comply. Some of those rules will be important for prospective appointees because, for some, an appointment will prove too costly. The sooner the candidate's transition operation has a good handle on what ethics rules executive branch employees need to comply with, the easier the appointment process will be. OGE works with individual appointees on how their investments can be handled while they are in government service, an area in which conflict of interest is a continuing and important issue.

The National Archives is an important resource because the way in which records are maintained and retained needs to be set before the president comes into office. Like OGE, the National Archives is an institution that can reduce an administration's problems by heading off trouble before it settles in. Mistakes made early in an administration can surface later, particularly with matters that appear to be inconsequential. Records issues have been an important distraction in both of the last two administrations, though they took some while to surface in the Bush White House. In the Clinton White House, records became an issue with the mishandling of Federal Bureau of Investigation (FBI) records by the White House Office of Management and Administration. Later, the administration faced problems with Vice President Gore's e-mail records when it turned out that computer tapes had been copied over. Congress required the e-mail records be reconstituted through backup files at what turned out to be a cost of $12 million. The Clinton White House then adopted a practice of not copying over e-mail records so that none would be lost (Williamson and Eggen 2008). The Bush White House did not follow the practice adopted in the later Clinton years and currently faces a similar situation, with congressional committees demanding to know where the records are and how they can be reconstituted. Press Secretary Dana Perino said in 2007, "I wouldn't rule out that there were a potential 5 million e-mails lost" (Williamson and Eggen 2008). A new administration can avoid the problem by focusing on the issue with the National Archives well before the inauguration, when the records process begins.

Review the Actions of the Incumbent President and Administration

One of the differences between this transition and earlier ones is the vast amount of information now online that provides a portrait of what government departments and agencies are doing and why. Identifying regulations in earlier administrations was a more difficult task than it will be in the upcoming transition. Items left by the outgoing administration can be difficult to find in the early months and can cause problems when they are located. In the early months of the George W. Bush administration, for example, officials at the Environmental Protection Agency (EPA) spotted a regulation left behind three days before President Clinton left office. It was a regulation limiting the allowable amount of arsenic in drinking water (Clinton 2001).

The regulations on drinking water were part of an aggressive executive action strategy by President Clinton to leave in place environmental and workplace rules. In addition to the new standards for arsenic in water, in its last two months, the Clinton administration also issued regulations relating to ergonomic standards in the workplace, tighter standards for lead in paint and elsewhere, and rules relating to building roads and logging in 60 million acres of national forest land (Morgan and Goldstein 2001). New regulations and actions in the last months came from across the administration from such places as the Department of Agriculture, the Department of Interior, the Occupational Health and Safety Administration, and the EPA. The Bush administration made clear on the president's first day in office that it would review all of the regulations printed in the *Federal Register* and stop those that were too late to get printed (Pianin 2001).

What the Bush administration soon found was that they had been left an agenda that was going to cost time, energy, and political trouble. The arsenic regulation is an example. On March 20, the EPA announced that it would revoke the standards for arsenic in water. "When the federal government imposes costs on communities—especially small communities—we should be sure the facts support imposing the federal standard" (Pianin and Skrzycki 2001). That announcement brought a raft of continuing criticism upon the administration and the EPA.[4]

On October 31, EPA administrator Christie Todd Whitman announced the administration would adopt the Clinton administration arsenic water standard (Walsh 2001). When asked by the *National Journal* about how beat up the administration was over the arsenic regulation, Karl Rove had this response: "We walked in, and there were a whole bunch of those left around; I'm surprised we didn't get more beat up in the early months over all that." When asked why the White House had not seen it coming, he pointed to the difficulty of campaigning and planning a transition: "But that assumes that at the same time you're running and trying to plan for a transition, that you're also carefully monitoring all the stuff they [the outgoing administration] are getting ready to plant. And frankly, no organization running for President has that kind of resources to be able to monitor" (*National Journal* 2002).

The environmental regulations the Clinton administration left for President Bush had been in the pipeline for some months. Close monitoring of agency rules and comment periods would have warned the incoming team of what they would find, which might have allowed them to develop more successful strategies to combat them. Today, the agency regulations process is easier to follow than it once was, as are the trails of executive orders, proclamations, and memoranda. "It used to be obscure," said Jonathan Breul of the rules and regulations process, as well as information on agency operations. "Now it is all public with documentation and comment. Whether it is regulations or anything else. It is true with EPA almost to the point of saturation. Everything from a blog by the deputy administrator, an agency Web site, budgets, strategic plans, annual plans, performance measures and targets. A 10-page Quarterly Manager's Report, including several dozen agency priorities such as the Rio Grande clean up. Through these you get an idea of what they want. You learn a lot from what they are paying attention to" (Breul 2008). In the coming transition, a robust transition operation can track agency regulations as well as other executive actions. Those include executive orders, memoranda, proclamations, as well as regulations.

President Clinton's executive actions drew a great deal of media attention as George W. Bush took office. Besides his executive policy actions in the final days of his administration, President Clinton granted pardons and commutations to 176 people (Goldstein and Schmidt 2001). With some of the pardons controversial ones, the outgoing president drew a great deal of news media attention. In his first 50 days in office, President Bush was the subject of 204 stories on the three major networks, while former President Clinton was the focus of 115 (Center for Media and Public Affairs 2001). Most of the Clinton stories were associated with actions taken late in his administration. The attention Clinton received meant, in part, that President Bush lost space for himself and his programs.

Two indicators of what President Bush might do at the end of his administration are his action in issuing an executive order on earmarks and the history of executive orders of recent presidents. Ed Gillespie, counselor to President George W. Bush, discussed during a briefing on the president's 2008 State of the

Union address an executive order that the president was about to announce to nullify certain types of congressional appropriations known as earmarks. From a practical perspective, the fact that the new order would not go into effect until a new president came in did not trouble Gillespie. "When the current administration came in 2001, there were a number of executive orders that had been issued very late in President Clinton's second term that were on the books, and President Bush had to either repeal or live with," he said. "This will be on the books, and will be an executive order that future Presidents will have to repeal or live with" (Gillespie 2008). In a large number of areas, presidents have to alter or live with actions taken by their predecessors. But first they have to learn about them.

Most recent presidents have issued executive orders at both the beginning and end of their administrations. Other than Ronald Reagan, recent presidents have issued more executive orders in the last two months of their terms than in the first two. In President Clinton's case, for example, he issued 22 executive orders in his final two months in office. Nine were issued in the last week he was in office. That means presidential successors have to focus attention early in their terms on reviewing the executive orders of their predecessors to see whether they want to revoke them, particularly if there is a change in party with the new administration. A tit-for-tat game can result. On February 17, 2001, President George W. Bush issued an executive order on a signature issue, union membership and dues. Executive Order no. 13201 ordered that contractors post a notice that "employees cannot be required to join a union or maintain membership in a union in order to retain their jobs" (Bush 2001). Under the circumstance in which there is a "union-security agreement," employees can be required to pay dues but may object to their dues monies being used for purposes other than collective bargaining activities. This order revoked Executive Order no. 12836, issued on February 1, 1993 by President Clinton. Clinton's order, in turn, revoked one issued by President George H. W. Bush, Executive Order no. 12800 (April 13, 1992), in the last year of his administration. Switching parties in these three administrations meant clearing out orders sensitive to party positions. In order to respond to the party behind them, presidents need to be aware of how their signature issues are reflected in administrative orders of every stripe.

At the end of their term, presidents often issue proclamations that have an impact on policy. President Clinton used proclamations to set aside federal land to be included in the national park system. Proclamations are a combination of ceremonial items and actions furthering administrative policies. In his final year, President Clinton used proclamations to broaden the boundaries of national parks. Together with Interior Secretary Bruce Babbitt, President Clinton increased the acreage of the park system through proclamations. From January 2000 until he left office, he set aside land through 22 proclamations. He used executive orders in two additional cases for land expansion.

Focus on the White House Decision-Making Process, Key Positions, and Budget Officials

Organizing the top tier of the White House is a central task of the transition, as is lining up the budget operation. How the White House is organized, the decisions the president makes selecting aides, and the process by which choices are made are matters of great importance to the direction of government.

President Bush was asked in December 2007 by ABC reporter John Cochran what it takes to be president: "You've been in office for seven years now. You must have some pretty strong opinions about what it takes to sit in the Oval Office. What is important to you?" (White House 2007). The president went on to discuss how important the White House is to what a chief executive does and how significant the structure of the decision-making system is: "How do you intend to get advice from people you surround yourself—who are you going to surround yourself with, and what process will you have in place to ensure that you get the unvarnished opinion of advisors? Because whoever sits in that Oval Office is going to find this is a complex world, with a lot of issues coming into the Oval Office—a lot—and a great expectation in the world that the United States take the lead. And so my question would be, how do you intend to set up your Oval Office so that people will come in and give their advice?" President Bush did not say whether he came in with that view or whether it was something he learned through his years in office.

Switching from campaigning to governing. As they focus on personnel and decision making, the president and senior White House staff members have to make the switch from campaigning to governing. It is not easy for a president-elect nor for the staff to come into the White House ready to govern because governing involves staffing the administration with people who are appropriate for management responsibilities, not campaign ones; developing a decision-making process designed for the work of governing and working with power centers inside and outside of government; and approaching policy from a governing perspective and timeline. The rhythms of a campaign are based on a clear electoral goal with a defined timetable and a staff appropriate for the black-and-white nature of campaigning, in which your candidate is "right" and your opponent is "wrong." Nicolle Devenish Wallace, communications director for the Bush reelection campaign, said that White House senior advisor Karl Rove called her "at the end of every day around eight

o'clock. . . . after the network news, and would say, 'Did we win today?'" (Kumar 2007, 111). The timetable and thus the tasks for governing are different, explained White House counselor Dan Bartlett: "You're trying to accomplish a goal, whether it be implementing a piece of legislation or affecting public opinion over a period of time, whether it be [over] the tenure of your presidency" (Kumar 2007, 111).

To make the transition from campaigning to governing, the president needs to recruit staff appropriate to working in shades of gray rather than in the black-and-white election world and must enter a world in which compromise is a necessity—not the weakness it is portrayed in presidential campaigns. Roger Porter, senior economic and domestic policy adviser in the Ford, Reagan, and George H. W. Bush administrations, described the needs of governing: "You have to build coalitions. You're not in an us-them, we've got to defeat them; we've got to destroy them. There's just a different mentality. But when you govern you've got to figure how to build a coalition and work with others because, in fact, in our system power is so widely distributed and fragmented that that's the only way you can effectively govern. Those are not necessarily the same set of skills that get illuminated during the course of a campaign" (Kumar 2003, 84–85). Nor is the decision-making process the same. During the months between the election and the inauguration, as well as the early months in office, the new president needs to become adept at reaching across the partisan divide to acknowledge the need to build coalitions in order to govern.

White House staff and budget officials come first. In order to pick cabinet secretaries, the president needs the White House chief of staff, personnel director, and counsel in place. Assessing potential administration appointees requires the work of several White House offices. Personnel staff sift through possible appointees and gather material on each, but presidents consult their relevant policy people, the chief of staff, and counsel before making a choice. That means the major White House staff members need to be in place. Not having them in place can be costly. When President Clinton chose Zoë Baird as his nominee for attorney general, he did not have his White House staff in place or a personnel operation coordinated with the incoming White House counsel. Having a legal opinion is important in weighing nominations—had Clinton had such an operation in place, he might have understood the cost of putting forward Baird's nomination in spite of her and her husband having employed undocumented workers. Her problems were front-page news for over a week, including the days of President Clinton's inauguration. When George W. Bush's staff was confronted with their nominee for labor secretary, Linda Chavez, having an undocumented worker situation, she withdrew within two days. Those handling the personnel vetting process for George W. Bush were people with previous White House experience. Fred Fielding had served as White House counsel during the Richard M. Nixon and Reagan years, and Tim Flanigan had been in the Justice Department during the Reagan years; both were familiar with the Senate confirmation process.

Getting budget officials and White House policy staff in place early on is important, too. The budget prepared by the outgoing president will be submitted early in February. If the president-elect is to have an impact on the budget, the incoming chief executive will need to choose top budget officials and then ask the sitting president to have the outgoing budget team provide their figures to the new crew. That way, they can figure out how they want to handle the budget document. "The issue," commented Clay Johnson, executive director of the George W. Bush transition, "is how much will a new president's budget reflect his or her priorities" (Johnson 2008). The budget is the bottom line for presidential policy, but by the time the president submits one, there are few appointees below the departmental secretary level who have made it through the confirmation process at the 100-day mark (Mackenzie 2003, 330). With so few people in the departments in place, the policy people in the White House and those in the Office of Management and Budget took on a special importance. "Another reason it is important to start early [picking White House staff and budget officials] is that at that point there are very few appointees," commented Jonathan Breul. "Even by June, very few got through [in Bush's first year]. So you don't have a government in place that can function that well so you have OMB director and policy folks to decide how to move forward. It is a thin group. That is how Stockman pulled things together for Reagan, Panetta for Clinton, and Daniels for Bush" (Breul 2008).

> "The issue . . . is how much will a new president's budget reflect his or her priorities."

Handling the unanticipated. Incoming presidents have to deal with late policy actions taken by the incumbent and policy still in the planning stage that they were not fully aware of. President Kennedy inherited the Bay of Pigs plan for an invasion of Cuba developed by the intelligence and military communities. Richard Neustadt commented that President Kennedy regarded it as a "distinctly transition story. . . . One of the things this episode taught Kennedy was his vulnerability when military or diplomatic advice, and foreign intelligence, came at him independent of domestic and political perspectives" (Jones 2000, 117). President Clinton had an early lesson as well. He was faced at the beginning of his administration

with troops sent in December to Somalia by President George H. W. Bush as part of a United Nations force. Initially viewed as a simple plan to alleviate starvation caused by environmental factors, the action led to a situation in which U.S. soldiers were attacked by the forces of local warlords early in the Clinton administration. It took the president more than a year into his administration to bring the U.S. troops home and by then 44 of them had died (Keen 1994).

One of the reasons a president needs a White House working effectively early in his or her term is that unanticipated situations will come along that will require the chief executive to know where resources are and what individuals and institutions can resolve problems. President George W. Bush found out early in his White House tenure that the presidential communications system had fatal flaws. On a weekend trip by limousine to Camp David during snowy conditions, the system through which he communicated with the outside world failed to operate during the 90-minute trip up to Camp David and on the way back to the White House as well. "Not even the cell phone worked in the President's car," said Joe Hagin (2008). The following day, President Bush called for a 120-day review of the system. The review reported "system no longer manufactured" for many of the individual parts of the system. While no one had anticipated such a situation, there was a great deal of work that had to be done by the operations people to manufacture a new system. The work they did to build a new presidential communications system led to the development of a new White House Situation Room with an enhanced presidential communications system.

Coordinate People and Policy around a Presidential Agenda

Incoming presidents have an opportunity to establish their agenda early in their term, but this requires that the president integrate campaign policy priorities with a knowledge of the world he or she is about to enter. A combination of institutional tools and environmental factors make the early days a president is in office a time to effectively set out the administration's priorities and policies. The chief executive's tools include appointments, opportunities to speak to the public, access to the public through news organizations, and the attention of the public.

Clearing out political appointees. Before a president can appoint administration officials, those working for the previous chief executive need to be cleared out. One of the most helpful actions a president can take for the incoming chief executive is to take a strong hand in clearing out political appointees and using a restrained hand in making last-minute policy commitments. Clearing out executive branch offices is not easy because people often want to stay where they are. If there is a change in parties, though, it is easier to get people out of their posts. On the other hand, when there is a same-party transition, people often feel they are due continued service. This has been one of the problems of transitions in which there is a vice president who wins the presidency. President George H. W. Bush followed a president who did not clear out the offices and had to do it himself. Shortly after Bush's victory, President Reagan requested resignations of all of his top political appointees (Boyd 1988). But he did not force people to resign, and Bush and his cabinet officers were left to clear out people who remained after Bush took office. Louis Sullivan, who was confirmed as Secretary of Health and Human Services in March 1989, is an example of what it took to get out the unwanted appointees. Three days after assuming office, "acting under standing orders to department from the White House, [Sullivan] has sent notice to HHS' approximately 100 Schedule C political appointees that their employment is terminated as of April 1. The White House has told secretaries to take such action on political appointees in order to make way for new political appointees selected by the Bush Administration" (Schwartz et al. 1989). It was difficult for President Bush to start fresh when he had to clear out President Reagan's appointees. President Clinton ordered his political appointees to leave before he left office and then on January 19 fired people who did not leave (Marquis 2001).

Begin with the personnel process. Appointments represent a substantial opportunity for a president to move government in a desired direction or directions, but it is unrealistic to expect that a chief executive can have a large number of appointees selected and in place in the administration's first few months in office. The universe of appointments is large. Bradley Patterson, in his forthcoming book *Inside the White House Staff: Continuity and Innovation,* lays out how broad the appointments list stretches. There are the following categories of presidential appointments that in 2008 add up to a total of 7,840, including approximately 400 judicial vacancies: There are 1,177 presidential appointees requiring Senate confirmation (PAS) including Cabinet secretaries, their deputies and assistants, ambassadors, district attorneys, and U. S. marshals. The White House personnel operation has control over the PAS positions, but it also has a role in approving noncareer positions for which agency heads make the selection. Patterson has 1,428 Schedule C positions and another 796 noncareer positions in the Senior Executive Service. Not all positions are full-time ones. There are 3,088 part-time members of boards and commissions that a president can name, 579 of whom require Senate confirmation. The president can also appoint another 790 White House staff members, Patterson calculates. Filling vacancies takes a considerable amount of time for

such a large number of people to appoint and a cumbersome nomination process requiring nominees to fill out a White House personal data statement, an FBI background check, the SF 86, as well as one for the Internal Revenue Service, and a financial review for conflicts of interest by the OGE, the SF 278. If the person requires Senate confirmation, there are committee forms as well.

Between the numbers and the steps in the confirmation process that an appointee must navigate, presidential candidates and their staffs focus first on those appointees who are most important to their agenda. For President Reagan, his agenda of appointments emphasized his interest in the economy, as there was a building recession when he came into office. Pendleton James, who handled the personnel operation during the transition and in the White House, detailed how they identified the positions they were interested in. "So I and my group went through and said what are the key economic policy-making jobs? Those are the ones we want to address first because, until that person is sworn in, confirmed or appointed, that desk is empty over at Treasury or over at Commerce. Economic policy goes from State Department, Commerce, Treasury; it goes through everybody. It's not just Treasury Department. You want to make certain in the early days to work filling those appointments crucial to your initiatives of the first hundred days" (Kumar et al. 2003, 8).

As Ronald Reagan's vice president, President George H. W. Bush did not have the same kind of urgency to fill vacancies as Reagan had following a chief executive of the opposing party. President-elect Clinton did not have a narrow range of issues he wanted to influence through appointments. Instead, he focused on the whole of the cabinet and agency heads. Following the Reagan example, however, Governor George W. Bush had Clay Johnson gather information about the positions he would be able to fill if he was elected. Once Andy Card became chief of staff, he knew from his experience in the Reagan and Bush administrations that they would benefit from sifting through possible appointments with an idea of what they wanted their early achievements to be. "Andy had suggested that we focus on, in addition to the deputies [of the department secretaries] the legislative affairs, the public affairs and the general counsels. Let's get them a good lawyer, a good PR person and a good relationship person with the Congress" (Johnson 2001). That ended up being around 75 positions.

The White House reviewed other positions in the departments and agencies, but the five were among the first ones decided upon (Johnson 2007). The wisdom of focusing on a limited number of appointees first was borne out when, at the end of 100 days, there were only 29 confirmed nominees (Burke 2004, 87). The confirmation was a much slower one than in the Reagan administration, when 72 officials had been confirmed at the same point, and in the Clinton administration, when 42 had gotten through the confirmation gauntlet. In nine of the 14 departments, the only official confirmed by the Senate was the department secretary. The next president can expect a confirmation process equally as slow as the Bush administration experienced.

Stating priorities. President Reagan made his priorities clear very quickly. His first official act was to follow through on a campaign promise and set the stage for his economic priorities. It was a simple act of signing an administrative order to put a freeze on hiring in the federal government. He explained his action:

> This—for the benefit of the oral press—this is an order that I am signing, an immediate freeze on the hiring of civilian employees in the executive branch. I pledged last July that this would be a first step toward controlling the growth and the size of Government and reducing the drain on the economy for the public sector. And beyond the symbolic value of this, which is my first official act, the freeze will eventually lead to a significant reduction in the size of the Federal work force. Only rare exemptions will be permitted in order to maintain vital services. (Reagan 1981a)

In the order itself, he said, "Imposing a freeze now can eventually lead to a significant reduction in the size of the federal workforce. This begins the process of restoring our economic strength and returning the Nation to prosperity" (Reagan 1981b). President Reagan followed his first memorandum with a second one two days later. That memorandum laid out in specific terms what additional cost-saving measures would be taken in the federal government (Reagan 1981c). President George W. Bush also issued a hiring freeze at the beginning of his administration. Presidents Clinton and George W. Bush signed memoranda dealing with standards of conduct. After issuing memoranda and executive orders related to their policy goals, presidents move to their legislative agendas, which will take longer to accomplish.

In addition to standards of conduct and government spending issues, recent presidents have used the early days of their administration to signal their social policy preferences. President Clinton, for example, issued government regulations two days after his inauguration rescinding federal regulations adopted by the Reagan and George H. W. Bush administrations dealing with several women's health issues related to family planning services. In a series of presidential memoranda, President Clinton directed

government agencies to rescind the prohibition on importing the abortion pill RU-486; to reverse the ban on privately funded abortions at military hospitals; to remove the restrictions on the use of U.S. Agency for International Development funds for abortion services; to remove the rule disallowing family planning clinics from giving abortion information, counseling, or referrals to low-income patients; and to remove restrictions on using fetal tissue from induced abortions for federally funded research (Clinton 1993b).

Establish Effective Working Governmental and Nongovernmental Relationships

An early need is establishing good working relationships with members of Congress and with the Washington community. Having staff members and others designated as part of the administration work with those whose support they will need depends on strong relationships. One of the early initiatives of the George W. Bush transition team was to work on their relations with Congress and with those chosen to be cabinet secretaries. "Everybody talks about the importance of reaching out to the Congress," observed Clay Johnson, executive director of the Bush transition (Johnson 2001).

> We use the phrase a lot "doing it with them not to them," doing it with Congress, not to Congress and doing it with the subcabinet, with the cabinet secretary, doing it with them not to them. That general theme, I think, is an important one during a transition. I would suggest that nobody had more credibility with the Hill than Dick Cheney. So as the Congress is all concerned about who these new people are, no one was better suited to be the administration's senior person on the ground in the Washington area than Dick Cheney. And then Dave Gribben came in and set up the legislative affairs operation very quickly. So getting connected with all the Republican leadership, the congressional leadership was overseen by Dick and he did it very, very well. So we didn't have unnecessary fights to pick or unnecessary credibility problems to deal with because of who he was and how involved he was in the transition.

A president establishes good relationships early on or pays dearly later when there is no support from the Washington community when it is needed to ease the way for administration people and proposals. President Carter never had the Washington relations that are so important for developing support for a president among those in the governing community, and it meant he did not have a bench of supporters known to the Washington community who could attest to the worthiness of his actions and plans.

One of the reasons that putting a great deal of emphasis on Congress is so important during the transition is that presidents spend even more time than they anticipate dealing with members of Congress. The way needs to be prepared during the transition. Some recent transition operations have tracked where their president-elect will spend his time once in office. David Gergen prepared a study of past transitions for president-elect Reagan, as did Karl Rove for President George W. Bush. Both relied on public documents such as the *Weekly Compilation of Presidential Documents.* Political scientist Terry Sullivan found a different distribution of presidential time during the early days when studying presidents' detailed daily diaries rather than the public record, as found in contemporary releases. Each president has a diarist employed by the National Archives who is responsible for keeping track of all the moves a president makes. Working with the public record, David Gergen's study estimated that President Kennedy had three meetings with congressional leaders, yet the presidential diary showed he had 50 such meetings. With President Carter, the same was true. The public record showed 26 meetings with congressional leaders, whereas the presidential diarist recorded 74 (Sullivan 2004, 157). "That image of the presidency, as less engaged in legislative affairs, does a disservice to those who want to know the 'normal' demands on a president's time" (160). The presidential diary for the two presidents for their first 100 days demonstrated as well that the public record understated the number of times the presidents met with people representing different interests and the amount of time he had for personal time (157).

Take Advantage of Goodwill and Capture Public Attention

For a short while, the president has the goodwill of the public and the Washington community. Even in politics, people do not want to attack the newcomer until there is substantial reason to do so. In the early days, there is little advantage for a president's opponents to go on the attack against the administration's people and positions. Instead, they wait to do so.

The public pays attention at the start of a president's term, but that willingness to listen does not last through the chief executive's term. The inaugural address is important because not only is it a statement of the president's priorities but it also draws strong public attention. At the same time the public is watching, the treatment of presidents by the press in the early days is fairly positive as well. The Center for Media and Public Affairs found in its charting of news coverage by ABC, CBS, and NBC that in the first 50 days of the George H. W. Bush, Bill Clinton, and George W. Bush administrations, presidents got positive coverage for particular aspects of their administrations. The center's evaluation of

press coverage for President George H. W. Bush's first 50 days was 61 percent positive, while those numbers on the three major networks fell during President Clinton's first 50 days to 44 percent and rose in a similar period of George W. Bush's tenure to 48 percent (Center for Media and Public Affairs 2001, 4). Even if their overall coverage was under 50 percent in its favorability, the coverage of individual policy areas came out well in the George W. Bush administration: faith-based initiatives, 60 percent; defense, 50 percent; taxes, 49 percent, domestic policy, 48 percent; and other economic issues, 54 percent (Center for Media and Public Affairs 2001, 3). While President Clinton did not receive as many favorable as unfavorable stories in his first 50 days, he did come in with favorable television pieces about himself and about members of his administration, which is the medium recent administrations have aimed their publicity toward (Kumar 2007, 100–104). In the period between his election and inauguration, President Clinton had 64 percent favorable television pieces, and the coverage of his new team was even more favorable, except for controversial cabinet nominees Zoë Baird and Ron Brown for commerce secretary (Center for Media and Public Affairs 1993, 3).

Individual speeches early in a president's term receive the attention of the public.

Presidents need to come in expecting to speak regularly and respond to reporters' queries on a regular basis. In their first two months in office, presidents address Congress about their priorities and give other addresses and remarks of less importance. The last five presidents made national addresses in addition to their inaugural address. Of the last four presidents, President Reagan was the most successful in focusing on his economic agenda and not offering other issues for reporters to report on. President George W. Bush had a set of core issues he wanted to talk about each week for his first months in office, though, as we saw, he also had to deal with issues left behind by the Clinton administration. During his first two months, President Bush spoke approximately 100 times. To do that, he focused on speeches and markedly cut down the number of interchanges with reporters that Bill Clinton had in his first two months in office. President Bush met with reporters in short question-and-answer sessions 36 times during his first two months, whereas President Clinton had 56 such sessions in the same time period. President Bush had three press conferences (one solo, two joint), whereas President Clinton had six (one solo, five joint) (Kumar 2007, 8–27). With the attention of the media as intense as it is in the early days, presidents have a mixed record of what the attention produced. For Clinton, his gays in the military policy received attention in the early days in reporters' queries, though he had not intended it to be a policy priority.

Individual speeches early in a president's term receive the attention of the public. President Reagan kept up the theme of getting the budget under control through a televised address less than a month after he came into office. In reviewing all of the televised addresses to the nation from his eight years in office, his February 18, 1981, budget speech had a larger audience than any other address he gave. In a poll of the audiences for 22 of President Reagan's major speeches conducted by Richard Wirthlin, the average number of people who heard "all" of a Reagan speech was 21 percent, "part" of a speech was 24 percent, "read about later" was 16 percent, and "heard/read nothing" was 39 percent (Edwards 2003, 193). For his budget speech, however, 39 percent heard all of it, 25 percent part of it, 18 percent read about it later, and only 18 percent heard or read nothing about it. Reagan knew this early period of his presidency would be important for getting the attention of the public, and he took advantage of it.

In part it was the subject, but it was also the time when Reagan delivered his budget speech was important, too. President Clinton delivered an economic speech on February 17, 1993, one day earlier in his presidency than Reagan delivered his. Clinton's result was similar to Reagan's experience in terms of the size of his television audience. To the question of whether a person watched all, some, a little, or none of the Clinton speech, 70 percent saw some part of the speech, while only 30 percent said they saw none (Edwards 2003, 194).

Transition Challenges

Presidential transitions matter, and the one in 2009 matters more than most. "At a time of war, you don't want there to be any gaps, but particularly any extended gaps in having knowledgeable people [in office]," Joseph Hagin said. From a national security point of view, and even from a financial markets perspective, continuity in government is crucial, as transitions represent soft periods when government is changing hands. In June 2007, three days after Prime Minister Gordon Brown took office in the United Kingdom, there were terrorist attacks in Glasgow and London. The March 2004 Madrid train bombings that killed 191 people came three days before that country's general election. With wars in Afghanistan and Iraq under way, continuity in governing is essential.

The 2009 transition will be a time when we know the hands of the new government will be least

experienced. The last time there was a presidential election in which the incumbent chief executive was not running for reelection, nor was the sitting vice president, was 1952. The transition represents a special challenge to whomever wins because the preparations for office and early actions are going to be important, but the president-elect's knowledge of the presidency will come from a position in the Senate, not as an executive branch officeholder. In order to take advantage of opportunities a transition offers and avoid its hazards, the presumptive party candidates will need to prepare for the presidency before they come into office and, ideally, well before the party conventions.

By taking advantage of the opportunities a presidential candidate has to begin early gathering information on personnel, programs, and presidential actions, a president-elect can understand what it will take to establish the direction of the new administration. In addition to setting the course of presidential policy, an effective transition will help the incoming president staff up the White House and the administration.

While an effective transition provides a good start for an administration, the duration of its beneficial effects will last only as long as the president and White House as well as administration officials are responsive to their environment. Their operation must be flexible and able to detect changes in conditions and sense new issues rising. Without that capacity, the benefits of a good transition will prove transitory.

Acknowledgments

The discussions of lessons learned in previous presidential transitions that are particularly important for this piece include the works of John P. Burke, *The Strategic Presidency* by James Pfiffner, and "Meeting the Freight Train Head On" by Martha Joynt Kumar, George C. Edwards III, James Pfiffner, and Terry Sullivan. Several people in the academic and White House worlds generously commented on the article. I wish to thank them for their comments, which helped me sharpen the piece. In particular, I want to thank Jonathan Breul, John Burke, George Edwards, Clay Johnson, John Kamensky, James Pfiffner, Alexis Simendinger, Terry Sullivan, and Harrison Wellford.

Notes

1. For a discussion of earlier and recent presidential signing statement practice, see the report on presidential signing statements by a task force of the American Bar Association, available at http://www.abanet.org/media/docs/signstatereport.pdf. See also the section on signing statements on the Web site of the American Presidency Project, http://www.presidency.ucsb.edu/signingstatements.php. The documents in notes 10, 11, and 12 can be accessed from this Web site.
2. For a detailed discussion of the George W. Bush transition, see Burke (2004).
3. For a discussion of the problems involved in the appointment process, see Light (2007).
4. An example of the problems that White House staff had with the arsenic and related issues can be seen in Tim Russert's questioning of Karl Rove on *Meet the Press* on April 29, 2001.

References

Abramowitz, Michael. 2008. In The Loop at the White House. *Washington Post*, February 25.

Babington, Charles. 2000. White House May Rethink Lobbying Ban. *Washington Post*, June 25.

Breul, Jonathan. 2008. Telephone interview with the author, February 29.

Broder, David. 2000. Bush, Gore Better Begin Planning. *Contra Costa Times*, June 4.

Boyd, Gerald M. 1988. Reagan Asks the Cabinet to Resign to Give Bush Flexibility in Choice. *New York Times*, November 11.

Burke, John P. 2000. *Presidential Transitions: From Politics to Practice*. Boulder, CO: Lynne Rienner.

———. 2003. Lessons from Past Presidential Transitions: Organization, Management, and Decision Making. In *White House World: Transitions, Organization, and Office Operations*, edited by Martha Joynt Kumar and Terry Sullivan. 25–44. College Station: Texas A&M University Press.

———. 2004. *Becoming President: The Bush Transition, 2000–2003*. Boulder, CO: Lynne Rienner.

Bush, George W. 2001. Executive Order no. 13201, Notification of Employee Rights Concerning Payment of Union Dues or Fees. http://www.presidency.ucsb.edu/ws/index.php?pid=61483 [accessed March 13, 2008].

Center for Media and Public Affairs. 1993. Exit Clinton…Enter Bush: TV News Coverage of the Presidential Transition. *Media Monitor* 7(2).http://www.cmpa.com/files/media_monitor/93feb.pdf [accessed March 18, 2008].

———. 2001. Where's Dubya? TV News Coverage of President Bush's First 50 Days in Office. *Media Monitor* 15(2). http://www.cmpa.com/files/media_monitor/01marapr.pdf [accessed March 18, 2008].

Clinton, William J. 1993a. Executive Order no. 12834, Ethics Commitments by Executive Branch Appointees. http://www.presidency.ucsb.edu/ws/?pid=61530 [accessed March 13, 2008].

———. 1993b. Remarks on Signing Memorandums on Medical Research and Reproductive Health and an Exchange with Reporters, January 22. http://www.presidency.ucsb.edu/ws/index.php?pid=46219&st=&st1= [accessed March 13, 2008].

———. 2000. Executive Order no. 13184, Revocation of Executive Order 12834. http://www.

presidency.ucsb.edu/ws/?pid=61672 [accessed March 13, 2008].

———. 2001. Statement on Efforts to Ensure Sage, Clean Drinking Water, January 17. http://www.presidency.ucsb.edu/ws/?pid=73568 [accessed March 13, 2008].

Curl, Joseph. 2008. McCain Vows Tax, Spending Restraint; Calls Democratic Foes "Liberal." *Washington Times*, February 18.

Edwards, George C., III. 2003. *On Deaf Ears: The Limits of the Bully Pulpit*. New Haven, CT: Yale University Press.

Euchner, Charles C., and John Anthony Maltese. 1996. Taking Office. In *Guide to the Presidency*, 2nd ed., edited by Michael Nelson. Washington, DC: Congressional Quarterly.

Gillespie, Edward. 2008. Press Briefing by Ed Gillespie, Counselor to the President, on the President's State of the Union Address, January 28. www.whitehouse.gov/news/releases/2008/01/20080128-8.html [accessed on March 13, 2008].

Goldstein, Amy, and Susan Schmidt. 2001. Clinton's Last-Day Clemency Benefits 176; List Includes Pardons for Cisneros, McDougal, Deutch, and Roger Clinton. *Washington Post*, January 21.

Hagin, Joseph. 2008. Interview with the author, February 11, Washington, DC.

Johnson, Clay. 2001. Interview with the author, September 4, Washington, DC.

———. 2002. Telephone interview with the author, August 9.

———. 2003. The 2000–2001 Presidential Transition: Planning, Goals, and Reality. In *White House World: Transitions, Organization, and Office Operations*, edited by Martha Joynt Kumar and Terry Sullivan, 311–17. College Station: Texas A&M University Press.

———. 2007. Interview with the author, August 27, Washington, DC.

———. 2008. E-mail message to the author, February 11.

Jones, Charles O., ed. 2000. *Preparing to Be President: The Memos of Richard E. Neustadt*. Washington, DC: American Enterprise Institute.

Keen, Judy. 1994. For Some in Somalia, U.S. Legacy Is Blood, Hate. *USA Today*, March 24.

Kumar, Martha Joynt. 2003. The White House Is Like City Hall. In *The White House World: Transitions, Organization, and Office Operations*, edited by Martha Joynt Kumar and Terry Sullivan, 81–93. College Station: Texas A&M University Press.

———. 2007. *Managing the President's Message: The White House Communications Operation*. Baltimore: Johns Hopkins University Press.

Kumar, Martha Joynt, George C. Edwards III, James Pfiffner, and Terry Sullivan. 2003. Meeting the Freight Train Head On: Planning for the Transition to Power. In *White House World: Transitions Organization, and Office Operations*, edited by Martha Joynt Kumar and Terry Sullivan, 5–24. College Station: Texas A&M University Press.

Light, Paul C. 2007. Recommendations Forestalled or Forgotten? The National Commission on the Public Service and Presidential Appointments. *Public Administration Review* 67(3): 408–17.

Mackenzie, G. Calvin. 2003. The Real Invisible Hand: Presidential Appointees in the Administration of George W. Bush. In *The White House World: Transitions, Organization, and Office Operations*, edited by Martha Joynt Kumar and Terry Sullivan, 326–34. College Station: Texas A&M University Press.

Marquis, Christopher. 2001. Transition in Washington: The Confidante; Tripp Is Fired from Pentagon after Failing to Resign Post. *New York Times*, January 20.

Minz, John. 2000. Clinton Reverses 5-Year Ban on Lobbying by Appointees. *Washington Post*, December 29.

Morgan, Dan, and Amy Goldstein. 2001. Racing the Clock with New Regulations: Clinton Administration Scrambles in Final Hours to Get Rules into Register. *Washington Post*, January 20.

National Journal. 2002. Interview with Karl Rove, April 16.

Obama, Barack. 2007. Remarks of Senator Barack Obama: Taking Our Government Back, June 22, Manchester, NH. http://www.barackobama.com/2007/06/22/remarks_of_senator_barack_obam_17.php [accessed March 13, 2008].

Office of Legal Counsel. 1993. Memorandum to Bernard N. Nussbaum, Counsel to the President, Re: The Legal Significance of Presidential Signing Statements, November 3. http://www.usdoj.gov/olc/signing.htm#N_6_ [accessed March 13, 2008].

Patterson, Bradley H., Jr. Forthcoming. *Inside the White House Staff: Continuity and Innovation*. Washington, DC: Brookings Institution.

Pfiffner, James P. 1996. *The Strategic Presidency: Hitting the Ground Running*. 2nd ed. Lawrence: University Press of Kansas.

Pianin, Eric. 2001. Bush Scrambles to Block Clinton Rush Orders. *Washington Post*, January 21.

Pianin, Eric, and Cindy Skrzycki. 2001. EPA to Kill New Arsenic Standards: Whitman Cites Debate on Drinking Water Risk. *Washington Post*, March 21.

Reagan, Ronald. 1981a. Memorandum Directing a Federal Employee Hiring Freeze, January 20. http://www.presidency.ucsb.edu/ws/?pid=43601 [accessed March 13, 2008].

———. 1981b. Remarks on Signing the Federal Employee Hiring Freeze Memorandum and the Cabinet Member Nominations, January 21. http://www.presidency.ucsb.edu/ws/?pid=43490 [accessed March 13, 2008].

———. 1981c. Remarks on Signing a Memorandum Directing Reductions in Federal Spending, January

22. http://www.presidency.ucsb.edu/ws/?pid=43613 [accessed March 13, 2008].

Schwartz, Maralee, Ann Devroy, and Spencer Rich. 1989. HHS Pink Slips Sent. *Washington Post*, March 7.

Smith, Stephanie. 2007. *Presidential Transitions*. Report no. RS20709. Washington, DC: Congressional Research Service.

Sullivan, Terry. 2004. Assessing Transition 2001. In *The Nerve Center: Lessons in Governing from the White House Chiefs of Staff*, edited by Terry Sullivan, 126–66. College Station: Texas A&M University Press.

U.S. General Services Administration (GSA). 2008. Summary of the FY 2009 Budget Request. http://federalnewsradio.com/docs/GSAfy09Summary.doc [accessed March 13, 2008].

Walsh, Edward. 2001. Arsenic Drinking Water Standard Issued: After Seven-Month Scientific Review, EPA Backs Clinton-Established Levels. *Washington Post*, November 1.

White House. 2007. Press Conference by the President, December 20. http://www.whitehouse.gov/news/releases/2007/12/20071220-1.html [accessed March 13, 2008].

Williamson, Elizabeth, and Dan Eggen. 2008. White House Has No Comprehensive E-Mail Archive; System Used by Clinton Was Scrapped. *Washington Post*, January 22.

We Invite Your Feedback

The **PAR** editorial team is in the process of designing an interactive, web-based accessory to the journal to facilitate dialogue and exchange on the printed content.

In the meantime, we invite thoughtful comments in the form of letters.

E-mail to: par.letters@cudenver.edu

Conventional mail: Public Administration Review, SPA, University of Colorado Denver, 1380 Lawrence Street, Suite 500, Denver, CO 80204

Selected letters will be reproduced in future issues!

Harrison Wellford
Terrawell Energy Group

Academic–Practitioner Exchange: Planning an Effective Presidential Transition in 2008–2009

Preparing to Be President on Day One

Harrison Wellford has advised Democratic presidents-elect and presidential nominees on transition planning since 1976, when he headed the Government Reform Task Force for President-Elect Jimmy Carter. He was manager of the Carter–Reagan transition for the outgoing president in 1980–81, served as White House transition advisor to President-Elect Bill Clinton in 1992, and chaired a transition planning team for Democratic presidential candidate John Kerry in 2004. Mr Wellford has served as executive associate director of the Office of Management and Budget and as executive director of presidential reorganization planning. He practiced law at Latham and Watkins, where he chaired the energy and international practice groups. He is now managing partner of Terrawell Energy Group, which develops and invests in solar power and other renewable energy ventures.
E-mail: harrison.wellford@retnredpartner.lw.com

Nearly 50 years ago, John F. Kennedy asked Clark Clifford to handle his transition planning; the day after the election, Clifford handed Kennedy a single memorandum. Transition for today's president-elect is much more complex. Managing the shift from campaigning to governing is the president-elect's greatest challenge and biggest opportunity. According to Martha Joynt Kumar in her foregoing essay, the newly elected would do well to learn from the successes and failures of their predecessors. In short, the risks rooted in the inexperience and hubris of new presidents may be mitigated or avoided by knowledge gained from analysis of transition precedents. In this essay, the author provides a practitioner's checklist of dos and don'ts drawn from his experience as a manager and advisor in presidential transitions.

Over the last decade, Martha Joynt Kumar has become the institutional memory of the modern presidency in transition. When the new president's team enters the White House, they find it, as Kumar has said, swept "whistle clean" of all written and electronic records of the previous administration (Kumar et al. 2003, 5). The information that the outgoing president makes available to the incoming is entirely discretionary. Kumar fills the gap. For those men or women who accomplish what Richard E. Neustadt has called "this impossible, terrible and awful thing" (1994, 7)—getting nominated and elected president of the United States—Kumar is the Baedeker, the indispensable tour guide, to the hazards, pitfalls, and hairpin turns that must be traversed between election day and the inaugural. As director of the White House Interview Program, she has enjoyed the respect and confidence of incoming and outgoing White House staffs, maintaining her distance as a scholar while still conveying a profound empathy for the burdens of office shouldered by her interviewees.

Kumar believes that transitions matter and that the newly elected can learn from the successes and mistakes of their predecessors. The complexity of the management, policy, personnel, and organization issues increases with every transition. Neustadt, the foremost analyst and historian of the modern presidency and my mentor in the practice of transitions, liked to say that all new presidents are vulnerable to "arrogance in ignorance, their own and that of their associates" (2000, 143). He believed, like Kumar, that the risks to the nation rooted in the inexperience and hubris of new presidents might be mitigated or avoided by knowledge gained from analysis of what has gone right and wrong in past transitions. Good planning, organization, focus, and discipline, taking their cues from the best practices of past transitions, strongly supported by the nominee/president-elect, blessed with a little luck, can greatly increase the odds of success. In her foregoing essay, Kumar has identified those pitfalls and opportunities that, if avoided or seized, respectively, will help the new president, as promised by both parties in the 2008 campaign, be ready to lead the nation on day one.

Pitfalls and Opportunities

The following is a checklist of dos and don'ts for managers of a successful transition. It is derived from advice I have given to presidents-elect and presidential nominees since 1976 as transition advisor both before and after elections.

Transition planning needs to be begin not only before the election but also before the conventions. Most candidates for president have been reluctant to begin planning for transition before the election for fear that they will be considered presumptuous or arrogant. Some are just plain superstitious. They also fear that pre-election planning may fuel speculation about who will be

Most candidates for president have been reluctant to begin planning for transition before the election for fear that they will be considered presumptuous or arrogant.

appointed to top jobs, causing tension between planners and campaign staff about the division of the spoils. Kumar strongly recommends that transition planning begin long before the conventions when the presumptive nominee is identified early in the election cycle. Taking her cues from the preconvention transition planning coordinated by Clay Johnson for Governor George W. Bush, which was both discrete and successful, she advises that a person trusted by the candidate be assigned to gather information on key offices essential to the candidate's policies, including the sequencing of critical appointments; to study transition precedents; to review executive orders, proclamations, regulatory initiatives, and other opportunities for early policy signals; and to calendar the most effective use of the president-elect's time during the transition.

To be successful, the leaders of the preconvention and preelection planning must have the following attributes:

- ***Close relationship with the candidate.*** The candidate must have enough trust in the leader's loyalty, discretion, political savvy, and management skills to feel comfortable delegating most of the preelection planning decisions. Edwin Meese was in place for Ronald Reagan before the nomination; Dick Cheney took command of transition planning in August for George W. Bush. Both had the complete confidence of their candidates, a fact well known by everyone in the campaign.
- ***Mr. Inside/Mr. Outside.*** There are two key functions of transition leadership. The first, Mr. Inside, handles the information gathering on personnel and transition planning issues and keeps a low profile before and after the election. The second, Mr. Outside, becomes the transition's public face after the election, working with the chief of staff and dealing with Congress and the outside world. Johnson played the inside role for George W. Bush, and Cheney was the public face of the transition. The same roles were played by Pendleton James and Edwin Meese, respectively, in the Reagan transition.
- ***Trust by the campaign.*** While the day-to-day preelection transition director should not have a campaign role, he or she should coordinate with the campaign leadership on a regular basis. Regularly scheduled meetings with key members of the campaign and, less frequently, with the nominee, are essential. The message must be clear that the preelection team's mandate is to focus on planning and information gathering, not on preempting key personnel or policy choices before the election. Suspicion between campaign and preelection transition planners in both the Jimmy Carter and Bill Clinton transitions embarrassed the president-elect, amused the press corps, and delayed key transition decisions (Wellford 2007, 61–62).

Make personnel planning the first preelection priority. Failure to establish an efficient, thorough appointments methodology will doom a transition. As Kumar points out, the new president has to make more than 1,100 political appointments requiring Senate confirmation. He or she will also have to appoint nearly 800 White House staff members. Unless the transition team takes control of the process, the flood of job seekers and advice givers can overwhelm a transition effort and cause nightmares for the president-elect.

Identify the top 200 positions that are most critical to implementing policies and executive orders reflective of campaign priorities. While the focus should be on 200, unfortunately, all the system can handle is around 100 nominations at a time. In the case of the Reagan administration, James Baker, who was coming in as chief of staff, believed it would be crucial for the administration to control the levers of economic policy. Baker chose 87 positions that were key to getting hold of the economy and focused first on them.

Establish a framework for processing appointees. Before the election, the transition team should establish (1) a means of processing applications and recommendations for appointments, (2) a framework for evaluating potential appointees, (3) a method for vetting potential appointees, and (4) procedures for briefing and interfacing with selected appointees. President Clinton's transition team was unprepared for the tidal wave of applicants and paid a heavy price for mismanaging it.

Begin gathering information about possible key appointees. While the preelection transition personnel effort is driven primarily by fact gathering and establishing a process, more advanced work should be done on the selection of key appointees (e.g., the chief of staff; press secretary; directors of the Office of Management and Budget, Central Intelligence Agency, Homeland Security Council, and National Security Council; and the secretaries of state, defense, and treasury) who must be in place very soon after the election. This requires highly confidential consultation with campaign leaders and the nominee as election day approaches.

Clear campaign themes and policy agendas are the mother's milk of successful transitions. To borrow Isaiah Berlin's simile, successful transitions are more like hedgehogs than foxes: They focus on one or two big things—a compelling thematic message—rather than skip nimbly among many small ones. The greatest gift the campaign can give to the transition is to clearly articulate the themes that will become its mandate. This mantra can be an indispensable guide to the work of transition teams, the preparation of the

budget, the selection of key appointees, the organization of priorities, and communications with the press.

If the incoming president does not have a well-formed agenda for the first few months in office, others will fill the space with their own wish lists. For example, when it became clear that President Carter did not have a clearly articulated agenda coming into office, a feeding frenzy of policy wonks from interest groups, think tanks, and Congress swarmed the White House. Raised expectations inevitably led to frustration and disappointment, leaving the president looking weak and indecisive. Republicans are very good at crafting their message, shaping an agenda to reflect it, and sticking to it. Democrats should try to do the same.

Marry the policy agenda to a detailed "178 calendar," anticipating all the things the president must do or cannot avoid during the transition and the first 100 days. Such a calendar, covering the 78 days between the election and the inauguration and the 100 days after, which is maintained and refreshed daily by the White House chief of staff, is essential to planning the president's time and the rollout of key initiatives. James Baker took personal charge of developing a carefully calendared strategic plan for President Reagan, drawing on precedents back to the Harry Truman era. At the end of the first 100 days after the inauguration, the news organizations will grade the new president on the progress of appointments, executive orders advancing campaign promises and reversing the predecessor's, foreign policy and national security initiatives, budget and economic priorities, the number of legislative proposals, and more generally on down payments on executing the themes of the campaign. The 178 calendar gives the White House a tracking device to see where the president is as this deadline approaches. A first cut of the calendar should be prepared during the preelection period and updated and enhanced during the transition.

Avoid campaign promises that restrict a president's ability to organize his or her White House staff and attract the best people to the new administration. Avoid promises to cut the White House staff or reduce the size of the Executive Office of the President or other government agencies. Both President Carter and President Clinton promised to cut the size of the White House staff by 25 percent or more. President Carter went further and promised to cut the number of federal agencies by 30 percent and promised a reorganization plan to do it in the first 100 days. Reorganization plans devour political capital and almost always promise more than they deliver. The press was relentless in holding the new presidents to their promises. It makes no sense to promise to cut the staff of agencies before you have had the chance to study them and mold them to your priorities.

> Reorganization plans devour political capital and almost always promise more than they deliver.

Don't make promises about the ethical standards, gender, race, or ethnicity of your appointees that you can't control. President Clinton was saddled with his promise to create the most ethical administration ever. This made the president hostage to any false information provided by a nominee who abused his trust. Extending postemployment restrictions to five years also discouraged many qualified people from entering the government. The expectations of interest groups and the press will be raised by promises about the gender or race of appointees. These promises, with their zero-sum metrics, are very difficult to meet in the rush to fill key jobs and set the new president up to fail. The president-elect should let his or her actions speak to any commitments to diversity. In the end, that's all that counts anyway.

Avoid musical chairs in transition leadership after the election. Continuity between the leadership of the pre- and postelection transition teams is very important. For example, it is usually a mistake to install transition leaders who will end up in the cabinet. The Clinton transition was crippled by the departure in mid-transition of two key leaders: Warren Christopher, who went from codirector of the transition to secretary of state, and Dick Riley, who went from director of personnel planning to secretary of education. The ideal transition leader is an experienced veteran, such as Clark Clifford for John F. Kennedy, who can act as an honest broker among the competing interests of the faithful because he or she has no design on higher office.

Announce the White House chief of staff within days of the election. Transitions cry out for clear designation of authority and organizational structure. Without it, unchecked ambitions cause chaos and inefficiency and squander the most precious resource of the transition—the time of the president-elect. Ideally, the president-elect should be prepared to announce the chief of staff the day after the election, along with the head of the transition. Clinton did not announce his chief of staff until mid-December, and most senior staff were not on board until just prior to the inauguration. As a result, not only were White House staffing selections delayed, but also coordination of policy initiatives was severely hampered. By comparison, Dick Cheney became the leader of preelection transition planning right after the convention and continued as transition chief after the election. George W. Bush designated Andrew Card to be his chief of staff before the Florida

results were in, and by the inauguration, the White House staff was in place and working, down to the second and third tier.

Schedule rest time for the president-elect out of the public eye. The most sincere vote of confidence that a president-elect can give preelection transition planners is to take a few days off right after the election. This retreat telegraphs confidence in them, making clear the belief that key appointments—transition leadership, White House chief of staff, and press secretary—are in place and that other action-forcing processes and deadlines are under control. Both Presidents Reagan and George W. Bush rested in seclusion and benefited from it. President Clinton did not and wished he had. A resting period both invigorates the president-elect and allows a certain amount of political protection. A rested, energized president-elect reemerging as the inauguration nears projects a powerful image of a confident, vigorous leader who is ready to lead the country.

Never forget that the Constitution allows only one president at a time. While the president-elect has no official power until January 20, the anticipation of the power shift by the winning campaign team, high officials in the outgoing administration, and political leaders worldwide is intense and creates the threat of a power vacuum unless carefully managed. The outgoing president's key advisors begin to fade away, in spirit if not in body, within weeks of the election, and little political capital remains to launch new initiatives. The president-elect, on the other hand, is pressured by many forces to signal changes to come. This can be done legitimately with new appointments, but the president-elect should resist all temptation to interfere in government decisions before January 20.

This is particularly true in foreign policy and national security affairs. The outgoing president will offer to brief the president-elect on important national security matters, and senior members of the national security and foreign policy transition teams (with the right clearances) can seek additional information as needed. Their role is to gather information about decisions, not to make them. In return, the outgoing president should refrain from making new commitments—except in a crisis—that preempt opportunities for the new administration (Wellford 2007, 54).

One way in which president-elects have avoided conflict about who is in charge is by keeping a low profile during the transition. They usually stay away from Washington and surface only for big events, such as the ceremonial meeting between the president and the president-elect, the tour of the White House by the first lady, and the announcement of key appointments. President-Elect Clinton conducted an economic policy summit in Little Rock during the transition, but as a fact-gathering and agenda-setting exercise.

Appoint key White House and Executive Office staff and the economic policy and national security/foreign policy team by Thanksgiving. The most urgent issues and tasks facing a president-elect are (1) foreign and national security affairs, (2) the preparation of the budget and economic policy, (3) cabinet selection, (4) White House organization, and (5) communications with Congress and the outside world. To demonstrate dramatically the priority given by the president-elect to economic policy, foreign affairs, and national security, the key cabinet members in these areas should be appointed by Thanksgiving, or sooner if possible. No recent president-elect has made these appointments this early. Getting this team in place is critical to allowing the new president to act quickly on economic policy, foreign policy, and security agendas after the inaugural and will, by itself, go a long way toward making the transition a success in the eyes of the media.

Include experienced Washington insiders on the transition team and White House staff. In the transition leadership and the White House staff, it is essential to create a blend of trusted leaders from the campaign and experienced Washington insiders who know how transitions and the government works. Successful transition teams and White House staffs—such as those of Ronald Reagan in 1980—are led by people trusted by the campaign who also have federal government experience, especially experience in the White House and Executive Office of the President, Congress, and past transitions. The 78 days between the election and the inauguration require the transition team to work at a frenetic pace. Therefore, it is important that the transition team involve people who have both the savvy and the energy to immediately jump on the tasks that must be done. Many people fresh off the campaign are exhausted and need time to recharge their batteries. Both the Carter and Clinton White House staffs were initially stacked with campaign veterans who had little Washington experience, and their on-the-job training was sometimes painful to watch. For example, Hamilton Jordan's refusal to give Tip O'Neill additional inaugural tickets soured their relationship for the next four years.

Avoid transition team bloat—make the transition serve the president-elect's priorities first. The primary goal of the transition is to help the president-elect negotiate the passage from getting elected to governing. Although the size of some transition teams might suggest the contrary, transition should not become a summer camp to reward the party faithful. Large agency transition teams are opportunities for

mischief and should be resisted (Wellford 2007, 63). The pressure from interest groups, contributors, campaign workers, members of Congress, and other Democratic officeholders to place people on these teams is overwhelming. The president-elect should make clear when announcing the leaders of the transition that he intends to run a lean transition that is laser-focused on key priorities. A proactive personnel team that reaches out to these constituencies immediately after the election with information on the appointment process can also help ease the pressure. The planning for the inaugural can also absorb many campaign workers and contributors.

> Large agency transition teams are opportunities for mischief and should be resisted.

Establish a relationship of mutual respect and cooperation with the outgoing administration. The world does not stop spinning during a presidential transition. The American people want to be reassured that the president-elect will cooperate effectively with the outgoing president to ensure a safe and successful transfer of power. A wise president-elect should emulate President Kennedy and use the transition as a time for healing, for binding the nation together after a divisive campaign. The president-elect's relationship with the outgoing president is heavily symbolic in this regard. Setting the right tone of cooperation and mutual respect is not easy. There is some inevitable tension and awkwardness in the relationship between the incoming and outgoing transition teams, fueled by a volatile mix of euphoria and humiliation if the election is seen as a repudiation of the previous regime. This is particularly true when the election is very close. In both the 1992 and 2000 transitions, bad blood developed between the transition teams that proved mutually embarrassing, highlighted by Vice President-Elect Cheney's complaints about lack of cooperation in a press conference on November 27, 2000, and angry rebuttals from the Clinton staff. Most of the time, however, the transition teams work well together.

The president and president-elect and their transition teams traditionally have a meeting at the end of the second week after the election. This is often a missed opportunity for the president-elect. Rarely does the president leave the meeting feeling that the successor listened to what was said. The president-elect can set the right tone of cooperation by asking questions about the president's experience in key areas and providing a list of requests to facilitate cooperation between the transition team and the outgoing government. President-Elect Reagan suggested a hotline be established between two senior members of the transitions (Harrison Wellford and Bill Timmons) to deal immediately with incidents or rumors of incidents (more likely) of conflict between the two teams before they got out of hand. President Carter asked for early access to key Office of Management and Budget staff to help prepare budget amendments. Presidents Carter and Clinton agreed to requests that they write letters terminating all political appointees to save the new president from having to do so. A good relationship between the outgoing and incoming White House chiefs of staff can also go a long way toward reducing tension and creating an atmosphere of trust and mutual respect.

Learn from institutional memory of the outgoing teams and senior career staff. The institutional memory of the outgoing team is a priceless asset that often is overlooked or undervalued. Usually, the outgoing team is very anxious to cooperate with the incoming team and share their institutional knowledge. The incoming team, puffed up with the winner's hubris, is often not very interested. This is a mistake that the president-elect can avoid by giving clear signals to the transition team that he or she wants them to cooperate and learn from the outgoing team. This is particularly important for the White House. The new White House staff will find that their offices have no files, no rolodexes, and no career staff waiting to explain the ropes. All key White House staff and the heads of agencies in the Executive Office of the President should be thoroughly debriefed before they depart, if they are willing. Most will welcome the opportunity.

Complete cabinet selections by mid-December. The remaining cabinet appointees should be announced prior to Christmas. This is traditionally the benchmark the press has used to evaluate whether the transition is on track or behind that of prior presidents. From a practical perspective, meeting this deadline is also important because the nominees will need time to be briefed on their new positions, prepare for Senate confirmation hearings, and begin selecting, in coordination with the president-elect, their senior staff.

Conclusion

More than 40 years ago, John F. Kennedy asked Clark Clifford to handle the transition for him, and the day after the election, Clifford handed Kennedy a single memorandum. Transition for today's president-elect is much more complex. The work should begin before the conventions and run flat out until the inauguration. Managing the shift from campaigning to governing is the president-elect's greatest challenge and biggest opportunity. Getting him or her ready to do this is the transition team's only objective. Good preelection planning should allow the president-elect to make a good and lasting first impression as a national, not a factional, leader who can govern as well as campaign.

References

Kumar, Martha Joynt, George C. Edwards III, James Pfiffner, and Terry Sullivan. 2003. Meeting the Freight Train Head On: Planning for the Transition to Power. In *White House World: Transitions, Organization, and Office Operations*, edited by Martha Joynt Kumar and Terry Sullivan, 5–24. College Station: Texas A&M University Press.

Neustadt, Richard E. 1994. Presidential Transitions: Are the Risks Rising? *Miller Center Journal* Spring 1994, 4–7.

———. 2000. Neustadt Advises the Advisers in 2000. In *Preparing to Be President: The Memos of Richard E. Neustadt*, edited by Charles O. Jones, 143–72. Washington, DC: American Enterprise Institute Press.

Wellford, Harrison. 2007. Avoiding the Hazards of Transition: Neustadt's Lessons. In *Guardian of the Presidency: The Legacy of Richard E. Neustadt*, edited by Matthews J. Dickinson and Elizabeth A. Neustadt, 52–74. Washington, DC: Brookings Institution Press.

Coming Up in the

September/October Issue of *PAR* . . .

Special PAR Symposium on Election Administration

Recent Managerial Innovations Abroad and at Home

Essays on Citizen Feedback: Its Up-Sides and Down-Sides

A Look at Public Accountability in the USA and UK

Book Reviews

Clay Johnson
Deputy Director for Management,
Office of Management and Budget

Academic–Practitioner Exchange: Planning an Effective Presidential Transition in 2008–2009

Recommendations for an Effective 2008 Transition

Clay Johnson is the deputy director for management in the U.S. Office of Management and Budget. Previously, he was the assistant to the president for presidential personnel. He served as executive director of the Bush–Cheney transition in 2000–01. From 1995 to 2000, Mr. Johnson worked with Governor George W. Bush in Austin, first as his appointments director, then as his chief of staff. He has served as the chief operating officer for the Dallas Museum of Art and as president of the Horchow and Neiman Marcus mail order companies. He also has worked for Criscorp, Wilson Sporting Goods, and Frito Lay.

In response to Martha Joynt Kumar's essay on maximizing presidential transitions while minimizing hazards, this essay presents additional practical recommendations, framed within the context of the upcoming presidential transition.

This is to lay out my personal thoughts and recommendations regarding the upcoming presidential transition of 2008, based on my experience as the executive director of the presidential transition of 2000, the research I did to prepare for that assignment, and the resources I know this next administration will inherit.

General

- Six months or so before the election, designate someone to, at a minimum, plan the transition and, preferably, prepare to be the executive director or chief operating officer of the transition. Don't worry about jinxing the campaign or being too presumptuous: It is irresponsible for anybody who could be president not to prepare to govern effectively from day one.
- Set specific goals for the transition and assign specific people to be responsible for the accomplishment of each. Without goals to drive the preparation to govern, the transition period will be spent responding to the tremendous inflow of advice, job seekers, volunteers, well-wishers, and press inquiries. I suggest the following generic transition goals for whomever is elected president:

  - Clearly communicate that you are aggressively preparing to govern, that you are operating without hubris or triumphant partisanship, that you are experienced and not a neophyte, that you are ethical, and that you understand the president-elect is not the president until noon on January 20.
  - Select the senior White House staff and choose an organizational structure and decision-making process by mid-December.
  - Select the cabinet members by Christmas and have them briefed and ready for confirmation hearings by about January 10, a timetable that has been met by prior administrations. The Senate will be anxious to hold hearings even before the new president is sworn in so that the new cabinet members can be confirmed within a day or two of the inauguration.
  - Summarize the new administration's priorities for each cabinet department and the primary issues, facts, and campaign promises related to each. It is important to prepare each secretary-designee to be the new president's secretary versus merely the secretary.
  - Prepare to proactively reach out to Congress, supporters, trade associations, well-wishers, and job seekers in order to show your interest in them and to connect with them in the way you choose to do so and according to your timetable. Work especially to establish a strong working relationship with the congressional leadership.
  - Develop a preliminary 20-day, 100-day, and 180-day schedule for the new president to guide the initial focus for his or her energies and time.
  - Prepare to present the new administration's proposed budget by early February, when the fiscal year 2010 budget is to be presented to Congress.
  - Review the executive orders and regulatory issues requiring immediate attention from the new administration.

- Plan on the transition costing at least $9 million (2000 dollars), which is what the 1992 and 2000 transitions each cost. Have a campaign fund-raising group ready to field a direct mail solicitation shortly after the election for the difference between the forecasted costs and what the General Services Administration provides.
- Count on needing to organize at least 800 people at the peak of the transition. The Ronald Reagan and Bill Clinton transitions each used more than 1,000 people, but many of these extra people were needed to do work such as data entry and correspondence that can be done more efficiently today

with the help of technology and the Internet. The majority of these people can be volunteers, as there will be plenty of people available to provide general support, and congressional staffers, who will be in fall recess, to work on policy and governance matters.

• It is a good idea to use private transition monies to pay for temporary housing for transition workers and to provide some relocation assistance. For legal reasons, all of this support must be provided and paid out before the inauguration. In 2000, senior White House staff-to-be were given the estimated cost of their physical move, while all other staff members relocating to Washington, DC, from the campaign or governor's office were given $1,000 each.

Expect a lot of advice from members of previous administrations, "experts," interest groups, lobbyists, governors, legislators, donors, and the like.

Manage the "Incoming"

• Expect a large number of job seekers, at least 40,000 in the first few weeks and at least 75,000 in the first few months. Make an online application available on a transition Web site so that applicants can apply directly (and, by the way, do their own data entry). I suggest the transition incorporate into its Web site the functional online application currently used by the Office of Presidential Personnel (PPO), as is or with modifications, or formally decide months before the election that it wants to develop its own.

• Also use the transition Web site to help potential applicants understand the reality of public service and that it is not for everyone: The pay is low and the hours are long, divestiture of assets is often called for, there are postemployment and lobbying restrictions, and there is a lot of public and congressional scrutiny.

• Expect a lot of advice from members of previous administrations, "experts," interest groups, lobbyists, governors, legislators, donors, and the like. Organize to receive this information: "Partner" with them, but in such a way as not to be consumed by the partnership. Designate separate people to serve as contact points for governors, donors, and members of Congress.

• Send separate communiqués to governors, mayors, members of Congress, donors, and supporters to tell them how best to communicate with the transition team. Differentiate between how they can apply for a position, recommend someone for a position, provide input, and volunteer.

• Be proactive in connecting with Congress. Members from the president-elect's party, in particular, will want to know whether the new administration intends do it "with them" or "to them." Designate senior people with established credibility to actively seek input, and set up a system for ensuring timely responses to congressional recommendations and questions.

Assemble the New Administration's Team

• Select someone to be in charge of presidential personnel at least six months before the election, if at all possible. Have him or her confer with appropriate subject-matter principals and policy people, and use the generic position description materials compiled by the PPO to reach preliminary conclusions about the type of person the president-elect should be seeking for each cabinet position. When conferring with subject-matter principals, solicit suggestions about who should be considered for each senior position. Then, initial discussions about cabinet member and senior subcabinet selections can be substantive and goal oriented, and not just about who did what during the campaign. A significant challenge in assembling any new administration's team is balancing the need to select the best people to do the work ahead with the natural desire to reward key people who helped get the new president elected.

• Begin early enough before the election, plan and organize, assemble the necessary resources, and make it a high priority to put in place the 100 or so most important cabinet and subcabinet personnel by about April 1. Every administration might prioritize the positions differently, but everyone agrees that it will be very important for this next administration to work with the Senate to put into place as quickly as possible the key national and homeland security subcabinet.

• No previous administration has had confirmed more than about 25 cabinet and subcabinet personnel by April 1—therefore, this goal is a significant challenge. The PPO is currently defining the resources, timetable, and organization that it believes the new administration will have to employ to help the new president select these 100 people in time to get them cleared and confirmed by the Senate by April 1. In addition, White House counsel, the PPO, and the Office of Management and Budget (OMB) are working to significantly expedite the clearance process to make it possible to accomplish that goal. These same offices are working with the Senate to get them the information on the nominees they need to accomplish the goal.

• Along these same lines, the new administration should set as its goal to have the entire cabinet and subcabinet, which is about 400 people, working by the August recess. No previous administration has had more than about 240 cabinet and subcabinet personnel confirmed by this date.

• Make every effort to designate senior White House staff by January 1 so that they can get comfortable working together and managing the president-elect's schedule in the weeks leading up to the inauguration, as they will manage it after he or she takes the oath of office. These staffers also need to be in position to provide guidance and counsel to the new cabinet secretaries. The new president's chief of staff is the best person to lead this effort, separate from but in coordination with the effort to identify the cabinet and subcabinet positions.

• Have early conversations with secretary-designees about the collaborative nature of the subcabinet selection process. Some presidents have allowed their secretaries to select their own subcabinets, whereas other presidents have mandated who would serve in each secretary's subcabinet. It is important that each appointee is loyal to the president, knows that the president selected him or her, and is someone the secretary can work with. Therefore, the recommended but more challenging approach to subcabinet selection is for presidential personnel and the secretaries to collaborate—both have to agree on who should be recommended to the president.

Prepare the New Team to Govern

• Focus on getting the new secretary-designees off to an informed, confident start. Provide them with basic briefing material on the department, the president-elect's campaign promises in their subject area, staff to support them during the confirmation process (a chief shepherd who has helped previous nominees get confirmed, a public affairs person, a presidential personnel contact, and a cabinet affairs person), a lot of contact information, and temporary office space (preferably so that all the secretary-designees can be near and get to know each other).

• Use small teams of five or so people to interact with department personnel to put together focused briefing books for the secretaries-to-be. Minimize potential conflicts of interest in interacting with the departments and maximize the quality of the briefing material. Therefore, exclude lobbyists and overt job seekers from these teams, but assemble them and other "experts" into advisory groups for each new secretary and allow them to submit individual but not group recommendations on any issue they desire to comment on.

• Designate a small team to work with the OMB to ensure that the fiscal year 2010 budget reflects the new administration's priorities. The OMB is very experienced at working with budget-knowledgeable representatives of new administrations to accomplish their budget-related goals in the two months or so they have to work together.

• Designate a few people to research all current executive orders to determine whether there are any that the new president wants to rescind or replace with orders of his or her own to define new courses of action right away.

A presidential transition is very, very intense and full of conflicting emotions and pressures.

• The candidates naturally want to wait until after the election to prepare to govern, but it is irresponsible to do so.

• The president-elect's staff and advisors want to celebrate and recover from the grueling campaign, but they can't—the new administration only has about 75 days to prepare to govern and deliver what they said they would if elected.

• The president-elect's staff and advisors have been focusing on the more than half of the people they needed to vote for their candidate, but now they need to focus on the entire populace they have been elected to serve.

• The president-elect's natural desire is to reward key people who helped get him or her elected, but the focus really needs to be on selecting the best people to do the governing work ahead.

Every candidate must prepare to govern, starting months before the conventions when each officially becomes the candidate.

Every candidate must prepare to govern, starting months before the conventions when each officially becomes the candidate. And every transition must organize and prepare to focus on what they must get done if they want the president-elect to be well prepared to govern at noon on January 20, 2009.