

NOMINATIONS OF WALTER J. McDONALD AND RICHARD BEATTIE

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
NINETY-SIXTH CONGRESS
FIRST SESSION
ON
THE NOMINATIONS OF
WALTER J. McDONALD TO BE ASSISTANT SECRETARY OF THE
TREASURY FOR ADMINISTRATION AND RICHARD BEATTIE TO
BE GENERAL COUNSEL, DEPARTMENT OF HEALTH, EDUCA-
TION, AND WELFARE

JUNE 20, 1979

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NOMINATIONS OF WALTER J. McDONALD TO BE ASSISTANT SECRETARY OF THE TREASURY FOR ADMINISTRATION, AND RICHARD BEATTIE TO BE GENERAL COUNSEL, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

WEDNESDAY, JUNE 20, 1979

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m., in room 2221, Dirksen Senate Office Building, Hon. Russell B. Long, chairman of the committee, presiding.

Present: Senators Long, Talmadge, Ribicoff, Baucus, Dole, Packwood, Wallop, and Durenberger.

The CHAIRMAN. The meeting will come to order.

The first order of business will be to consider these nominations before us.

Mr. Stern?

Mr. STERN. Mr. McDonald from the Treasury Department is here, and Mr. Beattie.

The CHAIRMAN. Mr. McDonald, you have been in the Treasury for some time, I see. Is that correct?

[The biography of Walter J. McDonald follows:]

BIOGRAPHY OF WALTER J. McDONALD

November 1978 to present:

ACTING ASSISTANT SECRETARY (ADMINISTRATION), U.S. DEPARTMENT OF THE TREASURY

In acting capacity, exercise direction over all of the Department's general administrative functions. These functions include: personnel administration, budget and program analysis, equal employment opportunity, audit, and computer science. In addition, responsible for providing support services to policy officials in the Office of the Secretary.

August 1974 to November 1978:

DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND ORGANIZATION, DEPARTMENT OF THE TREASURY

Shared with the Director responsibility for operation of the following activities: financial management, management analysis, emergency planning, personnel, and payroll/personnel information. Directed a number of major studies of Treasury bureaus and operations. During this period, also performed the following special assignments and details:

November 1977 to September 1978—Chief, Treasury Payroll/Personnel Information System;

August 1977 to October 1977—Member's President's Reorganization Project—Federal Personnel Management Project;

*April 1973 to August 1975—Acting Financial Manager, Office of the Secretary;
January 1973 to December 1976—EEO Counselor and EEO Officer.*

August 1970 to August 1974:

CHIEF, EMERGENCY PLANNING STAFF, DEPARTMENT OF THE TREASURY

Responsible for the emergency planning policies and procedures for the Department, including emergency procedures for the continuity of Treasury operations in the event of a nuclear attack.

August 1964 to August 1970:

MANAGEMENT ANALYST, DEPARTMENT OF THE TREASURY

Participated in and chaired broad management studies of Treasury functions; e.g., Organization of the U.S. Secret Service, Organization and Functions of Joint Strike Forces.

June 1960 to August 1964:

DEPUTY COMPTROLLER—FORT IRWIN, CALIF.

Assisted the Comptroller in supervision of the following activities: budgeting, review and analysis, internal audit, finance and accounting.

December 1956 to June 1960:

ASSISTANT COMPTROLLER—U.S. ARMY AMMUNITION DEPOT, CAPTIEUX, FRANCE

Served as principal assistant to the Comptroller and supervised the budget, management, internal audit, and review and analysis divisions.

December 1954 to December 1956:

ORGANIZATION AND METHODS EXAMINER, U.S. ARMY AMMUNITION DEPOT, CAPTIEUX, FRANCE

Performed special organization and procedural studies.

PERSONAL BACKGROUND

Awards

1978—CSC Award for Distinguished Service
1978—Treasury Sustained Superior Performance Award
1974—Treasury Special Act or Service Award
1973—Secretary of the Treasury Certificate
1972—Treasury Meritorious Service Award
1968—Office of the Secretary Certificate of Appreciation
1966—Treasury Sustained Superior Performance Award

Education

B.S.—New York University—1950
M.B.P.A.—Southeastern University—1977

Military service

U.S. Army: 1945—1946
U.S. Army: 1950—1954
Reserve Commission, Captain, U.S. Army

Marital status

Married to the former Sharon Davies.
Resides in Washington, D.C.

STATEMENT OF WALTER J. McDONALD, ACTING ASSISTANT SECRETARY FOR ADMINISTRATION, U.S. DEPARTMENT OF THE TREASURY

Mr. McDONALD. Yes, sir, that is correct.

The CHAIRMAN. Tell us about this responsibility you would be taking over.

Mr. McDONALD. Yes, sir.

The job that I have been nominated for is Assistant Secretary for Administration, which has two basic responsibilities, departmental responsibilities, for administrative programs and policies for the Treasury. Second, it provides administrative support to the Secretary and his immediate staff.

The CHAIRMAN. Let me see. You are now Acting Assistant Secretary for Administration?

Mr. McDONALD. Yes, sir. That is correct.

The CHAIRMAN. So you are being nominated for the job that you are doing now on an acting basis?

Mr. McDONALD. Yes, sir. That is correct.

The CHAIRMAN. You previously were Deputy Director of the Office of Management and Organization?

Mr. McDONALD. Yes, sir.

The CHAIRMAN. Any questions, gentlemen?

Senator TALMADGE. I have no questions, Mr. Chairman. I have looked over his bibliography here. He is highly recommended by Secretary Anderson.

The CHAIRMAN. Any further questions.

Senator DOLE. I have no questions.

The CHAIRMAN. Fine.

Thank you very much, Mr. McDonald.

Next, we will hear from Richard Beattie, Deputy General Counsel of the Department of Health, Education, and Welfare.

[The prepared résumé of Richard Beattie follows:]

RÉSUMÉ OF RICHARD I. BEATTIE

I. EMPLOYMENT

General Counsel, Department of Health, Education, and Welfare

June 1, 1979 to present.

Provide legal advice to the Secretary and other officials of the Department on all matters involving the Department.

Executive Assistant to Secretary Joseph A. Califano, Jr., Department of Health, Education, and Welfare

December 1978 to May 31, 1979.

Principal staff aide to the Secretary.

Deputy General Counsel, Department of Health, Education, and Welfare

February 1977 to December 1978.

Principal Deputy to the General Counsel of the Department. Provided legal advice to the Secretary and other officials of the Department on all matters involving the Department.

Partner, Simpson, Thacher and Bartlett, New York, N.Y.

September 1975 to February 1977.

General legal advice with emphasis on corporate finance, mergers and acquisitions and banking law.

Associate, Simpson, Thacher and Bartlett, New York, N.Y.

August 1968 to September 1975.

General legal advice with emphasis on corporate finance, mergers and acquisitions and banking law.

II. EDUCATION

Rye High School, Rye, New York (1957)

Dartmouth College, B.A. (1961)

University of Pennsylvania Law School, L.L.B. (1968)

III. ACTIVITIES/HONORS

Undergraduate

Dartmouth College, B.A. with Distinction in Economics

Football—1, 2, 3, 4

Sphinx Senior Honor Society

IV. MILITARY SERVICES

Served three years and nine months on active duty with the United States Marine Corps as a jet pilot. Collateral duties consisted of Assistant Operations Officer, Assistant Flight Schedule Officer, Legal Officer for squadron of 175 men, qualified Division Leader and Special Weapons Pilot with a Top Secret Security Clearance. Released from active duty in March 1965 as a First Lieutenant and promoted to Captain in March 1966.

V. OTHER ACTIVITIES

Trustee of Community Law Offices, a not-for-profit corporation providing legal services to the indigent in New York City, 1970-1977.

Member of the Board of Directors of City School News, Inc., a privately funded, not-for-profit corporation, organized by the Rockefeller Brothers Fund and Exxon Corporation, as a public education information service for the City of New York, 1975-1977.

VI. MEMBER OF THE BAR

New York:

Appellate Division of the Supreme Court—Second Department—Judicial Department, 1969

Federal courts:

United States District Courts for the Southern and Eastern Districts of New York, 1972

United States Court of Appeals for the Second Circuit, 1975

United States Court of Appeals for the District of Columbia Circuit, 1977

United State Supreme Court, 1978.

**STATEMENT OF RICHARD BEATTIE, GENERAL COUNSEL,
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE**

Mr. BEATTIE. Good morning, Senator.

The CHAIRMAN. You have served as Executive Assistant to Secretary Califano, I take it?

Mr. BEATTIE. Yes, sir. For 6 months, prior to assuming this position.

The CHAIRMAN. I see.

Then you served as Deputy General Counsel?

Mr. BEATTIE. Yes, sir.

The CHAIRMAN. Prior to that time, you had a private law practice in New York?

Mr. BEATTIE. Yes, sir.

The CHAIRMAN. Have you checked to see whether there is any possible conflict of interest? I take it that that has been carefully scrutinized?

Mr. BEATTIE. Yes, sir. I have. I have carefully gone over it. I have no conflict of interest.

The CHAIRMAN. Any questions, gentleman?

Senator TALMADGE. No questions.

Mr. Beattie was kind enough to come by and see me. It looks like his background qualifies him for the position.

The CHAIRMAN. Thank you very much.

Mr. BEATTIE. Thank you.

The CHAIRMAN. I will entertain a motion.

Senator DOLE. I move to report the nominations.

Senator PACKWOOD. I second.

The CHAIRMAN. Mr. Stern, I did not ask this question of the first witness, Mr. McDonald. I take it you have looked over any potential conflicts of interest and find none?

Mr. STERN. Yes, sir. I did.

The CHAIRMAN. Thank you very much.

All in favor of the motion, say aye.

[A chorus of ayes.]

The CHAIRMAN. Opposed, no?

[No response.]

The CHAIRMAN. The ayes have it.

[Whereupon, at 9:35 a.m., the committee recessed, to continue its meeting in executive session.]

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