### STATEMENT OF

## CHARLES E. JOHNSON

#### NOMINEE FOR

# ASSISTANT SECRETARY FOR BUDGET, TECHNOLOGY AND FINANCE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

#### BEFORE THE

# COMMITTEE ON FINANCE UNITED STATES SENATE

MAY 24, 2005

Chairman Grassley, Senator Baucus, and Members of the Committee, it is a great privilege to appear before you today as the nominee of President George W. Bush to serve as the Assistant Secretary for Budget, Technology, and Finance (ASBTF) and Chief Financial Officer (CFO) of the Department of Health and Human Services (HHS). It is also a privilege to seek concurrence from this Committee that I am qualified, both by skills and by personal character, to hold this trusted position. This Department spends nearly one of every four federal tax dollars collected from the American people and you have the right to require the ultimate in fidelity from the person selected to assume this responsibility. If recommended to and confirmed by the United States Senate, it will be my privilege to again associate with Michael O. Leavitt, Secretary of HHS, for whom I have the highest personal regard.

As I begin, let me thank you and your staff for every courtesy extended to me in the preparation for this hearing. At all times I was treated respectfully and professionally and, if confirmed, it will be my intention to reciprocate in working with you and your staffs.

The Assistant Secretary for Budget, Technology, and Finance is the principal advisor to the Secretary on financial matters. The Offices of Budget, Technology, Finance and Grants which are under the ASBTF comprise a vast portfolio.

The overall mission of ASBTF reflects a comprehensive responsibility for developing, managing, and supporting a system of Department-wide goals and policies It is a resultsoriented culture. ASBTF oversees budget formulation, preparation, and execution and is accountable for resources management. ASBTF's financial management functions include formulation of the Department's Performance and Accountability Report, including information indicating the extent to which taxpayer dollars are being spent effectively. The Office of the Chief Information Officer is responsible for achieving the Department-wide information technology goals, including the development of policies for the effective use of information throughout the Department. Recently the Office of Grants has also been included under the ASBTF. This office is responsible to oversee compliance with Grants policies, processes, systems and outcomes.

With my current position as Chief Financial Officer of the Environmental Protection Agency, I have provided leadership for many of these functions. I also acknowledge the larger scope and size of this expanded position at HHS.

With 31 years in the practice of public accounting, including service as a member of the Board of Directors of one's of the nation's largest firms, I believe I have demonstrated the financial competence as well as managerial leadership abilities to assume such a post. In addition to my present position at EPA, I served as Utah's Director of the Office of Planning and Budget, and as then Governor Leavitt's Chief of Staff, where I have demonstrated these same qualities in the public sector. I take public accountability very seriously.

With my time in State Government, I had an opportunity to see the direct impact on our citizens of sound health and human services policies. Understanding the interrelationships between the Federal Government, States and Tribes, and local governments should serve me well, if I am confirmed to this position. As President of a Cancer Institute I have observed more closely the devastating impact of disease. With better understanding comes greater compassion.

The past has been excellent preparation for the job to which I have been nominated.

That being said, I know the broad array of managerial and financial issues confronting HHS are more than just complicated financial questions. They are, fundamentally, the questions that address HHS stewardship over every aspect of health and human services. From drug safety to food safety. From disease control and research to protecting our citizens from bioterrorism. From healthcare to financial support for needy families and self-sufficiency. Our challenge will be to continue to raise the level of healthcare and living standards while remaining economically competitive in a global economy. Being true to the fiduciary responsibilities I mentioned earlier is the best way I know for me to help HHS fulfill this stewardship role.

I have enjoyed my time in Federal Government. I have found a dedicated group of men and women who truly care about their tasks and mission. They work hard each day to make a difference. I am proud to serve with each and every one of them, and look forward to this opportunity at HHS.

Mr. Chairman, I have spent a lifetime in building trust, confidence, and respect for moments such as this and I want you to know that if I am fortunate enough to be confirmed, I look forward to serving the people of the United States of America to the best of my ability. I again thank you and the Members and staff of this Committee for every courtesy extended to me and am ready to address any question you and the Members of this Committee may have.

Thank you, Mr. Chairman.