

**Statement of Anne Rung
Nominee to Serve as
Administrator for Federal Procurement Policy
Before the Committee on Homeland Security and Governmental Affairs
United States Senate
July 24, 2014**

Thank you Chairman McCaskill, Ranking Member Coburn, and members of the Committee for inviting me here today. I am honored to be here before you as the President's nominee to serve as the Administrator for Federal Procurement Policy in the Office of Management and Budget (OMB).

I am touched to be surrounded by so many family and friends today. My friends include old colleagues from Pennsylvania, incredible people from GSA and the Department of Commerce, and college friends going back thirty years. I am really happy to have my family here as well, including my father, Don Rung, a retired math professor from Penn State University and his wife, Katie, and my cousin Kristin Clay. I want to thank my incredible mother, Elizabeth Rung, who at 83 years old jumped on a bus last night from Tennessee, along with my brother Don, his wife Lisa and my niece and nephew, Diana and Aden, to make the nine hour trek to Washington, DC. I also want to acknowledge my other brothers and sisters, Kevin, Lisa, Margaret and Sean, who were not able to be here today, but are watching at home.

My large family, who are teachers, former military, career government, and small business owners, live their lives with integrity, a commitment to public service, and an understanding of the value of hard work. I have always tried to do the same.

I want to thank President Obama for nominating me to this position. And I want to thank the Deputy Directors of OMB, Brian Deese and Beth Cobert, for their support and encouragement. It has been an honor to work with them in my brief time at OMB.

A key pillar of the President's Management Agenda is improving government performance. I have had the privilege of dedicating the last twenty years of my life to this same goal. Whether I was serving as Deputy Secretary of Procurement in the Commonwealth of Pennsylvania's Department of General Services, leading an acquisition reform project at the U.S. Department of Commerce, or serving as the Chief Acquisition Officer at the General Services Administration, I have had a singular focus on making the government work better for the people it serves.

Over the past four years, Federal agencies, working together with Congress, have realized solid improvements in Federal contracting. Contract spending is down by \$80 billion, there are now more than two dozen strategic sourcing solutions underway, and GAO

removed interagency contracting from its high risk list in 2013. The Administration is proud of this progress, but more work remains to be done.

If confirmed as Administrator, I intend to work with Congress, agencies, and industry to improve Federal contracting by focusing on three main priorities.

First, if confirmed, I want to work with Federal agencies to better manage the billions of dollars spent each year on commonly purchased items. Shifting the Federal Government from managing individual purchases to managing entire categories of commonly purchased items can drive greater transparency, significantly reduce duplication, increase competition, improve oversight, maximize small business participation and, in the end, drive savings and deliver better value. Strategic sourcing, or leveraging the Federal Government's vast buying power to get better prices and faster delivery, is one effective approach under this broader strategy of category management that will continue to be a priority for me if confirmed. In Pennsylvania, where I served as Deputy Secretary of Procurement, we aggressively and routinely undertook strategic sourcing to generate over \$140 million a year in savings, for more than \$300 million in total savings.

My second priority, should I be confirmed, will be helping to drive greater innovation in acquisitions. While I was at the General Services Administration, we recognized the importance of identifying barriers to innovation, and worked to speed up the registration time for companies and make it easier for businesses to search for Federal contracting opportunities. If confirmed, I will work hand-in-hand with the Federal CIO, the Federal CTO, and other key government leaders to streamline the acquisition process for agencies and industry, particularly small businesses, and break down the barriers that can keep innovation out of Federal Government procurement. In the end, the goal is to make it easier for the Federal Government to do business with companies that offer the best value to the taxpayers, drive the most innovative solutions, and meet the highest level of business and ethical standards.

Finally, the key to any acquisition success is ensuring that the Federal acquisition workforce has the support, skills, and resources they need to be successful. During my time in the Federal Government, it has been a privilege to work with, and learn from, these bright, hard-working, and dedicated professionals. At the Department of Commerce, I assembled a team of over 100 program managers and contracting officials from the Bureaus to tackle the issue of how to improve our acquisition process. I saw first-hand their incredible dedication to the goal of making our acquisition system work better for the taxpayers. In many ways, they have a thankless job, rarely receiving the recognition and praise they deserve for executing the countless successful acquisitions that save valuable taxpayer money. If confirmed, I want to dedicate myself to making sure that I support

these professionals, while making sure that they have the skills to meet not only today's acquisition challenges, but tomorrow's as well.

Once again, I want to thank you for the opportunity to appear before you today. If confirmed, I look forward to working closely with this Committee to deliver greater value to the taxpayer. I am pleased to answer any questions you may have.