

PENDING NOMINATIONS

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WEDNESDAY, MAY 6, 2009

United States

Senate,

Committee on Veterans'

Affairs,

Washington,

D.C.

The Committee met, pursuant to notice, at 9:01 a.m.,
in Room SR-418, Russell Senate Office Building, Hon. Daniel
K. Akaka, Chairman of the Committee, presiding.

Present: Senators Akaka, Burris, Burr, Isakson, and
Johanns.

OPENING STATEMENT OF SENATOR AKAKA

Senator Akaka. For the information of all of you
here today, we have a long series of votes beginning around
10:40 this morning, and I want to ensure that we have a full
hearing, and this is the reason we are starting sooner
than we had planned.

These nominations are important to us. With the
Ranking Member's cooperation, we are starting early here
finish this morning. It is my hope that we will be able to
before the votes, and that is my intent. Should we need
additional time, I will work with Senator Burr on finding
another opportunity, preferably this week. But,
otherwise, we will try to do it within the time before the votes.

That said, let me say good morning, aloha, and
welcome

to today's hearing to consider four nominations for positions within the Department of Veterans Affairs. This hearing will come to order.

Roger Baker, to be Assistant Secretary for Information and Technology; Will Gunn to be VA's General Counsel; Jose D. Riojas to be Assistant Secretary for Operations, Security, and Preparedness, John U. Sepulveda to be Assistant Secretary for Human Resources and Management.

I am delighted to welcome all four of you nominees, and also your families and friends that are here today.

Just a housekeeping note. After we have completed our opening statements, I will introduce each of the nominees in

turn. Following my introduction, I will ask each to introduce family and friends who are here today and then

to make your statements. So once all four nominees have been introduced and have made their statements, we will begin with our questions. That will be the order of the hearing.

Each nominee, if confirmed, will play an integral part

and role in the overall management and day-to-day operations of VA, and we are making every effort to put together the VA

leadership team so that you can begin to work on VA matters.

Mr. Baker, if confirmed, you will be VA's Chief Information Officer. VA has suffered with continued failures and the ability to deliver functional computer programs. Your challenge will be to reverse that course.

to You will also need to work with the Department of Defense
create a unified lifetime electronic health record for
members of the armed services, and you will be responsible
for resolving any IT issues as VA works to implement the
post-9/11 GI bill.

Department. Mr. Gunn, if confirmed, you will be responsible for
proactive legal advice and representation of the

I Given your experience in the Judge Advocate General Corps,
am confident that you possess the leadership ability to
manage the decentralized VA legal system. You will be
looked upon to provide a comprehensive evaluation of
legislation both introduced in the Congress and proposed

by VA for its legal basis and impact.

activities Mr. Riojas, if confirmed, you will be responsible for
coordinating VA's emergency management preparedness,
security, and law enforcement activities. These

security affect veterans on a daily basis, providing for the
of VA facilities, employees, veterans receiving care, and
visitors alike. The important task of preparing and
coordinating VA's response to war, terrorism, national
security matters, and natural disasters while ensuring
continued service to veterans will also be yours. VA has

a fine record of emergency preparedness. I trust this will
remain the case under your watch.

of Mr. Sepulveda, if confirmed, you will have the task

managing VA's human resources activities during a period when there are many VA employees who are retirement-eligible. Your experience at the Office of Personnel Management, coupled with your general management experience,

suggests that you have the qualifications for taking on the

massive challenges of this office. When carrying out your responsibility with regard to VA's labor-management relations, I ask that you appreciate the unique relationship

that VA employees have with the veterans they serve. This relationship goes beyond the bottom line and is based upon maintaining a workforce, many of whom are veterans themselves, that has a sense of service and dedication.

I thank you all for being here today and look forward to your testimony.

I have the privilege this morning to introduce the four nominees.

Roger Baker is the President's nominee for Assistant Secretary for Information and Technology. Mr. Baker has

30 years of experience working in the field of information technology, including as Chief Information Officer at the Department of Commerce from 1998 to 2001. Prior to

joining the Federal Government, Mr. Baker had an extensive career with software and IT firms, including leading the development of Internet and online banking systems at Visa International. He has also been a senior technology

management executive at CACI and at General Dynamics. In addition to his B.S. degree in computer science, he has a Master's in Business Administration from the University of Michigan.

who Mr. Baker, please introduce your family and friends are here today, and when you are done, please begin with your statement.

my Mr. Baker. Thank you, Mr. Chairman. I am joined by wife, Karen, and my son, Alex, currently in college at Old Dominion; friends Bob and Ruth Guerra, Robin and Dan Matthews, Phil Kiveat. And I would really like to thank the members of the Department of Veterans Affairs and, in particular, the Office of Information Technology that have joined us today to listen to the testimony and the hearing.

Senator Akaka. Thank you. Welcome, and good to have your family and friends.

STATEMENT OF ROGER W. BAKER, NOMINEE TO BE
ASSISTANT SECRETARY FOR INFORMATION AND
TECHNOLOGY, U.S. DEPARTMENT OF VETERANS AFFAIRS
Mr. Baker. Thank you Chairman Akaka and members of

the

Committee on Veterans' Affairs. It is an honor to appear
before you today and to have been asked by Secretary
Shinseki and President Obama to serve our Nation's

veterans.

I am a technologist and a technology manager. I
attended one of our country's finest universities and have
worked for some of our country's best companies. Most of

my

professional career has been in the private sector, where

I

have had the opportunity to work at the forefront of high-
technology industries, including in software development

and

Internet banking, as you have mentioned.

have

While many of my friends and members of my family

served in our country's military, I reached military age
during a time of peace. I have been blessed throughout my
life to live in the comfort and security made possible by
the service and sacrifices of our Nation's veterans. I

was

honored to accept President Obama's nomination to work for
Secretary Shinseki and Deputy Secretary Gould and, if
confirmed by the Senate, to use my skills to serve the
veterans whose sacrifices have made the good life I lead
possible.

Technology

The Assistant Secretary for Information and

at the Department of Veterans Affairs is a challenging position. VA IT is one of the largest single consolidated IT organizations in the world, rivaling or exceeding that

of

most of the Fortune 20 largest companies. And Veterans Affairs has faced a number of highly public technology challenges over the last few years, including the loss of veterans' information and failed systems development programs.

The consolidation of VA's IT assets into a single organization, which has largely been completed over the

last

2 years, provides a starting point for addressing those challenges, but the road ahead is long and is unlikely to

be

incident free. If confirmed, I recognize that I will probably have many "bonding opportunities," as we call

them

in the private sector, with the members of this Committee and your staff. Mr. Chairman, I commit to you that you

will

find me open, earnest, and honest when we have those opportunities to have frank discussions.

President Obama and Secretary Shinseki have expressed

a

compelling vision of a 21st century VA: a VA that

delivers

proactive, efficient services to veterans when, where, and how they want them; a virtual lifetime electronic record that supports a seamless transition from service member to veteran; an electronic VA that uses all the information available to it to maximize benefits and minimize waiting

times and backlog; and a transformed VA that turns the veterans' experience from one of delay to one of delight.

To achieve the President's and the Secretary's vision, VA must have a strong information technology capability. The VA IT organization must be able to reliably develop and operate the technology solutions that will enable the transformation of VA business processes.

I know there is no easy path, no simple answer, and no shortcut solution to creating a strong IT capability at VA.

Achieving this will require hard work, disciplined management, and honest communications. But with the IT consolidation as a starting point, I believe that VA can achieve a substantial strengthening of its IT capabilities over the next 4 years. My guiding vision is that VA, and the veterans we serve, should have the best IT organization in the Federal Government.

In conclusion, if this Committee chooses to confirm me,

I am committed to doing my utmost to transform the Department into a 21st century organization, focused on

the Nation's veterans as its clients, and providing them with the level of service that they have earned through their service and sacrifices they have made to our country.

Thank you.

[The prepared statement of Mr. Baker follows:]

Senator Akaka. Thank you very much, Mr. Baker.

I now would welcome Will A. Gunn. Colonel Gunn has been nominated to be VA's General Counsel and is currently an attorney representing military members and veterans in private practice in Northern Virginia.

Colonel Gunn is a graduate of the United States Air Force Academy and graduated with honors from Harvard Law School. He also has a Master of Laws degree in environmental law from the George Washington University School of Law and a Master of Science degree in national resource strategy from the Industrial College of the Armed Forces.

We welcome you, Colonel Gunn, and would ask you to introduce your guests. When you are done, please begin

with

your statement.

Colonel Gunn. Thank you, Chairman Akaka. I believe, if I am not mistaken, my guests are en route for the most part. However, one of my fellow alumni from the Academy, Mr. Gary Kao, joins me today. So I am pleased with

respect

to that.

Senator Akaka. Welcome.

STATEMENT OF WILL A. GUNN, COLONEL (RET.), U.S.
AIR FORCE, NOMINEE TO BE GENERAL COUNSEL, U.S.
DEPARTMENT OF VETERANS AFFAIRS

Colonel Gunn. Chairman Akaka and other members, I would just like to thank you for scheduling this hearing today.

I am honored by President Obama's and Secretary Shinseki's choice to nominate me for the position of

General

Counsel in the Department of Veterans Affairs. I greatly appreciate the confidence that they have in me to help accomplish their vision of transforming this Department

into

a 21st century organization. I look forward to the opportunity, and I consider it a sacred trust.

I believe my professional and life experiences have well prepared me to serve as the General Counsel for Veterans Affairs. You see, veterans hold a special place

in

my heart. I am named after one of my mother's brothers

who

died in the Korean War, and my wife, Dawn, she and I are both veterans, and veterans do hold a very special place

in

our hearts. Her father, for instance, was an enlisted man in the Army during World War II, and he served as an

officer

in the Korean War. In addition to that, a lot of other family members have also served in the military.

Chairman, I put on the military uniform for the first time 33 years ago when I entered the Air Force Academy in

of the summer of 1976. At that time I was part of the class

1980, which was the first Academy class with women. I graduated 4 years later with military honors and was commissioned as a second lieutenant. I then served as an admissions advisor in the Academy's Office of Minority Affairs, and I later spent 2 years as a contract negotiator.

I was then blessed to attend Harvard Law School, and while I was there, I was elected President of the Harvard Legal Aid Bureau, an organization that provided legal services to low-income individuals.

After graduating from Harvard in 1986, I spent the next

19 years in a variety of challenging and rewarding assignments as a member of the Air Force JAG Corps. I prosecuted cases; I defended military members; I represented

the Air Force in Federal court; and I served as a White House Fellow. I also taught as a JAG School instructor and

served as a supervising attorney in several settings. For example, I was the staff judge advocate for Pope Air Force Base in North Carolina, and I served as Chief Defense Counsel for Air Force defense counsel over an 11-State area.

I then went on to serve as the Executive Officer to the Air Force Judge Advocate General, which essentially meant that I was the chief of staff for a department with over 1,000 attorneys.

Chief I concluded my military career as the first ever

Defense Counsel in the Office of Military Commissions with the responsibility of establishing a defense function and effectively representing the detainees at Guantanamo Bay, Cuba, those that were brought before military commissions.

In addition to my military service, last year I established my own law firm to focus on military law so that I could provide service to military members and veterans.

My first exposure to the Department of Veterans Affairs came in 1990 when, as a White House Fellow, I was assigned as a White House liaison to VA's Office of the Secretary. During that year, I gained an appreciation for several issues affecting the Department, and I have followed these issues from afar over the years.

If confirmed, I will join President Obama and Secretary Shinseki in their efforts to transform VA into a 21st organization that is more people-centric, results-oriented, and forward-looking than ever before. In addition to my being a veteran and my awareness of some of the issues affecting the Department, I would like to say that I am also committed to developing leaders--a function that will be critical to transforming the Department. Moreover, when I served in the Air Force, the service endorsed the values of integrity first, service to others before self, and excellence in all we do. I went on to adopt those values as my own personal guidestars, and I am going to bring those

values with me to the Department of Veterans Affairs.

In conclusion, if I am confirmed, I will join a Department that has, for more than 75 years, cared for the men and women who have fought this Nation's battles. I

look

forward to working closely with the members and staff of this Committee to address issues affecting veterans and their families. I also look forward to working with the Veterans Service Organizations and VA's other stakeholders in order to advance the President's and the Secretary's vision for a 21st century VA.

Thank you very much.

[The prepared statement of Mr. Gunn follows:]

Senator Akaka. Thank you very much, Mr. Gunn.
Before I introduce Mr. Riojas, I am going to call on
the Ranking Member, Senator Burr, for his opening
statement.

OPENING STATEMENT OF SENATOR BURR

Senator Burr. Mr. Chairman, I am going to ask that
my opening statement be made a part of the record, but I
would say to the Chair and for the purposes of other members
that I had an opportunity this morning to sit down with all
four of our nominees, to look extensively into their
backgrounds, their experience, to see the areas that they will fill at
the VA, and I feel extremely confident that we are the
most fortunate at VA to have four incredibly qualified and
passionate individuals chosen to be at the VA, and I look
forward to this Committee moving these nominations as
quickly as possible.

Thank you.

[The prepared statement of Senator Burr follows:]
/ COMMITTEE INSERT

Senator Akaka. Thank you very much, Senator Burr.
Let me welcome Jose D. Riojas, the President's

nominee

for Assistant Secretary for Operations, Security, and
Preparedness. After graduating from the United States
Military Academy at West Point, his 30-year military

career

included numerous and significant operational assignments
throughout the world, including the U.S. Army War College.
I say with pride that General Riojas spent part of his
career with the 25th Division in Hawaii.

General Riojas, aloha and welcome to today's hearing.
Please take a moment to introduce your guests, and when

you

are done, please begin with your statement.

like

General Riojas. Thank you, Mr. Chairman. I would

to introduce my wife of nearly 28 years, Susan, sitting in
the red to my left.

Senator Akaka. Welcome. Welcome to the hearing.

STATEMENT OF JOSE D. RIOJAS, BRIGADIER GENERAL,
(RET.), U.S. AIR FORCE, NOMINEE TO BE ASSISTANT
SECRETARY FOR OPERATIONS, SECURITY, AND
PREPAREDNESS, U.S. DEPARTMENT OF VETERANS

AFFAIRS

General Riojas. Mr. Chairman, thank you for the kind introduction. Mr. Chairman, Mr. Burr, and other members of the Committee, I am a veteran, and I am honored to be before you today seeking your endorsement to become the Assistant Secretary for Operations, Security, and Preparedness for the Department of Veterans Affairs.

I consider it a privilege to have been nominated by President Obama to serve at VA, and I appreciate the confidence that he and Secretary Shinseki have in me to help provide the best service possible to our veterans and to help transform the Veterans Affairs Department.

I fully support President Obama's vision for change and Secretary Shinseki's effort to transform the Department of Veterans Affairs into a 21st century organization. I also fully support Secretary Shinseki's operating principles that call for VA to be people-centric, results-driven and forward-looking. I believe my leadership experience in transforming organizations and using these principles in the past would serve me well should I be confirmed.

I appreciate the time and attention you and your staff members have shown me in the past several weeks. I have

given and will continue to give your guidance very serious consideration. It is clear to me that we jointly share a passion for serving veterans. If confirmed, I look forward

to working continuously with you to constantly improve the care and attention that our veterans deserve.

My life has been shaped by those who have worn the military uniforms of our Nation. Family members who are veterans, including my father, instilled in me a sense of patriotism and love of country which caused me to want to serve and protect this great Nation of ours. I was fortunate to have been able to wear the uniform of a soldier

for over 30 years. During that time I was awed by the sacrifice of countless men and women who performed remarkable feats during extraordinary conditions in peacetime and in combat.

Today my wife, Susan, and I have a son, Joshua, who is

an Army Captain serving in the Special Forces community at Fort Bragg, North Carolina. On the 28th of this month, I will commission our daughter, Christina, as an Army Captain,

and she will soon thereafter begin her service as a surgeon

at Fort Gordon, Georgia. So my past has been and my future

is being influenced by those who have, are, and will be serving our great Nation. Veterans have served me well

and, quite frankly, made me successful. I would consider it an honor to play even a small role in serving them and would

consider it a highlight of my professional life.

Should I be confirmed, I would like veterans to know that I would be committed to ever improving the operations,

security, and preparedness within the VA so that continuous

support can be given regardless of the conditions, to include before, during, and after any natural or manmade disaster. The VA must be at its best during times of extreme circumstances.

I would like all the members of the VA team to know that I would be committed to providing positive leadership to improve the efficiency and effectiveness within the Department so that support to veterans can be maximized.

And I would like members of the interagency community to know that I would seek to establish open lines of communication and maximize collaboration and integration between our organizations.

Finally, I would like all the members of this Committee

to know that I would be committed to working with you as a partner in serving veterans.

Please know that, if confirmed, I am prepared to serve

as the Assistant Secretary of Operations, Security, and Preparedness with the utmost of dedication, commitment, and

passion. In short, if this Committee sees fit to recommend

my confirmation, I look forward to serving veterans in the best manner possible.

Chairman Akaka and distinguished members of this Committee, thank you again for your consideration, and I look forward to any questions that you may have for me.
[The prepared statement of Mr. Riojas follows:]

Senator Akaka. Thank you very much for your statement.

Finally, we turn our attention to John U. Sepulveda, who has been nominated for Assistant Secretary for Human Resources and Management. Mr. Sepulveda brings over 25 years of experience as an innovative leader in the public and private sectors. He served as Deputy Director of the Office of Personnel Management, a position for which he

was nominated in 1998 by President Clinton. I can share that

I served as Ranking Member of the Subcommittee of the Governmental Affairs Committee that considered the nomination at that time. It goes without saying that our Committee, now Homeland Security and Governmental Affairs, favorably reported his nomination to the full Senate at

that time. Mr. Sepulveda earned two Master's degrees from Yale University and a B.A. degree from Hunter College.

Welcome again, and please share with us those accompanying you this morning, and when you are done,

please begin with your statement.

Mr. Sepulveda. Thank you, Mr. Chairman. I am proud to

introduce my wife, Awilda Rodriguez-Sepulveda, who is here,

as well as several friends: Jody Greenblatt, Danielle Johnson Kutch, Candace Reddy, and Joe Mancias.

Senator Akaka. We welcome your family and friends.

STATEMENT OF JOHN U. SEPULVEDA, NOMINEE TO BE
ASSISTANT SECRETARY FOR HUMAN RESOURCES AND
ADMINISTRATION, U.S. DEPARTMENT OF VETERANS
AFFAIRS

Mr. Sepulveda. Thank you. Chairman Akaka, Senator Burr, thank you for the honor and privilege of testifying before you to today.

I am deeply honored to be nominated by President Obama to serve as Assistant Secretary for Human Resources and Administration at the Department of Veterans Affairs. I am also honored to have Secretary Shinseki's trust and confidence to serve in this important position. I would also like to also express my profound gratitude to my wife Awilda Rodriguez-Sepulveda, who has encouraged and supported my love and passion for public service for many years. To better serve those who have served this country with courage, dedication, and sacrifice, our veterans and their families, President Obama and Secretary Shinseki have called for the transformation of the Department of Veterans Affairs into a 21st century organization. Key to achieving the VA's transformation will be the strategic development and management of the Department's human capital--the more than 280,000 employees at VA who work to serve our veterans and their families every day. In other words, we must make sure that we have the right people

at doing the right job at the right place at the right time,

all times. If confirmed as Assistant Secretary, I will be responsible for providing leadership and management of the Department's human capital assets and policies, working closely with the Deputy Secretary and the executive team.

As Deputy Secretary Gould has already testified, VA must invest in its workforce to better serve our veterans and to support the transformation of the Department. This investment must include taking the following steps:

First, increasing professional training opportunities for employees, including managers.

Second, greater use of automation and technology to efficiently and securely process and manage all personnel actions, including hiring, performance evaluations, employee benefits and records.

Third, promoting new and existing work-life initiatives

within VA to increase productivity and morale.

And, fourth, expanding succession planning and executing new and creative recruitment strategies to better

prepare for the large numbers of retirements that will impact the Department in the coming years.

If confirmed, these are some of the specific aspects of

the human capital investment agenda at VA that I look forward to addressing.

VA must continue to strive to be a model employer of

choice for veterans, people with disabilities, women and minorities. Indeed, increasing efforts to expand the numbers of veterans employed at VA is and will continue to be a top priority.

I have been a public servant for much of my adult life, having served at the local, State, and Federal levels. I know firsthand how our public servants carry out their jobs each day with dedication and professionalism.

Consequently, I will ensure that all VA employees are treated with the respect that they deserve.

I also hope to lead the Department's efforts to provide those customer service training to all employees, especially those providing direct services to our veterans. We must make sure that all veterans seeking informational services from the Department are always treated with the consideration and respect that they have earned and that they deserve.

I know that changing an organization as complex and as large as VA will be difficult, especially given that the Department has to in the short term launch several major new programs and initiatives. However, if given the opportunity to serve, I would bring the necessary Government experience and leadership skills in human resources and change management to contribute substantially to accomplishing the goal of a 21st century VA.

While serving as the Deputy Director of the U.S. Office

of Personnel Management, the Federal Government's primary human resources agency, I had the opportunity to lead or work on several internal and governmentwide civil service reform initiatives.

My nearly 5 years of service on an advisory panel to the intelligence community which focused on diversity and human resources issues familiarized me with many of the current human capital challenges facing Federal agencies, including VA.

My experience in Federal program transformation includes my participation and leadership in the successful modernization of two major programs at the Federal Housing Administration in the early 1990s, including the restructuring of 81 field offices and the creation of two processing centers.

If confirmed, I look forward to working with this Committee to ensure that the Department of Veterans

Affairs

successfully meets our Nation's obligations to our veterans

and their families no matter who they are and no matter where in our great country they may live.

Thank you.

[The prepared statement of Mr. Sepulveda follows:]

Senator Akaka. Thank you very much for your testimony.

Before we begin with our questions, let me ask you, Colonel Gunn, to introduce your family.

Colonel Gunn. Thank you, Chairman. We have been joined by my wife, Dawn Latham Gunn; by my parents, Willie and Elizabeth Gunn; by my son, Latham Gunn; my daughter, Arena Gunn; as well as by my pastors, Pastor Rosemary Bonner and also by Apostle Crosby Bonner.

Senator Akaka. Well, thank you very much. Welcome to the hearing this morning.

I will ask the nominees to please stand for the administration of the oath. Will you please raise your right hand? Do you solemnly swear or affirm that the responses you are about to give to questions, as well as your testimony and any answers to any pre- or post-hearing questions before the Senate Committee on Veterans Affairs will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. Baker. I do.

Colonel Gunn. I do.

General Riojas. I do.

Mr. Sepulveda. I do.

Senator Akaka. Thank you. Let the record note that the nominees answered in the affirmative.

Mr. Baker, in your written testimony, you acknowledge

the challenges you are inheriting in the position. Of course, if confirmed, these will be your challenges. You note that there is no easy path, no simple answer, and no shortcut solution to creating a strong IT capability at

VA.

That being said, where do you plan to begin to fix the problems and create solutions?

Mr. Baker. Thank you, Mr. Chairman. In my view, this is a large-scale management problem. You know, key areas to focus on in the beginning are to address the issues with failed programs and the environment that allows programs to continue on for 10 years before being identified as failed programs and fixing that from a management standpoint.

Clearly, a focus on continued good operational delivery of services to the internal customers--the Veterans Health Administration, the Veterans Benefits Administration--working with the people in the VA IT organization to improve skills and address skills gaps, to do training, and working with the partners at the Department, you know, the vendors that work with the Department that are probably half again as many staff as we have employees, to make certain that we are getting the real benefit of the work that they do in a timely fashion, I think those are probably the four starting points.

There will be many, many challenges as we go along,

and

I think it is probably safe to observe that, you know, as

soon as we say here is where we want to start strategically, things will start to pop up that we have to deal with, you know, to make certain that they are being appropriately dealt with from an urgent standpoint.

Senator Akaka. You mention in your testimony "seamless transition." My question to you at this point is: How do you intend to work with the Defense Department on records

so that they can become seamless from Defense to Veterans?

Mr. Baker. Mr. Chairman, I have a high expectation of what "seamless transition" means. The service members, when they join the military, do not expect that they are going to have to change complete organizations when they move from military service member to veterans. They, I believe, see themselves as working for the same Government.

The records that DOD has about the service member's service and about their health are vital to the VA being able to provide what appears to the veteran as something that means they have never left the same Government. Potentially, they can log into the same websites with the same log-in IDs that they used to when they were in the

DOD at VA, see the same sorts of information, and have an environment where it is clear that we are supporting them.

Working with DOD, we will recognize that we currently spend--we currently exchange a fair amount of information both in the bi-directional health information exchange and

on the benefits side with information coming from the personnel information at DOD.

But there is a lot more that can be done and a lot of work that needs to be to just make certain that that information comes to VA in a usable form. It is one thing to receive the information. It is another to be able to really use it and apply it to maximize benefits and minimize wait times.

I have numerous friends at the Defense Department. I know that, if necessary, we can utilize General Shinseki and

Deputy Secretary Gould's good contracts there to help leverage things. And in the long term, I guess I would just

tie that question--How do we create a seamless transition?--

to the President's vision of that lifetime electronic record, because that is the key part. When you have that lifetime electronic record, when you can access that information at any time that you want to serve the veteran,

that is going to provide much of what is needed for that seamless transition.

Senator Akaka. Yes, well, thank you. We will have another round here. I will turn to our Ranking Member for his questions.

Senator Burr. Thank you, Mr. Chairman. It looks like we will do this together today, which is advantageous to us.

A couple of housekeeping questions, if I can, for all

of you, and I would just ask for a quick response, if you would.

oversight As Ranking Member, I have some obligations to
that I think all of you can understand. Do you pledge to
submit timely answers to my questions? Let me start on
that side. Roger?

Mr. Baker. Yes, sir.

Colonel Gunn. I do, sir.

General Riojas. I do.

Mr. Sepulveda. Yes.

before Senator Burr. Do you pledge to submit testimony

the Committee on time and agree to submit follow-up
questions for the record in a timely manner?

Mr. Baker. Yes, sir.

Colonel Gunn. Yes, Senator.

General Riojas. Yes, I do.

Mr. Sepulveda. Yes, sir.

And Senator Burr. Each of you stressed in your testimony
the importance of the VA moving into a 21st century
organization that I think we all want it to. What do you
see as the greatest challenges in this transformation?

And how are you prepared to successfully tackle them?

you. Mr. Baker. I guess I will start, Senator. Thank

certainly As we discussed this morning when we met, the change
management, you know, the organizational change is

the largest challenge that we will face. One of the things you learn as a technologist is that you can create wonderful systems that no one wants to use because they either have not been trained, the interfaces to them are unfriendly, or the information there is not of any use nor the processes there are not of use to them. So I think that organizational change piece, making sure that we are serving the organizations from an IT perspective, that we are serving the organizations that directly serve the veterans, our job is to partner with VHA, VBA, and CA to help provide that service to the veteran. So from that technology standpoint, I think that is the challenge.

How am I prepared? I would say I have taken my whole career to prepare for this one. As a CEO you deal with these kinds of problems all the time--not on the same scale.

There are a few organizations that are the same scale as the Department of Veterans Affairs. But this is what my career has really prepared me for, both as a technologist and as a manager.

Senator Burr. Great. Colonel?
Colonel Gunn. Senator, as you know, the Office of

the General Counsel has over 400 attorneys spread out over 22 regional offices with about half of those attorneys being here, the other half spread out all over the country. Because of that, because of that decentralized aspect,

communication will be a challenge. The Office of the General Counsel I see as being involved in all aspects of transformation. We are going to have a piece in it, if nothing else, from an advisory standpoint to make sure

that

we are complying with law and with regulations and to provide advice with respect to what areas there need to be changes in order to effect transformation.

I see that, when you are talking about transformation,

one of the biggest challenges is simply that of communications. I think it is impossible to overcommunicate. With the centralized structure that we have, then that places some special demands on communication, particularly when, as I see it, as I have seen the organization chart, if I am confirmed, I will be the only political appointee in the Office of the General Counsel. So there are many people, as we discussed

earlier,

they could just wait me out if they wanted to.

So if we really want to effect change, we are going to

have to--I would have to work very closely with those

people

that are already there, and I would have to listen to

them,

because I believe that there are a lot of good ideas that just are not housed here in Washington, but they are

spread

out all over the country and all over the organization.

In terms of my preparation, my background is one that

I

have been blessed with the opportunity to serve in some

positions that have given me the opportunity to serve organizations in which I have been in decentralized environments. I think that, again, as Roger Baker just stated, the scale does not compare, but I have been in

that

situation, and I am up to the challenge.

Senator Burr. Great. General?

General Riojas. Senator, thank you for the question. I believe I would have several responsibilities relative

to

the transformation of the organization. One of them would be establishing and maintaining an operations center that facilitates the flow of information and communications within the VA team so that predictive analysis can be

made,

recommendations can be made so that decisionmakers can

make

timely decisions for the organization.

Just as importantly, I think that operations center would need to be an integral part of the interagency community so that VA as a Department is seen as an asset

to

the National Government as a whole, both before, during,

and

after times of crisis, emergencies, manmade or natural disasters.

Senator Burr. Great. John?

in

Mr. Sepulveda. Yes, Senator, I have some experience

change management, and I can tell you probably the most complex challenge is motivating the people at the

Department

to go in one direction. As my colleagues mentioned,

people

are resistant to change, and because there are changes in administrations, some people decide that they can wait out this administration if they do not like the direction that the Department may be going.

So the biggest challenge, working with the Deputy Secretary, working with my colleagues, and working with the staff there, is to motivate, direct, lead the staff in a direction that helps to support the transformation. And one of the ways that I would do that is, first and foremost, get an assessment of where the gaps are in terms of training, in terms of resources, in terms of leadership. And then the next is to really communicate the Secretary's vision to the lowest level, to the highest level, so that we are going to in the right direction and everybody has a stake in the transformation, because ultimately the transformation is meant to do one thing, and one thing alone. It is to serve our veterans, and that is really the thing that is supposed to unite us, and I am hopeful that it will.

Senator Burr. Great. Thank you, Mr. Chairman.

Senator Akaka. Thank you very much, Senator Burr.

Colonel Gunn, I understand that it will take you some time, as we call it, get up to speed on issues that are facing the General Counsel's office. Some of the questions that I submitted for your response prior to this hearing were left unanswered because of your lack of familiarity

with the issues.

the Will you agree to respond to those questions within
of next 60 days so that they can be made part of the record
of this hearing?

Colonel Gunn. Absolutely, Mr. Chairman.

Senator Akaka. Thank you very much, Colonel.

General Riojas, from the answers to your pre-hearing
few questions, it seems clear that you believe interagency
collaboration and cooperation are important. Give me a

agencies examples of how you will work with other Government
to accomplish the mission of the office for which you are
nominated?

General Riojas. Mr. Chairman, thank you for the
question. If confirmed, I think establishing and
maintaining open lines of communications specifically so
that trust and confidence can be established and shared
among the agencies is a bedrock for that particular
operation and that capability. And once those are
established, information sharing among organizations is
very, very important so that each organization can look at
the capabilities and see that all the pistons in the

engine can function and serve the Nation as a whole would be my
overall approach to establishing that collaboration and
partnership in the interagency community.

I have had experience in the past doing that. I

currently serve as the Executive Director for the National Center for Border Security and Immigration, a Center of Excellence for the Department of Homeland Security, where

I

have the opportunity to work in the interagency community. I am very comfortable in that environment and believe that

I

could serve in the position very well in establishing that capability for Veterans Affairs.

Senator Akaka. Thank you, General.

Mr. Sepulveda, a major concern of mine is that VA should be a model employer when it comes to the important protections afforded by the Uniformed Services Employment and Reemployment Rights Act. I do not believe that an individual who has left their job to fight for this

country

should under any circumstances come home and have to fight to get their job back.

Can you expand on what you intend to do to make sure that VA is fully compliant with USERRA?

Mr. Sepulveda. Thank you, Mr. Chairman, for that question. You are absolutely right that when we have employees who are deployed, they should not have to worry about whether or not the job is still there waiting for

them

when they return. The fact of the matter is that when Congress passed USERRA in 1994, the intent was to ensure that the Federal Government would always be a model employer, and if there is any agency within the Federal

Government that should be a model employer, veterans and redeployed employees, should be the Veterans Administration.

So a couple of things that I would specifically look to

do: One would be to make sure that all of our managers and supervisors and executives are fully aware and fully compliant with USERRA and understand what their responsibilities are--there are specific responsibilities that they have--and understand that they have to carry

them out.

The second thing that I would look to do is to have HR staff work with these individuals so that when employees are

indeed deployed, that the supervisors and managers are already planning for their return, so that they already

know that within a period of time--3 months, 6 months, a year--they are going to be returning, and so that the manager

and the executive has made plans to have that individual integrate quickly, seamlessly back into the workforce, without any loss of benefits, without any loss of seniority, without any loss of statute within the organization.

So those are two specific things that I would look to do, if confirmed.

Senator Akaka. Thank you very much. I would like to call on Senator Isakson for any opening statement or questions he may have for our nominees.

Senator Isakson. Thank you, Mr. Chairman. I will not

well, make an opening statement, but I do have a couple of--

one question and one point to make.

General Riojas--is that the correct pronunciation?

General Riojas. Yes, sir, it is.

Senator Isakson. How are you today?

General Riojas. I am doing fine. Thank you.

Senator Isakson. Since you are going to be over Operations and Security and Preparedness, I would assume that would mean the VA hospital facilities operations and preparedness. Is that correct?

General Riojas. Yes, sir.

look Senator Isakson. I would appreciate it, when you are confirmed, which I am sure will take place with your sterling reputation and record, I wish you would take a

at the Clairmont facility on Clairmont Road in Decatur, Georgia, which is the VA hospital there, which is going through extensive renovations thanks to the help of the Ranking Member and the Chairman when we got the authorization a couple of years ago. But as a part of

that, almost all the parking has been lost for a period of time, and a number of the VA patients who are coming, they actually have to get in line to have their car parked, and some of the ones who are on oxygen are having to walk extensive distances to get to the facility because of the logistical problem with the VA.

Now, the hospital is doing a great job of working. They have leased some parking spaces downtown for all the employees so they can shuttle them back and forth to leave as much available as possible. But I just yesterday had a conference call with veterans in the State, and one of them who is on oxygen was talking about he has to take two extra tanks of oxygen just to go to the VA hospital in Atlanta to be able to get from where he is let off to here he goes. So if you would look into that, I would appreciate it very much.

General Riojas. I will, sir.

Senator Isakson. And, Mr. Baker, if you get--and I am a hometown guy, so I am bragging about Georgia for a second.

I will have to apologize. I hope, as you look at examples of IT and success in the VA, that you will look at the Eisenhower Medical Center at Fort Gordon and Augusta VA uptown facility. They are the ones that developed the seamless transition from DOD health care to Veterans health care and, in particular, have a paperless transfer in terms of the medical side now. On "NBC Nightly News" about 2 weeks ago was a feature on that facility and what they are doing. So I know medical--I am a big believe in medical IT, and I think that the VA is probably leading all health facilities in getting medical IT right. But there is an awfully good example of it there at Augusta at the

Eisenhower Medical Center and the uptown VA facility. So
I urge you to take a look at that as soon as you can.
Mr. Baker. Thank you, sir. I will do that.
Senator Akaka. Thank you.
Thank you, Mr. Chairman.
Senator Akaka. Thank you very much, Senator Isakson.
Let me turn to the Ranking Member for further

questions

that he has.

Senator Burr. Thank you, Mr. Chairman.

VA, Roger, in pre-hearing questions, you said that the
and I quote, "does not benchmark itself versus good
private

sector organizations to determine where gaps exist."

A very simple question: What type of private sector
companies would you look to, to go through that benchmark
comparison?

two Mr. Baker. Thank you, Senator. I think there are

sets of those. In the first case, we should be looking at
other health providers, other insurance providers,
understanding how they do business and how they use
technology to best provide services to their clients.

The second thing is in areas like IT infrastructure,
information security, we should understand who the best
organizations in industry at doing those things are and
learn from them and benchmark ourselves against them.

There

are lots of services that will help us understand where
our

about policies, procedures, and results rank against other organizations, and in that process, we can learn a lot

how and where could we improve just by benchmarking ourselves.

Senator Burr. What specific areas would you feel are most appropriate to try to benchmark?

like Mr. Baker. Certainly, operational metrics. I personally would want to look at what are organizations

time Kaiser Permanente and other folks doing relative to up

companies for the systems in hospitals or what are insurance

like USAA doing relative to insurance benefits and their ability to help those benefits processors move the paper along, move the process along. So those are two relative areas.

I I have a lot of experience in information security.

really want to look at how other very large organizations like some of the major banks and some of the folks that

have had substantial incursions and losses like we have, have responded to those and have they done things that we could learn from in making ourselves better.

Senator Burr. Great. I do hope, as you do that, you will share that with the Committee, as I am sure you will with the Secretary.

Colonel Gunn, the VA General Counsel's office is responsible for representing the Secretary before the U.S.

one
of the judges from the court testified before this
Committee
that parties from both sides "have time management
problems,
but the Secretary has the greatest number of requests for
extensions of time."

any
What steps could you take, if confirmed, to reduce
time management problems within the General Counsel's
office?

the
Colonel Gunn. Well, sir, of course, I have not had
opportunity to study--I believe it is Group 7 that deals
with representation before the court. However, upon
taking
the position, if I am confirmed, I would go in and launch
a
comprehensive study of the entire Department, including
Group 7.

Federal
I think that when you talk about requests for time
delays having been involved in representation before
courts, both at the trial level and also at the appellate
level, you first of all have to say do the resources that
you have match the caseload that you have. And so that is
one of the considerations as to do we have the necessary
resources in order to accomplish the job in an effective
manner.

The other consideration is do we have the training in
place in order to provide the representation that needs to
be provided. I would be looking at both of those issues

going forward.

Senator Burr. Thank you. I hope that if you find especially that there are assets that are needs, you will share it with the Committee.

Colonel Gunn. Yes, sir.

the
to
the
owe
it to them to do it as expeditiously as we can. So I look forward to any comments that you might have later on as to how we speed that up.

Colonel Gunn. Yes, sir.

has
police
of
the oversight responsibilities for the VA's internal force. In 2009, the VA's goal was to see that 89 percent of field police units were determined to be operating at "satisfactory levels."

One, what does "satisfactory level" mean?

And, two, would you agree with me that our expectation

should be that 100 percent of that police force meet satisfactory levels?

General Riojas. Senator, thank you for the question.

I am not familiar either with the number or that particular

categorization of "satisfactory level," so I do not what type of metrics were established and then how individuals were assessed against those metrics. So I am not prepared to answer that.

Senator Burr. Well, let me ask the question in a different way. Regardless of what that definition of "satisfactory" would be, would you not have expectations that 100 percent of those officers would meet that level?

General Riojas. Sir, that is a very high number, and

I

am not sure that anyone would set themselves up for success

by establishing 100 percent. But I would say that it is incumbent upon us to select the right individuals, to

train

them, to lead them, to assess their performance along the way, and to reward their performance, good or bad, along

the

way. And we would seek to achieve the highest level of performance by those law enforcement officers.

Senator Burr. I appreciate your reluctance to necessarily commit to a high number. I hope that is a

goal

that we can shoot for, though. And I would mention that that field police unit is the law enforcement mechanism on that footprint, that VA footprint. And it is absolutely

essential that we train those individuals to know the population that they are dealing with day in and day out.

I

think all of us up here can speak from experience that not

a

day passes that we do not have a veteran that has a

problem

with the delivery of care. It may be a real one, or it

may

be a problem as they look at it. Unfortunately, if they confront somebody that does not have the skills or the understanding of the population, a police unit could react in a way that is not beneficial to the veteran, to the facility, or to the VA. And I know we want to try to minimize any confrontations that exist like that. I appreciate it.

Again, I look forward to a very quick process of confirmation for all of you.

Thank you, Mr. Chairman.

Senator Akaka. Thank you, Senator Burr.

Mr. Baker, following the recent failure of the new patient scheduling application, Secretary Shinseki ordered

a

top-to-bottom review. My concern is that the individuals conducting this review are some of the same people who

were

integrally involved in the patient scheduling project.

Please report back to me within 60 days of your confirmation with your personal assessment of how much of the patient scheduling is salvageable. In the meantime,

do

you have any initial thoughts about this latest failure or

why VA seems to have repeated these failures?

look
Mr. Baker. Thank you, Senator. I certainly will
at that when I report back to you within 60 days.

one,
As I said in my response to a pre-hearing question,
while I have not had a chance to look in-depth at this

of
the briefing I was able to attend, my view is that a lot
the issue with the patient scheduling and other failures

is
an environmental one of dealing honestly with recognizing
the fact that you are failing.

was
The program certainly showed evidence of having
problems well before the 10-year mark and well before it

is
marked as a red program in the project schedule. And it

important to accept those things top to bottom, deal
honestly with them, and, if necessary, admit to yourself
that you are failing and that substantial correction is
required, not just incremental correction.

my
It is a common-sense management discipline that from

standpoint I would plan to apply throughout, and maybe the
most common sense is to create an environment where people
in the organization feel they can be honest about where
things are and have that be viewed as a positive and not a
negative. And so that is just kind of an overall view of
the environmental factor. I certainly will report back on
more detail when I have it.

Senator Akaka. Thank you.

Colonel Gunn, in your testimony, you noted that while you were a White House Fellow, you served as a liaison to the VA Secretary.

Colonel Gunn. Yes, sir.

Senator Akaka. And since that time, you stated that you have followed many of the issues affecting VA from afar.

From your perspective, what are the issues that you have followed that will require your immediate attention, if confirmed as General Counsel?

Colonel Gunn. Sir, issue number one goes to the heart

of the Secretary's vision for transforming the organization into a 21st century organization, and that is the issue of being people centric.

In both my time in the military, my time since I retired in 2005, and most particularly during the course

of the last year since opening my law firm, I have had the opportunity to talk to many veterans and their families about the perception among many that the VA has a long way to go in terms of being a truly people-centric, customer-friendly organization. And I see that as really the heart of the matter because if we get there, a place where the

VA is considered a model of being customer friendly, then

from my vantage point, everything else follows from that.

So while I have looked at issues in terms of the

level of benefits and the various processes, all of those really

on pale in comparison to that central issue of being focused
the people and making those people feel like that they are
what this Department is most concerned about.

Senator Akaka. Thank you.

time. Let me call on Senator Burriss. Do you have any
statement or questions for the nominees? This is your

Senator Burriss. Thank you, Mr. Chairman, Mr. Ranking
Member, fellow Senators. I would like to congratulate the
panel. I have interviewed two of these gentlemen, Mr.
Chairman, and--all three of them, really, and--did I see
you, Mr. Baker?

Mr. Baker. Yes, sir.

them. Senator Burriss. Well, I have interviewed all of

[Laughter.]

just Senator Burriss. I had so many coming at me. I am
trying to figure out whether or not I covered them all.

But

I do want to say that I found it very, very informative in
our interview of these gentlemen, and I also found out,

Mr.

Chairman, that the paperwork that is involved in what they
are doing is just tremendous. There are just so many
different forms that have to be filled out and so much
vetting has to be done that I was advised that they were
definitely looking at that vetting process. But I would
just like to check with Mr. Baker and see if when he

becomes

confirmed, he will definitely look at the information that

is being misplaced and lost and records cannot be found,
so they hope that the information technology system will
improve that somewhat. I am pretty sure you have not had
a chance to go in there and look at anything, but I wonder
if you had any type of views on what the situation is
currently prior to your going on.

Mr. Baker. Thank you, Senator. As you can imagine,
I have not had a chance to look at that closely, and so I
think the best response is that I will come back to you

with some answers on that when I have had a few weeks to take a
look at where things are.

Senator Burriss. Please check that out, because my
report from my veterans is that they send some paperwork

in and it gets lost, it gets misplaced, the computer systems
are not talking to computer systems, and some of it, which
will go to an HR question, is the resources, that we do

not have the personnel to really handle the volume and
workload.

Is that correct, Mr. Sepulveda, to your knowledge?

Mr. Sepulveda. To my knowledge, we have some
challenges there. We have a great staff. People are
working really hard, but the reality is that the HR staff
clearly needs some additional training and resources to

help them do their job and to work in concert with the other
departments within the agency. So you are absolutely

right. There is a lot that needs to be done, but I am pleased,
from

what I have seen so far, that we have very dedicated
people,
good people. I think they just need some additional
resources.

HR One challenge that I just want to mention about the

is that the retirement issue is going to be a major
challenge because my understanding is that 50 percent of
our

HR team throughout the Department is eligible for early
retirement or regular retirement. So there is going to be
that challenge that we are going to have to be facing and
planning for very soon.

Senator Burris. We will have to find a reason to
extending the time because given the current planning,

some
of them may have to stay on. But I think the Federal
pension is probably pretty good.

I would like to just point out to Colonel Gunn, I
have

known this young man for years. We were on the ABA
Committee together when he was in JAG and I was Attorney
General working with those issues. And I ran across the
Colonel when he came in, and I was wondering whether or

not
that was the same Gunn I had seen during those years, and,
Colonel, it is certainly good to see you again, to have

you
come back and make your acquaintance. We had a great time
at the ABA taking care of those issues.

Colonel Gunn. Yes, sir.

Senator Burris. And being a seasoned veteran and a

lawyer--I am sorry you graduated from Harvard and not Howard, but--

[Laughter.]

Colonel Gunn. I understand.

you
Senator Burris. Being a seasoned lawyer, I am sure

want
will take care of the legal matters, and, of course, I

he
to compliment General Riojas, because I was chatting with him the other day, and I said, "What rank are you?" And

to
says, "I am a Brigadier General." I said, "Wow." I had

salute him.

in
So we are looking forward to you all joining, especially with the knowledge that you all have, you are veterans, you know what is going to be needed. Please go

what
there and be committed to our men who made this country

it is.

personnel--
My favorite expression to all you military

can
and I never served in the military--is, "The only way we

are
do in America what we do is because you all have done what you all did--protecting us and this country and giving us this quality of life." And we owe a great debt to all of those individuals who served this country. Now that you

all in a position as civilians to help them, take care of them. They took care of us.

Thank you, Mr. Chairman.

Senator Akaka. Thank you very much, Senator Burris.

Now I would like to call on Senator Johanns for any statement and questions he may have.

Senator Johanns. Well, I will pass on the statement, Mr. Chairman, and I will just jump right into questions.

First, to the entire panel, congratulations. I think just to be here is an important thing. Having been through a nomination process and confirmation process as a member of President Bush's Cabinet, I think it is just a great honor to serve your Nation in this capacity.

Secondly, congratulations on outstanding resumes.

All of you are enormously qualified to do what you are heading out to do.

We Let me, if I might, start out with General Riojas.

have been--and still are--going through the issues relating to the flu. Of course, that has gotten a lot of attention not just here but all across the world, really.

Give me your impression of how well prepared the Veterans Administration would be to deal with something of pandemic circumstances, what you would like to focus on. How do we ensure that our veterans are able to get the

care they need? I would just like you to cover kind of the bailiwick here in terms of that kind of very, very drastic situation.

General Riojas. Senator, thank you for the question. If confirmed, those are exactly some of the questions that

I

internal plan on asking as I conduct my assessment about our capabilities. I think it is very important that we consistently, constantly focus on the veterans so that no matter what the circumstances may be, prior to a flu challenge such as we have right now, or other manmade or natural disasters, that we be properly prepared for that internally.

other I think that it is also very, very important that the organization as a Department be integrated fully with departments in our Government so that proper integration in planning, preparation, and actually during or after a particular situation is effective and efficient, maintaining that service to our veterans but shifting it a bit perhaps to service to the Nation.

about I am not well briefed or completely knowledgeable about what our exact capabilities are, but I do know assembling that information so that our decisionmakers within the Department and, an appropriate, outside the Department so that Secretary Shinseki can take recommendations to the national departments would be very, very important, and I would take that lead in that particular development.

I Senator Johanns. I really urge you do to that. When I was a Cabinet member, we worked on avian influenza, and the conclusion I reached is this is just a matter of time.

General Riojas. Yes.

Senator Johanns. The viruses, as you know, ebb and flow, and in the influenza of 1918, it actually started

out

and it did not look like it was going to be so bad.

General Riojas. Right.

Senator Johanns. And then it came back with a vengeance, and I just think we have to be prepared and

very

mindful that we have been lucky for a long time. So I encourage you to put that at the top of your list.

Colonel Gunn, I am going to ask you some questions

here

about veterans claims.

Colonel Gunn. Yes, sir.

Senator Johanns. I think everybody on this Committee has heard from veterans about the painfully slow claims process and trying to get through that. Give us some

ideas

on how you might address that and how we can--I do not

know

if we streamline or whatever. Give me some ideas on how

we

can improve the situation there for our veterans.

Colonel Gunn. Senator, thank you very much for the question. In preparation for the hearing, I talked a bit with the Principal Deputy of VA, Jack Thompson, who has

been

there for many years, and he informed me that there is a working group underway to look at exactly how the General Counsel's office can help in that particular area.

Directly answering your question, though, the first answer that I have really goes to my colleague here at my

right, and that--

Mr. Baker. Thanks. Absolutely.

[Laughter.]

Senator Johanns. You can say that. We are going to hold you both accountable.

[Laughter.]

Colonel Gunn. Fair enough. In all sincerity,

Senator,

I do see information technology as playing a major role, and

it is in this sense, in the course of the last year--well, actually last summer, I opened my own law practice to provide service to veterans and military members.

Ironically, even though that was my goal and I envisioned that I would be representing people who were trying to obtain VA benefits, it just never worked out, and so the practice went in a different direction.

I talked to, though, many people that were in that situation, and one of the frustrations that they had was

the

lack of transparency with respect to the claims process in the sense of they would submit a package asking for, say,

a

disability rating, and then they would just wait. And

they

would try to find out information, and they found it extremely difficult and frustrating to just get

information

in terms of where they stood. And I would like to think that there are ways to get around that so that at a

minimum

an individual would be able to have more information in

terms of, well, your package was submitted here, it is now at this particular level. That is reassuring, that in any process if you know where you stand and how long it is likely to take after that point, that helps tremendously.

Senator Burriss also asked a question about how do we get beyond lost documents and such, and again, looking at, okay, are there impediments right now to our using our existing technology or developing new technologies so that we are not depending upon a paper record in that regard. Then I think that those are things that certainly will

help.

And then just finally, more germane to my responsibilities, if I am confirmed as General Counsel, I just think we have an ongoing responsibility to make sure that the people that are working with the claims out in

the

field, that they know what the impact of the latest law as well as court decisions are. So we have an ongoing responsibility just to educate, and we cannot get beyond that.

Senator Johanns. I encourage you to work on this because you know as well as I do that delay feels like unfairness. You know, you sit there day after day. You feel you need these benefits and services. And, you know, to the average veteran out there, as each day goes by, as each week goes by, it feels unfair. And so whatever you

can

do to deal with that delay--you know, the Veterans

administration has done some great things with technology. I remember getting a briefing a couple of years ago on medical records, and some of it is really trend-setting.

My

hope is that we can move this technology to another level because I do think it is important. So I encourage all of you to work on that.

in

Boy, if there was one thing that you could come back a couple of years and say, "Hey, we have done better

here,"

I think the whole Committee would applaud, this would be the area.

the

Thanks.

Senator Akaka. Thank you very much, Senator Johanns. Mr. Sepulveda, in your testimony, you refer on

several

occasions to Deputy Secretary Gould's vision of an updated workforce with well-trained employees. Could you please give us now your preliminary thoughts on what specific

steps

you might take to help this vision become a reality?

Mr. Sepulveda. Thank you, Mr. Chairman, for that question. I think that first and foremost the vision that we are operating with is the vision articulated by the Secretary and, of course, the Deputy Secretary's job is to provide some detail, and then the rest of us, if

confirmed,

are to provide some operational details to that strategic plan.

human

Clearly, the area that I would be focusing on is

capital, and that means several things because we have several challenges facing this Department. One is the retirements, the large number of retirements that are going to be coming in the next several years. When you have over 30 percent of your employees eligible to retire and when you are talking about a Department of 280,000, you are talking about significant numbers of people that you are going to have to plan to replace. That is one challenge that is going to have to be focused on. So, in other words, what we are talking about is transforming the Department, but at the same time focusing on the operational issues to keep it running efficiently right now. So succession planning is one.

The other is training. Again, it is incredibly important to provide the appropriate kinds of training at all levels so that service can be delivered efficiently. And I would like to include in that the customer service training that I mentioned before because I think it is important that we all get grounded continually in why we are there. We are there to serve the veterans. We are there to provide the best service possible, with respect, with consideration, with compassion. And that is another part that I would be focusing on.

In addition, we have some major programs that have to be implemented, the new GI bill, the Priority 8 veterans,

the OEF and OIF veterans that have to be integrated into the system. And we have also the need to accelerate the quality

and the timeliness of the processing of our benefits, so there are lot of challenges that are occurring right now.

So, in many ways, we have to, frankly, walk and chew gum at the same time. We have to transform the Department with a focus on the strategic vision that the Secretary articulated and the President articulated, but at the same time operationally address the needs right now, and that

is a big challenge, and I see myself playing a very supportive

role there, working with my colleagues and the Deputy Secretary to make that happen.

Senator Akaka. Thank you, and for the record, can you please report back to the Committee with a preliminary

plan of action within 60 days?

Mr. Sepulveda. Yes, sir.

Senator Akaka. Mr. Baker, from what you have learned in the short time since you have been nominated, do you

have any initial thoughts about what is working in the Office of

Information and Technology today and what is definitely not working?

Mr. Baker. Senator, thank you very much for that question, because I think sometimes publicly the Department

gets focused on what is not going well, and I think there are a number of things that are going very well. You know,

every day since I have been advising the Secretary here
for a few weeks, I have seen the operational reports coming
through from the IT operations piece. And every day the
systems at the hospitals, the systems at the benefits
organization run well, provide good response time, and
support the operations of the Department.

Clearly, the Department has made major strides
forward in the last few years on information security and moved
from one where I think, rightly, they lived most days in fear
of what was going to happen next to one which is a much more
controlled environment.

As Senator Burris points out, it is not perfect, and
there are continued issues to look at with information
loss.

But I think the way to phrase it is, "Knock wood, we have
not seen another laptop loss or unencrypted piece of
information go out." So there are good things going on in
there.

On the negative side, I think it is very clear that
the

VA has a systems development issue in delivering
successful programs. Had one failed, it would be one item, but there
has been a string of those. And so the question that I

have to enter with is: How do you solve that problem? First,
how do you stop the failures from taking so long to
surface?

Because in any organization with 300 or more programs
ongoing, there are going to be failures. The question is:

Can you stop them before they become runaway failures? So that is an area.

Certainly I think just having the right people in the right place with the right skills to provide the services is

something that I want to look at. Do we have the right amount of staff? Are we meeting appropriate metrics for

an organization of our type in responding to trouble calls, in

providing services to the organizations that are meeting the

veterans' needs?

So just a couple of examples of positive things and negative things that I think are aspects of the organization

at this point.

Senator Akaka. Thank you. Before I call on Senator burris for any other questions, Colonel Gunn, in a recent oversight visit to the Board of Veterans Appeals,

Committee staff found that there is no tracking system to ensure

that claims remanded from the Court of Appeals for Veterans Claims or the Board of Veterans Appeals comply with the

statutory mandate that some claims be adjudicated more quickly than others. Will you please report back to the

Committee within 60 days with what can be done to rectify this issue?

Colonel Gunn. Yes, Senator.

Senator Akaka. Thank you. Let me complete with Mr. Sepulveda. As Chairman of the Subcommittee on Oversight

of

Government Management and the Federal Workforce of the Homeland Security and Governmental Affairs Committee, I am committed to making far greater use of telecommunicating opportunities throughout the Federal workplace.

What are your thoughts on how VA might expand these opportunities? And what emphasis will you place on telecommunicating?

Mr. Sepulveda. Thank you, Mr. Chairman, for that question. Obviously, when we are talking about the numbers of facilities and staff spread out around the country serving a growing number of veterans and their families that are located in all parts of the country, including rural areas that are not being served adequately, this telecommuting--not telecommuting, but telecommunications becomes extremely important, particularly in terms of telemedicine and in terms of training, distance learning. There is a whole variety of activities that can fall under that category, and I think that that is essential that we focus on.

I personally believe that we have to do that and we have to do it with greater strategic attention and in a much more coordinated way. Certainly I am going to look forward to working with my colleagues here, particularly Mr. Baker, in how do we do that. And the other--
[Laughter.]

Mr. Sepulveda. He gets all the issues.

But, also, the other part of this is part of the cultural change in the training to get managers and supervisors to also feel comfortable in being able to delegate authority to staff in other parts of the country and be able to provide the supervision and the direction over great distances. That is a cultural change that has

to

be part of the transformation that we are talking about at the Department, and certainly I am going to be working

very

closely with the executive team and the deputy to make

that

happen.

Senator Akaka. Thank you very much.

Senator Burris?

Senator Burris. Thank you, Mr. Chairman. Just one last point, and then I might have a comment if I decide to try to collect my thoughts on it. But I would just like

to

follow up with a question to Colonel Gunn in reference to his views on the rulemaking process.

you

If we aim to build a 21st century organization, as

said, VA will need to adapt quickly to various needs that arise. The current rulemaking process is burdensome and takes an inordinate amount of time to complete. How do

you

propose to improve the process about changing rules and implementing new ones in terms of your thoughts along

those

lines, Colonel?

Colonel Gunn. Senator, thank you very much for the opportunity. I must say I have not devoted a great deal of thought to that at this point in time. However, certainly as I go into the Department and transition, I will focus on that.

The little bit that I know right now is that there is a group within the Office of the General Counsel that is focused on, I would say, handling the rulemaking process and being the shepherds of that for the Department, and that is a relatively new development. And the limited discussions that I have had thus far suggested that has proven to be a success. So I am going to look into it and see what we can do in order to enhance it and improve it.

Senator Burris. [Presiding.] Just a comment, Mr. Chairman--oh, I am also the Chairman.

Having been in Government for so many years, and I even worked in the Federal Government for a while, but I did not go through the confirmation process, but being in government in a large State, when you go into these agencies with your plans and your ideas and your commitments, there is a thing called "inertia in the bureaucracy." And you have all these great ideas and plans, and you get in there and you want to try to deliver them. You have been questioned by us, and you want to try to report back to us. But the staff really is not attuned to--they were not up here answering these

questions. They do not what you all are trying to bring about. And, therefore, they have been there for 20 years and know all the answers, and you are going to come up against some of that.

I just hope that you all are prepared--I know some of you all have been in Government before, so you are familiar

with that. I am pretty sure the General and the Colonel are, in dealing with the military chain of command, and unfortunately, the civilians do not operate like the military. And you are going to find that those opportunities or those ideas and the answers that you have given us and the desires and the hopes of making change is not going to be easy.

I just hope that you all would prepare to deal with that and keep your goals in mind, keep the focus in mind of

how you can move the agency. This is no bad mark on the employees. There is a thing called "protecting their turf"

and "protecting their jobs." And innovation is something that they just do not adhere to very easily. It is like trying to turn a battleship around, you know, in the middle

of the lake, if you ever got it in the lake. And you will find that the employees are not on the same page as you are.

So just a little word of wisdom from an old Government

employee, a person who spent all of his life in Government,

just be mindful of how you can move your people to get your

ideas and your agenda into place along with your
superiors,
because, you know, there is a Deputy Secretary and you
have
got Secretary Shinseki whom you are going to have to also
report to. You are also going to have to try to carry out
those plans and those ideas to try to improve the system.
And the only reason why we have jobs primarily is because
there are problems. If there are no problems, there would
be no jobs. So when you even create a new position--I
mean
a new idea or a new program, that creates new problems,
which means some more jobs.
So I just hope that you all will keep that in mind as
you go into these great responsibilities that the
President
has nominated you on, and I hope and pray that you will
get
confirmed on, and you will go in there and not let your
ideas and your commitment to us get pushed aside by the
bureaucracy and the people who do not want to move,
because
it is going to be difficult. And I want you all to be
aware
of that and just hope and pray that you can deal with it.
That is my advice to such four distinguished
appointees. I am honored to know you all.
Thank you, Mr. Chairman.
Senator Akaka. [Presiding.] Thank you very much,
Senator Burris.
To all our panelists today, I just want to tell you
that I appreciate very much your desire to serve our

Nation's veterans, and for the information of members and staff, I would like to move these nominations as soon as possible. To that end, I ask that any post-hearing questions be sent to the Committee's legislative clerk by the close of business tomorrow. And I again thank you for bringing your families and your friends, and I look forward to working with you in this 21st century course that we are taking. It looks good, and we have lots of work to do. But we can do it very well together.

Thank you. This hearing is adjourned.

[Whereupon, at 10:34 a.m., the Committee was adjourned.]