

Opening Statement of Chairman Ron Johnson
Nomination Hearing to Consider Claire M. Grady to be Under Secretary for Management,
U.S. Department of Homeland Security and
Henry Kerner to be Special Counsel, Office of Special Counsel
June 28, 2017

Today the Committee will consider two nominations within its jurisdiction that are integral to ensuring the Department of Homeland Security is efficient and effective, and that the people who raise issues of waste, fraud, and abuse throughout the federal government are protected.

Under Secretary for Management, Department of Homeland Security (DHS)

The Under Secretary for Management (USM) is responsible for ensuring that DHS's workforce has clearly defined responsibilities and the means to efficiently carry out the Department's mission. The USM's office handles a budget of just under \$1 million and approximately 1,800 full time equivalents.

More broadly, the USM oversees the Department's budget of almost \$66 billion, appropriations, expenditure of funds, accounting, and finance; procurement processes; human resources and personnel of approximately 240,000 employees; IT systems, facilities, property, equipment, and other material resources; and performance measurements. Several programs that fall squarely under the USM's responsibilities have been flagged by non-partisan government watchdogs as being at high-risk for abuse, including the Department's management of human capital (including employee morale and engagement, and cohesion among component leadership), management of its grant and acquisition programs, and the Department's cybersecurity.

Special Counsel, Office of Special Counsel

The Special Counsel is the head of the Office of Special Counsel (OSC), an independent agency created by Congress in 1979. The OSC has over 100 employees and operates a budget of almost \$25 million each year. The OSC is charged with: (1) providing a safe haven for federal employees to make protected disclosures (with the exception of certain intelligence agencies); and (2) investigating allegations of whistleblower retaliation or other prohibited personnel practices. Federal employees are protected when they disclose allegations of: a violation of law, rule or regulation; gross mismanagement or waste; abuse of authority; or dangers to public health or safety.

If the OSC reviews a protected disclosure and finds there is a "substantial likelihood" of wrongdoing by an agency, it transfers the matter to the agency for investigation and issues a report to Congress and the President. It cannot, however, force the agency to take other action. If the OSC finds that an individual faced retaliation for the disclosure, it may negotiate "disciplinary action" with the agency against the retaliating employee and prosecute when appropriate.

The OSC also investigates Hatch Act violations and protects the employment and reemployment rights of civilian military members. Finally, it plays an important role in training agencies on how to handle whistleblowers and employees on their rights through its outreach and 2302(c) Certification Program.

Claire Grady

Ms. Grady has extensive experience in federal acquisitions and procurement. She is currently the Director of Defense Procurement and Acquisition Policy at the Department of Defense, and previously served as the Deputy Assistant Commandant for Acquisition and Director of Acquisition Services for the United States Coast Guard. Ms. Grady also previously served as the Director of Strategic Initiatives in the Office of the Chief Procurement Officer at the Department of Homeland Security shortly after it was created. Ms. Grady has a Master of Business Administration degree from the University of Maryland, a Master of Science degree from the National Defense University's Industrial College of the Armed Forces, and a Bachelor of Arts degree from Trinity University.

Henry Kerner

Mr. Kerner is currently the Assistant Vice President of Investigations at the Cause of Action Institute. Prior to that, he was the Deputy Director of Investigations at the House Oversight and Government Reform Committee, and the Staff Director and Chief Counsel of this Committee's Permanent Subcommittee on Investigations under then-Ranking Member McCain. Mr. Kerner also has years of litigation experience working as a Deputy District Attorney at the Los Angeles County District Attorney's Office. Mr. Kerner has a law degree from Harvard University and Master of Arts and Bachelor of Arts degrees from UCLA.

I'd like to thank the nominees for agreeing to serve in these important positions, and I look forward to hearing their testimony.