

**Nomination of Ms. Anne E. Rung to be Administration of the Office of  
Federal Procurement Policy, Office of Management and Budget**

**July 24, 2014**

**Senator Claire McCaskill**

**Opening Statement**

We convene this hearing today to consider the nomination of Anne Rung to be the Administrator for the Office of Federal Procurement Policy, or O-F-P-P, within the Office of Management and Budget.

It has been almost 8 months since Joe Jordan, the previous OFPP Administrator left the office, and this is not the first time that OFPP has been without an Administrator for an extended period of time. The position was vacant for 6 months from November 2011 until Joe Jordan was confirmed in May, 2012, and the Administration failed to nominate someone for the first 10 months of its first term.

The absence of leadership in this office has been a source of great frustration to me, as there have been several occasions when OFPP has been unable to provide a witness for my subcommittee hearings because of these vacancies.

So it is with a sense of urgency that I welcome Ms. Rung here today. I want to thank Dr. Coburn, Senator Johnson and Chairman Carper for moving so quickly after the White House sent Ms. Rung's nomination to the Committee.

As a former state auditor, and chairman of the Subcommittee on Financial and Contracting Oversight, I have a great appreciation for the importance of OFPP. It has the

potential to save the taxpayers a lot of money with the right policies and the right leadership, and I believe that Ms. Rung is well-qualified to become its Administrator.

While our federal government continues to grow to meet the needs of a complicated world, the total number of federal personnel has actually fallen. According to data collected by the Office of Personnel Management, there are fewer federal employees now than there were in 1962. To fill the growing gap between the falling number of federal employees and needs of a growing nation, the government increasingly relies on contractors.

Last year, the federal government spent approximately \$460 billion contracting for a wide range of goods and services. In many cases the work of contractors is indistinguishable from the work being performed by federal employees, and contractors sit side-by-side with their federal counterparts. Yet all too often, little or no analysis is done to determine what is the most cost-effective way to meet these mission needs.

Most federal agencies still don't do a cost-benefit analysis when deciding whether to hire a federal employee or a contractor. Our contracting oversight workforce is overstretched and underfunded. The data they rely on to look at contractor past performance is difficult to use and incomplete, and the contracting process itself is cumbersome and time-consuming.

To its credit, OFPP has taken on these challenges. Most recently, on July 10, OFPP issued guidance to assist contracting officers in making better use of contractor past performance information. And the Administration has set lofty goals for the continued use of strategic sourcing. However, as I have seen throughout the federal government, it is one thing to issue policies and set goals, but it is quite another thing to see that those policies are actually implemented and those goals are met.

In reviewing Ms. Rung's work, it is my belief that she is the kind of leader who will see that these and other policies are actually implemented, not just words on a paper. Ms. Rung is currently serving as a senior advisor at OMB and previously, she served at the General Services Administration (GSA) in various positions, most recently as the Associate Administrator of Government-wide Policy.

Prior to GSA, Ms. Rung was the Senior Director of Administration at the U.S. Department of Commerce from 2010 to 2012, where she won an award for the work she did to eliminate waste and inefficiency through the agency's Cost Reduction Project. Her work resulted in reduced wireless costs, better printing management and strategic sourcing for seven principal commodity purchases, including computers. She also created an agency-wide network of strategic sourcing experts from each of Commerce's major bureaus, where her efforts yielded millions in savings.

It gives me great confidence to know that Ms. Rung has actually accomplished on a single-agency scale that which we hope to accomplish across the federal government. There are still millions, if not billions, of dollars, in low-hanging fruit in the form of savings that we can find in our federal contracting system, and with the right policies and strong leadership ensuring those policies get implemented, we can start to see some really significant savings and improvement in our federal procurement efforts.

Ms. Rung, I look forward to your testimony today, and I hope that the full Senate can consider your nomination as soon as possible.