

**HEARING TO CONSIDER THE NOMINATIONS
OF GORDON S. HEDDELL, TO BE INSPEC-
TOR GENERAL, DEPARTMENT OF DEFENSE;
J. MICHAEL GILMORE, TO BE DIRECTOR OF
OPERATION TEST AND EVALUATION, DE-
PARTMENT OF DEFENSE; ZACHARY J.
LEMNOS, TO BE DIRECTOR OF DEFENSE
RESEARCH AND ENGINEERING; DENNIS M.
McCARTHY, TO BE ASSISTANT SECRETARY
OF DEFENSE FOR RESERVE AFFAIRS;
JAMIE M. MORIN, TO BE ASSISTANT SEC-
RETARY OF THE AIR FORCE FOR FINAN-
CIAL MANAGEMENT AND COMPTROLLER;
AND DANIEL B. GINSBERG, TO BE ASSIST-
ANT SECRETARY OF THE AIR FORCE FOR
MANPOWER AND RESERVE AFFAIRS**

THURSDAY, JUNE 11, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 9:35 a.m. in room SD-106, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, McCain, Hagan Begich, Burris, and McCain.

Other Senators present: Senators Conrad and Leahy.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Jonathan D. Clark, counsel; Richard W. Fieldhouse, professional staff member; Gerald J. Leeling, counsel; Peter K. Levine, general counsel; Roy F. Phillips, professional staff member; and Arun A. Seraphin, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; Paul C. Hutton IV, professional staff member; and Richard F. Walsh, minority counsel.

Staff assistants present: Paul J Hubbard, Christine G. Lang, and Breon N. Wells.

Committee members' assistants present: Gordon L. Peterson, assistant to Senator Webb; Roger Pena, assistant to Senator Hagan; and Jason Van Beek, assistant to Senator Thune.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. The committee meets today to consider the nominations of Gordon Heddell to be DOD Inspector General, Michael Gilmore to be Director of Operational Test and Evaluation, Zachary Lemnios to be Director of Defense Research and Engineering, Dennis McCarthy to be Assistant Secretary of Defense for Reserve Affairs, Jamie Morin to be Assistant Secretary of the Air Force for Financial Management and Comptroller, and Daniel Ginsberg to be Assistant Secretary of the Air Force for Manpower and Reserve Affairs.

We welcome our nominees and their families to today's hearing. As senior defense officials put in long hours every day, we appreciate the sacrifices that they and their families are willing to make to serve our country.

Each of our nominees has a distinguished background. Gordon Heddell has served in law enforcement positions since he completed his service as an Army helicopter pilot in 1970. In 2001, Mr. Heddell was confirmed as Inspector General of the Department of Labor, and in 2008 he became acting Inspector General of the Department of Defense.

The DOD Inspector General plays a vital role in ensuring the integrity and efficiency of DOD programs and activities. And if confirmed, Mr. Heddell will continue the job of restoring the reputation of this important office, which has been shaken in recent years. We need an Inspector General that we can rely upon to dig into the department's problems, and to tell the truth about what he finds.

Michael Gilmore has served in National Security positions for the last 20 years, first in the Department of Defense's office of Program Analysis and Evaluation known as PA&E where he rose to be Deputy Director in 2001, and more recently at the Congressional Budget Office where he has served for the past eight years as Assistant Director for National Security.

The Director of Operational Test and Evaluation plays a key role in ensuring that our weapons systems perform as intended. The Director of OT&E like the DOD Inspector General must be able to tell the truth to power. If confirmed, it will be Mr. Gilmore's job to tell DOD and Congress whether we have gotten what we paid for in our major defense acquisition programs. A successful director of OT&E will not be popular within the Department of Defense, and plays a vitally important role in protecting both the troops and the tax payers.

Zachary Lemnios is a scientist and engineer who has spent most of the last two decades in various positions at MIT's Lincoln Lab where he now serves as chief technology officer. His qualifications are only enhanced by his status, and I say very proudly is a graduate of the University of Michigan. If confirmed as Director of Defense Research and Engineering, Mr. Lemnios will be the top science and technology officer of the Department of Defense, re-

sponsible for guiding the advanced research that will keep our military ahead of its competitors for the next generation.

In addition, the Weapon's System Acquisition Reform Act, which we enacted just last month, gives the DDR and ENE the important new responsibility of assessing the technological maturity of key technologies to be used in major defense acquisition programs to ensure that we won't try to build systems that we haven't sufficiently tested.

Now, I'm going to save my brief comments about the nominees on the second panel until we finish questioning the first panel. We do have one senator, one of our colleagues who is here to introduce one of the nominees on the second panel, and we expect a second senator to be here, Senator Leahy at any moment to make an introduction for a panel, for the second panel as well. Both our colleagues, who are great friends as well as colleagues have other obligations, and so we're going to take care of the introductions by those senators who are nominees on both panels as soon as Senator McCain finishes his opening statement.

Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you, Mr. Chairman. I join you in welcoming our nominees this morning, and I welcome their families as well who they will all adequately attest to the important role they've played in achieving the positions for which they are nominated, and as far as I can tell will certainly be confirmed by the United States Senate.

They possess impressive backgrounds in both the public and private sectors. I consider all the nominees today to be well qualified for the positions for which they are being considered, and I thank them for their willingness to serve the Nation in these difficult times in the new administration. Without question, the position of Director of Defense Research and Engineering and Director of Operational Test and Evaluation are key to maintaining superiority and technology, wisely spending billions of defense dollars for vital scientific research, and most importantly in protecting and empowering our combat forces in the current fight.

Mr. Gilmore and Mr. Lemnios, I look forward to hearing how you intend to make positive contributions in achieving these goals, and in helping to correct the department's dismal record in weapons systems development.

General McCarthy and Mr. Ginsberg, I know you'll appreciate that our National security has never been more dependent on the willingness of patriotic young men and women to voluntarily serve in the armed forces. It depends on the willingness of combat tested NCO's, officers, and their families to choose careers and continue serving. This is true for active duty personnel as it is for members of the National Guard and Reserve.

I look forward to hearing how you intend to improve the lives of our military personnel and their families.

Mr. Heddell, there are very few positions in DOD that I consider to be more important than that of Inspector General. Regrettably for several years, the office of the DOD Inspector General has been lacking in resources and talented leadership with predictable prob-

lems emerging in performance and morale. This has to change. I've expressed on numerous occasions my concern about corruption in government, and in the Department of Defense in particular.

The contracting and procurement scandals in Iraq are one manifestation of this problem. The department's trouble accusation programs and the incentives that exist for individuals who know better to abandon their principals to achieve an end are well known. The manner in which Congress in a regrettable bipartisan fashion has allowed the appropriations process to evolve has contributed greatly to these problems, and presents one reason why Congress has such low grades in public opinion. The American people are fed up with the system that breeds corruption and will not continue to tolerate it. Transparency and knowledge of the truth are the antidotes to the corruption that is bred by earmarks and abuse of authority.

The Inspector General of the Department of Defense must be an independent leader in providing for that transparency and knowledge, and we expect, and I know we will receive that leadership from you.

Mr. Morin, I view the DOD and the service comptrollers as individuals who can facilitate business as usual or make a very positive difference in the programs and policies of the department. We face a number of challenges including enhancing the transparency of Air Force financial management activities, and improving acquisition processes. I trust you will advise the Air Force leadership accordingly to ensure that these issues are apparently addressed. I again, welcome the witnesses and congratulate them, and look forward to working with them in the future. Thank you, Mr. Chairman.

[The prepared statement of Senator McCain follows:]

[COMMITTEE INSERT]

Chairman LEVIN. Thank you so much, Senator McCain.

Senator Kennedy if he were here would have been introducing Mr. Lemnios. He obviously is not with us, but he has asked that a statement of introduction be placed on the record, but we are joined by two of our dear friends and colleagues. Senator Leahy, you're here I believe to introduce Mr. Ginsberg, and so we'll start with you, and then Senator Conrad to introduce Mr. Morin.

STATEMENT OF HON. PATRICK J. LEAHY, U.S. SENATOR FROM THE STATE OF VERMONT

Senator LEAHY. Thank you, Mr. Chairman. Thank you, Senator McCain.

It's somewhat unusual to be on this side of the table, but I'm glad to see so many friends here. I just wanted to be here to express my strong support for Daniel Ginsberg. He has been nominated by the President to be Assistant Secretary of the Air Force for Manpower and Reserve Affairs, and I welcome he and his wife Jessica, his parents, Rhonda and Jerry, and other family members who are here with him today.

Daniel had worked for Sam Nunn, and for the past 9 years has served as my Defense Policy Adviser. He has been fantastic in that area. We've had an emphasis on the Guard and Reserves because as the two of you know better than anyone in this room, they be-

come a keystone for our military operations, particularly in Iraq and Afghanistan there, and the support for homeland duties has been at all time high, everything from natural disasters such as Katrina to floods and fires and so on, and Homeland Security. We've done some updated policies for them. We have a 95 member U.S. Senate National Guard caucus. I cochair that with Senator Kit Bond of Missouri. It has worked in a, I was going to say a bipartisan fashion, actually a non-bipartisan fashion, and as my senior adviser as Daniel Ginsberg helped coordinate the caucus he helped develop detailed legislation and far-reaching strategies that enacted strong changes expeditiously. At a time when we've had increasing interparty rank on the Hill, he forged a bipartisan consensus and the need to better support the efforts of the Guard and in turn the Reserves, worked with the general, the governors of the state, so I'll put my full statement on the record praising him, but I just want to say that it's a bittersweet moment for me. I have benefited so much from Daniel's work in my office. I joked a couple weeks ago when I was in Afghanistan, Iraq, and Pakistan, something the two of you have done so many times, and I joked that I was going to put a hold on his nomination until that trip was over because I so vitally needed him, and it was just emphasized one more time as he met with generals, ambassadors, leaders of coalition forces. His depth of knowledge, his breadth or knowledge, and his caring for the United States of America. Mr. Chairman, I can't think of a better person. With that I'll put my full statement on the record.

[The prepared statement of Senator Leahy follows:]

[COMMITTEE INSERT]

Chairman LEVIN. Thank you so much, Senator Leahy. We really appreciate your getting here today for that introduction. I know that Mr. Ginsberg does as well. And now for Jamie Morin, I think I pronounced his name finally correctly. We'll call upon Senator Conrad.

STATEMENT OF HON. KENT CONRAD, U.S. SENATOR FROM THE STATE OF NORTH DAKOTA

Senator CONRAD. Thank you, Mr. Chairman and Ranking Member McCain. Thank you so much for your very positive statement. We appreciate that very much. Senator Hagan, Senator Begich.

I'm here to strongly support the nomination of Dr. Jamie Morin to be the Assistant Secretary of the Air Force for Financial Management. Many of you know Jamie because he has been the Senior Defense Analyst on the Budget Committee since 2003, very well regarded on both sides of the aisle. He really is an exceptional nominee, and absolutely encyclopedic knowledge of military affairs. His mom, Bridgette who is with us here today, told me this morning that at age four Jamie was looking in the encyclopedia reading about the military services, and that he has had an interest and a devotion to military matters ever since. That's probably why he has such an extraordinary knowledge of military affairs, an intense interest in that subject.

More than that, he has good judgment, really exceptional judgment, and that will serve him well in this position. He has also got a very strong academic background, PhD from Yale, M.S. from the

London School of Economics. He's got a B.S. in foreign service from Georgetown, really a very good background for the position he'll be moving into. He also I might add has a strong devotion and interest in the United States Air Force. I know members of this committee are aware that we have two major Air Force bases in North Dakota, and he has followed the Air Force very closely during his entire career.

I believe the Obama administration is extremely fortunate to be able to track somebody of Dr. Morin's character and quality. He is absolutely first rate. He served the Committee on Budget well. I believe he served the country well, and I believe we're fortunate to have people of his ability come forward and be willing to serve in public service. With that, I'll put my full statement in the record, and I thank you very, very much for listening.

[The prepared statement of Senator Conrad follows:]

[COMMITTEE INSERT]

Chairman LEVIN. Thank you very much, Senator Conrad. Thank you for leaving for me the choice tidbit that Mr. Morin went to high school in Detroit, graduated at the University of Detroit High School, is a Michigan native. I appreciate your allowing me to make that important significant addition.

Senator CONRAD. Also you know Mr. Chairman, as a senator from North Dakota, I have not spent a lot of time talking to my constituents about his checkered background.

Chairman LEVIN. Well, in that case you're not excused. I think you need to stay here for the additional questions. Thanks so much for coming.

Okay. We now will call our first panel forward, please. We ask you first, each of you to answer the following questions. These are standard questions we ask of all nominees that come before us.

Have you adhered to applicable laws and regulations governing conflicts of interest?

Mr. GILMORE. Yes.

Mr. HEDDELL. Yes.

Mr. LEMNIOS. Yes.

Chairman LEVIN. Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process?

Mr. GILMORE. No.

Mr. HEDDELL. No.

Mr. LEMNIOS. No.

Chairman LEVIN. Will you ensure your staff complies with deadlines established for requested communications including questions for the record and hearings?

Mr. GILMORE. Yes.

Mr. HEDDELL. Yes.

Mr. LEMNIOS. Yes.

Chairman LEVIN. Will you cooperate in providing witnesses and briefers in response to congressional requests?

Mr. GILMORE. Yes.

Mr. HEDDELL. Yes.

Mr. LEMNIOS. Yes.

Chairman LEVIN. Will those witnesses be protected from reprisal for their testimony or briefings?

Mr. GILMORE. Yes.

Mr. HEDDELL. Yes.

Mr. LEMNIOS. Yes.

Chairman LEVIN. Do you agree if confirmed to appear and testify upon request before this committee?

Mr. GILMORE. Yes.

Mr. HEDDELL. Yes.

Mr. LEMNIOS. Yes.

Chairman LEVIN. Do you agree to provide documents, including copies of electronic forms of communication in a timely manner when requested by a duly constituted committee, or to consult with the committee regarding any of the basis for any good faith delay or denial in providing such documents?

Mr. GILMORE. Yes.

Mr. HEDDELL. Yes.

Mr. LEMNIOS. Yes.

Chairman LEVIN. Thank you very much. I think we'll call first on Mr. Heddell, and the other witnesses and nominees can, of course, be free to introduce any family or guests that you might have if they are with you. Mr. Heddell.

Mr. HEDDELL. Thank you, sir. I have an opening statement. May I do that?

Chairman LEVIN. Please. Sure.

**STATEMENT OF GORDON S. HEDDELL, NOMINEE TO BE
INSPECTOR GENERAL, DEPARTMENT OF DEFENSE**

Mr. HEDDELL. Okay. Chairman Levin, Senator McCain, distinguished members of the Senate Arms Services Committee I am honored to appear before you today as the nominee to serve as the Department of Defense Inspector General.

Being nominated for position is a remarkable opportunity, and I am prepared to meet the challenges ahead if confirmed. The responsibility of this position is of great importance to ensure the health, the safety, and the welfare of Department of Defense personnel, and to make sure that the taxpayer receives a good return on their investment. As an Inspector General with over eight years experience, I know that the DOD Inspector General has exceptional responsibility. I am committed to ensuring that this office of Inspector General serves as a model of integrity and dedicated service as well as a highly respected organization. If confirmed, I will accept the duties of the office with appreciation, humility, and a commitment to doing what is right while always honoring the principal of independence. I am truly grateful for the support and partnership of this committee and Secretary Gates in ensuring that there is effective oversight of the department.

On a personal note, I want to acknowledge the love and support of my family who have truly been the inspiration behind any successes that I have had in my life or in my career. I thank you, Mr. Chairman and members of this committee for your time and attention. I look forward to answering your questions.

[The prepared statement of Mr. Heddell follows:]

Chairman LEVIN. Thank you very much, Mr. Heddell.

Dr. Gilmore.

STATEMENT OF J. MICHAEL GILMORE, NOMINEE TO BE DIRECTOR OF OPERATION TEST AND EVALUATION, DEPARTMENT OF DEFENSE

Mr. GILMORE. Mr. Chairman, Senator McCain, members of the committee it's an honor to appear here today. I thank President Obama for having the confidence in me to nominate me to be Director of Operational Test and Evaluation in the Defense Department, and I thank Secretary Gates for supporting that nomination.

My wife, I.T. Liu is here today, and suffices to say that without her support and encouragement, I would not be here today.

Mr. Chairman, I believe that the Weapons Systems Acquisition Reform Act that the president recently signed into law demonstrates his commitment, as well as the Defense Department's to working with the Congress, and in particular with this committee to solve the many problems that have arisen in developing, producing, and fielding weapons system. If I am confirmed, I pledge that I'll do my best to help that important effort, and I'll do that by providing this committee and the secretary, and the Congress with independent objective evaluations of the effectiveness, suitability, and survivability of weapons systems based on realistic operational testing. My goal would be to ensure that the men and women in uniform are provided weapons that they can be confident will work. Thank you.

[The prepared statement of Mr. Gilmore follows:]

Chairman LEVIN. Thank you so much, Dr. Gilmore.

And finally Zachary Lemnios. Mr. Lemnios.

STATEMENT OF ZACHARY J. LEMNIOS, NOMINEE TO BE DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING

Mr. LEMNIOS. Thank you, Mr. Chairman, Senator McCain, and members of the committee.

I'm honored by the opportunity to appear before you today as a president's nominee for the position of Director of Defense Research and Engineering. I'd like to thank my wife, Stephanie who is with me today, my children, Melanie, Grace, Sarah, and Jonathan, my parents, William and Angela all of whom are watching on the committee's webcast. They are my foundation, and I could not have considered this opportunity without their love and support.

In fact, public service is deeply routed in our family. My wife Stephanie works at a non-profit organization, Science Club for Girls, inspiring young girls to be in appreciation of science and technology. My brother, Phil was in the Peace Corp for several years in Africa, later became the town manager of Hull, Massachusetts. My daughter, Grace is a special education teacher in Woodbridge, Virginia not too far from here. And I'd like to recognize my father's service to the Nation. As an 18-year-old PFC and later sergeant in the 20th Army Division his unit fought across Europe during World War II. On April 29, 1945 his was one of three U.S. Army Divisions that took part in the liberation of the Dekalb Concentration Camp.

My career is focused on opening new technology frontiers to guarantee our Nation's advantage over those who threaten us. I have seen the power of invention and innovation firsthand, and have had the opportunity to participate in opening new fields of

study in industry, academia, and the Federal Government. Rapidly evolving technology such as robotics, cognitive, bio, and nanotechnologies will have profound implications for our country to go well beyond our understanding today. We simply must lead in these and other critical areas to ensure our National security.

The Department of Science and Technology Investment serve three critical functions in my view. First they preserve the technological age of our current forces by extending the capabilities of our current war fighting systems. They offer the opportunity for breakthrough capabilities allowing us to chose those capabilities on our timelines, and finally they provide a hedge against the uncertain future with a set of scientific and engineering options to counter-strategic surprise. For the 21st Century, the most critical capabilities that defense, science and technology can deliver to the war fighter and to the American taxpayer would be systems that can adapt to changing applications and environments, systems that scale flexibly with demand, and capabilities that react faster than our adversaries with minimal support and logistics. We simply owe it to our soldiers, sailors, airmen, and Marines to rapidly accelerate those breakthroughs from the laboratory to the field. I fully support the important accusation elements outlined in the Weapons System Acquisition Reform Act of 2009 draft by this committee, and recently signed by the President.

A renewed focus on systems engineering and more frequent technology assessments will significantly reduce program risk, and the cost of major defense acquisition programs. If confirmed, I look forward to working across the department, and with this committee and others to strengthen our core competencies to deliver state of the art capabilities to our forces on time and within budget.

In closing, I want to thank again the President for nominating me, the Secretary of Defense for his support, and to this committee for your time today. I'm honored to be before you, and if confirmed, I look forward to working with this committee and your staff, and I look forward to your questions.

[The prepared statement of Mr. Lemnios follows:]

Chairman LEVIN. Thank you so much, Mr. Lemnios. Why don't we try a eight minute first round for this panel. We do have two panels.

First Mr. Heddell, let me ask you about the DOD IG report on the use of retired military officers as surrogates to make the former administration's case in the media. The report was totally inadequate, and four months after it was released the IG withdrew this report noting that the report was using inaccurate and incomplete data, did not meet the accepted quality standards for an Inspector General work product, but you as the acting IG also stated that the additional investigative work will not be taken to reissue a new report, and that raises the question as given all the flaws in the withdrawn report why not redo it.

Mr. HEDDELL. Sir, I do currently have a review ongoing, and two of the points in that review is determined what findings we can, in fact, report back to you and this committee on, and also for the future what judgments we could make about such a program. So in spite of the feeling that we may not be able to redo that investigation because of people that manage that program are no longer

in positions at the department, and because certain members of the retired military analyst group would not allow themselves to be interviewed, as well as other former DOD officials, it's difficult if not impossible to provide the answers that you have asked for. However, I'm committed to meeting the request that you have made of me to determine what I can determine from that report. I think it's an important review, and I will and I have committed to you to get back to you on that, and to tell you what I think we can about that program.

Chairman LEVIN. I appreciate that answer. First of all you have certain limits obviously. You don't have subpoena powers, the IG, and that is a limitation which needs to be addressed, and we're going to use this situation where you are not getting the cooperation of people who you must talk to as the example that we're going to take one of them to Homeland Security and Governmental Affairs Committee where I also serve that has the responsibility generically relative to the powers of Inspectors General because we can't permit an Inspector General to be thwarted by the failure to have access to documents and to people.

And so is the lack of subpoena power apply both to documents and to people, or just to people?

Mr. HEDDELL. The Inspector General has the authority to subpoena documents—

Chairman LEVIN. But not the individual?

Mr. HEDDELL. —but not testimony.

Chairman LEVIN. All right. So we're going to take this shortfall to the other committee that has jurisdiction, but in the meantime this committee has power to subpoena, and we are going to support our Inspector General. And so if there are people who need to be subpoenaed for testimony in order to get their information who refuse to show up voluntarily, we would appreciate your notifying them that you again request their testimony, and if not, that you would make a request for this committee to hold a hearing where we will subpoena them to a hearing of the committee, hopefully if the committee will issue a subpoena, which we hope it would in support of our Inspector General. Will you do that?

Mr. HEDDELL. You have my commitment to do that, sir.

Chairman LEVIN. Thank you. There's another report which is due, overdue actually for three years now, and that's the Inspector General's review of allegations that senior Air Force officials had improperly steered contracts for publicity in connection with Thunderbird air shows, and that they had allegedly steered those contacts to friends and insiders. The DOD IG concluded this investigation, issued a report early last year. The report raised serious questions about the role played by senior Air Force officials, but the report avoided making any findings or recommendations with regard to the conduct of the senior officials.

So Senator McCain and I sent a letter to the then IG more than a year ago asking that he review the conduct of current and former senior Air Force officials named in the report, not only as to possible improper conduct, criminal conduct theoretically or possibly, but also for possible ethical violations and failures of leadership and provide specific findings and recommendations to the Secretary of the Air Force and to the committee. These allegations have been

out there for three years. The review has still not been completed apparently, and my question, Mr. Heddell is when can we expect to see a completed report on this matter?

Mr. HEDDELL. Sir, that's one of the top senior official investigations that I'm reviewing. I believe that we can give you relatively good assurance that within four weeks that we will have a report to you.

Chairman LEVIN. Thank you.

Dr. Gilmore, let me ask you a question relative to the independence of the office to which you've been nominated, which is so critical, and you made reference to it in your opening statement.

How will you ensure the independence of that office, particularly if you're challenged by DOD officials or contractors?

Mr. GILMORE. By exercising leadership, Senator. I think that the key to maintaining independence is having a director who is willing to be straightforward in their assessments to both the Secretary and the Congress, and that is what I would be. I would provide you the best information that I could if I were confirmed about the performance of these systems.

Chairman LEVIN. One question relative to the test and evaluation that's occurred of the ground-based midcourse defense system, which is a missile defense system as you know, you're very familiar with this. The Director of Operational Test and Evaluation reported to us last December in his words the ground-based midcourse defense system, the flight testing to date will not support a high degree of confidence in its limited capabilities. Do you believe that its important that our ballistic missile defense systems and its elements like other systems should undergo operational test and evaluation, and that any elements to be deployed should be operationally effective suitable and survivable?

Mr. GILMORE. Yes, sir, I do. I think the information on that is required for operational decision makers to make proper decisions about how to employ the systems.

Chairman LEVIN. Mr. Lemnios, I believe you're a graduate of the University of Michigan, and I'm tempted to ask you how that training and experience qualifies you for the office for which you've been nominated, but I'm going to resist temptation because I may assure my vote but lose a few others around here, so I'm not going to do that, but you've been appointed to, or nominated to an extraordinarily important position. You're going to have responsibility for the departments of science and technology programs which play such a critical role in helping the United States maintain the advantage over competitors and adversaries, current and potential adversaries around the world.

The department's 2010 budget request reduces funding for these accounts by nearly 10 percent relative to the 2009 request, and I'm just wondering whether that concerns you as to whether we are adequately investing in the research and engineering programs that are essential to develop new capabilities, and to help train the next generation of scientists and systems engineers to work on our problems.

Mr. LEMNIOS. Mr. Chairman, first of all, it was a delight to go to the University of Michigan in Ann Arbor. I'm now at the Massachusetts Institute of Technology in Cambridge. It's a different insti-

tution but, in fact, these schools and many others have an enormous impact in training scientists and engineers, and a whole quaternity of people who will serve our Nation in very important areas.

I fully support the President's 2010 budget as submitted, and certainly in my role if confirmed, the critical part of that is shaping the science and technology portfolio that is shaped over the near term and long term requirements of the department, and takes in opportunities to invest in whatever technologies that come out of the universities and many other areas to support our war fighting needs.

Chairman LEVIN. Okay. My time is up.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman. And I want to welcome all of you gentleman here today, and I certainly want to say welcome to your families and especially your wives for being here because I know how critical and important your support is, so I thank each and every one of you.

Mr. Lemnios, I had one question for you. I'm impressed with your credentials, and I think that it's a very important role that you bring to the Department of Defense. I think that science and cutting edge technology is absolutely critical in our weapons systems and our security, and I think that in your comments you stated that research and engineering is the first step in the overall acquisition process. I'm concerned about two particular issues, and one is the continued threat of IED's that are killing and maiming our troops, and I wanted to know your comments, and what you think from a technological standpoint we can do to—I know we've done a lot, but I think that it's obviously still a huge threat, what you see in the future about that, and then taking it another step I think cyberspace and cyber protection is also a very critical element in protecting the country today, and some comments that you might have on that.

Mr. LEMNIOS. Senator, those are two very important issues that are very high on the priority list of the current research portfolio of the department. As you know, the IED threat is has been a particularly troublesome one to date. The number of military folks that have been killed or wounded is enormous, and it concerns all of us. The initial response was to try to build a set of capabilities to improve force protection. There are technologies involved in that, and those have found their way into the field. The next response was to try to build systems that would help counter the triggering mechanisms of the IED, and those have also found their way into the field, but at a tempo perhaps not at the same rate that they're being developed, and that's a concern as well. The third piece, the one that's really sort of in the science and technology regime is to try to understand the entire chain or events that occurs, not just in building the IED and deploying it, but what are the precursors up front that could be detected. And, in fact, there's a rich research community that's working through that to try to identify those and transition those. And, in fact, organizations like the Joint IED Defeat Office, the Armory Rapid Equipping Force, the Air Force Rapid Capability Office, all of those are working to quickly transition those concepts to field.

With regard to cyberspace, I read the Cyber Policy Review that was issued by the White House about two weeks ago. It was a policy review, and there's a compendium of technology underpinnings that support those policy positions. That's an area that I think we're going to need to learn a lot. There's a community that's understanding what the threat is. DARPA is standing up a national cyber test range. There are other ranges that exist that will allow us to test techniques, to protect networks, and protect information on those networks, and I see both of those areas, both the IED threat as it emerges, and certainly the cyber threat as we're better understanding that threat are both important areas to couple with the research community.

Chairman LEVIN. Senator, I wonder if I can just interrupt you for a minute because of your interest in the IED, your question. It just happened last night to be, it didn't happen. I was with a bunch of Michigan National Guardsmen and there was a colonel there who actually was in Iraq with his unit deployed, out in a vehicle and they thought they saw a IED on the road, and they actually thought they saw the people who were trying to control it that were on top of a building, sent out a robot to that IED and watched the robot actually dismantle an IED. So we talk a lot about science and new technologies, that was an example where it actually, he actually saw it, was in the vehicle that would have been hit by that robot, and I want to thank you for raising this question. It has been a major concern, and I appreciate it, and your time will not be deducted by my intrusion here.

Senator HAGAN. You certainly have that pleasure. Thank you.

Mr. Heddell, I had a question for you concerning the contracting companies. A few weeks ago I attended a policy committee hearing that was chaired by Senator Dorgan who was just in here, examining—no, I'm sorry. Senator Dorgan examining \$83 million in bonuses that was paid by the Department of Defense to the contractor KBR in 2007 and '08 despite this company's poor electrical work in Iraq, which resulted in the deaths of at least three U.S. soldiers killed by electrocution while showering, and then others who have been injured or killed in other electrical incidents. Witness at the hearing described how KBR failed to hire qualified personnel, how they performed electrical work in a manner that continues to place our troops in danger, and failed to make repairs once the hazards were identified. Moreover, an electrical inspector that was hired by the U.S. Army to review the U.S. run facilities in Iraq indicated that had 90 percent of KBR's wiring in the newly constructed buildings in Iraq was not properly done. But despite all these concerns, KBR was awarded a \$35 million contract earlier this year for a project in Iraq that included electrical work.

My question is, can you comment on the status of this investigation as well as explain how you propose to work with the Department of the Army and other departments to ensure that they have qualified personnel to oversee the contract management, especially regarding the services performed in theater in support of our troops.

Mr. HEDDELL. Yes, Senator Hagan. I appreciate that question. It's an extremely important issue to the Office of Inspector General. We've been working on the issue of accidental electrocution since

April-May of last year. In the case, the most prominent case that you're referring to involved Sergeant Ryan Maseth who died while taking a shower on January 2 of 2000, and that was the catalyst really for beginning to take a look at this entire concern. We are very close to completing our work regarding review of how that could have happened to Sergeant Maseth as well as an additional 17 other accidental electrocutions that have occurred. We have had teams working in southwest Asia, both Iraq and also in Afghanistan to work with the commanders to determine whether or not the lessons that we have learned are being passed on to them. We don't believe that this is an area that anyone should wait for a final report, it's too critical. And so we, in fact, sent a team to Afghanistan just a few months ago to see what was happening over there to hopefully preempt any kinds of issues. So we're getting ahead of the game. We're finding that the commanders are responding. They're taking great steps to conduct inspections for safety, both from electrical and fire hazardous, but there's a lot more to do. And so the report that you're asking about should be out within four weeks. We have actually three reports. One is on Sergeant Maseth's death, the other is on the other 17 electrical accidents, and the third one is on electrical status and safety in Afghanistan.

Senator HAGAN. Do you feel that it is more secure today than it was in recent past?

Mr. HEDDELL. We see improvements, Senator Hagan, but there's still a long way to go. I personally visited the building in the Radwaniyah Palace Complex where Sergeant Maseth died. I looked at the shower. I went up on the roof to see where the generator was that had not been properly grounded, and the reason I point that out is because it made it clear to me that this is a tremendous challenge, tremendous challenge for our commanders. These are buildings that were in existence before 2003. They were wired using different electrical codes and standards than we use in this country, and so we are in a very dangerous, very hazardous environment, but commanders are taking steps to conduct inspections. In one case in Afghanistan they bought 300 housing containers. I'm sorry, containers to house 300 troops because they were in hazardous housing at the time. It's a hazardous environment no matter how you look at it, but I think it's certainly improved over the last six to nine months.

Senator HAGAN. It's definitely hazardous, but you certainly hope nobody is electrocuted while taking a shower obviously.

Mr. HEDDELL. Of course we hope that, but we still have a ways to go to give assurance to this committee or to anyone that our troops are 100 percent safe from those kinds of hazards.

Senator HAGAN. I'm sure you'll get right on that.

Mr. HEDDELL. Yes, ma'am.

Senator HAGAN. Thank you.

Chairman LEVIN. Thank you Senator Hagan.

Senator BEGICH.

Senator BEGICH. Thank you very much, Mr. Chairman. I appreciate the opportunity to ask you all a few questions, and I do want to echo the other comments by the other senators that thank you for your willingness to serve, but also thank you to the families and

the support team that you have to support you through this process as well as in your service. Thank you for doing that.

My questions are for Dr. Gilmore. I just want to read something from your testimony just to reiterate a point to make sure it's still consistent here, and let me just read it if I could. Modeling and simulation can contribute to the assessment of system performance, particularly to explore the full range system operations or live. Open air testing would be unsafe or impractical. MS is also, again model simulation, is also useful as a tool to help plan the test program, however, MS should be utilized to compliment rather than replace operational testing in a realistic environment. Additionally sufficient operational testing should still be performed to adequately validate and accredit any models used. Assuming that was in your written testimony, you still agree with that,——

Mr. GILMORE. Yes, sir.

Senator BEGICH. —and acknowledge that?

Mr. GILMORE. I wouldn't have written it if I didn't think it was correct.

Senator BEGICH. I just wanted to make sure. I appreciate the Chairman's question regarding operational testing, especially on the ground-based, ground missile defense system. That's where I kind of want to go here. The reason I wanted to restate that, and again I appreciate the Chairman's question because you emphasized the point operational testing is important in order to make any system reliable. In regards to the GMD, the Ground Missile Defense System, from the information in the discussions what we've had with the Missile Defense Agency the briefings that we have had, based on the budget and what they're proposing in four years, the actual live testing will cease, and they will move to simulation as the way they believe, or at least they've stated to us that they will maintain readiness and reliability, but that seems inconsistent with your comments, the two should compliment each other. Can you comment on that?

Mr. GILMORE. I'm not aware of the specifics of this plan they're developing, and I hadn't heard what you just said, but I would reiterate that modeling and simulation are important as a compliment to actual testing.

In the case of the ground-base missile defense system, it's clear that modeling and simulation will be needed because live testing isn't going to be able to explore all of the potential modes of operation of the system in the real world, but again those models and those simulations have to be verified, validated, and accredited by using operational test that explore as much of that environment as is possible.

Senator BEGICH. I appreciate that because that's—and to be frank with you, I think anyone who comes in front of this committee have brought up the Ground Missile Defense System, and simulation by itself and modeling you've reconfirmed it is not the only way you do testing or the only way you consider reliability but to compliment each other, and you have kind of emphasized it again.

Let me ask, again in your advanced questions you state rigorous testing and robust program flight testing, ground testing should be conducted on the GMD System. How do you describe that, because

right now they have planned two missiles, two tests a year, and the question that I have is that enough? If it's enough, is it because we have limitations in the capacity to do the testing beyond two a year, or is the system just designed to do no more than two and that's adequate for testing of this system to ensure it's reliability, and improving its efficiency which I know I was in Fairbanks about 10 days ago or so with Secretary Gates reviewing the GMD, and he made the comment that he believes the system is fairly accurate, but robust testing is necessary. So how do you define robust testing?

Mr. GILMORE. Robust testing is the testing that's needed to provide operators with a high confidence that they understand what the system will do and will not do, and exactly what that means is something that I would expect to be involved in if I'm confirmed in the context of GMD, but there needs to be a sufficient number of tests, open air tests, live tests as well as the use of verified, validated, and accredited models in order to generate high confidence that if you use the system, you understand what it will do, and if you rely on it, that's an appropriate thing to do.

Senator BEGICH. If I can just probe a little bit further. Is the two per year—and you may not be able to answer this right now, and maybe a little more time might give you some thought on it. Is two tests a year, live tests adequate based on what—

Mr. GILMORE. That is obviously something that I would look into.

Senator BEGICH. Okay.

Mr. GILMORE. There would be a total number of tests that are required, accomplished over what ever period of time they can be accomplished over. I think that another ingredient here is what's realistic in terms of accomplishing testing given the problems that they've had, particularly with the targets, but to look at what the total number of tests are that would be required, and to determine what a reasonable schedule is for conducting those tests given, you know, the situation that exists with respect to the targets program as well as all the other ingredients that flow into the test program is something I would obviously be very involved in if I were confirmed.

Senator BEGICH. I appreciate that. Let me ask one more, and I apologize to the other two. Maybe you appreciate that I'm not asking you questions, I don't know.

How will you if appointed to this position, again operational testing and evaluation is very important to the systems that we have. How will you deal with the conflicts that might occur when a budget constraint is put on you in regards to testing, but from your experience and professionalism and knowledge of, some of the comments I've read of your testimony, the necessity of testing, live testing is important to ensure the reliability of the systems. How will you deal with that conflict internally?

Mr. GILMORE. I would inform the Under Secretary for Acquisition, and the Secretary, and the Congress on testimony if it was requested what my view was regarding the adequacy of the test program, and what budget constraints would mean with regard to the adequacy of the test program.

Senator BEGICH. I appreciate that. I know sometimes as a former mayor and executive, you know, we always had folks as we moved

up the budgets and got to Home B, Home B was its own world and decided certain things, and then something would pop and operationally sometimes it would not be exactly what the operational people would want, and so I appreciate your candor there, and I'm looking forward to especially your confirmation, but also as we deal with the GMD how we ensure that we continually have the robust testing but also have the inventory to do it. My concern is that based on the current budget we have presented us that, that robust testing will be very limited because of the production line and the budget constraints that are now in place with regards to additional missiles that will be utilized for testing. So I will look forward to your candor in that arena in committee or in meetings, and so again thank you for your willingness to answer the questions.

And to the other two I have no questions for you, so you are relieved of any list I might have created while I was sitting here thinking, but thank you very much for your testimony. I appreciate your candor.

Chairman LEVIN. Thank you, Senator Begich, and if you have second thoughts about questions for the other two witnesses, you can provide those to the record so you don't leave them out. I know they have a sense of loss of not being asked questions by any of us.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman. And I express my sentiments as well as my colleagues to these three distinguished Americans who are willing to serve, and certainly I express my thanks to their families for going along with them and serving, and to Mr. Heddell who is currently in the position as Acting IG.

Are any of you other gentleman familiar with the responsibility, Mr. Lemnios or Mr. Gilmore that you're going into now, or do you have any experience in the position that you're going to right now? Please.

Mr. LEMNIOS. Senator Burris, I certainly don't have any experience in the position. I certainly have been, have had discussions with the former directors of Defense Research and Engineering, and many technology leaders across the defense science and technology activities.

Senator BURRIS. What have you been doing? Are you still in your current position now, or in are you in limbo now waiting to get confirmed?

Mr. LEMNIOS. Senator, I'm currently the Chief Technology Officer of MIT Lincoln Laboratory. We are a federally funded research and development center, and in that role I interact with many universities, including the University of Michigan.

Senator BURRIS. How about the University of Illinois?

Mr. LEMNIOS. And the University of Illinois. I know the UofI very well. In fact, they have a very strong—

Senator BURRIS. Your colleague to the right has also attended the University of Illinois in Springfield.

How about you, Mr. Gilmore.

Mr. GILMORE. No, I have not served in this position before, but I believe that my previous experience in government and the things that I have done, and my technical training prepare me well for it. And, yes, I agree it will be a very challenging position.

Senator BURRIS. Mr. Heddell, you're currently in the position now as Acting IG. I'm just trying to—so how long have you been in that role, for over a year? You didn't come up for confirmation in the previous administration, or what was the circumstances surrounding that?

Mr. HEDDELL. The previous Inspector General, who was Senate confirmed, left that position unexpectedly. This was on July 13th, and I became the acting Inspector General on July 14th to serve in an interim capacity, and during that process I was asked to consider staying longer in that position.

Senator BURRIS. Mr. Lemnios, could you explain to me in terms of the research and engineering are you overseeing outsourcing contracts with universities and all the research, or do you have a staff that's also doing the research and the engineering over these weapons systems? Just give me a brief explanation of how that works.

Mr. LEMNIOS. Sir, in my current position, or if confirmed?

Senator BURRIS. If confirmed.

Mr. LEMNIOS. Sir, as Director of Defense Research and Engineering, my critical role would be to work technology strategy across the Department of Defense, to identify those key areas where the department needs to strengthen and drive its technology strategies, technology efforts, to work with the services in their laboratories, to foster a broad set of—

Senator BURRIS. Excuse me. You're saying that the various services have their own research laboratories going with research military personnel, or outside contracting personnel?

Mr. LEMNIOS. I've seen combinations of both. Some examples include the Naval Research Laboratory not too far from here, which include certainly government employees as well as some contractors on site, include the Air Force Wright Patterson Laboratory, which again include many government researchers and outside contractors.

Senator BURRIS. So you will in charge of—all those persons there would report in to you, is that correct?

Mr. LEMNIOS. Sir, the laboratories report up through the service structure, and the Director of Defense Research and Engineering establishes a technology portfolio across the department in concert with a service executives across the department.

Senator BURRIS. And is there any outside contracting that is done? Do you have to oversee, award any contract for this project, or the Defense Department would be taking bids on that?

Mr. LEMNIOS. Sir, my understanding, Senator, my understanding is that the Director of Defense Research and Engineering would not be in direct, is a direct source selection authority for those contracts, but there would certainly be activities across the department that rely upon the technical strategies that we put in place.

Senator BURRIS. To your knowledge there are contacts that are awarded, but you would not have jurisdiction or interest over those contract?

Mr. LEMNIOS. I wouldn't have direct jurisdiction, direct source selection authority.

Senator BURRIS. Same to you, Mr. Gilmore, in terms of tests and evaluation. Do you know whether or not the testing is done pri-

marily with military and staff personnel, or is it tested some of these weapons systems and all of these various devices awarded out for testing where there are contract awards?

Mr. GILMORE. Operational testing is done in an operationally realistic environment by government personnel using people who would actually have to use the equipment in the field.

Senator BURRIS. I'm sorry?

Mr. GILMORE. The testing that is done, the operational testing that done is done by government personnel using government facilities and using military people, the military people who would actually have to use the equipment in the field. Otherwise, it would not be operationally realistic.

Senator BURRIS. So you're not using outside contracts—

Mr. GILMORE. Not for operational testing.

Senator BURRIS. —for operational testing? Thank you very much, Mr. Chairman. I appreciate it.

Chairman LEVIN. Thank you very much, Senator Burriss.

Just another question or two for you, Mr. Lemnios. First we worked hard to increase the department's participation in the development of new energy technologies as well as making the department an early adopter of new technology such as solar cells, biofuels, hybrid engines. What is your view of the role that the Department of Defense should play in energy research and the adoption of new energy technologies?

Mr. LEMNIOS. Senator, there are broad challenges across the department and elsewhere to quickly draw innovations that are coming out of the private sector and out of the research community into problem sets that the department could quickly adapt. I've seen early examples of this that have worked very well. The Army recently completed with DDR&E a challenge problem that brought many small businesses together to try to identify new technologies for providing power to the dismounted soldier in very small form factor. This would have an enormous impact in the logistic supply in providing power for soldiers without increased weight. The private sector has a big role in this area, and I think one of the ways that the department can leverage this is to strengthen those interactions with the private sector. Certainly the NASA Research Laboratories, in particular the laboratory in Cleveland has a strong research base in solar and in high performance energy systems. And the department should and, in fact, does couple with these other laboratories.

Chairman LEVIN. The DOD labs are precious resources for us. One of those world class labs or facilities is the TARDEC outside of Detroit, Tank and Automotive Command Research and Development Facility. The vehicle R&D for military is focused at that facility. It's part of the tank and automotive command Detroit arsenal. I'd like to get you up there to visit, and a good time to do that would be soon after your confirmation. We expect a groundbreaking on the new energy lab that is going to be opening up at TARDEC, but this is our military vehicles and research where they're developed, where energy for them is involved and tested new energy sources, and your reference to the private sector in terms of working with the private sector there's a real synergy between the military vehicle research and the research on commercial vehicles in

the private sector nearby. The General Motors tech center is nearby. Ford's research facility, Chrysler's research facility, and there's a lot of joint development of technologies going on, not just between TARDEC and those three entities and those three institutions, but also a lot of other places around Michigan and the country that they work with, so we will be trying after you're confirmed to get you up there for that particular important moment when that energy lab has the ground broken for it or for some other purpose. I assume that getting back to Michigan would be something you would look forward to.

Mr. LEMNIOS. Sir, I would, and I also point out that I visited TARDEC about a month ago to try to build, in fact, we're building a robotics activity through TARDEC as an implementer. I previously earlier in my career had spent a lot of time at the Ford research laboratories in Dearborn. I know that facility very well, so I look forward to that.

Chairman LEVIN. That would be great.

Any other questions we have. Senator Burris all set?

Senator BURRIS. All set.

Chairman LEVIN. Okay. We will excuse you. We thank again you and your families, your support teams for getting you here, supporting you in the future which they will be called upon to do, and we congratulate you, look forward to a speedy confirmation. Thank you all.

We'll now move to our second panel of nominees. First, Dennis McCarthy retired as Lieutenant General in 2005 after a distinguished career in the Marine Corp Reserves. Since that time he has served as executive director of the Reserve Officers Association of the United States. If confirmed, General McCarthy will play a leading role in addressing the challenges and stresses facing the National Guard and Reserves at a time when we're relying heavily on our Reserve elements to support ongoing military operations in Iraq and Afghanistan.

Jamie Morin is a Michigan native who graduated from the University of Detroit High School before leaving Michigan to attend such lesser institutions as Yale, Georgetown, London School of Economics. It was all downhill from UofD I know. He served since 2003 as a professional staff member on the Senate Budget Committee where he has been the committee's lead analyst for the Defense Intelligence and Foreign Affairs Budgets. We know him best for his role in helping to enforce the budget rules.

When our bill is on the Senate floor we're not going to hold that against you I want you to know, Dr. Morin.

Dr. MORIN. Thank you.

Chairman LEVIN. We will miss the patience, and the good humor, and the thought fullness that Jamie has always shown in working with us, but we're confident that the Department of Defense is going to benefit in equal measure from your service.

And Daniel Ginsberg finally has served as a legislative assistant to Senator Patrick Leahy, as we've heard, since 1999. He has assisted Senator Leahy in his work on the Defense Appropriation Subcommittee, and is cochair of the Senate National Guard Caucus. Some of us still remember that before joining Senator Leahy, Danny served as a research assistant here in the Senate Armed

Services Committee. I believe also that he is a music critic, and I have a hunch that if some of the people whom you've written critical reviews about had a chance to vote on your confirmation that you might not be confirmed.

Mr. GINSBERG. I'm glad some of them don't have a vote, Sir.

Chairman LEVIN. Classical music buff, that is something which is a relevant addition to your vitae I want you to know.

I congratulate all of the witnesses on their nominations. We look forward to your testimony, and when we call upon you you'll be free if you have family members with you to introduce them. And let me start before I call on you for any opening statements to ask you the standard questions which some of you have heard before.

Have you adhered to the applicable laws and regulations governing conflicts of interest?

General MCCARTHY. Yes.

Dr. MORIN. Yes.

Mr. GINSBERG. Yes.

Chairman LEVIN. Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process?

Dr. MORIN. No.

Mr. GINSBERG. No.

General MCCARTHY. No.

Chairman LEVIN. Will you ensure that your staff complies with deadlines established for requested communications including questions for the record and hearings?

Dr. MORIN. Yes.

Mr. GINSBERG. Yes.

General MCCARTHY. Yes.

Chairman LEVIN. Will you cooperate in providing witnesses and briefers in response to congressional requests?

Dr. MORIN. Yes.

Mr. GINSBERG. Yes.

General MCCARTHY. Yes.

Chairman LEVIN. Will those witnesses be protected from reprisal for their testimony or briefings?

Dr. MORIN. Yes.

Mr. GINSBERG. Yes.

General MCCARTHY. Yes.

Chairman LEVIN. Do you agree if confirmed to appear and testify upon request before this committee?

Dr. MORIN. Yes.

Mr. GINSBERG. Yes.

General MCCARTHY. Yes.

Chairman LEVIN. Do you agree to provide documents including copies of electronic forms of communication in a timely manner when you requested by a duly constituted committee, or to consult with the committee regarding the basis for any good faith delay or denial in providing such documents?

Dr. MORIN. Yes.

Mr. GINSBERG. Yes.

General MCCARTHY. Yes.

Chairman LEVIN. Thank you, and I think General McCarthy we're going to start with you.

STATEMENT OF LIEUTENANT GENERAL DENNIS M. McCARTHY, NOMINEE TO BE ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

General MCCARTHY. Thank you, Mr. Chairman. And I would say to Senator McCain and to all the members of the committee it goes without saying that I'm honored and humbled to be sitting here this morning. I'm extremely appreciative of the confidence the President has expressed by nominating me to be an Assistant Secretary of Defense, and now to the Secretary of Defense for supporting that nomination.

When I took off my uniform in 2005 I did not expect ever to be in this position again, but I will tell you without hesitation that I'm extremely pleased that I may have another opportunity to serve. It's especially meaningful to me to have that opportunity come in the area of Reserve Affairs. Not only has much of my military service been connected with the Reserve components, but my wife Rosemary and I are the proud parents of two Reserve component families.

Our son Shawn is a Captain in the Ohio National Guard. He and his wife Theresa and their three children live the life of the citizen warrior in Columbus, Ohio where Shawn is also an Assistant County Prosecutor.

Our son Michael is a Major in the Marine Corp Reserve. After a number of years on active duty he left to attend law school, and he's now working on Capitol Hill for a year a legislative fellow, but in short order he and his wife Brittany living back in Ohio balancing their time between their commitments to the civilian community and his to the Marine Corps. Having lived that life myself, and watching these two great families live it today is all the inspiration I will need to focus my energies on the demands and opportunities of this office if I'm confirmed.

I'm very thankful to have Rosemary, Shawn, Michael, and Brittany here with me today. Theresa is at home in Columbus doing what the mother of three young children has to do.

As the committee knows very well, the all volunteer force could not have fought the sustained combat of the last eight years without the augmentation and reinforcement of over 700,000 men and women of the National Guard and Reserve. If the Senate sees fit to confirm me, I'll commit myself entirely to the service of those great men and women, to their families, and their employers, and to all those who will follow them. Again, I thank you and I will do my best to respond to your questions.

[The prepared statement of General McCarthy follows:]

Chairman LEVIN. Thank you so much, General. Next I think we'll call on you, Jamie. Dr. Morin.

STATEMENT OF JAMES M. MORIN, NOMINEE TO BE ASSISTANT SECRETARY OF THE AIR FORCE FOR FINANCIAL MANAGEMENT AND COMPTROLLER

Dr. MORIN. Thank you, Chairman Levin. I'm delighted to be here before the Armed Services Committee today, and I would ask if I could give you a full statement for the record, and compress it.

Chairman LEVIN. That would be fine, thank you. It will be made part of the record.

Dr. MORIN. Thank you for the opportunity to appear. I'm grateful for the confidence that President Obama has placed in me by nominating me for this position as Assistant Secretary and Chief Financial Officer for the Air Force. It's a real challenge, and it will require the work and support of my family and friends. I'm grateful to have here today my mother, Bridgett Morin and my son Liam, and I'm also very grateful for the support and love of my wife Megan who has lived the life of the Senate staff spouse, the sort of unpredictable schedule and challenges that poses, and has balanced that with her own career in public service.

Chairman LEVIN. I tell my wife the spouse life is a glamorous life. She laughs every time I try it.

Dr. MORIN. I haven't had much luck with that either, Sir. I also want to thank Senator Conrad for the very generous, overly generous introduction he offered this morning. I can promise the committee that if I am confirmed I will seek to follow his example as a very faithful steward of the taxpayer's resources.

Chairman LEVIN. There is no better example that I know of.

Dr. MORIN. As a participant in a minor level in the defense budgeting process, and as a former scholar of the defense budgeting process I deeply understand the challenges that the Defense Department faces both in matching resources to the many claimants, and also building financial systems and business systems that adequately take care of the taxpayer's resources.

Senator McCain said this morning, and I'll take this as a charge that business as usual is not acceptable, and I believe that very firmly. The department's goal of achieving a clean audit opinion by 2017, even that in many people's estimations and many other's estimation perhaps unachievable it's not satisfactory for the public to have that sort of level of responsiveness. And so I will take this responsibility very seriously if I'm confirmed, and I look forward to a rich dialogue with the committee, this committee that I've had such pleasure working with and have such respect for. Thank you.

[The prepared statement of Dr. Morin follows:]

Chairman LEVIN. Thank you so much, Dr. Morin.

Mr. Ginsberg.

STATEMENT OF DANIEL B. GINSBERG, NOMINEE TO BE ASSISTANT SECRETARY OF THE AIR FORCE FOR MANPOWER AND RESERVE AFFAIRS

Mr. GINSBERG. Thank you, Mr. Chairman, Ranking Member McCain, and members of the committee. I have a full statement that I would like to ask to be included in the record.

Chairman LEVIN. It will be.

Mr. GINSBERG. It is a deep honor for me to sit before you as President Obama's nominee to serve as the Assistant Secretary of the Air Force for Manpower and Reserve Affairs. One of my most significant early work experiences was to serve on the committee staff during the chairmanship of Senator Sam Nunn, who is one of my great mentors and heroes. I have seen what a critical role the committee plays in caring for our men and women in uniform.

I would like to introduce my lovely wife Jessica Rose, and my wonderful parents Jerry and Mona Ginsberg. I owe them a debt of gratitude I can never repay. I also thank my mother-in-law

Marilyn Coleman and my sister-in-law Jennifer Rose for being here.

Thank you, Senator Leahy for that extremely kind introduction. It has been a great privilege to assist you in your work as a tireless champion for Vermont and the men and women of the National Guard. When it comes to Guard issues, Senator Leahy and Senator Bond have been true partners, and I would like to express my gratitude to Senator Bond and his staff, particularly James Pitchford and Mike DeBois for their professionalism, generosity, and friendship.

Recently I was fortunate enough to be able to travel with Senator Leahy to Kuwait, Iraq, and Afghanistan. We saw many incredible airmen and many other service members working long hours in challenging and dangerous conditions. If confirmed, I will work with the Air Force team to insure that the Air Force's policies are worthy of our airmen whether from the Guard, the Air Reserve, or the active force. I thank you for the opportunity to appear before you today, and I look forward to your questions.

[The prepared statement of Mr. Ginsberg follows:]

Chairman LEVIN. Thank you so much. We'll try eight minute rounds.

First, General McCarthy, let me ask you about the recommendations of the commission on the National Guard and Reserves. They determined that Reserve component personnel are called upon to serve in 29 different duty statuses, which are confusing and frustrating to Reserve component personnel and to their commanders. The commission recommended a reduction of the number of duty statuses from the current 29 to two. And do you have an assessment of that recommendation?

General MCCARTHY. Yes, sir, I do. I concur entirely with the recommendation that 29 is way too many. I'm not quite sure I would go down to two, but I believe that the number of duty status or pay statuses can be very sharply reduced, and I know the department is working on that right now, and I'll continue to support those efforts.

Chairman LEVIN. The commission also made a number of recommendations to improve the healthcare benefit available to Reserve component members and their families in order to recognize its importance as an element of an enhanced compact with employers of Reserve component members. Can you give us your thoughts about that proposal to improve the healthcare benefit for National Guard and Reserve personnel and their families?

General MCCARTHY. Again, Senator, I think that is a very supportable recommendation primarily because we need to enhance the continuity of medical care so that families when the service member moves on and off of active duty don't have a break from the healthcare providers, and I believe we can do that. I think steps have already been made. I think there are further steps that can be made, and I look forward to working on that.

Chairman LEVIN. General, you've served with distinction as the Executive Director of the Reserve Officers Association for the past few years. Now you're going to when confirmed owe your dedication to the Department to the Defense and to the taxpayers, and that may put you in an unusual situation where you might have to in-

stead of advocating for the ROA, you may need to be actually declining to support a recommendation of theirs or other organizations that represent the Guard and Reserve. Are you going to have difficulty doing that? Are you up to it?

General MCCARTHY. Sir, I'm up to it. I think people who know me know I'm a person who speaks and acts his mind. In this office my mind will be that of the secretary, and administration, and the Department of Defense.

Chairman LEVIN. Thank you. Now, Mr. Morin, Dr. Morin. You're going to be in a position where we're going to have some extraordinarily difficult budget decisions to make. You're used to that, so you're probably a perfect fit for where you're going. The GAO reported earlier this year that cost overruns on the department's 97 largest acquisition programs alone total almost \$300 billion over the original program estimates, and Air Force programs account for a significant share of those overruns. What steps can you envision to deal with this kind of a problem?

Dr. MORIN. Well, Senator, I think there's a couple sets of steps that you can take. One if I'm confirmed would be in dealing with the programs that currently exist. And the second would be in dealing with the new programs that are developing and being baselined. On the first category the challenge as I understand it a comptroller faces is first and foremost dealing with acquisition programs is providing stability to those programs in the face of all of the unending pressures for late breaking changes in order to yield savings for what end up being more urgent priorities, and that's a managerial challenge. I do know that Secretary Donnelly and General Schwartz have been very articulate in their focus on restoring acquisition excellence in the Air Force, and that they have made clear in the conversations that I've had with them, frankly both in my current job and as I've talked to them about potentially coming onboard at the Air Force, that they want to do better. So my job would be to support the Air Force corporate process and that budget decision making to provide the maximum stability, but the second set is going forward as new programs are developed and baselined, and the cost estimating role, which this committee made a big focus on in the Weapons System Acquisition Reform Bill, is part of the financial management function. And I would intend if confirmed to place significant importance and significant focus on building the skills of the Air Force cost estimation team. The Acquisition Workforce Development Fund is already as I understand it paying significant dividends in terms of better training and expanding the size of that workforce, but empowering those cost estimators, encouraging the best possible communication between the Air Force cost estimators and the OSD, because I think that dialogue is critical, getting those multiple views, and the independence that this committee places so much importance on. So I would work to facilitate that process if I was confirmed and empower the people there.

Chairman LEVIN. A major headache is the one that you just addressed which we seek to address in that reform legislation that was just passed and signed is the financial management problems, the effort to obtain a clean financial statement. Any thoughts on how you're going to tackle that issue? You make reference to it, I

think in terms of what the goal is to achieve it, but any thoughts on how to move towards that goal?

Dr. MORIN. Yes, sir. Let me start by saying I take the GAO's reports and recommendation on this very seriously. I found their work to be excellent in my time on Capital Hill. I would work closely with them and pay very careful heed to their analysis and their high risk series. My understanding is that, under Secretary Hale, is making a complete review of the financial improvement and Audit Readiness Plan, the fire plan and that he is looking at making some changes in the strategy underlying that plan in order to create stronger incentives by focusing the audit deliverables on products which will most improve the overall immediate financial management of the department, so not just working our way one by one through line items or elements of the financial statements, but picking the highest impact ones that will most improve the day-to-day financial management. I think that's great from an incentive perspective because that gives the senior leadership of the department immediate practical deliverables that help them do their job, and audit readiness is the law, and we're behind schedule, but having those day-to-day managerial incentives I think will help it to rise higher and higher on the department priority list.

Chairman LEVIN. Thank you. Thank you.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman. And to our distinguished panel I also extend to you my congratulations for your willingness—actually you're all in government service, but to continue in government service and to your families I extend also my thanks and the American people are grateful for your service. And to General McCarthy I think I have one of your reservists that just joined my staff, a young man by the name of James Freeman, and he wanted to make sure that I stood here and gave you a tough time. I don't think I'll do that.

General MCCARTHY. Thank you, sir.

Senator BURRIS. But we're very fond of the young man, and he speaks very highly of you. And to the whole panel I would just like to know for my own information we're now in the month of June, when did you get the nomination from the President? Could you each tell me what date you were nominated, and how long the process has been for you to get to this point?

General MCCARTHY. Senator, although there were a number of discussions, I believe my nomination was actually made on the first of June.

Senator BURRIS. The first of June, okay.

How about you, Dr. Morin?

Dr. MORIN. Senator, as I recall it was May 11th. I couldn't swear to that.

Senator BURRIS. Okay. And you, Mr. Ginsberg?

Mr. GINSBERG. I can't swear to the date either, Senator, but it was a similar time to General McCarthy, a few weeks ago.

Senator BURRIS. And how has the process been? Have you all completed all your documentation, and how many forms have you filled out, do you want to answer that?

General MCCARTHY. Speaking for myself, it's a lot of forms, and whether they've all be filled out properly remains to be seen.

Chairman LEVIN. There's a real test for Dr. Morin by the way as the comptroller. Do you know precisely how many forms you filed out?

Dr. MORIN. Senator, at the budget committee we historically round to the nearest tenth of a billion, so I can tell you at least zero-tenths of a billion.

Senator BURRIS. And to Mr. Morin, my understanding of the comptroller, you have to give me some background. I read your response the questionnaires in terms of management and comptroller for the Air Force, would you also be putting together the budgeting process for that, or would you just be overseeing the spending process?

Dr. MORIN. The Assistant Secretary for Financial Management Center has responsibility over both. The responsibility in the budget formation process is as the principal staff assistant to the secretary in the budget formation. The day-to-day budget formation and development process is the responsibility of one of the three deputy assistant secretaries that works for the assistant secretary for financial management, and that's traditionally a military officer serving in a civilian secretariat job, so that would be one of the direct reports to my office if I was confirmed.

Senator BURRIS. And do you have an understanding of how this would work? Will you actually be preparing any of the financial records and looking at the financial statements for the Air Force in conjunction to preparing documents that would be audited by GAO, or how do you perceive that as working?

Dr. MORIN. Yes, sir. I would sign the financial statements. There is another one of the three deputy assistant secretaries under the financial management functional organization is the financial operations, and that is a large group of people that handles the actual accounting which is also decentralized among many units, but ultimately the responsibility both for setting the policies, and for asserting the validity of what we put on paper would fall to me if I was confirmed.

Senator BURRIS. As a freshman senator, I'm trying to get my arms around how that financial system works because I'm a former state comptroller.

Dr. MORIN. Yes, sir.

Senator BURRIS. Many years ago when I was president of the National Association of State Auditors, Controllers and Treasurers we were definitely concerned not only about our states, but our Federal Government was making financial expenditures and oversight of financial expenditures, and we came up with a concept that the current auditor general for GAO, I'm sorry, current comptroller for GAO would become what we call an auditor general, and then we would have a comptroller general that would oversee all the department's financial records and statements. We compromised with them and a comptroller be put in OMB and a comptroller then placed in the bigger agencies. Do you know in the Defense Department I would assume there is a comptroller for the whole department, is that correct?

Dr. MORIN. Yes, sir. There's the Under Secretary of Defense Comptroller, the Honorable Robert Hale.

Senator BURRIS. Okay.

Dr. MORIN. Confirmed by this committee a few months ago is the comptroller and Chief Financial Officer of the Department of Defense. He sets the broad policies for the department, and then each of the individual military services has an assistant secretary for financial management who serves as the comptroller for that department.

Senator BURRIS. Do you report in to him? Do you statements to into that for the combined statement reporting for DOD?

Dr. MORIN. Yes in an ultimate sense. The Department of Defense, the office of the secretary of defense rolls up the service reports, and rolls up the reports from the independent defense agencies and some of the other activities, Tri-Care, contract audit, many other agencies all have their own individual financial statements, and those are rolled up into the OSD level reports, but both the Services and the Office of the Secretary of Defense submit their reports individually to OMB into the Congress.

Senator BURRIS. So your statements go in separately, individually you said?

Dr. MORIN. They go in both individually and as part of the combined product.

Senator BURRIS. Okay. Do you know whether any of those statements, and maybe this is a bad word in the Federal Government, but in state government it has to be in accordance with generally accepted accounting principles. Do you all use the gap standard here?

Dr. MORIN. OMB circular A123 sets governmental audit principles, and the principles are not exactly the same.

Senator BURRIS. Not auditing standards, financial.

Dr. MORIN. Yes, and we do not apply precisely the generally accepted accounting principles of the private sector, but there is a parallel generally accepted governmental accounting.

Senator BURRIS. What you want to do when you want to do it.

Dr. MORIN. Well, the comptroller general at GAO has a great deal of influence in setting those standards, and standards are set by OMB for the executive agencies. The details of how much flexibility there are in those standards I can't comment on yet. I just don't know.

Senator BURRIS. My time is up. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Burriss.

Mr. Ginsberg just a few questions for you. Two of the issue that you're going to be faced with immediately are the problems of sexual assaults of service members. It's a huge issue. It continues to be a huge issue. Rather than to press you now for your assessment of the problem, I would just ask that you make a commitment to address this issue as one of your first orders of business.

Mr. GINSBERG. Absolutely, Senator. My understanding is that Air Force does take this issue very seriously.

Chairman LEVIN. They do,—

Mr. GINSBERG. Yes.

Chairman LEVIN. —and it's essential that they do so. Secondly is suicide prevention. We have a growing number of suicides in all of the services including the Air Force. Suicides in the active duty Air Force, Air National Guard, Air Force Reserve increased from

37 to 44 from 2007 to 2008, and I would make the same request, the same point relative to suicides.

Mr. GINSBERG. Absolutely, Senator. Again a very serious issue.

Chairman LEVIN. In your response to advance policy questions, Mr. Ginsberg, you indicated that the most critical shortcoming in the Air Force is wound and warrior care and retaining wounded airmen on active duty who want to remain on active duty to ensure that they can continue to be productive members of the Air Force.

Do you have any thoughts as to how you're going to address that?

Mr. GINSBERG. Senator, a deep commitment—my understanding is the Air Force has a very deep commitment to taking care of its wounded warriors. They have a very good program that matches wounded warriors with oversight personnel. In terms of how to keep them engaged, keep them on the service if that's what they desire, it's a matter of close attention. Again, making sure that there are personnel who are assigned to oversee their recovery so that they can fulfill their full potential given their state and given their health condition. Again, I think it's a matter of assigning personnel, assigning manpower, assigning people to be involved. One of the things I'd love to do is look at whether there are any policies that are needed, whether there are so many cases across the services that there might be some kind of regulation or guidance that needs to be issued. I would, of course, do that working if confirmed with the entire Air Force team and with the secretary, of course.

Chairman LEVIN. When Senator Burriss asked you when your nominations came here, I think he was perhaps surprised, and perhaps some members of our audience were surprised by the speed with which we've handled your nominations. He did not ask you how long it took to get your nominations, which would probably be an embarrassing question for you to answer because that takes often an unseemly length of time, but we're very proud of the speed with which we handle nominations, yours being good examples of it. That's tremendous staff work that, that takes on the part of our staff. Both the majority and republican staff do a phenomenal job with nominations, and we don't often have an opportunity to express appreciation publically for them to them for that service, but since Senator Burriss asked the question, that triggered that possibility.

We are again grateful to you for your service in the past, for your service in the future. We're going to move these nominations, all six of them as quickly as we can. That depends on our being able to get together a quorum, and that usually takes a little while to put that in place, and then for the Senate to act which usually can be done fairly quickly. So it is surely hopeful that these nominations will be acted upon by the Senate within the matter of a week or two.

We thank your families for their support, and particularly want to single out your son, Dr. Morin, Liam. I understand he is four years old, is that correct? He has just been absolutely superb.

Dr. MORIN. Thank you, Senator.

Chairman LEVIN. I have a grandson who is a little older than that, and I'm sure when my grandson was four, he would have done an equally superlative job of looking interested in what his fa-

ther had to say, and at being extraordinarily patient with this process. His grandmother, who I think is smiling absolutely mightily here, my wife is a grandmother as well, and I can just imagine her sitting there with her grandson, our grandson, during this process how proud she must be of you and him.

Do you have other children may I ask?

Dr. MORIN. Liam is my only.

Chairman LEVIN. Liam is your only.

Dr. MORIN. And he has the blessing of being the first grandchild on both sides of the family.

Chairman LEVIN. I can see the look in the grandma's eyes how proud she is of both of you.

Thank you all. Thank your families. We'll stand adjourned.

[Whereupon, at 11:14 a.m., the committee adjourned.]