

**United States Senate**  
COMMITTEE ON FINANCE  
WASHINGTON, DC 20510-6200

May 26, 2010

**Via Electronic Transmission**

Joseph Kraemer  
Acting Director  
OPM Federal Executive Institute  
1301 Emmet Street  
Charlottesville, VA 22903

Dear Acting Director Kraemer:

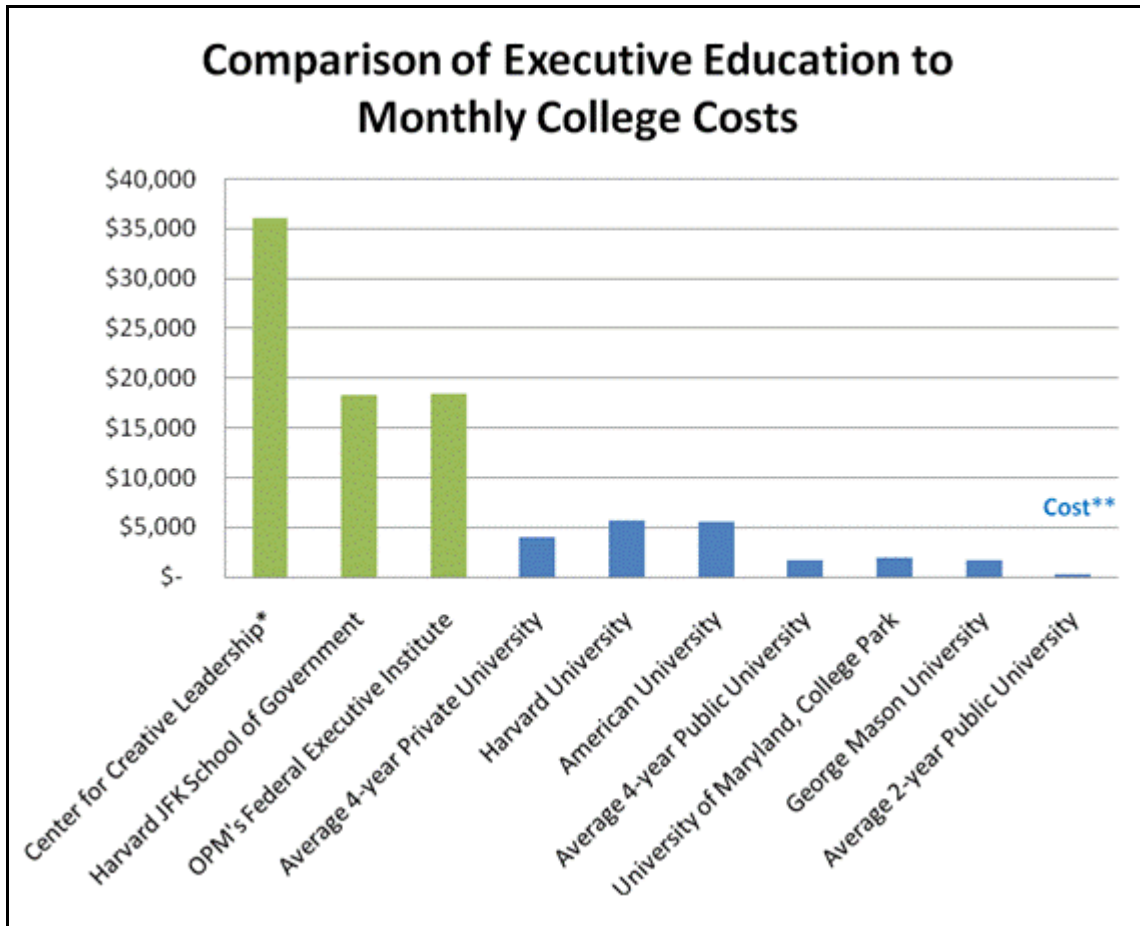
As a senior member of the United States Senate and as Ranking Member of the Committee on Finance (Committee), it is my duty under the Constitution to conduct oversight into the actions of the executive branch, including the activities of the U.S. Office of Personnel Management (OPM). A critical part of this responsibility is to ensure that scarce federal funds are being spent appropriately and that OPM and other agencies manage taxpayer funds prudently.

Recently, I learned that numerous agencies of the federal government are expending large amounts of taxpayer funds on executive education. Although I am a strong proponent of maintaining a well-trained, highly competent federal workforce, I am alarmed by what appears to be the excessive costs related to these programs. For instance:

- OPM's own Federal Executive Institute (FEI) charges agencies \$18,375 to attend its four-week program, *Leadership for a Democratic Society* ([http://ksgexecprogram.harvard.edu/Programs/By\\_Name.aspx](http://ksgexecprogram.harvard.edu/Programs/By_Name.aspx));
- A recent graduate of Harvard Kennedy School's (HKS) *Senior Executive Fellows* reported that the government paid \$17,500 plus travel for this four-week course, and that the tuition has just been raised to \$18,300 (<http://www.leadership.opm.gov/programs/Executive-Leadership-Development/LDS/Index.aspx>); and
- The Center for Creative Leadership charges between \$6,200 and \$10,600 for a **five-day** course, the longest course it offers (<http://www.ccl.org/leadership/programs/summaries.aspx>).

These courses are examples of training that is recognized in the federal community as meeting certain requirements to become certified by OPM as eligible to enter into the Senior Executive Service (SES). The SES was created in 1978, and was designed to create a corps of executives selected for their leadership qualifications.

Generally, these individuals serve in key positions just below the top Presidential appointees and are often viewed upon as the major link between these appointees and the rest of the Federal workforce. So the importance of insuring that the SES corps is well-trained is not at issue. However, my questions relate to the cost of that training and whether or not more effective, efficient, and economical ways exist to train SES candidates. Let me elaborate with a chart that compares the costs of executive education to, for example the tuition, fees, and room and board of private and public universities.



\*Since the longest course offered is one week, the mean cost (\$8400) was multiplied by 4.3

\*\*From Collegeboard.com and CNNMoney.com, divided by 9 for monthly average

As you can see from the chart, the costs of each of the two, four-week courses is more than 460 percent greater than the total tuition, fees, and room and board of the average four-year private university for one month, and exceeds the average four-year public university by over **1000 percent**.

Research from my staff found that the federal government does not collect complete and reliable information on how many federal employees engage in this and similar types of training, or how much this training costs the American taxpayer. Neither does the federal government compare this training to other types of training that may be available on the open market at a cheaper cost.

Therefore, my staff is in the process of conducting an analysis of the cost of executive training in the federal government, and I respectfully request that you provide the following information. This request covers the period January 2007 to May 1, 2010.

For each executive education course offered by the Federal Executive Institute, please identify:

- 1) The number of individuals attending the course, divided by month and the executive branch agency responsible for all or part of the costs related to the training; and
- 2) The total amount of funds received by the agency identified in question 1 above divided by month.

In cooperating with the Committee's review, no documents, records, data or information related to these matters shall be destroyed, modified, removed or otherwise made inaccessible to the Committee.

I look forward to hearing from you by no later than June 16, 2010. All documents responsive to this request should be sent electronically in PDF format to [Brian\\_Downey@finance-rep.senate.gov](mailto:Brian_Downey@finance-rep.senate.gov). If you have any questions, please do not hesitate to contact Christopher Armstrong or Brian Downey of my Committee staff at (202) 224-4515.

Sincerely,



Charles E. Grassley  
Ranking Member