

**COUNCIL OF THE DISTRICT OF COLUMBIA  
COMMITTEE OF THE WHOLE  
COMMITTEE REPORT**

1350 Pennsylvania Avenue, NW, Washington, DC 20004

DRAFT

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**TO:** All Councilmembers

**FROM:** Chairman Phil Mendelson  
Committee of the Whole

**DATE:** July 14, 2015

**SUBJECT:** Report on PR 21-188, the “Chief Procurement Officer George Schutter Confirmation Resolution of 2015”

The Committee of the Whole, to which PR 21-188, the “Chief Procurement Officer George Schutter Confirmation Resolution of 2015” was referred, reports favorably thereon, with amendments, and recommends approval by the Council.

**CONTENTS**

I.	Background And Need.....	1
II.	Legislative Chronology.....	7
III.	Position Of The Executive .....	8
IV.	Comments Of Advisory Neighborhood Commissions .....	8
V.	Summary Of Testimony.....	8
VI.	Impact On Existing Law .....	8
VII.	Fiscal Impact.....	9
VIII.	Section-By-Section Analysis .....	9
IX.	Committee Action.....	9
X.	Attachments .....	9

**I. BACKGROUND AND NEED**

Proposed Resolution 21-188, the “Chief Procurement Officer George Schutter Confirmation Resolution of 2015,” was introduced by Chairman Mendelson at the request of the Mayor on June 2, 2015 and referred to the Committee of the Whole. The purpose of PR 21-188 is to confirm the Mayor’s nomination of Mr. George Schutter for appointment as the Chief Procurement Officer of the District of Columbia who serves as Director of the Office of Contracting and Procurement.

The Committee has made technical changes to the proposed resolution to conform it to applicable laws. This includes changing the title of the resolution to reflect that the appointment is to be the Chief Procurement Officer not of the Office of Contracting and Procurement, but of the District. The resolution also clarifies, as provided under the law, that the appointment is for one five-year term.

Mr. Schutter is currently a resident of Ward 6 and has resided in the District since 2002. He is a graduate of the Naval Postgraduate School, where he earned a Masters of Science in Management with a concentration in acquisitions and contract management. Mr. Schutter also holds a Bachelors of Science in Accounting from the Illinois Institute of Technology. He is a licensed certified public accountant, certified professional contracts manager, chartered global management accountant, and is certified in business process reengineering.

Mr. Schutter has considerable experience as a contracting officer in the federal sector. He has held unlimited dollar contracting authority in the United States Marine Corps, the Peace Corps, and in the private sector. He has specialized in contract management in an array of supplies and services including maintenance contracts, construction contracts, and other service contracts. In the Marine Corps, he managed acquisition planning, contractin and purchasing for a variety of activities and implemented system and process improvements focusing on compliance and contract management improvements. After the Marine Corps, he went to the Peace Corps where he was the Director of the Office of Contracts where he supported procurements in the United States and in 74 other countries. There, he became the agency's first Chief Acquisition Officer which is a position required under the federal Service Acquisition Reform Act. Mr. Schutter went on to become the Peace Corps's Chief Financial Officer.

Mr. Schutter also has private sector procurement experience. After the Peace Corps, he served as Executive Director for the Middle East, North Africa, and South Asia at Grant Thornton where he provided international financial and contract management consulting services. Mr. Schutter then moved on to serve as Chief Financial Officer for TechnoServe. In that role he created an office of grants and contracts and managed global finance including controlling, treasury, audit, procurement, and grant and contract management operations.

The Committee is more than satisfied that Mr. Schutter's possesses the requisite knowledge and experience to administer a public procurement system of the size and complexity of that of the District as required under the Procurement Practices Reform Act of 2010.<sup>1</sup>

### **Background on the Chief Procurement Officer**

The Office of Contracting and Procurement, headed by the Chief Procurement Officer, was created by the Procurement Reform Amendment Act of 1996.<sup>2</sup> Creation of the Office was the culmination of a comprehensive overhaul of the District's procurement and contracting system perpetuated by findings of widespread waste, fraud, and abuse in procurement with no clear lines of authority, cronyism, and a severe lack of training and professionalism among contracting officers, among other problems.<sup>3</sup> Throughout the various iterations of the legislation from committee print to enrollment, the Office of Contracting and Procurement (OCP) emerged

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<sup>1</sup> D.C. Law 18-371, Procurement Practices Reform Act of 2010, § 203 (eff. Apr. 8, 2011) [hereinafter PPRA].

<sup>2</sup> D.C. Law 11-259, effective April 12, 1997.

<sup>3</sup> Committee on Government Operations Committee Report on Bill 11-705, the Procurement Reform Amendment Act of 1996, at 2 (September 24, 1996).

in response to recommendations that procurement authority be centralized and independent.<sup>4</sup> The Procurement Practices Reform Act of 2010<sup>5</sup> continued OCP and the Chief Procurement Officer largely under the same structure as the previous law, including the continuance of minimum qualifications<sup>6</sup> a term appointment<sup>7</sup> for the Chief Procurement Officer.

The Director of OCP has the title of Chief Procurement Officer (CPO) who is the central procurement and contracting officer for the District. Under the PPRA the CPO has the following author and responsibilities:<sup>8</sup>

1. To serve as the central procurement and contracting officer for the District;
2. To identify gaps, omissions, or inconsistencies in procurement laws, rules, and policies, or in laws, rules and policies affecting procurement-related activities, and to recommend changes to laws, rules, and procedures;
3. To provide overall leadership in the implementation of procurement rules, coordinate all procurement activities of the District government in accordance with the provisions of the [PPRA], and develop a system of unified and simplified procurement procedures and forms.
4. To prepare and issue standard specifications for goods, services, and construction required by the District government;
5. To establish a standardization program for goods and services when it is determined to be in the best interests of the District;
6. To review, monitor, and audit the procurement activities of the District;
7. To prepare, establish, and implement a periodic review process for the evaluation of contractors who provide goods or services to the District;
8. To identify and assess trends and developments in the field of government contracting, including identifying best practices and innovation opportunities for the District;
9. To operate and maintain an electronic procurement system;
10. To sell, trade, or otherwise dispose of surplus goods belonging to the District government;
11. To establish procedures for the inspection, testing, and acceptance of goods, services, and construction;
12. To develop guidelines for the recruitment, training, career development, and performance evaluation of all procurement personnel;

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<sup>4</sup> REPORT OF THE PROCUREMENT REFORM TASK FORCE TO THE HONORABLE HAROLD BRAZIL, CHAIR, COMMITTEE ON GOVERNMENT OPERATIONS, COUNCIL OF THE DISTRICT OF COLUMBIA PP. 7-12 (February 14, 1996) [hereinafter 1995 Task Force].

<sup>5</sup> PPRA *supra* note 1.

<sup>6</sup> *Id* at § 203(d).

<sup>7</sup> *Id* at § 203(e).

<sup>8</sup> PPRA *supra* note 1 § 204(b).

13. To staff OCP with procurement professionals, including attorneys, dedicated to the formation and administration of contracts on behalf of the entities covered by this act;
14. To create and maintain a transparent Internet site, accessible to the public, providing information on solicitations, contracts, and related laws, rules, and policies;
15. To promote to the purchase of environmentally preferable products and services; and
16. To establish certification requirements for contracting personnel.

In addition to these requirements, the CPO is also empowered to “review and monitor procurements by any agency, instrumentality, employee, or official exempt under [the PPRA] or authorized to procure independently of OCP.”<sup>9</sup> The CPO may also “conduct procurements and award contracts on behalf of any agency exempt under [the PPRA] or authorized to procure independently of OCP, when requested by the agency to do so.”<sup>10</sup>

The CPO is one of a few agency directors who serve under a term appointment rather than at the pleasure of the Mayor. Under the PPRA, the CPO shall serve for one 5-year term and may be reappointed.<sup>11</sup> The term appointment was implemented as part of the Procurement Reform Amendment Act of 1996. As discussed above, this law was the culmination of the 1995 Procurement Reform Task Force that found that “*By establishing a specific term for this position and making removal contingent upon the concurrence of both the Council and the Mayor, the Director’s office will be insulated from political influence (and its appearance) so that he or she can better concentrate on making the procurement system more efficient.*”<sup>12</sup> While the final version of the law did not include a role for the Council in removal of the CPO, it did adopt the recommendation with regard to the term.

Independent and strong leadership at OCP are important to the integrity and quality the District’s procurement system. A 2007 report by the Government Accountability Office (GAO) examined the District’s procurement system at the time and found significant weaknesses in the organization.<sup>13</sup> At the time, three CPOs had been appointed to a five year term, two interim CPOs had been appointed on a temporary basis, and as a result, no one served for more than 3 years.<sup>14</sup> At the time of the report, the Deputy Mayor for Operations was serving as CPO on an interim basis, although he had none of the requisite qualifications required under the law.<sup>15</sup> Former CPOs interviewed for the report said that their inability to effectively coordinate acquisition activities across all agencies and manage and oversee the procurement function undermined any of their efforts at reforming procurement.<sup>16</sup>

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<sup>9</sup> PPRA *supra* note 4 § 201(e).

<sup>10</sup> PPRA *supra* note 4 § 201(f).

<sup>11</sup> PPRA *supra* note 4 § 203(e).

<sup>12</sup> 1995 Task Force, *supra* note 2 at 4.

<sup>13</sup> GOVERNMENT ACCOUNTABILITY OFFICE, GAO-07-157, DISTRICT OF COLUMBIA: PROCUREMENT SYSTEM NEEDS MAJOR REFORM (January 2007).

<sup>14</sup> *Id.* at 35.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

**Chief Procurement Officers 1997-2015**

<b>Secretary</b>	<b>Status</b>	<b>Appointed</b>	<b>Authority</b>
<i>George Schutter*</i>	<i>Acting</i>	<i>June 2015</i>	<i>PR 21-188</i>
Nancy Hapeman	Interim	Jan. 29, 2015	M.O. 2015-49
James Staton	Confirmed	July 26, 2011	R 17-27
David Gragan	Confirmed	Nov. 6, 2007	R 17-416
Oscar Rodriguez	Interim	Jan. 3, 2007	M.O. 2007-39
Esther Scarborough	Interim	Oct. 3, 2006	M.O. 2006-126
Herbert Tillery	Interim	Sept. 10, 2004	M.O. 2004-150
Jacques Abide	Confirmed	Aug. 13, 2001	R 14-134
Elliott Branch	Confirmed	Nov. 2, 1999	R 13-340
Richard Fite	Confirmed	Dec. 3, 1997	R 12-276
Larry King	Interim	May 2, 1997	M.O. 97-86

\*If confirmed by PR 21-188.

**Delegated Procurement Authority Staffing Model**

In 2014, the OCP underwent a realignment to what is known as the Delegated Procurement Authority model (DPA). Under this structure, contracting staff were moved out from OCP's headquarters and into agencies to conduct procurements side-by-side with agency staff.<sup>17</sup> This new approach allows individual contracting officers and staff to deliver services to a specific agency where they can better understand the agency's business and needs, and where they can develop subject matter expertise on the special procurement needs of an agency. As a part of this effort, the fiscal year 2015 budget included 41 new positions, most of which were deployed to 22 agencies.<sup>18</sup> At his confirmation hearing, Mr. Schutter stated that he believed the DPA model, once fully implemented, will improve efficiency in procurement delivery and that the model will help OCP move from reactively responding to individual procurement problems to more efficiently managing day-to-day operations. The Committee is pleased with Mr. Schutter's commitment to the DPA model.

<sup>17</sup> Letter from Office of Budget and Planning Deputy Chief Financial Officer Gordon McDonald to Office of Contracting and Procurement Chief Procurement Officer James Staton Re: Request for 41.0 Temporary FTEs in FY 2014 (Apr. 15, 2014) (on file with the Committee of the Whole).

<sup>18</sup> See Fiscal Year 2015 Budget Books, Congressional Submission.

## **Procurement Training and Certification**

Over the past several years, OCP has ramped up its efforts to establish a comprehensive training and certification program to professionalize its contracting staff. In the fiscal year 2014 budget, the Committee funded for the first time a Chief Learning Officer for OCP to lead training and certification efforts. OCP now has a three-tiered certification program and offers a variety of training courses to increase the knowledge and effectiveness of the procurement workforce. However, the Committee continues to press OCP to get all staff trained and to finalize its certification program. At his confirmation hearing, Mr. Schutter noted that ongoing learning and development is necessary for staff to stay current with trends in the profession and the laws governing procurement. He also said that he plans to engage with OCP's learning and development and human resources teams to better understand the strategy around training and procurement up to now, and to fully develop his vision for the future. The Committee supports Mr. Schutter's appreciation of the need for robust training and certification. However, the Committee notes that certification should be about more than a contracting staff's ability to manage a procurement at a dollar-value threshold. Certification should also address an individual's knowledge and expertise in specific commodities be it human care agreements or road construction.

## **Ongoing Procurement Challenges**

The District continues to face a variety of procurement challenges on the heels of many years of disinvestment in the procurement workforce and a lack of stable procurement leadership. Over the past four years, OCP has demonstrated a turnaround in the quality and integrity of the procurement process. The number of unfavorable protest decisions against the District from the Contract Appeals Board has fallen greatly. However, more work remains before the Committee can be satisfied that the procurement process is as efficient and effective as it could be. At his confirmation hearing, Mr. Schutter recognized that the procurement process generally needs improved planning. He noted that agency acquisition plans are not effective planning tools in their current form and that plans should be clear, well thought out documents that identify agency acquisition requirements, the timeframe for delivery, and the budget for each anticipated procurement over the course of the year. He committed to working with agencies to strengthen acquisition plans. He also emphasized the need to improve procurement information technology systems to help manage workloads and analyze productivity in order for him to make more strategic decisions about resource allocations. The Committee is supportive of Mr. Schutter's goals with regards to better planning and systems.

However, the Committee remains concerned over the existence of retroactive contracts coming to the Council for review. In the District, multiyear contracts, contracts over \$1 million, or cumulative changes to a contract in an amount over \$1 million must come the Council for approval. In far too many cases, agencies send the Council approval requests for contracts which have already been executed, asking the Council for retroactive approval of the contract and authorization for making payments. Retroactive contracts represent poor planning on the part of agencies and contracting staff. An agency should know when a contract will expire or when a modification will need to be exercised, and it should work backwards from that point to know

when Council approval must occur before the contract or changes are to take effect. While the number of retroactive contracts has generally fallen over the past two years, at the Council's June 30, 2015 legislative meeting, over 20 retroactive contract approvals were requested by the Mayor. Mr. Schutter testified that he agrees with the Committee that retroactive contracts are wholly unacceptable, stating that he is committed to working with contracting and agency staff to facilitate the proper planning that will prevent contracts requiring retroactive Council approval due to poor planning and coordination. He testified that he, the Mayor, and the City Administrator have formed the Procurement Accountability Review Board<sup>19</sup> which will review specific contract-related actions, general concerns with contracting processes, and individual agency conditions which negatively affect the quality, efficiency, and effectiveness of the contracting process.

## Conclusion

The Committee is pleased that Mr. Schutter agrees with the Committee's goal of increased efficiency, quality, and integrity of the District's procurement environment. He has committed to building on the progress that has been made in procurement over the last several years. However, the Committee notes that more remains to be done to fully realize the potential of our procurement workforce through better training and certification and to put in place better planning and processes to eliminate procurement-related challenges.

Mr. Schutter has demonstrated his commitment to excellence in procurement throughout his career in both the public and private sectors. This experience should equip him to be successful in the District as the Chief Procurement Officer and Director of the Office of Contracting and procurement.

The Committee of the Whole recommends his appointment.

## II. LEGISLATIVE CHRONOLOGY

June 2, 2015	PR 21-188, the "Chief Procurement Officer of the Office of Contracting and Procurement George Schutter Confirmation Resolution of 2015" is introduced by Chairman Mendelson at the request of the Mayor.
June 12, 2015	Notice of Intent to Act on PR 21-188 is published in the <i>DC Register</i> .
June 12, 2015	Notice of a Public Hearing on PR 21-188 is published in the <i>DC Register</i> .
June 16, 2015	PR 21-188 is "read" at a meeting of the Committee of the Whole; on this date the referral of the PR to the Committee of the Whole is official and the 90-day period for Council review begins. If this measure is not acted

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<sup>19</sup> Mayor's Order 2015-165 (June 15, 2015).

upon by the Council before November 17, 2015, PR 21-188 will be deemed approved.

July 2, 2015            The Committee of the Whole holds a roundtable on PR 21-188.

July 14, 2015           The Committee of the Whole marks-up PR 21-188.

### III. POSITION OF THE EXECUTIVE

Mr. Schutter is the Mayor's nominee for appointment as the Secretary of the District of Columbia.

### IV. COMMENTS OF ADVISORY NEIGHBORHOOD COMMISSIONS

The Committee received no testimony or comments from any Advisory Neighborhood Commission.

### V. SUMMARY OF TESTIMONY

The Committee of the Whole held a public hearing on PR 21-188 on Thursday, July 2, 2015. The testimony summarized below is from that hearing. Copies of written testimony are attached to this report.

***Bruce McNamer, President and CEO, Community Foundation for the National Capital Region***, testified that that Mr. Schutter is a complete professional and a kind, dedicated, and honorable man and that he recommends for this position with no reservations.

***George Schutter, Nominee***, summarized his background and discussed his past experience which enables him to serve as the Chief Procurement Officer of the District of Columbia. He discussed his vision for procurement in the District including increased efficiency, higher quality, and full integrity with respect to procurements.

The Committee received no testimony or comments in opposition to PR 21-188.

### VI. IMPACT ON EXISTING LAW

PR 21-188 is an exercise of the Council's discretion to approve or disapprove Mayoral nominations of subordinate agency heads in the Executive Service, pursuant to § 1-523.01(a) of the District of Columbia Official Code.



## **VII. FISCAL IMPACT**

The Office of the Chief Financial Officer indicates that a Fiscal Impact Statement is not needed for a confirmation. The annual compensation for Mr. Schutter, which is \$215,765.50 including fringe benefits, is included as part of the Fiscal Year 2016 budget for the Office of Contracting and Procurement.

## **VIII. SECTION-BY-SECTION ANALYSIS**

<u>Section 1</u>	States the short title of PR 21-188.
<u>Section 2</u>	Confirms the appointment of George Schutter.
<u>Section 3</u>	Directs the Council to transmit a copy of this resolution to the nominee and the Office of the Mayor.
<u>Section 4</u>	Provides that PR 21-188 shall take effect immediately upon publication in the <i>DC Register</i> .

## **IX. COMMITTEE ACTION**

## **X. ATTACHMENTS**

1. PR 21-188 as introduced.
2. Nominee's responses to Committee pre-hearing questions.
3. Written Testimony.
4. Legal Sufficiency Determination for Bill 21-106.
5. Committee Print for PR 21-188.

**COUNCIL OF THE DISTRICT OF COLUMBIA**  
**1350 Pennsylvania Avenue, N.W.**  
**Washington D.C. 20004**

Memorandum

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To : Members of the Council

From :   
Nyasha Smith, Secretary to the Council

Date : June 08, 2015

Subject : Referral of Proposed Legislation

Notice is given that the attached proposed legislation was introduced in the Office of the Secretary on Tuesday, June 2, 2015. Copies are available in Room 10, the Legislative Services Division.

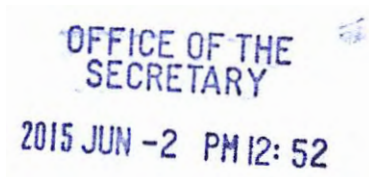
TITLE: "Chief Procurement Officer of the Office of Contracting and Procurement George Schutter Confirmation Resolution of 2015", PR21-0188

INTRODUCED BY: Chairman Mendelson at the request of the Mayor

The Chairman is referring this legislation to the Committee of the Whole. This resolution will be deemed approved on Tuesday, November 17, 2015 without Council action.

Attachment

cc: General Counsel  
Budget Director  
Legislative Services



MURIEL BOWSER  
MAYOR

JUN - 2 2015

The Honorable Phil Mendelson  
Chairman  
Council of the District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW, Suite 504  
Washington, DC 20004

Dear Chairman Mendelson:

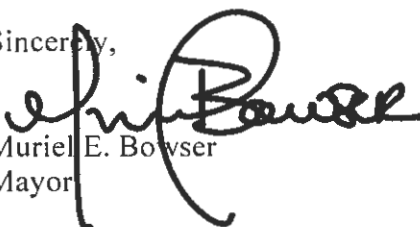
In accordance with section 2 of the Confirmation Act of 1978, effective March 3, 1979 (D.C. Law 2-142; D.C. Official Code § 1-523.01), I am pleased to nominate the following person for appointment:

Mr. George Schutter  
611 Elliott Street, NE  
Washington, DC 20002  
(Ward 6)

as Chief Procurement Officer of the Office of Contracting and Procurement of the District of Columbia.

Enclosed, you will find biographical information detailing Mr. Schutter's experience, together with a proposed resolution to assist the Council during the confirmation process. If you have any questions or need further information, please contact Steve Walker in the Office of Talent and Appointments.

Sincerely,

  
Muriel E. Bowser  
Mayor



Chairman Phil Mendelson  
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following resolution  
which was referred to the Committee on \_\_\_\_\_.

To confirm the Mayoral appointment of George Schutter as the Chief Procurement Officer of the  
Office of Contracting and Procurement.

RESOLVED, BY COUNCIL OF THE DISTRICT OF COLUMBIA, that this resolution  
may be cited as the "Chief Procurement Officer of the Office of Contracting and Procurement  
George Schutter Confirmation Resolution of 2015."

Sec. 2. The Council of the District of Columbia confirms the appointment of:

George Schutter  
611 Elliott Street, NE  
Washington, DC 20002  
(Ward 6)

as the Chief Procurement Officer of the Office of Contracting and Procurement, in accordance  
with section 2 of the Confirmation Act of 1978, effective March 3, 1979, D.C. Law 2-142, D.C.  
Official Code § 1-523.01 (2010 Supp.) and section 203 of the Procurement Practices Reform Act  
of 2010, effective April 8, 2011, D.C. Law 18-371, D.C. Official Code § 2-352.03.

Sec. 3. The Council of the District of Columbia shall transmit a copy of this resolution,  
upon its adoption, to the nominee and to the Office of the Mayor.

Sec. 4. This resolution shall take effect immediately.

## **George A. Schutter III CPA, CPCM**

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George Schutter is an accomplished leader with broad experience in operations, strategy, business development, finance, and executive leadership: Highly dedicated and analytically astute with extensive international experience, international relationships, and proven successful in diverse environments. Seeking a Chief Executive Officer or senior leadership role to capitalize on strong business experience gained in strategic leadership positions in exceptional international organizations including the Executive Director of Middle East, North Africa, and South Asia Operations for Grant Thornton United States; the Chief Financial Officer of TechnoServe; the Chief Financial Officer and Chief Acquisition Officer of the US Peace Corps; a business consultant, and a former US Marine Corps Officer. A licensed Certified Public Accountant and Certified Professional Contracts Manager who has led international efforts in negotiating joint ventures, business development, financial management and procurement reform, organizational change management, transparency initiatives, process reengineering, policy formulation, as well as capacity building efforts from Western to developing cultures. A true internationalist who has built government and private sector relationships around the world, built startup companies in Iraq and the United Arab Emirates, and has consulted to a wide range of leaders from foreign ministers to international business executives. Experienced with multicultural personnel in the private sector, international development organizations, and governments in over 70 countries around the world.

### **KEY PROFESSIONAL ACCOMPLISHMENTS**

- As Executive Director of the Middle East, North Africa, and South Asia, opened the region for public sector consulting, coordinated the efforts of 15 independent member firms, established businesses in Iraq and the United Arab Emirates, and grew annual revenue turnover from \$19 million to \$43 million.
- As Chief Financial Officer of TechnoServe, developed and implemented the financial strategy to recover control, four years into a rapid and complex growth cycle (\$16 mil revenue in 2004 to \$80 mil in 2013), turning three years of consecutive losses into a 2013 surplus position.
- As Chief Financial Officer of the Peace Corps, led the 135 person global financial organization in just over 2 years from being unauditable by external auditors to a completely clean (unqualified) financial statement opinion covering Peace Corps' hundreds of thousands of annual transactions in 74 countries, in over 70 currencies, with 8,000 deployed volunteers, 3000 employees, and \$350 million in financial resources.
- Seasoned negotiator fluent in detailed, complicated, interest based negotiations as well as cultural, hard-lined, positioned based negotiations. As Chief Acquisition Officer, led CIO and CFO in negotiations with a Fortune 100 aerospace and defense contractor for the enterprise-wide information technology support contract improving performance through use of performance based metrics and decreased costs by over \$3 million or 20 percent of total contract price.
- Skilled logistician experienced in long-term, sustained development logistics of Peace Corps operations, as well as large scale, short-term Marine Corps deployment logistics of personnel, equipment and supplies in developing countries. Successfully deployed 1200 Marines and 600 assets via ship, plane, helicopter, containers, and landing craft to over 20 countries for both real world contingencies as well as overseas training missions.
- Excelled, promoted, and awarded in every career position from Peace Corps Foreign Service, as a Marine Corps Officer on operational deployments, and in corporate professional positions.
- Proven motivational leadership style capable of foreign and independent travel, rapid understanding of cultural idiosyncrasies, learning languages, and assessing/taking action under stressful/dynamic situations.
- Lead negotiator of the highest annual budget received in the 46 prior year history of the Peace Corps. Managed those resources to allow 8,079 volunteers to serve globally, a 37-year high in the number of Peace Corps Volunteers serving abroad.

## **PROFESSIONAL EMPLOYMENT**

### **Chief Financial Officer (CFO), TechnoServe Inc.**

**2011 – Present**

Responsible for the overall financial leadership of a rapidly growing US 501 c (3) operating in over 30 developing countries around the world, that works with enterprising people in the developing world to build competitive farms, businesses and industries. Heavily engaged in business operations and strategy while managing the full spectrum of global finance functions to include controlling, treasury, audit, procurement, grant and contract management, planning, reporting, and analysis. Developed and implemented the financial strategy for the organizational change and infrastructure balance needed to recover control four years into a rapid and complex growth cycle (revenue growth from \$16 mil in 2004 to \$80 mil in 2013). Provides strategic financial leadership for the company and fact-based decision-making, including approval of proposals and all grants/contracts for TechnoServe programs. Has operationalized financial management through developing a communicative environment between field and headquarters operations as well as program manager focused, timely, and effective financial reporting. Represents the company and communicates results on a regular basis to the Board of Directors, Executive and Audit Committees, as well as key external stakeholders.

### **Executive Director, Middle East, North Africa, and South Asia (MENASA), Grant Thornton US**

**2008 – 2011**

Chosen as the first executive to open a public sector regional practice for a “Big 5” US accounting firm in Dubai, United Arab Emirates covering the MENASA region. Developed a regional strategy to provide responsive and innovative financial and management consulting solutions to the international public sector and development agencies. Built an Iraqi company, established an entity in the Dubai International Financial Center, and coordinated with 12 member firms to build a regional consortium, leverage local connections and international professionals to provide consulting services throughout the region. Freely traveled throughout the region including Iraq, Afghanistan, Pakistan, Kurdistan, Jordan, Lebanon, Egypt, Saudi Arabia, UAE, and Yemen. Key projects included supporting the DOD Task Force for Business and Stability Operations in Iraq, US Department of State, the Iraqi Ministry of Planning and Development Cooperation, and the Iraqi Minister of Finance, improving business operations for critical Iraqi capital projects and initiatives. Joint author and subject matter director for capstone recommendations to the Iraqi Prime Minister and cabinet on Iraqi policy, regulations, and process for procurement reform as well as investment reform for the Iraqi central government and provinces. Based recommendations on international financial and procurement best practices, including World Bank, United Nations, and United States procurement policies and regulations as well as hands on experience in Iraqi procurement transaction and investing consultation.

### **Chief Financial Officer (CFO), Peace Corps**

**2005 – 2008**

As a Senior Foreign Service Officer, solely responsible for Peace Corps' overall resource management of \$350 million, 3000 employees, 8,000 volunteers, 74 countries, 70 currencies, and hundreds of thousands of annual transactions. Provided the financial planning, oversight, and internal controls necessary to ensure that Peace Corps achieved its worldwide performance goals. Reported directly to the Peace Corps Agency Director. Managed a 135 person global organization with seven major operating divisions including: Accounting and Financial Reporting; Budget and Analysis, Financial Policy and Compliance; Financial Systems; Accounts Receivable and Cash Management; and Global Accounts Payable. Leader and architect of a reorganization of the financial management organization, a reengineering of the integrated strategic planning and budgeting process and the development of an internal controls/quality assurance program. Led the global financial organization in just over 2 years from being an unauditible organization by external auditors to a completely clean (unqualified) financial statement audit opinion covering Peace Corps' hundreds of thousands of annual international transactions. Developed financial and procurement transaction audit programs, financial policy, regulation, and processes for programs and projects globally. Led financial audit teams internationally, developed reports, and implemented changes to meet audit findings. Built capacity of finance staff in 74 countries by working directly with staff on policy, process, and transaction issues.

**Chief Acquisition Officer (CAO), Peace Corps****2002 – 2005**

The Agency executive responsible for all aspects of procurement and acquisition operations, management, policy, and implementation for approximately 50% the Peace Corps budget through contracts, grants, and various agreements. Global leadership responsibilities and operations spanned over 70 Countries worldwide. Provided guidance, counsel, and made key agency decisions in complicated host (foreign) country management, acquisition, and human resource issues after quickly gaining understanding of the local situation, host country local cultural and customs, as well as US and foreign laws and regulations. Experienced in negotiating international contracts with parties ranging from multi-million dollar Fortune 100 corporation deals to critical sole source services with sole proprietors in post-conflict countries, who have never dealt with government laws, regulations, or procedures. Span of control included multi-million dollar contracts, interagency agreements, grants, cooperative agreements, purchase orders, and management of a global purchase card program. Repeatedly charged with leading negotiations of the Peace Corps largest contracts with large multi-national product providers and small foreign businesses. Developed organizational acquisition policy and procedures that incorporate international standards, are field-use friendly, and are culturally acceptable. Developed and authored an Acquisition Deskbook deployed globally to simplify local country staff execution of procurement and contract actions. Annually responsible for \$150 million in acquisitions.

**Staff Certified Public Accountant, William D. Trask CPA, PA****2000 - 2002**

Provided federal and state tax services for a wide variety of individuals in various tax brackets with diverse set of issues, as well as partnerships, trusts, estates, and corporations. Provided consultation services to small businesses including management strategies, policy formulation, process improvements, and profitability analysis. Consulted accounting firm through a change from a partnership to a corporation to include writing personnel policy, employee contracts, non-competitive agreements, and revenue/profit strategies.

**Director, Regional Contracting Office, United States Marine Corps (USMC)****1998 - 2002**

Responsible for all acquisition planning, contracting, purchasing, and contractual counsel for the Eastern Recruiting Region, consisting of 28 major activities in 25 States. Led over 25 employees in 4 main locations, as well as part time workers in 23 satellite locations. Acquired supplies and multi-year, multi-functional services spanning from refuse collection to management consultants to equipment leases. Annual contractual actions executed for over \$30 million. Quickly molded a cohesive team from an initially volatile work environment with both formal Equal Employment Opportunity and labor union suits ongoing. Implemented multiple system and process initiatives, fully automating a completely manual contracting process from requirements generation through contract administration and increasing paperless transactions from 0% to 91%. Independently audited purchasing offices, focusing on statutory/regulatory compliance and supply chain/contract management process improvements. Developed a purchasing office, auditing manual including requirements, process, checklists, and reporting templates. Independently audited purchasing offices, focusing on statutory/regulatory compliance and supply chain/contract management process improvements. Achieved the rank of Marine Corps Major within 10 years of active duty service and honorable discharged.

**Logistics Officer, United States Marine Corps (USMC)****1992 - 1997**

Responsible for the logistical functioning of a Marine Battalion Landing Team consisting of over 1200 Marines and 600 mobile assets. Managed, lead, and supervised over 90 Marines in 9 functional areas including maintenance management, supply, embarkation, transportation, food service, and medical. Operated in over 20 countries including support of three real world contingencies in Kuwait, Somalia, and Rwanda. Lead as many as 90 Marines in two Marine Expeditionary Unit Special Operations Capable deployments to the Persian Gulf, Asia, and Africa (13th and 15th MEUSOC). During deployments entrusted independently and with advance parties to travel ahead of unit in foreign countries to coordinate operations and host nation support. Planned, coordinated, and executed operational and tactical support. Supported mobile operations in all environments, self-sustained for up to 30 days at a time. Increased asset maintenance readiness from below 50% to maintaining above 98% during overseas deployments and within 10 weeks took an “unsatisfactory” (lowest rating) rated Supply and Maintenance Analysis Team inspection results to “satisfactory” (highest rating) results. Following annual inspection noted “Best (out of 20 accounts) in the Division”. Embarked an entire Battalion

Landing Team on four ships for two six-month deployments designing cargo plans for rapid response to contingencies and missions. Managed a \$600,000 a year budget to support roughly \$900,000 in requirements.

#### **EDUCATION AND KEY CERTIFICATIONS**

**Masters of Science in Management with a Concentration in Acquisitions and Contract Management** – Naval Postgraduate School (1998). Graduated with Distinction.

**Bachelors of Science in Accounting** – Illinois Institute of Technology (1992). Graduated with Honors.

**Licensed Certified Public Accountant** (1998; IL license #065.027155); **Certified Professional Contracts Manager** (1998); **Chartered Global Management Accountant** (2012; UK and US recognized), **Certified in Business Process Reengineering** (2001).

**Conversational in the Spanish language. Quick to acquire basic, cultural appropriate communication.**

**Current Top Secret US Government Clearance.**

**Sampling of Countries of Work Include** – USA, Iraq, UAE, Afghanistan, Pakistan, Yemen, Lebanon, Jordan, Saudi Arabia, Kuwait, Bahrain, Qatar, Turkey, Egypt, Morocco, Djibouti, Ethiopia, Tanzania, Kenya, Zambia, Botswana, Mozambique, South Africa, Togo, Ghana, Niger, Mauritania, Senegal, Gambia, Romania, Nicaragua, Colombia, Mexico, El Salvador, Surinam, Samoa, Thailand, and Cambodia.





Executive Office of the Mayor - Office of Talent and Appointments  
John A. Wilson Building | 1350 Pennsylvania Avenue, Suite 600 | Washington, DC 20004



George Schutter  
Acting Chief Procurement Office  
Office of Contracting and Procurement (OCP)

George Schutter currently serves as the Chief Financial Officer for TechnoServe Inc., an international non-profit providing business solution to poverty, where he leads financial strategy, procurement, grants, contracts, and systems coordination throughout the TechnoServe global network in over 30 countries. Prior to joining TechnoServe, he was Grant Thornton's Global Public Sector Executive Director in the Middle East, North Africa and South Asia, where he opened regional operations in Dubai's International Financial Center and developed offices in Iraq. He also supported procurement and contract initiatives with the Iraqi government. Prior to joining Grant Thornton, George was the Chief Financial Officer of the Peace Corps for four years following serving as the Peace Corps' first Chief Acquisition Officer for three years. At Peace Corps, he was the leader and architect of a reorganization of the global financial and contract management organizations, a reengineering of the integrated strategic planning and budgeting process, the development and certification of an enterprise-wide financial management system, and the development of an internal controls/quality assurance international governance program.



**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of Contracting and Procurement**

Director



June 25, 2015

Chairman Phil Mendelson  
Council of the District of Columbia  
1350 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

Dear Chairman Mendelson:

Thank you for your congratulations on my nomination. Please find below the answers to your questions from your June 12<sup>th</sup>, 2015 letter.

1. Please provide a copy of the Financial Disclosure Statement you filed with the Office of Campaign Finance or the Board of Ethics and Government Accountability. If you have not filed a Financial Disclosure Statement, please provide answers to questions no. 2-8 in lieu of that statement.

n/a

2. Please provide the name of each business entity transacting any business with the District Government in which you have a beneficial interest valued in excess of \$5,000, including publicly traded stock.

None

3. Please provide the name of each business entity transacting any business (including consulting) with the District Government from which you or your immediate family have received (or are receiving) income for services rendered in excess of \$1,000 during the past two years.

None

4. Please provide the name of each business entity transacting business with the District Government in which you or any member of your immediate family serves as an officer, director, partner, or agent. Also list the position(s) held, a brief description of the entity, and any other pertinent details.

None

5. Please provide the name of any lender and the amount of liability for each outstanding liability borrowed by you or any member of your immediate family in excess of \$5,000. Do

**not include loans from a federal or state insured or regulated financial institution, or from any business enterprise regularly engaged in the business of providing revolving credit or installment accounts.**

None

- 6. Please list the location of all real property located in the District of Columbia in which you have an interest with a fair market value in excess of \$5,000.**

My permanent residence is 611 Elliott Street NE Washington DC 20002. I also own a rental property at 423 15<sup>th</sup> Street SE Washington, DC 20003.

- 7. Please list all professional and occupational licenses held by you.**

I currently hold the following professional certifications and licenses: Certified Professional Contracts Manager; licensed Certified Public Accountant; and a designated as a Chartered Global Management Accountant.

- 8. Please list any professional organizations of which you are currently a member.**

I am currently a member of the National Contract Management Association; Illinois Certified Public Accountant Society; American Institute of Certified Public Accountants; and the National Association of State Purchasing Officials

- 9. Please list all boards and commissions connected with the District government on which you are or have been a member, and include the term of service for each.**

None

- 10. Please list any other boards (e.g. Boards of Directors of a non-profit) on which you are a member.**

None

- 11. Do you have any outstanding liability for taxes, fees, or other payments to the District, federal, or other state or local governments, either contested or uncontested? If so, please provide documentation of attempts to pay the amount owed or to resolve the disputed claim.**

None

- 12. Do you or any member of your immediate family have any interest, financial or otherwise, that may directly or indirectly pose a conflict of interest for you in performance of your duties as Chief Procurement Officer for the District of Columbia?**

None

- 13. What do you believe is the role and purpose of the Office of Contracting and Procurement, what is your vision for the office, and why have you agreed to serve?**

The role of the Office of Contracting and Procurement is to advise the Mayor and executive branch leaders on procurement-related matters and coordinate between executive branch agencies to manage procurement service delivery for more than 70 agencies and programs under the Chief Procurement Officer's authority.

My vision is to improve the efficiency, quality, and integrity of procurement service-delivery in the District. I believe that, as an agency, we can achieve the best value for supplies and services through a well-defined and understood process, ultimately connecting our agency needs with vendor capabilities.

I take the role as a public procurement official, and the fiduciary responsibilities of managing public funds very seriously. I look forward to using my broad experience in public and private sector acquisitions to continue to improve contracting and procurement services in the District and serve in the community where I have lived for over a decade with my family.

**14. Please discuss any past and present experiences not already mentioned that you believe are relevant to support your appointment as Chief Procurement Officer.**

For over two decades, I have been in positions of increased authority and fiduciary responsibility. By education, I earned a bachelor's degree in accounting from the Illinois Institute of Technology and a master's degree in management with a concentration in acquisitions and contract management from the U.S Naval Postgraduate School. I am a Certified Professional Contracts Manager, which is a certification demonstrating knowledge in contract management competencies in both public and private contracting. I am also a licensed Certified Public Accountant and a certified Chartered Global Management Accountant, an internationally recognized certification in management accounting.

As far as my experience in acquisition management, over my career, I have been a contracting officer, holding an unlimited dollar warrant managing a wide array of purchasing and contracting requirements in the public sector in both the United States Marine Corps and the Peace Corps as well as in the private sector. My initial formal training as a contracting officer came during my service in the Marine Corps where I received training and level III certification (highest certification attainable) under the Defense Acquisition Workforce Program, in the Contracting career field. I have managed acquisitions from development of need through post-award contract management. I have handled contracting actions on a wide range of supplies and services from supporting a Marine Corps base, with operations similar to that of a municipality, including the procurement of essential services from utilities and maintenance contracts to construction, to commodity selling to support program funding in developing country markets. I have guided the procurement process at all dollar thresholds from micro-purchases through purchase card program through multi-million dollar program acquisitions. I have worked with teams to implement new procurement systems supporting all stages of the contracting process as well as crafted acquisition policies in the public and private sectors and in multiple cultural environments. In summary, my experience in contracting and procurement has been a combination of both public and private sector work with an emphasis in change management and business processes reengineering.

As the Director of a US Marine Corps Contracting Office, I managed acquisition planning, contracting, and purchasing for 28 major activities in 25 states. In that role, I implemented

multiple system and process initiatives including the independent audit of purchasing offices, focusing on statutory and regulatory compliance and supply chain and contract management improvements.

From the Marine Corps, I transitioned to the Peace Corps as the Director of the office of contracts supporting procurement activities in 74 countries as well as central requirements from the United States. There I directed all aspects of procurement and acquisition operations, management, policy an implementation through contracts, grants, and various international agreements. In that role, I gained experience in negotiating international contracts as well as negotiating multi-million dollar program requirements for the Peace Corps headquarters operations in the United States. While serving at the Peace Corps, I became the agency's first Chief Acquisition Officer, under the Service Acquisition Reform Act, charged with continuous improvement in the federal acquisition system.

After three years of managing the agency's contracts, I became the Chief Financial Officer for the Peace Corps where I handled the overall resource management of the \$350 million dollar budget with 3,000 employees and 8,000 volunteers managing transactions in 74 countries around the globe. In just over two years in that role, I led the global financial organization from being un-auditable by external auditors to a completely clean financial statement audit opinion.

Continuing my career in the private sector with Grant Thornton as the Executive Director for the Middle East, North Africa, and South Asia, I provided financial and contract management consulting solutions in the international public sector. In this role, I was a subject matter expert on procurement policy, regulations, and process for procurement reform initiatives.

Most recently, I served as the Chief Financial Officer for TechnoServe, an international non-profit organization that works with enterprising people in over 30 countries in the developing world to build competitive farms, businesses and industries. In this role, I managed the full spectrum of global finance functions to include controlling, treasury, audit, procurement, as well as leading grant and contract management operations. In this role, in a globally growing organization, I spearheaded the creation of an office of grants and contracts which ultimately ensured proper project cost recovery in every grant and contract supporting TechnoServe's global mission to ensure our non-profit organization recovered the full costs of our programs.

**15. As the Chief Procurement Officer, what will be your top five priorities for the Office of Contracting and Procurement and District procurements?**

1. Ensure that we have a well-defined and well-documented process that is understood by all of our key stakeholders including agency customers and the vendor community.
2. Develop tools that will allow staff to effectively manage workload, track procurement status from requisition to award, and benchmark average caseloads.
3. Improve the acquisition planning process to develop comprehensive plans that will be the foundation for more strategic decisions about effective purchasing, resource allocation, and workload management.
4. Encourage ongoing learning and development through the procurement training institute to ensure that procurement staff has the knowledge, skill, and capability to effectively manage the District's contracting process.

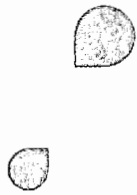
5. Continue to attract and retain qualified, professional staff.

If you have further questions, please do not hesitate to contact me at 202-724-4242. I look forward to the confirmation hearing on July 2.

Respectfully,

A handwritten signature in black ink, appearing to read "George A. Schutter", with a stylized flourish at the end.

George A. Schutter  
Acting Chief Procurement Officer



THE  
COMMUNITY  
FOUNDATION

FOR THE NATIONAL CAPITAL REGION

July 2, 2015

The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW, Suite 504  
Washington, D.C. 20004

Chairman Mendelson:

I write this letter in support of George Schutter, Chief Procurement Officer for the Office of Contracting and Procurement for the District of Columbia. I have known George for four years, during two of which I was his supervisor at TechnoServe, an international non-profit based in D.C. I was the CEO there until late 2013; George was the CFO from early 2011. He was and is a complete professional and a kind, dedicated and honorable man.

TechnoServe works in 30 countries in Asia, Africa and Latin America -- linking entrepreneurs, small business owners and small holder farmers and coops to skills, financial services and markets. The organization employs over 1400 people and raises its annual \$80 million budget from a variety of donors, public and private. George came to TechnoServe at a critical point in the organization's growth trajectory, when the systems and processes that had served us well as a 300-person organization several years before no longer were adequate. He took us through a substantial change management process with consummate skill and confidence. He was a trusted member of my Executive Leadership Team; trusted and relied on by Board Members and other partners, and his colleagues.

While being technically deep in finance and contracts as a CPA and CPCM (Certified Professional Contracts Manager), George's strong leadership of the administrative functions and partnering with our Operations team on inherently challenging HQ/Field processes (contracts review, planning and budget development, field finance and contracting process) drove significant positive change in the organization.



As a leader and as a colleague, George is remarkable for the respect with which he treats everyone, for his thoughtfulness, his "can-do" attitude and good humor, and for his absolute integrity.

I recommend him with no reservations. I would work with him again in a minute

Respectfully,

Bruce McNamer  
President and CEO  
[bmcnamer@cfncr.org](mailto:bmcnamer@cfncr.org)  
202 263-4784



**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of Contracting and Procurement**



Confirmation Hearing

Testimony of  
**George A. Schutter**  
Acting Chief Procurement Officer

Before the

Committee of the Whole  
Chairman Phil Mendelson

July 2, 2015  
Room 120  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW  
Washington, D.C. 20004



Good afternoon, Chairman Mendelson and members of the Committee of the Whole. I am George Schutter, Mayor Bowser's nominee for the Chief Procurement Officer and Director of the Office of Contracting and Procurement.

I want to thank Mayor Bowser for placing her trust in me as a public procurement official in the District of Columbia. I look forward to using my experience in acquisitions to continue to improve contracting and procurement services in the District and serve the community where I have lived for over a decade with my family.

Today, I have been asked to share my background relevant to the Chief Procurement Officer position and my vision for the Office of Contracting and Procurement.

## **EXPERIENCE AND BACKGROUND**

For over two decades, I have been in positions of increased authority and fiduciary responsibility. By education, I earned a bachelor's degree in accounting from the Illinois Institute of Technology and a master's degree in management with a concentration in acquisitions and contract management from the U.S Naval Postgraduate School. I am a Certified Professional Contracts Manager, which is a certification demonstrating knowledge in contract management competencies in both public and private contracting. I am also a licensed Certified Public Accountant and a certified Chartered Global Management Accountant, an internationally recognized certification in management accounting.

As far as my experience in acquisition management, over my career, I have been a contracting officer, holding an unlimited dollar warrant managing a wide array of purchasing and contracting requirements in the public sector in both the United States Marine Corps and the Peace Corps as well as in the private sector. My initial formal training as a contracting officer came during my service in the Marine Corps where I received training and level III certification (highest certification attainable) under the Defense Acquisition Workforce Improvement Act, in the Contracting career field. I have managed acquisitions from development of need through post-award contract management. I have handled contracting actions on a wide range of supplies and services from supporting a Marine Corps base, with operations similar to that of a municipality, including the procurement of essential services from utilities and maintenance contracts to construction, to commodity selling to support program funding in developing country markets. I have guided the procurement process at all dollar thresholds from micro-purchases through purchase card program through multi-million dollar program acquisitions. I have worked with teams to implement new procurement systems supporting all stages of the contracting process as well as crafted acquisition policies in the public and private sectors and in multiple cultural environments.

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multiple system and process initiatives including the independent audit of purchasing offices, focusing on statutory and regulatory compliance and supply chain and contract management improvements.

From the Marine Corps, I transitioned to the Peace Corps as the Director of the office of contracts supporting procurement activities in 74 countries as well as central requirements from the United States. There I directed all aspects of procurement and acquisition operations, management, policy, and implementation through contracts, grants, and various international agreements. In that role, I gained experience in negotiating international contracts as well as negotiating multi-million dollar program requirements for the Peace Corps headquarters operations in the United States. While serving at the Peace Corps, I became the agency's first Chief Acquisition Officer, under the Service Acquisition Reform Act, charged with continuous improvement in the federal acquisition system.

After three years of managing the agency's contracts, I became the Chief Financial Officer for the Peace Corps where I handled the overall resource management of the \$350 million dollar budget with 3,000 employees and 8,000 volunteers managing transactions in 74 countries around the globe. In just over two years in that role, I led the global financial organization from being un-auditable by external auditors to a completely clean financial statement audit opinion.

Continuing my career in the private sector with Grant Thornton as the Executive Director for the Middle East, North Africa, and South Asia, I provided financial and contract management consulting solutions in the international public sector. In this role, I was a subject matter expert on procurement policy, regulations, and process for procurement reform initiatives.

Most recently, I served as the Chief Financial Officer for TehnoServe, an international non-profit organization that works with enterprising people in over 30 countries in the developing world to build competitive farms, businesses and industries. I managed the full spectrum of global finance functions to include controlling, treasury, audit, procurement, as well as leading grant and contract management operations. In this role, in a globally growing organization, I spearheaded the creation of an office of grants and contracts which ultimately ensured proper project cost recovery in grants and contracts supporting TechnoServe's global mission to ensure our non-profit organization recovered the full costs of our programs.

In summary, my experience in contracting and procurement has been a combination of both public and private sector work with an emphasis in change management and business processes reengineering. I believe that each of my previous roles in the public and private sectors, as well as deep experience in the fields of finance and contracting, have provided me with the skills and experience necessary to be the Chief Procurement Officer (CPO) of the District of Columbia and to lead the Office of Contracting and Procurement.



## **VISION**

In my assessment, this position includes two distinct roles: As the Chief Procurement Officer, the role is to advise the Mayor and executive branch leaders on procurement-related matters. As Director of the Office of Contracting and Procurement, my role is to coordinate between executive branch agencies to manage procurement service delivery for more than 70 agencies and programs under my authority.

In my 48 days on the job as the Acting Chief Procurement Officer, I have had the opportunity to meet with my staff, colleagues at customer agencies and members of the local business community to discuss contracting and procurement in the District. From those conversations, I have a better understanding of our strengths and where there are opportunities for growth. I have worked with the Mayor and the Office of the City Administrator to implement the Mayor's initiative of the Procurement Accountability Review Board, which is a forum to understand the root cause of issues affecting the contracting and procurement processes in the District. This forum will be critical for us to develop and implement substantial, widespread, and long-term improvements.

My vision is to improve the efficiency, quality, and integrity of procurement service-delivery in the District. I believe that, as an agency, we can achieve the best value for supplies and services through a well-defined and understood process, ultimately connecting our agency needs with vendor capabilities.

## **Efficiency**

OCP has experienced a tremendous amount of change over the last 18 months through the procurement reform initiative, of which the Delegated Procurement Authority model is the central component. In my assessment, this structure facilitates team work between procurement and program, and once fully implemented will improve efficiency in procurement service-delivery for our agency customers. My expectation is that by operationalizing the reform initiatives already underway, specifically the DPA model, we will continue to move from reactively responding to the procurement emergencies of the week to more efficiently managing day-to-day contracting operations.

Now that the team is in place, my focus is to ensure that we have a well-defined and documented process that is understood by all of our key stakeholders. Our goal to improve District-wide procurement service-delivery through purposeful planning and coordination among formal and informal integrated procurement teams to increase overall quality and efficiency. The integrated procurement team, which includes representatives from the program, procurement, legal and finance, must understand their respective roles in the procurement process and how their individual responsibilities affect the efficiency of the entire team. We are working to create effective process maps to find opportunities to streamline each phase of the process.





Concurrently, we are starting the process to update and reconcile policies and procedures that support the procurement process so that each member of the team is using a uniform approach to procurement in the District. With these operational supports, we anticipate being able to provide realistic timelines that will help manage agency customer expectations and facilitate the type of proper planning that will prevent contracts requiring retroactive Council approval due to poor planning and coordination.

Next, we will focus on strengthening the acquisition planning process in an effort to improve spend analysis and procurement forecasting so that we have an actionable and functional plan for procurement service-delivery. Each agency's acquisition plan should be a clear, well-thought out document, that identifies the requirement, timeframe for delivery, and the budget for each anticipated programmatic need in the coming fiscal year. This type of comprehensive planning will allow contracting officers to make more strategic business decisions about effective purchasing, resource allocation, and workload management.

Improving efficiency also requires proper technology and systems that support the contracting staff's needs without creating unnecessary bottlenecks and impediments to getting the work done. We need systems in place that will provide visibility of active contracts and give us the ability to track status, cycle time, and caseload data with speed and accuracy. Ultimately, my goal is to use this data to analyze spend by agency and procurement type to develop benchmarks for average caseload for contracting officers and contract specialists and calculate cost savings in the District's procurement process. We are in the early stages of developing a tool that will work in conjunction with the Procurement Automated Support System to plan and manage workloads and analyze productivity so that we are able to make strategic decisions about resource allocations. Efficient reporting and data are critical as our contracting officers and contract specialists realize my goal for them to continue to move from process drivers to business advisors.

## **Quality**

I am certain that ensuring we have well-documented processes and technology resources necessary to support the DPA operating structure will improve the quality of goods and services that we procure on behalf of our customer agencies and ultimately, District residents. A standardized process will ensure that we award contracts to vendors that can provide the goods and services we require in a timely manner and at a reasonable cost to the District. As we move toward a uniform approach to procurement, supported by systems that allow us to manage and measure workload and productivity, we are also working to develop and adhere to a customer service and operational standard that instills confidence in our organization.

I am focused on improvements that will make certain that we attract and retain a qualified, professional workforce that is prepared to lead the integrated procurement team from concept of need through contract award for our current District operational requirements. In my short time



as CPO, I have met some extremely dedicated, engaged and knowledgeable members of my staff and I am committed to developing their full potential by providing them with the tools and resources they need to be effective and successful in their roles. To do this, we must regularly analyze resource allocations to ensure that we have the appropriate amount of contracting personnel assigned to our customer agencies and OCP central to manage the workload effectively. We must also provide staff with opportunities for ongoing learning and development they need to stay current with trends in the profession and the laws governing procurement in the District. There is a long-term strategy in place to achieve certification of all contracting staff by the end of fiscal year 2017, through the procurement training institute. In the coming weeks, I plan to engage with the Learning and Development and Human Resources teams to understand the strategy and to ensure that it aligns with my vision for the agency. Concurrently, we are also working to expand the learning and development curriculum to include opportunities for all facets of the integrated procurement team. We began this effort with the rollout of an Executive Seminar series in June. This series is designed to provide a high-level overview of the contracting and procurement process for agency directors and members of their senior staff.

### **Integrity**

As a young Marine officer, I learned the importance of integrity and have transferred those lessons to the integrity required for a procurement official to ensure that the laws are followed and vendor capabilities and agency needs are balanced with the fiduciary responsibility inherent to managing public funds. One of the keys to being good stewards of taxpayer dollars is to ensure integrity and fairness through competition in the procurement process. My priority is to encourage fair and open competition for contracts that are aligned with the laws governing procurement in the District.

We must continue to attract vendors who are responsive and responsible to do business with the District. I am working with my team, as well as Director Harvey at the Department of Small and Local Business Development, to attract a strong pool of businesses whose capabilities are matched with the needs of our customer agencies. Our priority, by statute and Mayor Bowser's vision, is to work with District-based businesses, as much as possible. District-based businesses, and in particular our small business community, play an important role in improving the economic outlook and development of jobs for District residents.

If we want to continue to attract and grow interest in doing business with the District, we must ensure a transparent contracting process that is well understood by the vendor community. Our goal is to improve timely, consistent communication so that our stakeholders – customer agencies, vendors, and the public-- have a clear understanding of the procurement process, and how and with whom taxpayer dollars are being spent. At the same time, we must also assure our partners in the vendor community that proprietary data and procurement-sensitive information will remain proprietary and confidential throughout the procurement process. I expect that efforts



to make the process more transparent will build confidence and improve integrity in the District's procurement system.

## **CONCLUSION**

Experience tells me that there are challenges in every government. DC procurement has come a long way and we will continue to grow and develop to support the needs of our customer agencies. We will face challenges, but my background in change management tells me that sustained change will take time and commitment from all of the stakeholders to work toward a common goal.

I am excited for this opportunity to work for a well-run government with a track record of success of multiple years of balanced budgets and government surpluses. As Chief Procurement Officer, I will charge my staff to follow the law and carry out the Mayor's vision that the District is a fair place to do business. I find being asked by Mayor Bowser to serve in this position to be an extraordinary honor – particularly the opportunity to serve the community where my wife, daughter, and I have lived since 2002.

Thank you, Chairman Mendelson and members of the Committee of the Whole, for the opportunity to testify today. This concludes my testimony and I am happy to answer any questions you may have.



**DATE:** 10 July 2015

**TO:** The Honorable Phil Mendelson, Chairman, Council of the District of Columbia

**FROM:** Edward Anderson, Global Chief Information Officer

**SUBJECT:** Letter of Recommendation for George Schutter

It is a pleasure to provide a letter of recommendation for George Schutter. I have worked with George while I was at the Peace Corps from approximately 2003 to 2008 and continue to be in contact with he and his family. I worked with George in his capacity as both head of procurement as well as Chief Financial Officer at Peace Corps.

George did an outstanding job in both roles. I appreciated George's leadership, his ethics, and his ability to lead transformation and change. In both roles, I observed George defining a plan for change, communicating that plan, getting his team to buy into that plan, and executing that plan in an ethically and fiscally responsible manner.

George also had the ability to get his peers, like myself, to understand the "bigger goal", in this case the benefit to the agency, partner with us to craft a strategy to obtain this benefit and work with us to execute the plan effectively. George's plan for strategic sourcing at the Peace Corps created savings of millions of dollars and created a culture of collaboration between his team and their customers. George led this effort by clearly defining the goals, process and benefits and doing what he promised. George also instilled a culture of "doing the right thing, no matter what". He was a fair and firm negotiator who's unquestioned honesty resulted in no significant issues or audit findings during his tenure.

I believe George will do an outstanding job with the Government of the District of Columbia. I believe the same attributes that made him a strong, ethical leader at the Peace Corps will also make him successful in this new role.

If you would like further information, please feel free to contact me directly.

Thank you for allowing me to provide a reference for George. This has truly been my honor.

*Edward C. Anderson*



July 1, 2015

The Honorable Phil Mendelson

Chairman

Council of the District of Columbia

John A. Wilson Building

1350 Pennsylvania Avenue, N.W., Suite 504

Washington, D.C. 20004

Dear Chairman Mendelson,

I am writing to express my greatest support and personal recommendation of Mr. George Schutter as the Director, Office of Contracting and Procurement for the District of Columbia. I had the distinct pleasure of working with Mr. Schutter when he was an Officer in the United States Marine Corps (USMC) leading a USMC Regional Contracting Office (RCOs). At that time, I was a USMC Senior Executive Service member serving as the Assistant Deputy Commandant, Installations and Logistics (Contracts). My position was the most senior contracting/procurement position within the USMC, and I was responsible for oversight of the Corps' worldwide procurement program. We had approximately seven RCOs each headed by a USMC Officer. Of all the RCO leaders under my cognizance, Mr. Schutter clearly stood out as the most intellectually forward-thinking, strongest strategist, dynamic leader, and positive change agent. He is an exceptional leader who is driven to always find a better way of accomplishing the mission. I have watched him progress over the years through very challenging and different positions and am pleased that he is once again ready to serve in a public capacity. One look at his incredibly impressive resume tells you that Mr. Schutter is a proven leader and a go-to person for getting things done.

I have every confidence that Mr. Schutter will vastly surpass all your expectations and will be a great addition to the D.C. government. Please do not hesitate to contact me at 703.767.6977 or at [shari.r.durand.civ@mail.mil](mailto:shari.r.durand.civ@mail.mil) if I can provide any further information.

Sincerely,



Shari Durand

Executive Director

Defense Threat Reduction Agency and

United States Strategic Command Center for

Combating Weapons of Mass Destruction

The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia  
John A. Wilson building  
1350 Pennsylvania Ave., N.W., Suite 504  
Washington, D.C. 20004

June 22, 2015

Dear Chairman Mendelson:

I am writing in support of Director George Schutter's nomination for Chief Procurement Officer, Office of Contracting and Procurement, District of Columbia.

George and I worked together for six years at the US Peace Corps Headquarters, Washington D.C. During that time I was Peace Corps Deputy Director and George was Chief Acquisition Officer and then Chief Financial Officer (CFO) for a \$350 million dollar agency, 3,000 employees, and 8,000 Peace Corps Volunteers serving in 74 countries. In managing this work, George supervised the accounting, finances and purchases within and between these 74 countries, nine US regional offices and Peace Corps headquarters, working in 70 currencies and making hundreds of thousands of transactions each year. I am well aware of his work as I was his day-to-day supervisor.

Among the most outstanding work products he accomplished, during a time of many outstanding achievements, was his two year reorganization of the entire financial management system from an unauditable organization by external auditors to a completely clean financial statement audit opinion.

From my own overseas work with Peace Corps, I was familiar with what 'unauditable' meant: i. e. unprocessed travel reimbursements from 20 years earlier, hand written postage stamp size receipts for cash for tomatoes in an African village, or 10 year out of date office lease agreements in Latin American countries. In addition to the enormity of making hundreds of thousands of transactions current and auditable was the enormity of changing daily routines of staff whose adherence to US accounting rules was culturally counter-intuitive to in-country accounting and behavioral norms. In addition, many staff were introduced to computers and computer accounting software systems for the first time, often with English being their second or third language.

Three years later, at the all agency US Government CFO annual dinner, I accepted the prize on behalf of Peace Corps, for the best US government external audit result. Our little Peace Corps table cried with joy. George made it all happen through his thoroughness, his team building skills, his strategic planning knowledge, and most importantly, his ability to combine extraordinary systems knowledge

with caring and support for all those who work for him, regardless of position, training, or background. Only George could have accomplished this level of accounting discipline within an agency like the Peace Corps.

I worked with George on many other cross agency projects, asking him to lead these many inter-office and inter-department strategic efforts. I did so because of his ability to listen, draw people out, synthesize their thoughts and suggestions, and bring groups toward effective decisions that could be accepted once approved.

I have rarely worked with someone as accomplished as George and I know he will be effective as chief procurement officer within the D.C. government. And, for all working with and around him, he is a joy personally and professionally.

I apologize for not being able to say this in person, but I will be on the West Coast at the time of the hearing.

Sincerely,

*Jody K. Olsen, PhD, MSW*

Honorable Jody K. Olsen, PhD, MSW  
Former Peace Corps Deputy Director and Acting Director (2001-2009)  
Returned Peace Corps Volunteer (Tunisia 66-68)

1 **DRAFT COMMITTEE PRINT**  
2 Committee of the Whole  
3 July 14, 2015  
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8 **A PROPOSED RESOLUTION**

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10 21-188  
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12 **IN THE COUNCIL OF THE DISTRICT OF COLUMBIA**  
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16  
17 To confirm the Mayoral appointment of Mr. George Schutter as the Chief Procurement  
18 Officer of the Office of Contracting and Procurement.  
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20 **RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That**  
21 this resolution may be cited as the “Chief Procurement Officer George Schutter  
22 Confirmation Resolution of 2015”.

23 **Sec. 2. The Council of the District of Columbia confirms the appointment of:**

24 **Mr. George Schutter**  
25 **611 Elliott Street, NE**  
26 **Washington, D.C. 20002**  
27 **(Ward 6)**  
28

29 as the Chief Procurement Officer, in accordance with section 2 of the Confirmation Act  
30 of 1978, effective March 3, 1979 (D.C. Law 2-142; D.C. Official Code § 1-523.01) and  
31 section 203 of the Procurement Practices Reform Act of 2010, effective April 8, 2011  
32 (D.C. Law 18-371, D.C. Official Code § 2-352.03) for one five-year term.

33 **Sec. 3. The Council of the District of Columbia shall transmit a copy of this**  
34 **resolution, upon its adoption, to the appointee and the Office of the Mayor.**

35 **Sec. 4. This resolution shall take effect immediately.**