

**STATEMENT OF BETH F. COBERT
Acting Director
U.S. Office of Personnel Management**

**Nominee to Serve As
Director
U.S. Office of Personnel Management**

before the

**UNITED STATES SENATE COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**

February 4, 2016

Thank you Chairman Johnson, Ranking Member Carper, and Members of the Committee for welcoming me today. It is an honor to be considered by this Committee as a nominee for Director of the U.S. Office of Personnel Management (OPM).

I am pleased to be joined here today by my husband Adam Cioth. I want to thank my children Peter Cioth and Talia Cioth for their continued support. I also want to thank my mother, Shirley Cobert, for her constant encouragement and both my parents for being such a great role models of what it means to be engaged and community-minded citizens.

I want to thank President Obama for nominating me to this position. I also want to thank the Members of this Committee and their staff for taking the time to meet with me, both recently and over the last two years in my previous role as Deputy Director for Management at the Office of Management and Budget (OMB). Working as partners with this Committee was a vital component of our successes during my time at OMB, and I am confident that, if confirmed, the level of progress we can achieve at OPM will be enhanced by the strength of the relationship between this Committee and OPM.

Serving as the Deputy Director for Management at OMB was my first role in Federal service. I have found the experience to be challenging and phenomenally rewarding. My time at OMB and as Acting Director at OPM has given me the opportunity to work with thousands of dedicated public servants who wake up each day with a desire to improve the lives of their fellow Americans. It has been my honor to serve alongside them.

Every day, OPM's employees are hard at work providing valuable services to their fellow Federal workers and developing policies and strategies to make the government work more effectively for the American people. They are processing retirement claims from across the Federal government, conducting background investigations on prospective and current Federal employees and Federal partners, collaborating with agencies to attract top candidates to Federal service, and providing quality health insurance to employees of the Federal Government. If confirmed as the Director of OPM, I pledge to support OPM's employees as they build on the progress they have already made by focusing on management discipline, ensuring our decisions

are based on reliable data, and delivering excellent customer service. By following these good management practices, I believe we can achieve our main goals: improving OPM's cybersecurity and IT posture, assisting with the transition to stand up the new National Background Investigations Bureau (NBIB) while continuing to provide quality background investigation services to our agency customers, and implementing the initiatives that make up the People and Culture pillar of the President's Management Agenda so that OPM may lead agencies in their efforts to recruit, train, and retain a world-class workforce.

Since arriving at OPM, I have made cybersecurity and helping those individuals who were impacted by the malicious cyber intrusions which resulted in the theft of personal information, including Social Security numbers, of approximately 22 million individuals, one of OPM's highest priorities. Over the past several months we have worked to provide identity protection services to those impacted, and we are committed to implementing Section 632 of Public Law 114-113 which also provides services to impacted individuals. If confirmed, I will work to see that OPM continually strengthens its cyber defenses and IT systems in the face of today's evolving threats, by focusing on technology, people, and processes.

On this front, we have made significant progress. For example, we now require two-factor authentication for network access, we continue to strengthen the perimeter protections with firewalls, and we have installed tools to better inspect incoming and outgoing traffic and create more visibility on the network. I have also hired a Senior Advisor for Cybersecurity, to bring private sector experience on how best to strengthen OPM's IT systems, modernize our IT infrastructure, and enhance the security of valuable federal IT systems and information. At the same time we have reorganized our Office of the Chief Information Officer, brought in a new Acting Chief Information Security Officer, and hired four new SES-level employees and four new senior IT program managers to further strengthen our senior IT team. On the process front, we are putting into practice a new incident response plan, and OPM periodically requests independent penetration testing from our interagency partners. More generally, we are continuing to collaborate with our interagency partners and the Office of Inspector General on ways to bolster our cyber defenses. Going forward, we will continue these efforts as we begin to migrate our systems into a more modern and secure environment.

As you are aware, recently the Administration announced a series of changes to modernize and strengthen the way we conduct background investigations for Federal employees and contractors and protect sensitive data. These changes include the establishment of the NBIB, which will absorb OPM's existing Federal Investigative Services, and be headquartered in Washington, D.C. This new government-wide service provider for background investigations will be housed within OPM. Its mission will be to provide effective, efficient, and secure background investigations for the Federal Government. Unlike the previous structure, the Department of Defense will assume the responsibility for the design, development, security, and operation of the background investigations IT systems for the NBIB. Additional key changes include: the leader of NBIB will be a full member of the Performance Accountability Council (PAC), and NBIB will receive policy direction and guidance from, and be accountable to, the PAC and its customer agencies for providing continuous improvements to the investigative process. If confirmed, I will work to facilitate the transition while minimizing disruptions of current

operations and continuing the focus on providing effective, efficient, and secure background investigations for the Federal Government.

Maintaining our efforts to carry out the People and Culture pillar of the President's Management Agenda (PMA) is also critically important. If confirmed, I will work to see that the Federal government stays competitive as an employer and that agencies have the tools and resources needed to meet their mission and be responsive to the needs of the American public we all serve.

As part of the PMA, OPM is currently leading "Hiring the Best Talent" efforts to identify issues or challenges in Federal employment, and helping agencies "untie the knots" when confronting difficulties in hiring. OPM is a customer service organization: a key feature of our mission to assist our clients with understanding the existing authorities and tools at their disposal to successfully recruit, develop, and retain the best personnel they can to meet their needs. Accordingly, we have increased our outreach and strengthened our available guidance to Federal agencies. OPM is partnering with agencies to develop workgroups and action plans to pursue challenges related to specific occupational areas (e.g., information technology), position management, training and certification. To help support this process, OPM is also leveraging partnerships, including the Chief Human Capital Officers Council and other key stakeholders to inform future strategies and action plans.

OPM is also committed to increasing employee engagement across the Federal government as another key element of the PMA. Employees want a job that makes full use of their skills, gives them opportunities for continuous learning, and enables them to make an impact on the people they serve. OPM is proud to be leading this effort and has been charting a course over the past several years for Federal employees to build key skills that lead to improved individual and organizational performance and job satisfaction. These efforts to enhance employee engagement and mission performance involve personnel from across the federal workforce including Chief Human Capital Officers, senior managers, and labor unions representing front line employees across the Executive Branch.

Recognizing that the overwhelming majority of Federal employees – roughly 85 percent – are not in the Washington, DC area, OPM is reaching out to individuals in Federal agencies in geographically diverse areas of the country. Through the Hiring Excellence Campaign OPM will soon be launching, OPM will be working directly with agency hiring managers and human resources staff to help them identify skills gaps and find and recruit the best professionals to fill these positions. This allows us to hear directly from hiring managers and supervisors, while also giving us the opportunity to have discussions with Federal agencies about the tools already available to them. We have also launched a Hiring Toolkit on HR University, which includes guidance on the authorities, assessments and data already available to hiring managers. In addition, we are also working to support the Administration's Cybersecurity Strategy and Implementation Plan by leading the effort to put in place programs to recruit and retain the most highly qualified cybersecurity workforce and talent across the Federal Government. All of these activities are in addition to our daily oversight responsibilities to ensure Federal Government agency human resources programs are effective, follow merit system principles, and meet related civil service requirements.

Our PMA goals around hiring the best talent would not be complete without a strong commitment to diversity; and we are continually focused on recruiting, hiring and retaining a diverse workforce. Through a data-driven approach, we are collecting and reviewing demographic data to address challenges in employing a Federal workforce that draws from all segments of society. We are also providing training to agencies, managers, supervisors and employees to foster diversity and create a more inclusive workplace. OPM works closely with Federal agencies and employees, including Federal employee resource and affinity groups to enlist their support and to achieve common agency-wide goals and objectives in this critically important area.

Equally important is improving the experience for applicants who are seeking employment in the Federal government. In this area, OPM is making significant improvements to USAJOBS. Originally, USAJOBS was aimed at automating a paper-based process that was designed to meet a statutory requirement for posting vacancies; it was not explicitly built upon user's needs and expectations. In the last year, there have been a number of positive developments on USAJOBS, including improved underlying search architecture to make way for better search results for both recruiters and jobseekers, the ability for job seekers to search by geographic locations; making the website mobile friendly, allowing job seekers to access USAJOBS from any device with full access to all features; and simplifying the process by which agencies are able to access USAJOBS data to support recruitment efforts so that agencies and job seekers are better able to find one another. Going forward, we are looking to continue to enhance the user experience and deliver a website that is thoughtfully crafted, personalized and serves as a valued resource for individuals exploring employment opportunities for federal service.

And finally, a third key pillar of the PMA is supporting the Senior Executive Service, given the critical role that these leaders play in the operations and mission impact of their agencies. Recently, the Administration issued an Executive Order: Strengthening the Senior Executive Service, that reflects the Administration's commitment to investing in and supporting senior leaders and ensuring agencies are developing talent pipelines for the future. OPM looks forward to continuing to support this important effort.

There are many other important program areas that highlight OPM's role as a service provider. For example, OPM administers healthcare benefits for over 8 million Federal employees, annuitants, and their families through the Federal Employees Health Benefits Program, and also contracts to provide dental and vision insurance, life insurance, and long-term care insurance, and also makes available to Federal employees flexible health spending accounts. These benefits are an important tool in enabling the Federal government to recruit and retain top talent to serve the American people. OPM also manages health plan options available to consumers and small business in 32 states, plus the District of Columbia, through the Multi-State Plan Program. If confirmed, I am committed to maintaining OPM's ability to provide comprehensive benefits at an affordable cost to enrollees and the government.

OPM also strives to honor the service of Federal employees by providing to them, and their families, timely, transparent, seamless, and accurate retirement benefits. Over the last four years, OPM has made progress in reducing the retirement claims inventory and modernizing the retirement process. Data showing our progress in reducing the inventory and meeting monthly

claims processing goals is posted publicly on OPM's website on a monthly basis to inform Congress and the public about our efforts to improve service. However, I understand that challenges remain. I commit to you and to the nearly 2.6 million annuitants, survivors, and their families that we serve that, if confirmed, I will continue to work to identify opportunities to gain efficiencies in the retirement process and to improve customer service.

Finding ways every day to support these important functions of OPM, as we support our federal workforce from resume to retirement, is what most excites me about this opportunity.

During my almost 30 years in the private sector, I worked with corporate, non-profit, and government entities. One consistent lesson was that the most effective way of getting things done is to approach issues with a solutions-based mindset. This is why I believe the best way to deliver results to the American people is to work with partners wherever we may find them, from the Office of the Inspector General to the Government Accountability Office, from labor unions to private sector stakeholders to Congress.

Every organization can benefit from leaders who provide a sense of purpose, ensure people deliver against commitments, and are willing to roll-up their shirtsleeves and dig in with their workforce to accomplish goals on behalf of their customers. If confirmed, that is how I will approach my work at OPM. I look forward to working with this Committee to find ways to continue the improvements that I believe are already under way at OPM to provide the support needed for our customers: current, future, and former federal employees; their agencies and departments and ultimately, the American people.

I want to thank the Committee again for considering my nomination and I look forward to answering any questions you may have.