

National Aeronautics and
Space Administration
Office of the Administrator
Washington, DC 20546-0001



FEB 06 2006

The Honorable Sherwood L. Boehlert
Chairman
Committee on Science
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The purpose of this letter is to submit to the Committee NASA's initial FY 2006 Operating Plan, in accordance with the agreements between NASA and the Committee, and to provide an update to the FY 2005 Operating Plan.

In formulating NASA's initial FY 2006 Operating Plan, we have taken into account: appropriations levels included for NASA as part of the FY 2006 Science, State, Justice, Commerce, and Related Agencies Appropriations Act (P.L. 109-108), including a transfer pursuant to Section 209 from the National Oceanic and Atmospheric Administration to NASA for planning, design, and construction of buildings; direction included in the Conference Report (House Report 109-272) accompanying H.R. 2862, the FY 2006 Science, State, Justice, Commerce, and Related Agencies appropriations bill; application of a 0.28-percent across-the-board rescission, as specified in Section 638 of P.L. 109-108; application of a 1.0 percent across-the-board rescission, as specified in Section 3801 of the FY 2006 Defense Appropriations Act (P.L. 109-148); and emergency supplemental appropriations for NASA relief and recovery from Hurricane Katrina at the Stennis Space Center and Michoud Assembly Facility, as included in Title II of P.L. 109-148.

Aggregate NASA funding in this Operating Plan is \$16,623.1 million, an overall net increase of \$166.8 million from the President's original FY 2006 request, including \$349.8 million in emergency supplemental appropriations related to impacts of Hurricane Katrina. Within this total are:

- FY 2006 regular appropriations totaling of \$16,456.8 million, an increase of \$0.5 million above the President's request, including within the total \$568.6 million in Congressionally-directed interest items (198 discrete programmatic and site-specific items), and a number of specific reductions totaling \$540 million in ongoing or planned NASA science and technology programs;
- A reduction of \$46.2 million in FY 2006 regular appropriations for NASA as a result of the 0.28-percent rescission against all programs, projects, and activities included in P.L. 109-108;
- A further reduction of \$164.1 million in FY 2006 regular appropriations for NASA as a result of the 1.0 percent rescission against all programs, projects, and activities, included in P.L. 109-148, excluding emergency supplemental appropriations for Hurricane Katrina; and,
- An increase of \$27.0 million, pre-rescission, as a result of a transfer from NOAA to NASA pursuant to Section 209 of P.L. 109-108.

I am very appreciative of the action by the Committees on Appropriations and Congress in providing regular FY 2006 appropriations for the Agency totaling \$16,456.8 million—essentially the level of the President's FY 2006 request, before application of rescissions—including a strong endorsement for the Vision for Space Exploration, accelerated development of the Crew Exploration Vehicle (CEV) and Crew Launch Vehicle (CLV), and support for NASA's other core programs. This total funding level, with some adjustments within the total, will enable NASA to meet critical priorities, in accordance with direction of the Congress and the President.

The following table compares NASA's FY 2006 budget request with NASA's initial FY 2006 Operating Plan:

FY 2006 Budget (in millions of dollars)

	FY 2006 Regular Approps		0.28 Percent		1.0 Percent		Emergency Suppl. Approps*	Initial Operating Plan
	NASA Budget Request	Total Prior to Rescission	NOAA Transfer	Inst. Transfers	Rescission	Rescission		
<u>TOTAL NASA</u>	<u>16,456.3</u>	<u>16,456.8</u>	<u>27.0</u>		<u>-46.2</u>	<u>-164.4</u>	<u>349.8</u>	<u>16,623.1</u>
Science, Aeronautics & Exploration	9,660.9	9,761.4	27.0	58.7	-27.6	-98.2		9,721.3
Exploration Capabilities	6,763.0	6,663.0		-58.7	-18.5	-65.9	349.8	6,869.7
Inspector General	32.4	32.4			-0.1	-0.3		32.0

* Emergency supplemental represents an increase of \$25 million above requested level of \$324.8 million; rescission not applied against emergency supplemental.

This Operating Plan is presented in the appropriations and budget structure reflected in the NASA FY 2006 Budget Estimates submitted to Congress. A comparison of the FY 2006 budget request as originally submitted with this initial Operating Plan is provided in Enclosure 1. Congressional programmatic and site-specific interest items are displayed in Enclosure 2, by Mission Directorate, including the effect of both the 0.28 and 1.0 percent across-the-board rescissions. Enclosure 3 provides a detailed explanation of the changes within the Science, Aeronautics, and Exploration (SAE) and Exploration Capabilities (EC) accounts, including NASA adjustments for preserving priorities, and addressing emergent requirements and other urgent program requirements. Enclosure 4 provides detail regarding other notifications consistent with Section 605 of P.L. 109-108. Enclosure 5 provides an update for NASA's FY 2005 Operating Plan.

The discrete total of Congressional interest items, both site-specific (\$277.9 million) and programmatic (\$290.7 million), included in the Conference Report, is 198 items, at a value of \$568.5 million (prior to application of rescissions), a record-high total against the annual NASA appropriation, and an increase of more than \$100 million over last year. I am deeply concerned that the growth of these unrequested Congressional directions is eroding NASA's ability to carry out its mission of space exploration and peer-reviewed scientific discovery. I would like to note that the impact of Congressional direction of this magnitude could conflict with NASA's ability to strive to deliver the Crew Exploration Vehicle (CEV) by the earliest possible date following the 2010 retirement of the Space Shuttle as part of a balanced program of exploration, as directed in the recently enacted NASA Authorization Act of 2005 (P.L. 109-155). The redirection of funding, from levels planned in the

President's request, to support Congressional direction has resulted in measurable impacts upon NASA's ongoing Science and Education programs, including delays and/or cancellation of planned activities, as detailed below and in the enclosures to this letter. Further, the redirection of funding outside the Agency for site-specific projects may expand the overall size of NASA's "uncovered" workforce. I will continue to keep the Congress informed of the programmatic impacts due to Congressional direction, and I would like to work closely with the Committees in restraining these Congressional interest items in the future. I wish to assure the Committees that NASA will honor the \$568.5 million in unrequested Congressional directions, and NASA will assess appropriate administrative charges against them, consistent with full-cost management. I also would like to thank the Committees for direction in the Conference Report that stipulates that none of the funds for these interest items shall be for non-NASA construction projects.

NASA's initial FY 2006 Operating Plan reflects the restoration of an appropriations reduction totaling \$176.2 million within the Exploration Systems Mission Directorate (ESMD) in order to preserve the President's priorities for space exploration and ensure that adequate resources are available within Exploration Systems to support development of the CEV and Crew Launch Vehicle (CLV). With this restoration within ESMD, funding included in this Plan will support NASA's effort to launch the CEV by 2014, and to strive to launch it as close to 2010 as possible, consistent with guidance in the Conference Report and P.L. 109-155. This Exploration restoration is achieved primarily by reducing some Science Mission Directorate (SMD) activities that are not as high a priority, and maintaining Education at the level of the President's request. These adjustments preserve key Science priorities, consistent with direction in the Conference Report, while deferring a number of missions in early formulation and reducing in scope a number of supporting activities in order to focus funding on reducing risk for a more manageable set of current missions. I have also elected to absorb the general reduction specified for the SAE account within the SMD and to absorb science- and education-related earmarks with respective Mission Directorates. Overall, the adjustments in this Operating Plan are needed to support key directions in the Conference Report while preserving the President's priorities for NASA.

Several key features of NASA's initial FY 2006 Operating Plan are highlighted below:

Explorations Systems

As communicated to the Committee by letter dated September 19, 2005, NASA has concluded the Exploration Systems Architecture Study (ESAS), which outlines NASA's approach to implementing the Vision for Space Exploration. Based on ESAS recommendations, NASA has laid out a detailed plan to support sustained human and robotic lunar exploration operations. This plan features accelerated development of the CEV and launch systems for missions to the International Space Station, Moon, and Mars, and identifies key technologies required to enable this exploration architecture. To stay within planned budgets for Exploration Systems while developing CEV and launch systems, it is necessary to redirect existing funding for longer-term and lower-priority research and technology (R&T) elements within ESMD, while focusing on those R&T activities that support the acceleration of the CEV, launch systems and critical long lead items. Following the results of ESAS, and as described in the FY 2005 Operating Plan September Update, a total shift of \$785 million internal to ESMD from R&T to Constellation was anticipated, relative to original plans for FY 2006. Due to unfunded workforce issues and other related institutional adjustments, this reprogramming in this initial FY 2006 Operating Plan has been adjusted to a net shift of \$568.0 million relative to original plans, as summarized below:

- **Constellation Systems** ensures the next human flight system's availability by 2014 and strives to make it available earlier. This capability will enable humans to return to the Moon for week-long

stays as early as 2018, but no later than 2020. The first flights will be to the International Space Station (ISS) and will support crew delivery and meet cargo delivery requirements if commercial capabilities are not available to meet these requirements. A longer-duration human lunar presence is targeted for 2022. The changes in the R&T programs will provide funds required to accelerate the design, development, and fabrication of the elements and systems needed to support return to the Moon on the above timeline. Funding totaling \$52 million has been identified within Constellation Systems to support Commercial Cargo and Crew Services for FY 2006, as part of a half billion dollar investment in these capabilities.

- **Human System R&T** focus is sharpened, reducing program elements targeting longer-term or lower priority needs and funding program elements that mature technologies needed to support low-Earth orbit/ISS access and Lunar sortie missions. As a result, numerous contracts and activities have been discontinued, as reported in the FY 2005 Operating Plan September update. Consistent with guidance included in the NASA Authorization Act of 2005 (P.L. 109-155), NASA has reserved 15 percent of International Space Station research funds available in this Operating Plan for non-Exploration research.
- **Exploration Systems R&T** projects are realigned to support the ESAS' recommended architecture requirements. This realignment has resulted in a focused and phased, requirements driven R&T program in which some projects are curtailed, some are adjusted, and some are added. Ongoing projects are streamlined to deliver Technology Readiness Level 6 capabilities when needed (system preliminary design review) so as to enable the CEV, launch systems, and lunar lander development schedules. As a result, numerous tasks and activities have been discontinued, as reported in the FY 2005 Operating Plan September update.
- **Prometheus R&T** program elements have been deferred as a result of the ESAS architecture study. Surface nuclear power, a potential need for long-duration stays on the moon, will not be required until after 2018. Nuclear propulsion will not be required until planning for Mars missions begins in earnest. As reported in the FY 2005 Operating Plan September update, NASA will continue a low level of funding for key, high-priority, nuclear system R&T issues, with longer-term plans to increase funding in the future, as the need for long-duration lunar and Mars applications approaches. In addition, NASA will explore the potential for international participation in the development of nuclear capabilities.

Science

As outlined in previous FY 2005 Operating Plans and the President's FY 2006 Budget Amendment, NASA is making adjustments to the Science portfolio to ensure adequate resources for a smaller set of streamlined, high-priority missions, and their timely and successful launches.

- **Solar System.** The Mars Program is poised to achieve a successful mission during each launch window (roughly every two years). This initial FY 2006 Operating Plan includes additional resources to fund risk reduction for the Phoenix Scout (2007) and Mars Science Lab (2009), while reducing the scope of next decade activities in order to provide funding for other Science programs. In exploring the options for undertaking a Europa mission, it was clear that taking on a large additional mission at this time would add unacceptable risks to the planned schedules of existing missions. By carefully phasing its larger solar system missions, NASA will improve the performance of each mission. This Operating Plan reflects the selection of the JUNO New Frontiers mission to Jupiter, which will include observations of Europa and other Jupiter moons. Consistent with these flight mission changes, this Operating Plan also slows the development of

advanced technologies, consistent with need dates, including advanced radioisotope power systems, solar sails, aerocapture, and chemical and solar electric propulsion technologies.

- **Universe.** Additional funding is provided for the Gamma Ray Large Area Space Telescope (GLAST) and for the previously delayed Kepler mission, reducing risk to these nearer-term missions. Consistent with direction in the Conference Report, full funding is provided for a potential Hubble Space Telescope servicing mission targeted for not earlier than December 2007 pending results of the next Return to Flight mission, and funding is provided for James Webb Space Telescope consistent with the request level. This Operating Plan reflects a decision to shift Terrestrial Planet Finder well into the next decade and to begin a Beyond Einstein mission later in this decade after undertaking mission architecture and technology studies. While no adjustments are made in funding for SOFIA in this Operating Plan, NASA is continuing to assess the implications of continued growth in development and operations costs for this mission.
- **Earth-Sun Systems.** The FY 2006 funding for a free-flyer Glory mission is included, along with funding to help restore several projects affected by FY 2005 funding reductions, such as the Solar Dynamics Observatory (SDO), and several missions in extended operations are continued, including Voyager. The Global Precipitation Mission (GPM) project will be deferred for two years. The Hydros mission, funded as a back-up mission in case Aquarius and OCO failed, will not be funded given the success of Aquarius and OCO confirmation reviews.

By memo dated December 23, 2005, the President's Science Advisor outlined a revised Landsat data continuity mission strategy. Under this plan, the NPOESS program will continue without incorporating a Landsat-type instrument. NASA will acquire a single Landsat data continuity mission in the form of a free-flyer spacecraft to collect the required land surface data and deliver its data to the Department of Interior (DOI)/United States Geological Survey (USGS). DOI, through USGS, will be responsible for the operations of the Landsat data continuity mission and for the collection, archiving, processing, and distribution of the land surface data to the U.S. Government and other users. Detailed roles and responsibilities of NASA and DOI for this near-term Landsat data continuity mission will be ratified by both agencies and will be commensurate with the final acquisition approach and selection. An approach for implementation of this mission will be sought that enables a long-term solution for continuity of Landsat-type data that does not rely on future NASA budget resources. Funding in this Operating Plan is sufficient to support FY 2006 requirements for a Landsat data continuity mission.

- **Research.** Consistent with streamlining flight missions, research programs within each Theme are reduced by about 15 percent, and the number of new research awards in FY 2006 is reduced.

Aeronautics

NASA is appreciative of the support reflected in the Conference Report for the reshaping of the Aeronautics Research Program. Consistent with the Conference Report, this reshaping will re-establish NASA's dedication to mastery of core competencies in subsonic, supersonic and hypersonic flight; focus safety research on activities appropriate to NASA's unique capabilities; directly address the needs of the Next Generation Air Transportation System (NGATS) in partnerships with the FAA and other agencies; and initiate the Aeronautics Test Program to preserve the Aeronautics Research Center wind tunnel infrastructure in support of critical Agency and national needs.

Within the Fundamental Aeronautics Program, NASA will establish continual, long-term investment in foundational research with an increased investment in Hypersonics and Rotorcraft technologies, as well as a healthy wind tunnel infrastructure at the NASA Research Centers.

Aeronautics is also transforming the Aviation Safety and Security Program into the Aviation Safety Program in order to focus research on critical safety technologies (e.g. Integrated Vehicle Health Management and Aircraft Aging and Durability) while eliminating investments in security research more appropriately performed and funded by other government agencies. The Airspace Systems Program has also been realigned to focus NASA's investment on research that directly addresses air traffic management R&D needs of NGATS as defined by the Joint Planning and Development Office.

NASA is working closely with the Office of Science and Technology Policy to develop a national Aeronautics policy for submission to the Congress later this year, as directed in P.L. 109-108 and P.L. 109-155.

Cross –Agency Support Programs

This new direct budget category within the SAE account provides focus to several ongoing activities and establishes an improved model for managing NASA's unique facilities. Included within Cross-Agency Support Programs (CASP) are the Education theme, the Integrated Enterprise Management Program (IEMP), the Innovative Partnership Program (IPP), and a newly established Shared Capability Assets Program.

The IEMP is now consolidated into a directly funded NASA program. In prior years, the Program's baseline only reflected funds from Corporate G&A. This consolidation reflects a transfer of funding which was previously included within Corporate and Center G&A, including operations costs. The Agency has also transferred the responsibility for several existing or new business systems to IEMP. These consolidations and additions have increased the Program's baseline, relative to the prior baseline that was only the Corporate G&A portion, but do not represent an actual increase to Program cost or overall Agency funding.

As reported in the FY 2005 Operating Plan September update, management of the IPP has been reassigned from ESMD to the Office of the Administrator so that this cross-directorate program can be managed at the Agency level, and funding has been shifted from the ESRT theme in ESMD to this new CASP budget category. The IPP includes the Small Business Innovative Research (SBIR) and the Small Business Technology Transfer (STTR) programs, the Technology Transfer Program, and cooperative activities with universities. Because the Enterprise Engine is expected to benefit multiple Mission Directorates, NASA will also implement this effort as part of the IPP.

NASA has established a corporately managed Shared Capability Asset Program, designed to preserve key NASA assets and capabilities that are mission-critical and/or considered unique national assets, and to ensure that funding is provided for long-term investment in facilities that support mission-related activities and strategic needs. NASA will use this new program approach to identify appropriate opportunities for divestment of some capacity and return the savings to further enhance the remaining capabilities and assets. NASA will continue to locate funding for most asset classes identified as part of this new program within the Mission Directorate(s) that manage the day-to-day activities of these asset classes. At this time, NASA has identified the following asset classes for inclusion in the Shared Capability Asset Program:

- Wind Tunnels (Aeronautics Test Program/ATP), funded within the Aeronautics Research Mission Directorate;
- Supercomputing/High-End Computing Columbia (HECC), funded within the Science Mission Directorate;
- Rocket Propulsion Test (RPT), funded within the Space Operations Mission Directorate;

- Thermal Vacuum Chambers (TVC); funded within various Mission Directorates at multiple NASA installations; the specific plans for management of the TVC is still under review.

The only asset class requiring additional investment in FY 2006 is HECC; additional resources have been identified across Mission Directorates based upon their percentage of Agency budget and use of high-speed computing. Because of the criticality of these asset classes for current and future missions, NASA is ensuring that pricing policies implemented will result in competitive, fair, and stable pricing structures. The required result is to ensure that these facilities are maintained and staffed in a “ready-for-testing” condition, while maintaining full cost management principles.

Education

In order to ensure funding for critical priorities of the Congress and the President, NASA is accommodating funding requirements for FY 2006 Congressionally-directed education activities within the request level for the Education budget. Within the funding level at the President’s request, NASA expects to maintain the existing Agency education workforce at the field Centers, thereby retaining the infrastructure necessary to support future Education program efforts, and to seek cooperation with partners and constituents to maintain critical affiliations with students, teachers, faculty and institutions. We will also look to all funding recipients for increasingly innovative approaches to leverage opportunities to continue our investments in future NASA and aerospace industry workforce needs, provide continuity in a progression of educational opportunities, and to promote science, technology, engineering, and mathematics literacy and awareness of NASA’s mission. In order to accommodate the Congressionally-directed education activities, NASA will redirect a total of \$82.7 million (post-rescissions) within the Education budget. This redirection will result in curtailment or elimination of many long-standing programs which reach the formal education community (students, teachers, faculty, education administrators, and institutions) and the informal education community (museums, planetaria, and community organizations).

Space Shuttle Return to Flight

As NASA enters FY 2006, the first Return To Flight (RTF) mission has been completed, and the post-flight analyses have positioned the Shuttle Program to re-assess the RTF work remaining and to adjust the work content through completion of the second RTF mission. NASA’s current estimate for FY 2006 RTF costs is approximately \$288 million, consistent with the last update provided to the Congress in June 2005. Various RTF activities are undergoing reassessments and will be re-examined by program control boards through January 2006. Based on the resultant control board decisions, the cost estimates for RTF activities will be revised and an updated estimate will be provided to the Committee as part of NASA’s next Return to Flight Implementation Plan. NASA expects that not all of the work associated with the current FY 2006 estimate will be continued and that the revised estimate will be lower. Barring any unforeseen events leading to the second RTF mission, or anomalies discovered as a result of that mission, NASA intends to absorb any residual RTF work from FY 2006 into the FY 2007 baseline and will cease tracking RTF costs separately.

Katrina Response and Recovery

As a result of Hurricane Katrina, significant damage was sustained by NASA’s Michoud Assembly (MAF), Louisiana, and Stennis Space Center (SSC), Mississippi. MAF, near New Orleans, is NASA’s manufacturing site for the Space Shuttle external tanks. As NASA’s premier rocket propulsion testing site, SSC is unique in the Nation for testing large rocket engines, including the Space Shuttle main engine. The Center also hosts the NASA Shared Services Center (NSSC) and a number of other Federal agencies on its campus. In advance of the Administration’s request for emergency

supplemental appropriations for NASA Katrina costs, NASA identified \$100 million within available Space Operations appropriations in the FY 2005 Operating Plan September update for immediate Katrina-related costs (\$15 million, Safety and Sustainability; \$85 million, International Space Station Cargo/Crew Services).

On October 28, 2005, the Administration submitted an emergency supplemental request, including \$324.8 million for NASA, for necessary expenses related to the consequences of Hurricane Katrina. This request was intended to support response and recovery needs through at least May 31, 2006, for recovery needs at SSC and MAF, including repair and replacement of real property and communications and IT infrastructure; environmental remediation; emergency operations; and, satellite and aircraft imagery for evaluation of hurricane damage. Excluded from the request were costs for programmatic recovery efforts involving Shuttle External Tank (ET) hardware and test equipment, travel and personnel relocation; contingency for facilities and infrastructure rebuilding; and hardening of buildings at MAF and SSC that could be deferred.

Emergency supplemental appropriations for NASA Katrina costs totaling \$349.8 million were included as part of Title II of the FY 2006 Defense Appropriations Act (P.L. 109-148). This amount, in addition to the \$100 million identified in the FY 2005 Operating Plan, will enable NASA to address SSC and MAF recovery operations.

International Space Station (ISS)/ISS Cargo/Crew Services

As a result of the Congressional \$60 million reduction to ISS Cargo/Crew Services, this initial FY 2006 Operating Plan reflects a balance of \$100 million available in ISS Cargo/Crew Services, pre-reversion, which will accommodate funding required for Russian Cargo and Crew Services and Commercial Cargo and Crew Services. As noted above, \$52 million has been identified within Exploration Systems/Constellation Systems to support anticipated FY 2006 requirements for Commercial Cargo and Crew Services as defined in NASA's January 18, 2006, solicitation calling for a demonstration from industry providing cargo and/or crew to lower Earth orbit. As part of the FY 2005 Operating Plan update submitted with this letter, NASA is reprogramming \$20 million of the \$85 million that was previously reallocated from ISS Cargo/Crew Services for Katrina recovery back into ISS Cargo/Crew Services; this \$20 million will be made available for efforts related to Commercial Cargo and Crew Services capabilities. With a limited number of Space Shuttle flights available to support ISS assembly before the Shuttle's retirement in 2010, NASA has established a Commercial Cargo and Crew Services element within the Constellation Systems program to provide ISS logistical transport. The Commercial Cargo and Crew Services budget is the primary planned means of supporting ISS transport in the next decade. The CEV will also be capable of meeting some ISS logistics, if necessary, once it comes on line, if a cost-effective commercial alternative does not arise. Proposals are due from industry in March, and awards are planned in May 2006. A total of \$520 million is budgeted to provide for the demonstration of commercial transportation capabilities.

Institutional Investments

Effective in this Operating Plan, funds have been withdrawn from Corporate and Center G&A to establish an Institutional Investments budget category to highlight the importance of these resources. Institutional Investments includes non-programmatic discrete and minor revitalization construction projects previously funded in Center G&A, facility demolition projects, previously funded in Corporate G&A, and environmental compliance and restoration activities, previously funded in Corporate G&A. Previously, these funds were incorporated within Mission Directorate totals based on a governance model which involved management of specific field Centers by a given Mission Directorate. Under the

new governance model in which field Centers report to the Administrator, these funds have been respread, by Mission Directorate, according to their percentage of total Agency appropriations.

Institutional Transfers

Institutional transfers and adjustments have been made in this Operating Plan resulting in a transfer of \$58.7 million to Science, Aeronautics, and Exploration from Exploration Capabilities. These transfers established the IEMP, the Shared Capabilities Asset Program, Institutional Investments, and the Independent Technical Authority Agency service pool.

Workforce and NASA's Field Centers

NASA relies on its human capital to maintain the Agency's ability to accomplish the Vision for Space Exploration and other Agency missions. NASA's goal is to maintain and support competencies at its field Centers in support of all Missions Directorates and Agency programs. In addition, NASA must maintain a top-notch staff of technical and support personnel to address myriad engineering, science, financial, acquisition, and business management functions. We will continue to refine the skill mix at the field Center level to achieve the necessary capabilities that will support the goals of the Nation in exploration, aeronautics, and science as set forth by the President and Congress as reflected in the FY 2006 Appropriations Conference Report and the NASA Authorization Act of 2005. This effort will be moderated by setting realistic workforce objectives with limited resources.

In an effort to accomplish the necessary rebalancing and reshaping of the workforce, the Agency is conducting buyouts at all NASA Centers and Headquarters. Buyouts have been offered across the Agency to employees in positions identified with excess competencies. To date, 303 employees have taken advantage of these buyouts in FY 2006. NASA's current estimated "uncovered" workforce—that is not directly assigned to specific programs—after recent buyouts, is approximately 920 civil servants. NASA has initiated an aggressive plan to rebalance program work, beginning FY 2006, with a goal of eliminating or reducing the need for a reduction in force in FY 2007, consistent with provisions of P.L. 109-155. The objective is to assign work equitably to maintain a reasonable program balance among the ten NASA Centers without compromising the achievement of the Agency's goals. A team of representatives from all NASA Centers and Mission Directorates has worked together to identify the competencies available at the Centers and work available for placement. Results from this process should be completed by the end of FY 2006.

I look forward to working with the Committee on the implementation of NASA's initial FY 2006 Operating Plan.

Sincerely,



Michael D. Griffin
Administrator

5 Enclosures