

S. HRG. 108-986

**NOMINATIONS TO THE NATIONAL AERONAUTICS
AND SPACE ADMINISTRATION, THE DEPARTMENT
OF TRANSPORTATION, AND THE METROPOLITAN
WASHINGTON AIRPORTS AUTHORITY**

HEARING

BEFORE THE

**COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION**

UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

SEPTEMBER 17, 2003

Printed for the use of the Committee on Commerce, Science, and Transportation



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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

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**NOMINATIONS TO THE NATIONAL
AERONAUTICS AND SPACE ADMINISTRATION,
THE DEPARTMENT OF TRANSPORTATION,
AND THE METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY**

WEDNESDAY, SEPTEMBER 17, 2003

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 2:30 p.m. in room SR-253, Russell Senate Office Building, Hon. John McCain, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. JOHN McCAIN,
U.S. SENATOR FROM ARIZONA**

The CHAIRMAN. Good afternoon. The Commerce Committee meets today to consider the qualifications of three individuals who have been nominated by the President to serve the Nation in very important posts.

First, Ms. Gwendolyn Brown has been nominated to be Chief Financial Officer (CFO) of the National Aeronautics and Space Administration (NASA). Ms. Brown is currently serving as the Deputy CFO for Financial Management at NASA.

Second, Mr. Karan Bhatia has been nominated to be the Assistant Secretary of Aviation and International Affairs at the Department of Transportation. In his position, he will have principal responsibility for the development, review, and coordination of policy for international transportation and for the development, coordination, and implementation of policy relating to economic regulation of the airline industry.

Finally, Mr. Charles D. Snelling has been nominated as a Member of the Board of the Metropolitan Washington Airport Authority (MWAA).

As my colleagues are aware, we have votes beginning in a very short period of time, and that's why I'd like to dispense with my opening statement and recognize my two colleagues, Senator Stevens and Senator Specter, who I think would have opening remarks.

Is Mr. Snelling here?

Mr. SNELLING. Yes.

The CHAIRMAN. Please come up to the table, if you would, Mr. Snelling, and drag a chair up there. And you're welcome. Senator Specter is a very friendly man. He'll be glad to—

[Laughter.]

The CHAIRMAN.—have you sit next to him.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT OF HON. JOHN MCCAIN, U.S. SENATOR FROM ARIZONA

Good afternoon. The Commerce Committee meets today to consider the qualifications of three individuals who have been nominated by the President to serve the Nation in very important posts. First, Ms. Gwendolyn Brown has been nominated to be Chief Financial Officer (CFO) of the National Aeronautics and Space Administration (NASA). Ms. Brown is currently serving as the Deputy CFO for Financial Management at NASA.

Over the years, NASA has been criticized for its extensive cost overruns on many programs. This Committee has been amazed at the lack of discipline in the financial management controls at NASA. Many times in the past, the Congress only heard of major cost overruns when it reached the point where significant modifications of the budget were required. We will no longer tolerate such lax fiscal oversight nor risk its related consequences. We look to the CFO to be forthcoming with the Congress and to implement the necessary fiscal controls over its programs.

In addition, we anxiously await the Administration's estimates of the activities necessary for the return to flight of the Space Shuttle orbiters. It also is our understanding that NASA has yet to estimate the costs and future budgetary impacts incurred by the International Space Station program because of the grounding of the Space Shuttle fleet. In the future, as we discuss the cost of returning the Shuttle to flight, we also must consider the rising cost of the Space Station.

Second, Mr. Karan Bhatia has been nominated to be the Assistant Secretary of Aviation and International Affairs at the Department of Transportation. In his position, he will have principal responsibility for the development, review, and coordination of policy for international transportation, and for the development, coordination, and implementation of policy relating to economic regulation of the airline industry. Mr. Bhatia has a strong and varied background in commerce and aviation and we look forward to working with him on competition and economic related issues in the aviation industry as well as U.S./European Union aviation developments.

Finally, Mr. Charles D. Snelling has been nominated as a member of the board of the Metropolitan Washington Airports Authority (MWAA). MWAA has oversight over Reagan National Airport and Dulles International Airport. Our aviation industry is still in a precarious state and these two important airports will need strong management. Let me note that MWAA itself has been the subject of several contract award lawsuits and investigations by the DOT IG and GAO on contracting practices. I realize that one of the lawsuits have been dismissed summarily, and MWAA has made significant changes in its contracting practices after GAO's report; however, we must remain diligent in our oversight in this area.

This Committee takes its advice and consent role very seriously, and I will note that each of the nominees has responded in detail to the Committee's requests for biographical and financial data. I have had the opportunity to review your responses to the Committee questionnaire as well as pre-hearing questions, and I look forward to moving your nominations quickly.

I thank the nominees for being here today. I know your nomination is a great honor, and that your families are very proud. Please feel free to introduce any family members who are present here today before you begin your remarks.

The CHAIRMAN. So, Senator Stevens, if you'd like to go first, and then Senator Specter, and then we'll have brief opening statements from the witnesses.

Senator Stevens?

**STATEMENT OF HON. TED STEVENS,
U.S. SENATOR FROM ALASKA**

Senator STEVENS. Mr. Chairman, let me put my statement in the record, if you will, and introduce to you Gwen Brown.

The CHAIRMAN. Without objection.

Senator STEVENS. Let me introduce to you Gwen Brown. Gwen has been a staff member of mine. She has distinguished herself in her past career in the government. As my statement says, she has

received the honor of being Employee of the Year this past year. Her father, who's here with her, is a great friend of mine from Anchorage. I'm delighted that the President has nominated Gwen.

[The prepared statement of Senator Stevens follows:]

PREPARED STATEMENT OF HON. TED STEVENS, U.S. SENATOR FROM ALASKA

Good afternoon. It's an honor to be able to introduce Gwen Brown today. Gwen and I go all the way back to her days as a Legislative Correspondent in my D.C. office. Gwen served on my staff for five years and she was responsible for several important housing, taxation, and economic development initiatives.

Since then, Gwen has continued to serve the public with distinction. She was a Senior Program Analyst with the Office of the Under Secretary of Defense at the Pentagon.

Currently she serves as Deputy Financial Officer for Financial Management at NASA; her performance earned her NASA's Exceptional Achievement Medal earlier this year. She will make an excellent Chief Financial Officer.

The CHAIRMAN. Thank you. We're always pleased to have the under-represented State of Alaska—

[Laughter.]

The CHAIRMAN.—in an important position here. Senator Specter?

**STATEMENT OF HON. ARLEN SPECTER,
U.S. SENATOR FROM PENNSYLVANIA**

Senator SPECTER. Thank you, Mr. Chairman.

I'm delighted to be here to introduce Charles Snelling. He has a graduate degree from Lehigh University in mining engineering. He founded Cyrotherm, a pioneer in applied thermodynamics. He's a director of numerous companies. He served 4 years as the president of the Allentown City Council. He was appointed by President Ford, in 1976, to the President's Commission of Personnel Interchange. And he was later appointed to serve on the U.S. Small Business Administration's National Advisory Council, and appointed by Governor Ridge to be a member of the Pennsylvania Aviation Advisory Committee.

I've known Mr. Snelling for three decades. And sometimes our appearances here are perfunctory, but this one is not. He also has done enormous service for Senator Santorum and myself on the Judicial Nominating Panel. He is a devoted public servant, arduous, effective, and perhaps I should not emphasize too much he's a good friend of mine, but he is.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Specter. I want to thank both you and Senator Stevens for coming here and introducing the witnesses today. I know you both have very heavy schedules, and I think it's very helpful for the Committee.

I thank Senator Stevens and Senator Specter for being here.

If it's agreeable to the witnesses at this time, I'd like for you to introduce members of your family in the audience so we can recognize them, since I know that all of them have been very important in getting you where you are today.

We'll begin with you, Ms. Brown.

Ms. BROWN. Great, thank you, Mr. Chairman.

First, I would like to introduce my parents, Bill and Sandra Sykes.

The CHAIRMAN. Welcome.

Ms. BROWN. I also have secondary parents, being from Alaska and living here in Washington, D.C., I have Colonel Paul and Gwen Patton.

The CHAIRMAN. Raise your hands, please? Thank you.

Ms. BROWN. I also have my loving—

The CHAIRMAN. Would you stand, then? I couldn't see it.

[Laughter.]

The CHAIRMAN. Thank you. Welcome.

Ms. BROWN. I also have my godchildren here, Celina and Carl Jerome Core. You two can stand up, because you probably won't be able to see them, definitely.

Hi, guys.

The CHAIRMAN. Welcome. Thank you for coming today. I'm sorry you had to miss school. I know it's a very great imposition for you.

[Laughter.]

Ms. BROWN. We're teaching them the legislative process today.

The CHAIRMAN. Good.

Ms. BROWN. Then we also have someone who has become quite a part of my family, keeps me on track, and actually got me here on time, which would be Aliza Margolies, which is my personal assistant. So thank you.

The CHAIRMAN. Thank you. Welcome.

Welcome to all of you, especially your parents. I know this is a very proud moment for you, and we're very pleased you could be here today.

Mr. Snelling?

Mr. SNELLING. Mr. Chairman, I'm glad to introduce my wife of 52 years, Adrienne.

The CHAIRMAN. Congratulations.

Mr. SNELLING. My daughter, Penny, who's a lawyer.

The CHAIRMAN. Would you stand, please?

Mr. SNELLING. My assistant, Marianne Vogle.

The CHAIRMAN. Welcome, and thank you. And I know this is a proud time for you, as well.

Mr. Bhatia?

Mr. BHATIA. Thank you very much, Senator.

I'd like to introduce my wife, Sara, my son, Alexander—

[Laughter.]

The CHAIRMAN. Welcome.

Mr. BHATIA.—and my parents, Samir and Janice Bhatia. My younger son, Teddy, I visited with extensively last night at about the hour of 3 a.m., so I spared him from visiting us today.

The CHAIRMAN. It's an excellent experience for you.

[Laughter.]

The CHAIRMAN. Welcome, and welcome to your family members, and especially your parents.

Mr. BHATIA. Thank you.

The CHAIRMAN. Well, thank you.

I'd like to just make a couple of comments. Then we'll proceed with opening statements. As I mentioned, we'll have a vote starting very soon.

Ms. Brown, I'm very concerned about the financial aspects of our new challenges we face as a result of the Gehman Commission rec-

ommendations, which Director O’Keefe has said they accept in total. I think there’s going to be significant costs associated with that. We need to know those things, and we look forward to hearing from you on that. There’s going to be some very tough decisions that are going to have to be made about the future of manned spaceflight, the International Space Station, and money will be a very—unfortunately, a very important factor in that decision-making process, which I know you can appreciate.

Mr. Bhatia, we probably are facing challenges as far as aviation as well as international affairs are concerned. We continue to have threats to our Nation. We continue to have an ailing aviation industry, even if our economy is recovering. And we look forward to working with you very closely.

Mr. Snelling, I’m sorry to tell you my relations with the Metropolitan Washington Airports Authority has been less than rosy.

[Laughter.]

The CHAIRMAN. On the issue of slots, I understand that you will be making judgments on these issues. I trust that you will make those decisions as you see best, and I thank you for your willingness to serve on this very important—especially to us Members of Congress—piece of real estate in the Washington, D.C., area.

So I congratulate you, and we look forward to bringing your names forward for confirmation as quickly as possible.

So, Ms. Brown, if you could abbreviate your opening statement as much as possible, but don’t leave out anything you think we need to know, we’d appreciate it. We’ll begin with you.

And your prepared statements will all be made part of the record.

Ms. Brown?

**STATEMENT OF GWENDOLYN BROWN, PRESIDENT’S NOMINEE
TO BE CHIEF FINANCIAL OFFICER, NATIONAL AERONAUTICS
AND SPACE ADMINISTRATION**

Ms. BROWN. Thank you, Mr. Chairman.

Mr. Chairman and Members of the Committee, it is a pleasure to be here this afternoon. I am extremely honored to be the President’s nominee as Chief Financial Officer for the National Aeronautics and Space Administration in NASA’s 45th year, pioneering the future. If confirmed, I will enter the job fully committed and dedicated to continuing managing NASA’s financial management operations with unflinching diligence and integrity.

It is a distinct honor for me to be introduced to the Committee today by the President Pro Tem of the Senate, Senator Ted Stevens. Early in my career, he taught me the lifelong lessons about the value of public service. Now as I intend to contribute to the agency’s advancement of exploration and discovery of humanity’s newest frontier, I am honored that he is here today.

I am very pleased that my father, Bill Sykes, and mother, Sandra Sykes, are sharing this special experience with me today. I owe a lot to my father, including the fact that his service in the United States Air Force brought our family to Alaska. My father taught me the value of public service and has been my constant and faithful guide throughout my Federal career. From my mother, I learned the value of caring for others and what it means to be a

public servant. As a nurse midwife, she traveled the bush planes throughout rural Alaska to bring new lives into the world in places where medical care was not readily available. She completed her career this year by serving as a prison nurse, a job in which her expression of respect and care may have helped more than a few individuals get back on the right path in life.

I have also been honored throughout my career to serve with many distinguished people. Here today is one of my mentors, Alvin Tucker, the former Deputy Chief Financial Officer for the Department of Defense. He took a young lady from Alaska, showed her the ropes, and taught me how government financial managers provide judicious management of scarce taxpayer resources.

I would also like to acknowledge the presence of Calvin Springfield, a good friend and sage counsel to me for over many years. I also had the benefit of working with many professional individuals who have been instrumental in my career in leading and guiding me—Colonel Paul and Gwen Patton, Gerald Parker, Ermerdene Lee, Marlana Hunter, Daphne Jefferson, and Carolyn Carmack—all of whom have played a part in formulating my goals and vision for effectively managing in these challenging days ahead for NASA.

As I hope I have conveyed, these treasured friends and family members exemplify qualities I plan to emulate in the position of Chief Financial Officer. Accordingly, I would like the Committee to know that I recognize the importance of maintaining NASA's financial integrity as we safely return to flight, continue our Nation's exploration and discovery of new horizons, and produce tangible technological and economic benefits for the American public. Effective financial management is critical as we address both our challenges and opportunities in the months and years ahead.

Thank you.

[The prepared statement and biographical information of Ms. Brown follow:]

PREPARED STATEMENT OF GWENDOLYN BROWN, PRESIDENT'S NOMINEE TO BE CHIEF FINANCIAL OFFICER, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. Chairman and Members of the Committee, it is a pleasure to be here this afternoon. I am extremely honored to be the President's nominee as Chief Financial Officer for the National Aeronautics and Space Administration, in NASA's 45th year of pioneering the future. If confirmed, I would enter the job fully committed and dedicated to continue managing NASA's financial management operations with unfaltering diligence and integrity.

It is a distinct honor for me to be introduced to the Committee today by the President Pro Temp of the Senate, Senator Ted Stevens. Early in my career, he taught me the life-long lessons about the value of public service. Now, as I intend to contribute to the Agency's advancement of exploration and discovery of humanity's newest frontier, I am honored that he is here today.

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financial Officer for the Department of Defense. He took a young lady from Alaska, showed her the ropes, and taught me how Government financial managers provide judicious management of scarce taxpayer resources. I would like to acknowledge the presence of Calvin Springfield, a good friend and sage counsel to me over many years. Also, I have had the benefit of working with many professional individuals who have been instrumental in my career in leading and guiding me—Lt. Colonel Paul and Gwen Patton, Gerald Parker, Ermerdene Lee, Marlana Hunter, Daphne Jefferson, and Carolyn Carmack, all of whom have played a part in formulating my goals and vision to effectively manage in these challenging days ahead for NASA.

As I hope I have conveyed, these treasured friends and family members exemplify qualities I plan to emulate in the position of Chief Financial Officer. Accordingly, I would like the Committee to know that I recognize the importance of maintaining NASA's financial integrity as we safely return to flight, continue our Nation's exploration and discovery horizons, and produce tangible technological and economic benefits for the American public. Effective financial management is critical as we address both our challenges and opportunities in the months and years ahead.

My 17 years of public service and financial management experience, have prepared me well, I believe, for the challenges I will face. Further, I am honored that during Administrator Sean O'Keefe's tenure, he has shown confidence in my abilities which has been reflected by the important assignments he has bestowed upon me. After joining the Agency as the Deputy Chief Financial Manager, Mr. O'Keefe ask me to take on the challenge of leading the organization through its Fiscal Year 2002 audit. We recently achieved a clean opinion from the Government's independent auditor. This improvement from the Agency's disclaimer of opinion for its Fiscal Year 2001 financial statements was a first step in improving NASA's financial credibility.

In addition to achieving a clean opinion, the implementation of the new NASA Core Financial Management Systems throughout NASA was our next accomplishment. This entailed the consolidation and retirement of ten legacy accounting systems at each of the respective ten centers into one accounting system. I am pleased to report that as of July 2003, we have fully implemented the Core Financial management module of NASA's new Integrated Financial Management Program. I am confident that this program will enhance NASA's ability to use internal financial information to provide the Congress and the American public with greater transparency, accountability and performance of NASA's use of scarce public resources.

These are just a few innovations that I am proud to have contributed to in helping to strengthen NASA's financial management. I believe we have taken the first step in a long process to restore credibility in financial management at NASA. I am committed to Administrator O'Keefe's goals and we plan to achieve them. I look forward to the prospect of working with the Committee to continue the enhancement of effective financial management of our Nation's aeronautics and space activities and I am prepared to accept this challenge.

Thank you for the opportunity to appear before the Committee today. I would be pleased to respond to any questions the Committee may have.

Thank you.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nick names used.): Gwendolyn Brown; maiden name: Gwendolyn Sykes.

2. Position to which nominated: Chief Financial Officer for the National Aeronautics and Space Administration.

3. Date of nomination: July 17, 2003.

4. Address (List current place of residence and office addresses.):

Residence: Information not released to the public.

Office: National Aeronautics and Space Administration, Headquarters, Code B, 300 E Street SW, Washington, D.C. 30546-0001.

5. Date and place of birth: September 20, 1965; West Point, New York.

6. Marital status: (Include maiden name of wife or husband's name.)

Separated. Ex-Spouse name: Kelly Brown.

7. Names and ages of children: (Include stepchildren and children from previous marriages.)

Not Applicable.

8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)

The American University, The Key Executive Program, Washington, DC 20016, Public Administration, MPA, 2001.

The Catholic University of America, Washington, D.C. 20064, Accounting/Minor English, BA, 1987.

East Anchorage High School, Anchorage, Alaska 99503, May 1983.

9. Employment record: (List *all* jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)

11/2002 to present: National Aeronautics and Space Administration, Deputy Chief Financial Officer for Financial Management, NASA HQ, Code B, 300 E Street SW, Washington, D.C. 20546-0001; Employer: The Administrator for NASA, Mr. Sean O'Keefe.

01/1998 to 10/2002: Department of Defense, Office of the Under Secretary of Defense (Comptroller), Program/Budget (Program and Financial Control), Program Analyst, GS-0343-15, 1100 Defense Pentagon, Washington, D.C. 20301-1100; Employer: Mr. James Dominy.

06/1997 to 01/1998: Department of Defense, Office of the Under Secretary of Defense (Comptroller), Program/Budget (Program and Financial Control), Program Analyst, GS-0343-15, 1100 Defense Pentagon, Washington, D.C. 20301-1100; Employer: Ms. Carolyn Carmack (Retired).

04/1996 to 06/1997: Department of Defense (Directorate for Information Technology and Financial Management), Management Analyst, GS-0343-14, 1100 Defense Pentagon, Washington, D.C. 20301-1100; Employer: Mr. Frank Egan (Retired).

06/1992 to 04/1996: Department of Defense, Management Analyst, GS-343-09-13, 1100 Defense Pentagon, Washington, D.C. 20301-1100; Employer: Ms. Joan Freeman (Retired)

04/1991 to 05/1992: Senator Ted Stevens—Alaskan Office, Legislative Research Assistant, 522 Hart Building, Washington, D.C. 20510; Employer: Ms. Carol White (Retired).

05/1988 to 03/1991: Senator Ted Stevens—Alaskan Office, Special Project Coordinator, 522 Hart Building, Washington, D.C. 20510; Employer: Ms. Carol White (Retired).

07/1987 to 04/1988: Defense Contract Audit Agency, Defense Contract Auditor, GS-07, Silver Springs, Maryland 21017; Employer: Ms. Dorothy Awishika.

08/1983 to 05/1987: College student at the Catholic University of America.

05/1983 to 07/1983: Senator Ted Stevens—Alaskan Office, High School Intern Program, 522 Hart Building, Washington, D.C. 20510; Employer: Ms. Carol White (Retired).

10. Government experience: (List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments, other than those listed above.)

Not Applicable.

11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.)

American Society of Military Comptrollers, 1992 to current. Held the position of the Office of the Under Secretary of Defense (Comptroller) Vice President for the Washington Chapter of the American Society of Military Comptrollers.

Association of Government Accountants, 1996 to current. Became a Certified Government Financial Manager in September of 1996.

12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable and other organizations.)

American Society of Military Comptrollers, 1992 to current. Held the position of the Office of the Under Secretary of Defense (Comptroller) Vice President for the Washington Chapter of the American Society of Military Comptrollers.

Association of Government Accountants, 1996 to current. Became a Certified Government Financial Manager in September of 1996.

Member of the Department of Defense Senior Professional Women's Organization since 1997 to current.

Member of the Alaska State Society since 1990.

Member of the Republican Women of Capital Hill member from May 1988 to March 1991.

13. Political affiliations and activities:

(a) List all offices with a political party which you have held or any public office for which you have been a candidate: Not Applicable.

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years: Not Applicable.

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years: Not Applicable.

14. Honors and awards: (List *all* scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.)

Recipient of NASA's Exceptional Achievement Medal (July 9, 2003).

Letter of Appreciation from the Chief Financial Executive for the National Imagery and Mapping Agency (NIMA) for my support during the final phase of adjusting NIMA's budget (February 5, 2002).

Letter of Commendation from the Department of Defense, Office of the Inspector General for expert assistance during the preparation of the President's Budget (January 11, 2002).

Letter of Appreciation from the Under Secretary of Defense (Comptroller) for selfless service in the completing the Fiscal Year 2002 amended budget (July 30, 2001).

Certificate of Appreciation for the Coordination of the Protocol Committee for the 1999 Spring Symposium for the American Society of Military Comptrollers.

Elected in 1997 and continue to hold the position of the Office of the Under Secretary of Defense (Comptroller) Vice President for the Washington Chapter of the American Society of Military Comptrollers.

15. Published writings: (List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.)

Not Applicable.

16. Speeches: Provide the Committee with two copies of any formal speeches you have delivered during the last 5 years, which you have, copies of on topics relevant to the position for which you have been nominated.

I have provided informal informational speeches at the American Society of Military Comptrollers on Budgetary and Department of Defense related initiatives.

17. Selection:

(a) Do you know why you were selected for the position to which you have been nominated by the President?

Yes, I am currently the Deputy Chief Financial Officer for Financial Management and have excelled in my current position. I was recommended by the current Administrator, Sean O'Keefe to take on this challenge for the National Aeronautics and Space Administration.

(b) What in your background or employment experience do you believe affirmatively qualifies you for this particular appointment?

I have over 16 years of financial, managerial and technical experience related to the Chief Financial Officer position. Throughout my government career I have been focused on development and streamlining efforts to improve the financial viability, integrity and accountability for the Federal Government. Educationally, I received an undergraduate degree with an emphasis in accounting and then continued on to receive a Masters in Public Administration. These academic pursuits have provided me with a foundation by which to work within the public sector to make positive changes and enhancements in public sector financial management.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations, or business organizations if the Senate confirms you?

Not Applicable. As I am currently serving as the Deputy Chief Financial Officer for Financial Management for the National Aeronautics and Space Administration.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, please explain.

No, I do not have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during my service with the government.

3. Do you have any plans, commitments, or agreements after completing government service to resume employment, affiliation, or practice with your previous employer, business firm association, or organization?

No, I do not have any plans, commitments or agreements after completing government service to resume employment, affiliation, or practice with my current employer.

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

No one has made any commitments to employ my services in any capacity after I complete my commitment within government service.

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

Yes, I do expect to serve out my full term or until the next Presidential election, whichever is applicable.

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe *all* financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers.

I *do not have* any financial arrangements, deferred compensation agreements, or any other dealings with business associates, clients, or customers.

2. Indicate any investments, obligations, liabilities, or other relationships, which could involve potential conflicts of interest in the position to which you have been nominated.

I *do not have* any investments, obligations, liabilities, or other relationships, which could involve a potential conflict of interest in the position for which I have been nominated.

3. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

I *have not* had any business relationship, dealings, or financial transactions during the last 10 years that could constitute or result in a possible conflict of interest in the position for which I have been nominated.

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

Not applicable.

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements.)

As I *have not* identified any potential conflict of interest and *do not have* any trust agreements in my name.

6. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

To the best of my ability, I agree to provide written opinions to the Committee by the designated Agency Ethics Officer of the Agency to which I am nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments that may hinder me serving in this position for which I am being nominated.

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain.

No, I have never been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee or any other professional group.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county, or municipal law, regulation, or ordinance, other than for a minor traffic offense? If so, please explain.

No, I have never been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than for a minor traffic offense.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

Not applicable.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain.

No, I have never been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination.

I do not have any additional information, favorable or unfavorable, which I feel should be disclosed in connection with my nomination.

E. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees?

Yes, if confirmed I will work within my Agency to ensure compliance with deadlines for information set by the congressional committees are adhered to and that the agency responds in a timely manner to all request.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures?

Yes, if confirmed I will ensure within my Agency we protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee?

Yes, I will work with the Committee and my agency to ensure that requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee are available and ready to meet the needs of the requesting committee.

4. Please explain how if confirmed, you will review regulations issued by your department/agency, and work closely with Congress, to ensure that such regulations comply with the spirit of the laws passed by Congress.

If confirmed, I will make it a priority within my organization to ensure that the spirit of laws passed by congress are adhered to and properly implemented within my Agency. I will keep abreast of emerging congressional requirements whether they are in congressional language or report language. If a discrepancy should present itself, then I will quickly notify the Committee or member who sponsored the legislation to request additional information as to the intent of said law or report language in order to ensure proper execution within my Agency.

5. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

Yes, if confirmed I would consider it my duty to appear and testify as requested by any duly constituted committee of Congress.

F. GENERAL QUALIFICATIONS AND VIEWS

1. How does your previous professional experiences and education qualify you for the position for which you have been nominated?

I have over 16 years of financial, managerial and technical experience related to the Chief Financial Officer position. Throughout my government career, I have been focused on development and streamlining efforts to improve the financial viability, integrity and accountability for the Federal Government. Educationally, I received an undergraduate degree with an emphasis in accounting and then continued to receive a Masters in Public Administration. These academic pursuits have provided me with a foundation by which to make positive changes and enhancements in public sector financial management.

2. Why do you wish to serve in the position for which you have been nominated?

The National Aeronautics and Space Administration (NASA) is on the cutting edge of making major improvements in their financial management processes. As the Deputy Chief Financial Officer for Financial Management, I have been instrumental in restoring the agency's financial integrity by obtaining a clean audit opinion from external auditors for Fiscal Year 2002. With my leadership the agency is currently on track to not only keep the clean opinion but also to have Fiscal Year

2003 financial statements audited by November 15, 2003, which is two months earlier than required. It is my goal to ensure timely, accurate budgeting and reporting of information in order to support the mission of NASA.

3. What goals have you established for your first two years in this position, if confirmed?

Within the first two years of my confirmation I plan to continue my efforts to help shape and transform the financial management within the National Aeronautics and Space Administration (NASA). For instance, I am the Chair of the NASA Full Cost Committee, which is in the process of implementing full cost budgeting and execution, beginning in Fiscal Year 2004. Currently, we are on target to meet our goals and have kicked off several initiatives within NASA to ensure better communication of the business practices and benefits of operating under a full cost environment.

We have established a collaborative working environment with the NASA Inspector General, our external auditors and the Office of Management and Budget in order to ensure the financial integrity of NASA. If confirmed as the Chief Financial Officer, I will continue to require a robust review of our financial processes and financial records to ensure we are executing our appropriations in accordance with the intent of Congress and the American Public.

4. What skills do you believe you may be lacking which may be necessary to successfully carry out this position? What steps can be taken to obtain those skills?

I believe that I possess the knowledge, skills and ability to effectively lead as the National Aeronautics and Space Administration (NASA) Chief Financial Officer. I am a continual learner and have the dedication and desire to continue to hone my skills in order to meet any new and emerging challenges. I will continue to build strong ties within the financial management community to ensure that as new initiatives are being formulated, NASA as an organization is in the position to take the lead in integrating them into our current financial management processes.

5. Please discuss your philosophical views on the role of government. Include a discussion of when you believe the government should involve itself in the private sector, when society's problems should be left to the private sector, and what standards should be used to determine when a government program is no longer necessary.

I believe that the purpose of the government is to serve the best interest of the people. Whenever a commercial or private force acts contrary to these interests in a manner that cannot be remedied by the people, then it is the responsibility of the government to intercede on their behalf. However when a problem can be solved with a private sector solution the government should not interfere, given that in most cases the private sector is best positioned to act efficiently and in a market-oriented manner. Whenever a government program ceases to serve the public interest or can be administered by a viable private sector counterpart then it is no longer necessary and should be eliminated.

6. Describe the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated.

The National Aeronautics and Space Administration (NASA) is the United States' leading organization for research and development in aeronautics and space. NASA strives to understand and protect our planet, explore the universe and search for life, and to inspire the next generation of explorers. NASA's mission is carried out by five distinct, yet interrelated enterprises: The Space Science enterprise focuses on solar system exploration, the structure and evolution of the universe, and the astronomical search for origins; the Earth Science enterprise is dedicated to understanding our planet and applying Earth-system science to improving life on Earth; the Biological and Physical Research enterprise conducts research to address the opportunities and challenges provided by the space environment and human exploration of space; the Aerospace Technology enterprise plays a key role in creating a safer more efficient air transportation system, increasing performance of military aircraft and enhancing the Nation's security through its partnerships with the Department of Defense (DOD) and the Federal Aviation Administration (FAA); and the Education enterprise is dedicated to encouraging excellence at all levels.

7. What do you believe to be the top three challenges facing the department/agency and why?

The top three challenges facing the National Aeronautics and Space Administration (NASA) are fiscal responsibility, ensuring the return to flight of the space shuttle program, and the continued development of NASA's unique capabilities to strengthen America. NASA must strive to efficiently and effectively use its fiscal and human resources to support exploration and discovery.

8. In reference to question number six, what factors in your opinion have kept the department/agency from achieving its missions over the past several years?

I believe that the National Aeronautics and Space Administration (NASA) has effectively achieved its mission over the last several years. NASA continues to improve and enhance financial management processes, as evidenced by the clean audit opinion for Fiscal Year 2002. However, we continue to move forward with innovative financial management processes that will allow us to make greater strides throughout NASA's strategic enterprises.

9. Who are the stakeholders in the work of this department/agency?

The National Aeronautics and Space Administration (NASA) stakeholders include the American public who benefit from the innovations and discoveries of the agency, the Congress, the Office of Management and Budget, NASA employees, the education community, external auditors, and the various vendors and suppliers that support the agency's mission.

10. What is the proper relationship between the position to which you have been nominated, and the stakeholders identified in question number nine?

I am accountable to each of these stakeholders. As a part of my fiduciary responsibilities under the Chief Financial Officers' Act, it is my responsibility to ensure that NASA hold itself to the highest level of financial management integrity in order to continue to garner the support and trust of our key stakeholders so that we can continue to meet our mission and goals.

11. The Chief Financial Officers' Act requires all government departments and agencies to develop sound financial management practices.

(a) What do you believe are your responsibilities, if confirmed, to ensure that your department/agency has proper management and accounting controls?

As the Chief Financial Officer for the National Aeronautics and Space Administration (NASA), it is my responsibility to manage the day-to-day financial operations, direct the preparation and submission of annual financial and budget materials and related reports, and coordinate the agency's financial management activities with other related Federal agencies.

(b) What experience do you have in managing a large organization?

Currently as the Deputy Chief Financial Officer for Financial Management, I am responsible for the day to day management of the financial operations of the National Aeronautics and Space Administration. This includes ten field centers and one headquarters operation. I approve the provide oversight and financial management of Agency resources relating to programs and operations, ensuring strategic alignment with Agency vision and mission, including all resources, aspects of the planning, programming, and budgeting process.

While at the Department of Defense I was responsible for the management of the department financial reporting as it related to the preparation of the prior year column of the President's Budget. This included working on a day to day basis with three field accounting centers and a headquarters operations to ensure that the Department's financial information was properly reported in accordance with the applicable congressional mandates as well as regulations proffered by the Office of Management and Budget and the Department of Treasury.

12. The Government Performance and Results Act requires all government departments and agencies to identify measurable performance goals and to report to Congress on their success in achieving these goals.

(a) What benefits, if any, do you see in identifying performance goals and reporting on progress in achieving those goals?

Currently, the President's Management Agenda is the performance indicator for the National Aeronautics and Space Administration (NASA). It has been a significant guide for ensuring that we as leaders stay focused and attuned to executing our programs as directed by Congress and the American Public.

(b) What steps should Congress consider taking when a department/agency fails to achieve its performance goals? Should these steps include the elimination, privatization, downsizing, or consolidation of departments and/or programs?

The current thinking in this area is not to be punitive in our response to Agencies who fail to improve according to the President's Management Agenda but rather outline way in which to assist the agency in focusing their efforts to show measurable progress towards achieving those performance goals. This not only assists the agency but also allows for the agency to begin embracing the process of performance metrics as a means to highlight deficiencies and to recognize progress.

(c) What performance goals do you believe should be applicable to your personal performance, if confirmed?

My personal goal since I came to the National Aeronautics and Space Administration has been to improve the financial integrity, delivery, and operations of this agency. The integrity has been re-established with the "clean" audit opinion, I was able to provide much-needed leadership in order to guide the agency and its external auditors through the Fiscal Year 2002 audit process.

13. Please describe your philosophy of supervisor/employee relationships. Generally, what supervisory model do you follow? Have any employee complaints been brought against you?

I follow the belief of a high performing organization. I continually encourage my staff at all levels to involve themselves in continual learning and upgrading of their knowledge, skills and abilities. I strive extremely hard within my organization to ensure a collaborative work environment not only internally but also externally. It is my personal goal to have an organization of hardworking, knowledgeable and proactive individuals, which members in the financial management community turn to as a source of information and would actively solicit for their talent. To date, I have not had any employees bring a complaint against myself for the actions taken within my organization.

14. Describe your working relationship, if any, with the Congress. Does your professional experience include working with committees of Congress? If yes, please explain.

In my current capacity, I have not had the opportunity to engage Congress. However, during my career I have had the opportunity to work for Senator Ted Stevens on his personal staff. On several occasions my job required that I work with several of the committees that Senator Stevens either chaired or was a member of the Committee.

15. Please explain what you believe to be the proper relationship between yourself, if confirmed, and the Inspector General of your department/agency.

If confirmed, my relationship with the Inspector General for the National Aeronautics and Space Administration will be a collaborative effort. It is the Inspector General's role to ensure that agency is following Congressional mandates and to assist the agency in its efforts in meeting its mission. To date, we have been successful in developing a workable audit plan with input from the Inspector General and our external auditors. The Inspector General has been cautiously optimistic which has helped in our efforts to ensure a favorable outcome.

16. In the areas under the department/agency's jurisdiction to which you have been nominated, what legislative action(s) should Congress consider as priorities? Please state your personal views.

Continue to support the Agency in its efforts to "Return to Flight." This is key to all of the missions and goals that the Agency has set for itself and provides significant discoveries not only for the Agency but also for the Nation as a whole. Congress should continue to support the Agency's implementation of the Working Capital Fund (WCF). In the Fiscal Year 2003 Appropriation Act, Congress demonstrated its support of this initiation by approving the establishment of the WCF. The Agency needs your continued support for successful implementation. The first step would be for the Authorization Committee to authorize the Program. In the 2003 budget, the Appropriation Committee established the WCF but it was excluded from the Authorization Bill.

17. Within your area of control, will you pledge to develop and implement a system that allocates discretionary spending in an open manner through a set of fair and objective established criteria? If yes, please explain what steps you intend to take and a time frame for their implementation. If not, please explain why.

Yes, I have taken significant steps towards implementing a single financial management system throughout the National Aeronautics and Space Administration (NASA). The Core Finance module has been fully implemented as of June 23, 2003. We are on track to complete the full rollout of the Integrated Financial Management Program (IFMP) by Fiscal Year 2006.

The CHAIRMAN. Thank you very much, Ms. Brown.
Mr. Bhatia?

**STATEMENT OF KARAN K. BHATIA, ASSISTANT SECRETARY OF
TRANSPORTATION FOR AVIATION AND INTERNATIONAL
AFFAIRS-DESIGNATE**

Mr. BHATIA. Thank you, Mr. Chairman.

It's a tremendous honor to have been nominated by President Bush and to appear before you today. And, if confirmed, I look forward to joining Secretary Mineta and the superb team that he has assembled at the Department of Transportation, and to working very closely with you, the staffs of the Members of this Committee, and your staffs.

Thirty-eight years ago, my parents immigrated to the United States, and they arrived in New York with hopes and dreams like those of many previous generations of immigrants to this country. Unlike earlier generations, however, my parents arrived not by boat, but by aircraft, as have tens of thousands of immigrants after them; and, thus, began a special connection between my family and commercial aviation.

As I was growing up, we would regularly visit relatives overseas, and there was no greater thrill than going to the airport, collecting airline schedules or trying to identify the liveries of carriers from all over the world. For me, air transportation meant bringing people together and exposing them to new places, new ideas, and new experiences, and it still carries, for me, that meaning today.

As an undergraduate and graduate student in international relations, I became deeply interested in the web of economic ties that bind countries together, and became particularly interested in transportation. After graduating from law school and clerking for a year, I joined a Washington D.C. law firm, where for 7 years my practice consisted of international regulatory and transactional matters, with a particular focus on aviation.

Two years ago, I left the private practice of law and entered government to serve in the Department of Commerce, first as Chief Counsel to the Bureau of Export Administration, and then as Deputy Under Secretary for Industry and Security. I believe this experience has helped prepare me for the position to which I've been nominated. It not only offered me the opportunity to gain experience managing an Executive Branch agency, but also directly exposed me to issues that arise where trade and business intersect with security. And I come away from that experience more convinced than ever that security and safety are not pursued at the expense of business, but rather that the two are mutually dependent. A healthy industry depends upon security; and security, in turn, requires a healthy industry.

Seeking to secure a safe and secure aviation system and to promote a healthy aviation industry are, of course, two of the fundamental issues that confront the Department. They are joined by many others, including ensuring the accessibility of air transportation, increasing the opportunities to American carriers and communities for greater international services, developing the country's aviation infrastructure, preserving competition while avoiding needless regulation, allocating scarce aviation-related resources in a way that is fair, efficient, and in the best interest of consumers, and seeking to ensure that air transportation functions as an engine of economic and jobs growth.

These issues are not easy. They befit an industry that is in one of the most challenging and dynamic periods of its existence. Nonetheless, I look forward to tackling them with enthusiasm. And I commit to you, Senator, that, if confirmed, I will approach these and all other issues that come before me with an open mind, that I will seek to consider fairly and completely the interests of all affected stakeholders, and that, as charged by statute, President Bush, and Secretary Mineta, personally, I will always seek to do what is in the best interest of the American public.

Thank you.

[The prepared statement and biographical information of Mr. Bhatia follow:]

PREPARED STATEMENT OF KARAN K. BHATIA, ASSISTANT SECRETARY OF
TRANSPORTATION FOR AVIATION AND INTERNATIONAL AFFAIRS-DESIGNATE

Thank you, Mr. Chairman, Senator Hollings, and Members of the Committee.

It is a tremendous honor to have been nominated by President Bush and to appear before you today. If confirmed, I look forward to joining Secretary Mineta and the superb team he has assembled at the Department of Transportation, and to working closely with you and your staffs.

With your indulgence, I would like to recognize and express my appreciation to my family—my wife, Sara, and my sons, Alexander and Teddy. I would also like to recognize my parents, Samir and Janice Bhatia. Thirty-eight years ago, my parents immigrated to the United States. They arrived in New York with hopes and dreams much like those of many previous generations of immigrants to this country. Unlike earlier generations, however, my parents arrived not by boat, but by aircraft—as have tens of thousands of immigrants after them. Thus began a special connection between me and my family and commercial aviation.

As I was growing up, we would regularly visit relatives overseas. There was no greater thrill than going to the airport, collecting airline schedules or trying to identify the liveries of carriers from all over the world. For me, air transportation meant bringing people together and exposing them to new places, new ideas, and new experiences. It still carries that meaning for me today.

As an undergraduate and graduate student in International Relations, I became deeply interested in the web of economic ties that bind countries together, and became particularly interested in transportation. After graduating from law school and clerking for a year, I joined a Washington D.C. law firm, where for seven years my practice consisted of international regulatory and transactional matters, with a particular focus on aviation.

This experience has, I believe, given me a solid foundation upon which to approach the issues that confront the Office of Aviation and International Affairs. It exposed me to aviation laws, regulations, and policies, and to many of the institutions that shape and affect them. It also made me keenly aware of how the Department of Transportation's activities affect the lives and livelihoods of many businesses and individuals.

Two years ago, I left the private practice of law and entered government to serve in the Department of Commerce—first as Chief Counsel of the Bureau of Export Administration, and then as Deputy Under Secretary for Industry and Security. I believe that this experience has also helped prepare me for the position to which I have been nominated. It not only offered me the opportunity to gain experience managing an Executive Branch agency, but also directly exposed me to issues that arise where trade and business intersect with security. I come away from that experience more convinced than ever that safety and security are not pursued at the *expense* of business, but rather, that the two are mutually dependent—a healthy industry is dependent upon security, and security in turn requires a healthy industry.

Seeking to ensure a secure and safe aviation system and to promote a healthy aviation industry are, of course, two of the fundamental issues that confront the Department. They are joined by many others—including ensuring the accessibility of air transportation, increasing the opportunities available to American carriers and communities for greater international services, developing the country's aviation infrastructure, preserving competition while avoiding needless regulation, allocating scarce aviation-related resources in a way that is fair, efficient, and in the best interests of consumers, and seeking to ensure that air transportation functions as an engine of economic and jobs growth.

These issues are not easy—they befit an industry that is in one of the most challenging and dynamic periods of its existence. Nonetheless, I look forward with enthusiasm to tackling them. And I commit to you that, if confirmed, I will approach these and all other issues that come before me with an open mind, that I will seek to consider fairly and completely the interests of all affected stakeholders, and that—as charged by statute, President Bush, and Secretary Mineta personally—I will always seek to do what is in the best interest of the American public.

Again, I thank you for the opportunity to appear before you today, and look forward to answering any questions that you may have.

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names or nick names used.) Karan Krishna Bhatia.
2. Position to which nominated: Assistant Secretary of Transportation for Aviation and International Affairs.
3. Date of nomination: September 3, 2003.
4. Address: (List current place of residence and office addresses.)

Residence: Information not released to the public.

Office: U.S. Department of Commerce, Room 3892, 1401 Constitution Avenue, NW, Washington, D.C. 20230.

After September 8, 2003, I will work as a consultant at the U.S. Department of Transportation, where my work address will be: U.S. Department of Transportation, Room 10228, 400 Seventh Street, SW, Washington, D.C. 20590.

5. Date and place of birth: August 19, 1968; Washington, D.C.
6. Marital status: (Include maiden name of wife or husband's name.)
Married. Wife's maiden name: Sara Ruth Levine.
7. Names and ages of children: (Include stepchildren and children from previous marriages.)

Alexander Daniel Madan Bhatia (age 4) Theodore William Bhatia (age 19 months)

8. Education: (List secondary and higher education institutions, dates attended, degree received and date degree granted.)

Columbia University Law School (attended 08/1990–05/1993; received J.D. degree in 05/1993).

London School of Economics (attended 09/1989–07/1990; received M.Sc. degree in 09/1990).

Princeton University (attended 09/1985–06/1989; received A.B. degree in 06/1989).

Walt Whitman High School, Bethesda, Maryland (attended 09/1981–06/1985; received high school diploma in 06/1985).

9. Employment record: (List *all* jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment)

Deputy Under Secretary of Commerce for Industry and Security; U.S. Department of Commerce; Washington, D.C.; 06/2002–date.

Senior Advisor to the Under Secretary of Commerce for Industry and Security; U.S. Department of Commerce; Washington, D.C.; 03/2002–06/2002.

Chief Counsel for Export Administration; U.S. Department of Commerce; Washington, D.C.; 07/2001–02/2002.

Attorney; Wilmer, Cutler & Pickering; Washington, D.C.; 10/1994–07/2001.

Judicial Law Clerk; Judge Milton Pollack (SDNY); New York, NY; 09/1993–09/1994.

Part-time law clerk; Borker & Sussman; New York, NY; 06/1993–09/1993.

Summer Associate; Wilmer, Cutler & Pickering; Washington, D.C.; 05/1992–08/1992.

Summer Associate; Meyer, Hendricks, Victor, Osborne & Maledon; Phoenix, AZ; 06/1991–08/1991.

Adjunct Professor; Georgetown University Law Center; Washington, D.C.; 1/2000–date.

10. Government experience: (List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments, other than those listed above.)

None, other than that listed in #9 above.

11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.)

I was a partner at Wilmer, Cutler & Pickering (listed in #9 above) from 1/2001 to 7/2001 (when I withdrew from the firm to join the government).

I have been an Adjunct Professor at Georgetown University (listed in #9 above), co-teaching a course on International Civil Litigation from 1/2000 to date. (The course is taught one evening per week, each spring semester. However, it will not be offered in the spring of 2004.)

12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable and other organizations.)

Council on Foreign Relations
 New York Bar
 D.C. Bar
 American Bar Association
 Republican National Lawyers Association
 Carderock Springs Swim Club (Bethesda, Maryland)

13. Political affiliations and activities:

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

None

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

I performed volunteer services for Lawyers for Bush Cheney during 2000.

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years.

One (1) contribution of \$500 to Rep. Dennis Hastert (2000)

14. Honors and awards: (List *all* scholarships, fellowships, honorary degrees, honorary society—memberships, military medals and any other special recognitions for outstanding service or achievements.)

Global Organization of People of Indian Origin (GOPIO) and Global Indian Entrepreneurs Conference Award for Political and Business Achievements (September 2002).

Woodrow Wilson Senior Thesis Prize for Princeton University Senior Thesis (1989).

Van de Velde Award for Princeton University Junior Paper (1988).

15. Published writings: (List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.)

“Regulating Rates,” *Airport Finance & Development* (co-authored with Jeffrey N. Shane) (1999).

“Republican Reform of Government,” 93 *Columbia Law Review* 1300 (1993).

“Yugoslavia’s Centrifugal Forces,” *Christian Science Monitor*, p. 13 (Nov. 16, 1988).

“The Reluctant Cowboy,” *Policy Review*, p. 54 (Fall 1988).

“Avoiding Turkish Tragedy,” *The Princeton Tory*, p. 28 (March 1986).

“The Dishonest Politics of Hide and Speak,” *The Princeton Tory*, p. 27 (May 1986).

“Glasnost The Big Lie,” *The Princeton Tory*, p. 18 (May 1987).

“For Whom the Bell Tolls,” *The Princeton Tory*, p. 6 (September 1987).

“The Partisan Politics of the Women’s Center,” *The Princeton Tory*, p. 6 (December 1987).

“Attention U-Store Shoppers,” *The Princeton Tory*, p. 10 (April 1988).

“Awaiting the Judgment of History: An Interview with Edwin Meese,” *The Princeton Tory*, p. 33 (December 1988).

16. Speeches: Provide the Committee with two copies of any formal speeches you have delivered during the last 5 years which you have copies of on topics relevant to the position for which you have been nominated.

I have delivered numerous formal speeches during the past two years in my capacities as Deputy Under Secretary of Commerce for Industry and Security and Chief Counsel for Export Administration. These speeches all focused on issues relevant to my portfolio at the Department of Commerce—in particular, controlling trade in sensitive goods and technologies in support of U.S. national security and foreign policy. I have not delivered any formal speeches on subjects that would be within my jurisdiction if confirmed as Assistant Secretary of Transportation for Aviation and International Affairs.

17. Selection:

(a) Do you know why you were chosen for this nomination by the President?

I believe that I was nominated by the President for this position because of my professional qualifications, which include a strong background in aviation law, public policy, international relations, and experience managing a Federal Government agency.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I believe that a number of experiences in my background affirmatively qualify me for this appointment. First, I have practiced aviation law at a major Washington, D.C. law firm for approximately 7 years. In that practice, I became intimately familiar not only with U.S. and foreign laws and regulations affecting aviation, but also with aviation business and policy issues. Second, during the past two years, I have helped to manage the Bureau of Industry and Security, a 350-employee agency at the Department of Commerce charged with administering U.S. dual-use export controls and handling other issues that arise where international trade and national security intersect. This experience has helped me to develop policymaking and management skills. It has also afforded me a variety of opportunities—including directing agency initiatives, leading international delegations in conducting bilateral negotiations, working with and testifying before Congress, participating in senior-level interagency discussions, and working with constituencies affected by agency actions that I believe will serve me well if confirmed as Assistant Secretary. Finally, I believe that my academic experience—first studying, and then teaching, international relations, public policy and law help qualify me for the position.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate?

I will cease being an employee of, and will sever all connections with, the U.S. Department of Commerce on September 7, 2003. On September 8, 2003, I will become an employee of the U.S. Department of Transportation, acting as a consultant.

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

I have no such plans, commitments or agreements, with one exception: Since 2000, I have served as an adjunct professor at Georgetown University School of Law, co-teaching a course on International Civil Litigation for which I have received *de minimis* compensation. If confirmed, I would maintain inactive status as adjunct professor.

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization? No.

4. Has anybody made a commitment to employ your services in any capacity after you leave government service? No.

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? Yes.

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe *all* financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients or customers.

I have no financial arrangements, deferred compensation agreements or other business dealings with any business associates, clients or customers.

Pursuant to the Wilmer, Cutler & Pickering partnership agreement, I am scheduled to continue to receive withdrawal payments from the law firm through September 2004. I also have funds in a 401K account managed for Wilmer, Cutler & Pickering by UMB Bank.

2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

Please refer to the Assistant General Counsel's opinion letter.

3. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated?

Please refer to the Assistant General Counsel's opinion letter.

More generally, it is possible that administrative proceedings remain ongoing in which I represented a client before the Department when in private practice, al-

though I have not practiced aviation law for more than two years and I am not aware of any such proceedings. Consistent with ethical obligations, I would seek to recuse myself from decisionmaking in such proceedings (if any).

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy.

While an attorney practicing at Wilmer, Cutler & Pickering, I represented clients on a variety of legal and policy matters in many proceedings before U.S. and foreign Executive Branch agencies and U.S. courts. Although on occasional matters I would interact with congressional staff, my practice did not typically involve seeking to influence legislation.

While Deputy Under Secretary of Commerce for Industry and Security, I met with Congressional staff and testified before Congressional committees regarding public policy issues and pending legislation.

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements.)

Please refer to the Assistant General Counsel's opinion letter.

6. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position? Yes.

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details. No.

2. Have you ever been investigated, arrested, charged or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county, or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details. No.

3. Have you or any business of which you are or were an officer ever been involved as a party in interest in an administrative agency proceeding or civil litigation? If so, provide details?

I was named as a defendant in a civil action (*Kay L. Holzwordt v. Karan K. Bhatia et al.*, No. CV 91-18313) brought in Arizona State Superior Court for Maricopa County deriving from a traffic accident that occurred in Phoenix, Arizona on June 12, 1991. The plaintiff alleged injury to her car and person. I was represented in the case by my insurance carrier, which settled the claim. The case was dismissed with prejudice on June 29, 1993.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination. None.

E. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines set by congressional committees for information? Yes, to the best of my ability.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes, to the best of my ability.

3. Will you cooperate in providing the Committee with requested witnesses, to include technical experts and career employees with firsthand knowledge of matters of interest to the Committee? Yes, to the best of my ability.

4. Please explain how you will review regulations issued by your department/agency, and work closely with Congress, to ensure that such regulations comply with the spirit of the laws passed by Congress.

As a former practicing attorney with a regulatory law practice and a senior manager of a Commerce Department agency charged with administering a complex regulatory regime, I am keenly sensitive to the importance of ensuring that agency regulations are consistent with the laws passed by Congress, as well as constitutional requirements. As Assistant Secretary, I would seek to ensure that proposed regulations were closely reviewed by the Department's professional staff (including the Of-

office of General Counsel) to ensure such consistency. I would also personally review all regulations proposed by the Office under my supervision.

5. Describe your department/agency's current mission, major programs, and major operational objectives.

The Department of Transportation's mission is to serve the United States by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital national interests and enhances the quality of life of the American people, today and into the future. Under Secretary Mineta, the Department's principal priorities are to keep the traveling public safe and secure, increase their mobility, and have our transportation system contribute to the Nation's economic growth.

Within the Department, the Office of Aviation and International Affairs handles a broad portfolio of responsibilities relating to domestic aviation, international aviation, and international transportation and trade. Its specific aviation-related responsibilities include participation in international bilateral and multilateral aviation services negotiations; licensing and awarding economic authority to U.S. and foreign carriers seeking to operate to/from the United States; limited entry; seeking to address unfair foreign trade practices related to aviation; ensuring the continuing fitness of U.S. air carriers; administration of the Essential Air Services program and the Small Community Air Service Development Pilot Program; undertaking economic analyses of, and other special projects concerning, domestic and international aviation; and activities related to access and competition at airports. In the area of international transportation and trade, the Office's responsibilities include participation in multilateral trade negotiations; administration of technical assistance programs and other forms of cooperation with foreign partners; advising on international transportation and trade policy issues relating to maritime and surface transportation; international standards development and harmonization; and trade facilitation and promotion.

6. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

F. GENERAL QUALIFICATIONS AND VIEWS

1. How have your previous professional experience and education qualifies you for the position for which you have been nominated?

From 1994–2001, I had a legal practice focused principally on transportation. A core component of my practice was counseling clients on a wide range of U.S. and foreign regulatory issues affecting the aviation industry. I also advised a number of aviation-related businesses on corporate and transactional matters. As a result of this experience, I am closely familiar with laws and regulations affecting aviation, aviation-related business matters, and key aviation policy issues.

This substantive expertise in aviation has been complemented, over the past two years, by my experience in government, first as Chief Counsel for Export Administration and then as Deputy Under Secretary of Commerce for Industry and Security, with responsibilities for day-to-day administration of a 350-person bureau. In these positions, I have developed and implemented policy on complex issues that require reconciling competing interests, supervised various departmental and bureau initiatives, and worked closely with multiple stakeholders. This experience has helped me develop policy-making and management skills that will serve me well if confirmed as Assistant Secretary for Aviation and International Affairs.

I believe that my educational experiences also qualify me for the position. In my undergraduate, (Princeton), graduate (London School of Economics), and law school (Columbia) studies, I focused on public policymaking, with a particular interest in international law and international relations—subjects relevant to the Assistant Secretary's portfolio.

2. Why do you wish to serve in the position for which you have been nominated?

I have had a lifelong interest in both aviation and public policy, and am deeply committed to helping improve our Nation's transportation system.

3. What goals have you established for your first two years in this position, if confirmed?

My goals include the following:

- To strengthen the Office of Aviation and International Affairs institutionally and to improve, where possible, the services it renders.
- To improve inter-agency communication and cooperation on issues relevant to aviation.
- Actively to pursue the further liberalization of international markets and seek further opportunities for U.S. transportation-related industries to compete abroad.

- To preserve and expand the benefits to the traveling public that derive from an aviation system based principally on market competition and regulated by the government only as necessary to protect the public interest.
- To strengthen the country's transportation infrastructure, both domestically and globally.

4. What skills do you believe you may be lacking which may be necessary to successfully carry out this position? What steps can be taken to obtain those skills?

As noted above, I believe that my background and experience make me well suited for this position. Nonetheless, there are areas relevant to the Assistant Secretary's diverse portfolio to which I have had relatively little exposure (including, for example, the Essential Air Service program and labor relations issues). If confirmed, I would look forward to developing substantially greater knowledge about these areas.

5. Who are the stakeholders in the work of this agency?

The principal stakeholders in the work of this agency are, first and foremost, the American people, who depend upon a safe, secure, efficient and accessible aviation system. Other stakeholders include Congress, aviation- and transportation-related businesses and their employees, airports and the communities in which they are based, state and local governments and transportation-related governmental entities, and other Executive Branch agencies.

6. What is the proper relationship between your position, if confirmed, and the stakeholders identified in question number five.

Consistent with Secretary Mineta's policy, I would strive to listen to and work with all concerned stakeholders.

7. The Chief Financial Officers Act requires all government departments and agencies to develop sound financial management practices similar to those practiced in the private sector.

(a) What do you believe are your responsibilities, if confirmed, to ensure that your agency has proper management and accounting controls?

I believe that it is the responsibility of all government managers to ensure that their organizations are adhering to proper financial management practices. If confirmed, I would work with the Assistant Secretary for Budget and Programs/Chief Financial Officer and the Inspector General to ensure that my office adheres to such practices, promotes efficiency, and minimizes waste.

(b) What experience do you have in managing a large organization?

As Deputy Under Secretary of Commerce for Industry and Security, I have been responsible for day-to-day management of a 350-person bureau at the Department of Commerce. My responsibilities have included overseeing the bureau's finances, administrative functions, personnel, legal functions, congressional affairs, and public relations functions.

8. The Government Performance and Results Act requires all government departments and agencies to identify measurable performance goals and to report to Congress on their success in achieving these goals.

(a) Please discuss what you believe to be the benefits of identifying performance goals and reporting on your progress in achieving those goals.

From my experience helping to manage the Bureau of Industry and Security, I have come to believe deeply in the importance of carefully designed performance goals—both for agencies and for employees to ensure effective agency management and performance. Clear, written performance goals help ensure that the agency and its personnel are focused on, and held accountable for, the performance of key functions and achievement of key goals.

(b) What steps should Congress consider taking when an agency fails to achieve its performance goals? Should these steps include the elimination, privatization, downsizing or consolidation of departments and/or programs?

I believe that Congress and the Executive Branch should work closely together in ensuring that agency objectives are achieved and, when not achieved, determining what action is most appropriate. Accordingly, I believe that the steps taken should be based on consultation and a complete understanding of relevant facts and circumstances.

(c) What performance goals do you believe should be applicable to your personal performance, if confirmed?

If confirmed, I would hold myself—and would expect to be held by others—to the performance goals established for the Department and the Office.

9. Please describe your philosophy of supervisor/employee relationships. Generally, what supervisory model do you follow? Have any employee complaints been brought against you?

I have supervised employees in various environments as a partner at a law firm, as chief counsel of a government agency legal office, and as deputy under secretary

charged with helping to manage a bureau of approximately 350 people. In all of these environments, my approach has been to work collegially, courteously, and professionally with my employees, and to expect that approach to be reciprocated. I have sought to create supportive and interesting work environments, where my expectations of employees are made clear. I believe that work (especially when one is working for the American public) demands substantial effort, creativity, diligence, and dedication. I demand these commitments from myself and from my employees. No employee complaints have ever been brought against me.

10. Describe your working relationship, if any, with the Congress. Does your professional experience include working with committees of Congress? If yes, please describe.

While at the Commerce Department, I worked very well with a number of Congressional committees. In particular, I worked closely with my bureau's authorizing committees (House International Relations Committee and Senate Banking Committee), both informally (working with staff) and more formally (testifying). I responded promptly to any request for information from these (and other committees) and would, when I thought it appropriate, proactively go up to the Hill to discuss issues and initiatives with relevant staff.

11. Please explain what you believe to be the proper relationship between yourself, if confirmed, and the Inspector General of your department/agency.

I have worked very well with the Inspector General at the Department of Commerce and would seek to replicate this relationship with the Inspector General at the Department of Transportation. I believe that the Inspector General has an essential role to play in ensuring that the Department is operating consistent with applicable laws, and would seek ensure that my staff and I cooperated fully with the Inspector General in fulfilling his responsibilities.

12. Please explain how you will work with this Committee and other stakeholders to ensure that regulations issued by your department/agency comply with the spirit of the laws passed by Congress.

As noted in response to Question E(4) above, as a former practicing attorney with a regulatory law practice and a senior manager of a Commerce Department agency charged with administering a complex regulatory regime, I am keenly sensitive to the importance of ensuring that agency regulations are consistent with the laws passed by Congress, as well as constitutional requirements. As also noted above, I believe deeply in the importance of a collaborative relationship between Executive Branch agencies, Congress and other stakeholders. To that end, if confirmed, I would look forward to a regular dialogue with this Committee on issues that fall within the jurisdiction of the position to which I have been nominated.

13. In the areas under the department/agency's jurisdiction, what legislative action(s) should Congress consider as priorities? Please state your personal views.

First, I believe that speedy reauthorization of Federal aviation programs is of critical importance and must be a priority. Second, I believe that it is important that Congress timely enact transportation appropriations legislation for Fiscal Year 2004 to ensure that those programs are maintained without disruption. Finally, I would urge Congress to consider passing legislation to increase the statutorily permissible level of foreign investment in U.S. air carriers from 25 percent to 49 percent. Such a change would strengthen U.S. air carriers by increasing their access to global capital markets, while not altering the requirement that U.S. carriers be under the control of U.S. citizens.

14. Within your area of control, will you pledge to develop and implement a system that allocates discretionary spending based on national priorities determined in an open fashion on a set of established criteria? If not, please state why. If yes, please state what steps you intend to take and a time frame for their implementation.

There is not a large amount of discretionary spending in Aviation and International Affairs. For the spending that exists, I pledge to pursue a system that allocates spending based on national priorities determined in an open fashion on a set of established criteria. If confirmed, I intend to work closely with the Secretary, Deputy Secretary, and colleagues in the implementation of such a system and the development and clarification of such priorities.

The CHAIRMAN. Thank you very much.
Mr. Snelling, welcome.

**STATEMENT OF CHARLES DARWIN SNELLING,
NOMINEE TO BE A MEMBER OF THE METROPOLITAN
WASHINGTON AIRPORTS AUTHORITY**

Mr. SNELLING. Mr. Chairman, thank you for your courtesies to me.

You have my written remarks. And if it would be your pleasure, I'd be glad to waive reading, in the interest of your time pressures.

The CHAIRMAN. I'd be glad to, Mr. Snelling, unless you—would you like to make some brief—

Mr. SNELLING. Well, I'm delighted to be here. I think it's a very important position, and I will discharge it to the very best of my abilities, should I be confirmed.

[The prepared statement and biographical information of Mr. Snelling follow:]

PREPARED STATEMENT OF CHARLES DARWIN SNELLING, NOMINEE TO BE A MEMBER
OF THE METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

Mr. Chairman, Members of the Committee:

I am Charles Snelling, the President's nominee to the Metropolitan Washington Airports Authority Board of Directors. I would succeed the Honorable Norman Y. Mineta, who resigned from the Board in 2000 when he was appointed Secretary of Commerce.

As the documents submitted to the Committee indicate, I have long been involved in aviation. At present, I have been serving as Chairman of the Pennsylvania Aviation Advisory Commission and I am a licensed pilot. For five years, I served on the Board of Governors of the Lehigh Valley International Airport.

As to my own career, after having held a salaried job for about a year in 1954–1955, I founded a high-tech business. In the seventies that business was sold. Since then I have been an inventor, entrepreneur, real estate developer and venture capitalist. I have always lived in the Allentown, Pennsylvania area, and my business activities have been based there. I also own some island properties in the St. Lawrence near Alexandria Bay, New York, and have some business interests in that area as well. I have been a cofounder of a family of venture capital partnerships, which have invested in start-up and early-stage ventures, many of which have been high-tech.

Over the years I have served on the boards of a number of educational and other public interest institutions, including the Lehigh Valley Hospital, the Allentown Art Museum, Cedar Crest College, the YMCA, the Lehigh County United Way and the Pennsylvania Society, to mention a few.

As my papers attest, I have long been involved in politics and public policy as well. I have held elected office as President of the Allentown City Council. I have been quite active politically as a volunteer on behalf of various candidates, political organizations and committees. I have served as Chairman of the Republican Finance Committee of Pennsylvania and the Lehigh County Republican Finance Committee. I am an elected member of the Republican State Committee of Pennsylvania.

As you know, the Metropolitan Washington Airports Authority has a Board of Directors consisting of 13 Members. The Governor of Virginia appoints five, the Mayor of the District of Columbia appoints three, and the Governor of Maryland appoints two. The President also appoints three, to represent the national interest. I consider myself well qualified to provide that perspective.

In accordance with long-standing practice, I have attended several meetings of the Board of Directors since the President announced my nomination. I am thus reasonably familiar with the issues facing the Airports Authority today, and am willing to discuss them with you; to the extent I am able.

Ronald Reagan Washington National and Washington Dulles International Airports, of course, serve the Nation's Capital, and as such are very high profile. Most Senators are regular users of these Airports, and most are aware that they have been very well managed. It will require care and attention to assure that this record is maintained. The Board is a very able and distinguished one, and, with your consent, I look forward to serving on it.

These are difficult times for our Nation's air transportation system, including our airports. It is a time of rapid change. There are many challenges to be met and suc-

cessfully overcome. I would be very pleased to be able to make a contribution to the solution of these challenges.

Mr. Chairman, thank you for considering my nomination to the Board of the Metropolitan Washington Airports Authority. I will be happy to answer any questions.

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names or nicknames used) Charles Darwin Snelling.
 2. Position to which nominated: Member ["Director"], Metropolitan Washington Airports Authority, an agency created by interstate compact between the Commonwealth of Virginia and the District of Columbia.

3. Date of nomination: April 28, 2003.

4. Address: (List current place of residence and office addresses.)

Residence: Information not released to the public.

Office: 1280 Church Street, Fogelsville, Pennsylvania 18051-1710.

5. Date and place of birth: January 26, 1931; Allentown, Pennsylvania.

6. Marital status: (Include maiden name of wife or husband's name)

Married March 21, 1951 to Adrienne Celeste Angeletti

7. Names and ages of children: (Include stepchildren and children from previous marriages.)

Adrienne Celeste Snelling II Sullivan—51; Jonathan Commonfort Snelling—49; Marjorie Preston Snelling More—47; Elizabeth Hornor Snelling Meeker—45; Lesley Coates Snelling Bober—42.

8. Education: (List secondary and higher education institutions, dates attended, degree received.)

Allentown High School, Allentown, Pennsylvania, September 1945–June 1948.

Phillips Academy, Andover, Massachusetts, September 1948–August 1949.

Muhlenberg College, Allentown, Pennsylvania, September 1949–June 1951.

Lehigh University, Bethlehem, Pennsylvania, September 1951–June 1954, B.S. in E.M.

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)

1954–1955: Assistant to the President, New York Transformer Company, Alpha, New Jersey. This staff position involved new product development and survey, and general technical and administrative management decisions.

Since that time, I have been effectively self-employed.

10. Government experience: (List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments, other than those listed above.)

Chairman, Pennsylvania Aviation Advisory Commission, 2000–

Member, Keystone Committee, 1995

Governor, Lehigh-Northampton Airport Authority, 1989–1994

Member, National Advisory Council, U.S. Small Business Administration, 1990–1991

Member, President's Commission on Personnel Interchange, 1976–1978

Member, Commerce Technical Advisory Board, U.S. Department of Commerce, 1976–1977

Pennsylvania League of Cities—Director, 1973; Chairman, Finance Committee, 1972; Member, Resolutions Committee, 1970–71; Member, Legislative Committee, 1972; Chairman, Energy Policy Committee

11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational, or other institution.)

Current

Director, Bliley Technologies

President and Director, The Snelling Company

Director, NEPA Management Business Trust

President and Director, Western Lehigh Valley Corporation

Director, Axicom Technologies, Inc.
 Chairman, 1000 Islands Marine and Island Service

Prior

Trustee, Lehigh Valley Hospital/Lehigh Valley Health Network, Inc., Allentown, Pennsylvania—1982–2002; Treasurer—1986–1991
 Director, Metech, Inc., 1985–1995
 Director, International Canine Genetics, 1988–1993
 Director, American Dredging Company, 1978–1992
 Director, TB Holding Co./Boyertown Casket Company, 1975–1990
 Director, Applewood Construction, Inc., 1980–1987
 Chairman, Director, Applewood, Inc., 1971–1984
 Chairman, Director, Mohr Orchards, Inc., 1975–1983
 President, Director, Trexler Orchards, Inc., 1965–1974
 Director, AgMet, Inc., 1968–1969
 Director, Merchants National Bank of Allentown, Pennsylvania, 1961–1969
 Founder, President, Director, Cryo-Therm, Inc., (predecessor corporations) 1955–1972

12. Members/tips: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)

Current

Council of The Pennsylvania Society, Sellersville, Pennsylvania—Secretary, 1993–1995; First Vice President, 1995–1997; President, 1997–2000
 The Franklin Institute, Philadelphia, Pennsylvania
 American Association for the Advancement of Science, Washington, D.C.
 Merion Cricket Club, Haverford, Pennsylvania
 Grenadier Island Country Club, Ltd., Ontario, Canada—Past President
 Lehigh Country Club, Allentown, Pennsylvania
 The Princeton Club, New York, New York
 The Athenaeum of Philadelphia, Philadelphia, Pennsylvania—Director
 Foundation for the Advancement of Monetary Education, New York, New York—Trustee
 Cedar Crest College, Allentown, Pennsylvania—Trustee, 1974–1997; Treasurer, 1985–1997; Life Trustee, 1997–
 The Antique Boat Museum, Clayton, New York—Trustee, 1978–; Chairman, 1998–2000

Prior

Educational Ventures, Inc., Allentown, Pennsylvania, 1982–2002; Treasurer, 1986–1991
 Allentown Art Museum, Allentown, Pennsylvania—Trustee
 Allentown Economic Development Corporation, Allentown, Pennsylvania—Director
 Allentown-Lehigh County Chamber of Commerce, Allentown, Pennsylvania—Director
 Allentown—Lehigh County Chamber of Commerce Issues Committee—Member
 Muhlenberg College, Allentown, Pennsylvania—Member, Board of Associates
 Allentown Area Foundation—Member, Board of Governors, 1973–1983
 Pennsylvania State University—Member, Advisory Board for Allentown Campus
 YMCA, Allentown, Pennsylvania—Trustee, 1974–1979; Director, 1960–1966; President, 1962
 Lehigh County United Way, Allentown, Pennsylvania—Director, 1965–1967, 1976–1979
 Lehigh County Crippled Children's Society—Director, 1961–1964; Chairman, 1962
 Lehigh County United Way, Public Service Division—Chairman, 1972; Metropolitan County Division—Chairman, 1976

Hospital and Health Council, Inc., Citizens' Advisory Committee—Chairman
 Alumni Council, Phillips Academy, Andover, Massachusetts—Member, 1964–1967
 AHEAD Hospital Drive, Medium Business and Industry Grouping—Chairman, 1967–1968
 Lehigh Valley Energy Task Force, Allentown-Bethlehem-Easton—Chairman, 1974–1976
 Allentown Public Library Building Fund—Chairman, Coordinator, 1976–1978

13. Political affiliations and activities:

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

Councilman, City of Allentown, Pennsylvania—elected 1969 (4-year term)
 President, Allentown City Council—elected annually, 1970–1973
 Member, 1972 Pennsylvania Electoral College
 Candidate for the Pennsylvania Senate, 1974

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Republican State Committee of Pennsylvania—elected 1998, re-elected 2000 and 2002

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years.

2003:	\$4,000	Bush-Cheney '04, Inc.
	\$1,000	Brian Johnson for Judge
	1,000	Charlie Dent for Congress
	500	Lehigh County Republican Committee
	500	Northampton County Republican Committee
	500	Committee to Elect Jim Martin
2002:	\$2,424	Citizens for Arlen Specter
	1,000	Friends of Brian O'Neill
	1,000	Pat Toomey for Congress
	1,000	Committee to Elect Doug Reichley
	1,000	Committee to Elect Charlie Dent
	1,000	Lehigh Valley Republican Development Group
	1,000	Pennsylvania Republican State Committee
	500	Pennsylvania Senate Republican Campaign Committee
2001:	\$2,500	Committee to Elect Judge R. Simpson
	2,000	Committee to Elect Jane Ervin
	2,000	Pam Varkony for Mayor
	1,000	Pat Toomey for Congress
	1,000	Citizens for Arlen Specter
	1,000	Pennsylvania Senate Republican Campaign Committee
	1,000	Bob Lovett for Mayor
	1,000	Committee to Elect Charlie Dent
	1,000	Fisher for Governor
	1,000	Pennsylvania Republican State Committee
	500	Republican Pro-Choice Coalition
	500	Friends of Renee Cohn
	500	Friends of Judge Eakin
2000:	\$5,000	RNC Presidential Trust
	2,000	Gruppo for State Representative
	1,500	Citizens for Browne
	1,500	Citizens for Mark Mitman
	1,500	Pennsylvania Senate Republican Campaign Committee
	1,000	Governor Ridge Leadership Circle
	1,000	Friends of Mike Fisher
	1,000	WISH (Women in Senate and House)
	1,000	Committee to Elect Robert Saurman
	1,000	Friends of Barbara Hafer
	1,000	Pennsylvania Republican State Committee
	1,000	Voices for Varkony
	500	Committee to Elect Julie Harhart
1999:	\$2,000	Governor George W. Bush Presidential Exploration Committee
	2,000	Jim Martin for District Attorney
	2,000	Pat Toomey for Congress
	1,000	Pennsylvania Republican State Committee

	1,000	Friends of Giuliani
	1,000	Pam Varkony for City Council
	500	Sam Katz for Mayor
	500	Blaschak for City Council
	500	Pennsylvania House Republican Campaign Committee
	500	Nick Sabatine for County Council
1998:	\$2,050	Pat Toomey for Congress
	2,000	Friends of Governor Ridge
	1,000	Citizens for Joe Uliana
	1,000	Pennsylvania House Republican Campaign Committee Citizens for Arlen Specter
	1,000	Pennsylvania Republican State Committee
	1,000	Friends of Rima Fahl
	650	Committee to Elect Charlie Dent
	500	Friends of Senator Jubelirer
	500	Committee to Elect Bonnie DiCarlo
1997:	\$1,000	Wallitsch for Superior Court
	1,000	Jim Martin for Judge
	1,000	Friends of Governor Ridge
	1,000	Rick Santorum 2000
	1,000	Pennsylvania House Republican Campaign Committee
	1,000	Pennsylvania Republican State Committee
	600	Bill Heydt for Mayor
	600	Friends of Bill Brackbill
1996:	\$1,125	Lehigh County Republican Committee
	1,000	Pennsylvania Republican State Committee
	1,000	Dole/Kemp '96
	1,000	Pennsylvania House Republican Campaign Committee
	1,000	Friends of Bob Kilbanks
	500	Friends of Governor Ridge
	500	Committee to Elect Bob Nyce
1995:	\$1,250	Dole for President
	1,000	Pennsylvania Republican State Committee
	1,000	Arlen Specter '96
	1,000	Rick Santorum 2000
	1,000	Friends of Ken Smith
	1,000	Friends of Governor Ridge
	1,000	Barbara Snelling for Lieutenant Governor
	500	Lehigh County Republican Committee
1994:	\$2,000	Tom Ridge for Governor
	2,000	Santorum '94
	1,350	Yeager for Congress
	1,000	Barbara Snelling for Lieutenant Governor
	1,000	Pennsylvania Republican State Committee
	1,000	Pennsylvania Republican Senate Campaign Committee
	675	Lehigh County Republican Committee
	500	Friends of Ken Smith
	500	Citizens for Joe Uliana
	500	McCarty for Congress

14. Honors and awards: (List *all* scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievements.)

1958—Chosen one of America's Outstanding Young Men in Business in a national magazine survey.

1962—Chosen Distinguished Young Man of the Year, Allentown Junior Chamber of Commerce

1999—Honorary Doctor of Public Service Degree, Cedar Crest College, Allentown

15. Published writings: (List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.)

I have written regular columns commenting on economic, political and social issues, published in the ALLENTOWN MORNING CALL since 1979. From 1983 to 1986, I also wrote a weekly column for the BETHLEHEM GLOBE-TIMES. A list of all such columns is enclosed.

16. Speeches: (Provide the Committee with two copies of any formal speeches you have delivered during the last 5 years which you have copies of on topics relevant to the position for which you have been nominated.) None.

17. Selection:

(a) Do you know why you were selected for the position to which you have been nominated by the President? No.

(b) What in your background or employment experience do you believe affirmatively qualifies you for this particular appointment?

Extensive experience with aviation. I am a licensed pilot and hold land, single- and multi-engine, and instrument ratings, as well as a glider's license. I have 5,740 hours total time, and have owned and operated my own aircraft for more than 40 years. I was appointed by Governor Tom Ridge as Chairman of the Pennsylvania Aviation Advisory Committee, and I previously served as a Governor of the Lehigh-Northampton Airport Authority, which operates the Lehigh Valley International Airport.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations, or business organizations if you are confirmed by the Senate?

Given the nature of the appointment, and the nature of my business relationships, there is no reason to do so.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

I do not intend to alter my current business activities, as they do not present any conflicts. The position is part-time, and the Metropolitan Washington Airports Authority, which is not a Federal agency, will not be compensating me for more than routine expenses.

3. Do you have any plans, commitments, or agreements after completing government service to resume employment, affiliation, or practice with your previous employers, business firms, associations, or organizations? Not applicable.

4. Has anybody made a commitment to employ your services in any capacity after you leave government service? Not applicable.

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

I intend to serve out my full term, which would expire May 30, 2006, and will be eligible at that time to be reappointed.

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe *all* financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Not applicable.

2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

All my investments, obligations, liabilities and other relationships have been reviewed at the Office of Government Ethics and at the Airports Authority. We all agree that none presents a risk of conflict of interest. A copy of my OGE Form 450 has been provided to the Committee.

3. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

I cannot identify any.

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

I have never been paid as an advocate of public policy or legislation, nor have I ever been a lobbyist. However, I have in my regular newspaper column on politics and economics made public pronouncements on all manner of policy issues.

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements.)

I would address any potential conflict of interest in accordance with the Airports Authority "Code of Ethical Responsibilities for Members of the Board of Directors", which generally provides for full disclosure and recusal for apparent conflicts.

6. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position? Certainly.

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain. No.

2. Have you ever been investigated, arrested, charged, or held by any federal, state, or other law enforcement authority for violation of any federal, state, county, or municipal law, regulation, or ordinance, other than for a minor traffic offense? If so, please explain.

I have never been arrested, charged or held by any federal, state or other law enforcement agency for violation of any federal, state, county or municipal law, regulation or ordinance other than for minor traffic offenses. I have no knowledge that I have ever been investigated.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain. No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination.

If confirmed, I believe I would bring to the Metropolitan Washington Airports Authority a considerable experience and understanding of public policy matters and of business management.

E. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your board/commission complies with deadlines for information set by congressional committees?

To the extent it is within my power as one of thirteen Directors.

2. Will you ensure that your board/commission does whatever it can to protect congressional witnesses and whistleblowers from reprisal for their testimony and disclosures?

I understand this has not been an issue at the Airports Authority, but I would want to make sure that such witnesses and whistleblowers did not suffer reprisals.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Certainly.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

I have always been willing to appear and testify on such occasions, and will remain so.

F. GENERAL QUALIFICATIONS AND VIEWS

1. How does your previous professional experiences and education qualify you for the position for which you have been nominated?

I have been an entrepreneur much of my life, founding and operating businesses and creating good jobs and desirable products. I have been the presiding officer of the city council of a fair-sized city and have substantial experience in government and public policy matters. I have served as a trustee of a hospital, a college, museums and the like, some of which have been substantial organizations, equivalent in their annual operations to the Airports Authority.

2. Why do you wish to serve in the position for which you have been nominated?

Ronald Reagan Washington National and Washington Dulles International Airports are facilities of the greatest importance to our Capital and our Nation. I believe I can make a contribution to these Airports' well-being.

3. What goals have you established for your first two years in this position, if confirmed?

Air travel and all of its components, including the airlines and airports, are under substantial stress at the present time. The goal of this industry must be to provide safe, secure and convenient service to the traveling public. Reagan National and Dulles International Airports are very important organizations in the totality of air travel. My goal would be to help the Airports Authority prudently meet the challenges with which it is faced.

4. What skills do you believe you may be lacking which may be necessary to successfully carry out this position? What steps can be taken to obtain those skills?

It will be necessary for me to gain much specific knowledge about the affairs of the Authority. I am not aware of any particular skills that I am lacking to successfully carry out the position of a Member of the Authority. I have been a vigorous

activist in my life, perhaps more so than a great diplomat. That situation seems to be improving with age.

5. Please discuss your philosophical views on the role of government. Include a discussion of when you believe the government should involve itself in the private sector, when society's problems should be left to the private sector, and what standards should be used to determine when a government program is no longer necessary.

I view government as the servant of the people. In the broadest sense, governments must accept responsibilities for such necessary functions as the citizens could not individually discharge; for example, defense. Another important function of government is to provide a level playing field, ensuring that the marketplace is fair and honest. Governments must ensure a safe and secure environment. I believe that governments should minimize to the extent possible, consistent with the above-enumerated principles, its involvement in the private sector. Determination of when a government program is no longer necessary is actually quite similar to the determination of whether a new program is necessary; *i.e.*, does it perform a useful service for the citizenry which the citizenry could not perform individually? Does the government program promote a level playing field? Does it ensure "law and order" and promote fairness?

6. Describe the current mission, major programs, and major operational objectives of the board/commission to which you have been nominated.

The Board of Directors of the Airports Authority is responsible for the operation and management of the Nation's Capital's principal airports. The Directors are responsible to see that those airports have adequate facilities to conveniently, safely and securely provide for air transportation to the Nation's Capital and to ensure that these objectives are met at a price which air travelers can afford.

7. What do you believe to be the top three challenges facing the board/commission and why?

(1) Security from terror threats, (2) financial management that ensures the Authority's ability to provide facilities needed by air travelers at a price which air travelers can afford, (3) protecting Washington's airports from adverse affects of the financial turmoil in the airline industry.

8. In reference to question number six, what factors in your opinion have kept the board/commission from achieving its missions over the past several years?

I believe the Airports Authority has achieved its mission over the past several years.

9. Who are the stakeholders in the work of this board/commission?

The Airports Authority has many stakeholders the traveling public, its own employees, the airlines and others that do business on the airports, the Congress and the Administration all come to mind.

10. What is the proper relationship between the position to which you have been nominated, and the stakeholders identified in question number nine?

A board member of the Authority is a fiduciary and a steward on behalf of the above-enumerated stakeholders.

11. Please describe your philosophy of supervisor/employee relationships. Generally, what supervisory model do you follow? Have any employee complaints been brought against you?

To my knowledge, no employee complaints have been brought against me. My management philosophy has been heavily influenced by Peter Drucker, by the modern concepts of fairly flat management, and by the concept of customer and stakeholder orientation. I see boards of directors as policy making and oversight organizations. A director's job is to ensure that the organization's managers are competent and of high integrity. Their duty is to resolve policy issues related to the operation and future of the organization. Their oversight role involves assuring that the policies set by the board are faithfully discharged by management. It is the duty of the board to monitor that the financial and employment affairs of the organization are executed and monitored with integrity, and full disclosure. I am wary of board members who choose to micro-manage.

12. Describe your working relationship, if any, with the Congress. Does your professional experience include working with committees of Congress? If yes, please explain.

I have worked closely for more than 40 years with Senators and Congressmen. I worked very closely with Senators Hugh Scott, John Heinz and Arlen Specter. When I was a governor of the Lehigh-Northampton Airport Authority, I played a small role in advocating on behalf of airports. I have served for a number of years on the Federal Judicial Nominating Commission, appointed by Pennsylvania's two Senators, which screens applicants for Federal district judgeships in the Eastern District of Pennsylvania.

13. In the areas under the board/commission jurisdiction to which you have been nominated, what legislative action(s) should Congress consider as priorities? Please state your personal views.

I am not at this moment sufficiently experienced in the Authority's needs to have come to any conclusions as to congressional priorities as they might concern the Authority.

14. Please discuss your views on the appropriate relationship between a voting member of an independent board or commission and the wishes of a particular president.

As a voting member of any independent board or commission, I will always try to understand the issues as well as I can and to come to a conclusion as to the appropriate course of action, considering all the circumstances. I will advocate and vote for that course of action, as I truly believe to be appropriate and consistent with my fiduciary and stewardship responsibilities.

ATTACHMENT

Charles D. Snelling—A.15. Published Writings

Allentown Morning Call Editorials

By C. D. Snelling

4/8/79 Nuclear power: Two points of view—It's lesser of risks
 5/6/79 Foes grossly exaggerating dangers of radiation
 4/25/89 Better evaluation of risks could cool future 'scares'
 11/20/89 Cheer, don't boo, I-78 opening
 6/14/90 Unfair public financing system bloats state universities
 11/19/90 U.S. political system is broken and term limitations would fix it
 9/26/91 Bill that would protect strikers threatens workers' free choice
 5/7/92 Nation reaps a bitter harvest as people blame troubles on others
 10/14/92 Citizens of Lehigh Valley are stakeholders in A-B-E's future
 1/12/93 'Best and brightest' are sought to provide new vision for City
 2/23/94 A-B-E must listen to minority but be sure to serve majority
 11/30/94 Subsidies are way to provide air fare breaks for Valley
 8/22/95 PECO's proposed takeover of PP&L would hurt area
 11/1/95 Community response, good will helped overcome threat to PP&L
 1/23/96 Give taxpayers an incentive to invest in job creation
 2/24/96 A public philosophy will be column's business
 3/30/96 Responsible parkers can make snow plowing easier
 4/27/96 Suburbs must see self-interest in healthy cities
 5/25/96 English is foundation of American success story
 6/22/96 Children are in trouble, but don't blame the system
 7/27/96 Government-mandated recycling is wasteful policy
 8/17/96 GOP gets unfiltered chance to sell itself to nation
 9/21/96 Welfare outcomes depend on laws of economics
 10/5/96 A prediction: White House indictments by 1998
 11/2/96 Legislature's political profiteering feeds cynicism
 11/30/96 Save our Springs does right thing in U. Macungie
 12/28/96 Fuss over Parkway lights was nasty, unseemly
 1/18/97 Clumsy cookie test impeaches teacher honesty
 2/15/97 A command of English puts blacks in mainstream
 3/15/97 Industrial museum can be commitment to future
 4/26/97 Treating staff fairly is key to selling liquor stores
 5/24/97 Of Catholics, schools, Kennedys and annulments
 6/7/97 Despite pundits and parties, voters have last word
 7/5/97 Change values to alter abhorrent behavior
 8/16/97 Science should guide action on global warming
 9/13/97 Diana's death shows we need limits on press
 10/11/97 White House misdeeds are drawing new scrutiny
 11/8/97 To win next year, GOP had better choose wisely
 12/13/97 New Medicare rule intrudes into patients' rights
 1/17/98 Route 22 plan depends upon 'good faith' accord
 2/7/98 Local political parties play role in their own decline
 2/28/98 'Forgotten Holocaust' compels us to face evils
 3/7/98 Allentown council forgets: taxpayers come first
 4/4/98 Let's stick to truth in this round on fluoridation
 5/2/98 Americans had better face the causes of violence
 5/23/98 Parents hold keys to helping a troubled society
 6/6/98 Conspiracy theories fit in with columnist's world
 7/11/98 Moving van inspires thoughts on fate of city, suburbs
 7/25/98 Questions about difficult work of public safety
 8/15/98 End President's crisis with honor, not punishment
 9/26/98 Women's leaders, too, have been hurt by Clinton
 10/24/98 Sprinkler-law debate and the value of a human life

Allentown Morning Call Editorials—Continued

By C. D. Snelling

11/7/98 3 GOP lessons: moderation, moderation, moderation
 12/5/98 City has no right to help hospital take property
 1/2/99 So-called 'stadium bill' is bargain for Pennsylvania
 2/6/99 Non-partisan, regional demand: give us a U.S. judge
 3/6/99 Don't rush to judgment about five tragic deaths
 4/3/99 Anti-growth suburbanites saying: 'I've got mine!'
 5/1/99 Parents, citizens have authority to make changes
 6/5/99 Of crime, privacy rights and an exemplary citizen
 6/12/99 Gov. Ridge's school reforms will offer choices
 7/10/99 Those who love politics can watch this pot boil
 7/24/99 Think of the farmers as grass turns dry and brown
 8/14/99 Troubling results in poll on youth, government
 8/21/99 Global warming based on faith, orthodoxy, not facts
 9/4/99 Local phone monopolies no good for consumers
 10/2/99 PSU expansion is unfair to students, taxpayers
 10/17/99 ASD is complacent about departed manager
 11/6/99 These two improve the 'Big Tent' by leaving it
 11/20/99 Use technology to make trucks and highways safe
 12/3/99 Urban renewal an inside-out, boot-straps kind of endeavor
 12/4/99 Conventional wisdom won't save Lehigh Valley cities
 12/18/99 Fair trade is only way for have-nots to catch up to U.S.
 1/8/00 Let's declare bigotry against *everyone* out-of-bounds
 1/29/00 Don't attack U.S. wage gap by punishing productivity
 2/12/00 Don't blame government for diesel, heating oil prices
 3/11/00 In deciding about death penalty, focus on fairness first
 3/18/00 Culling bad apples—fast—bolsters trust in the police
 3/25/00 Valley must practice civility, prepare for benefits of growth
 4/1/00 Some political reforms have degraded our democracy
 4/29/00 Gaps in integrity have consequences—or they should
 5/13/00 Attack on genetic engineering is politics, not science
 5/27/00 Decency limits drive to get reports on injured executive
 6/3/00 CD price-fixing, cyber-music and the tolerance of theft
 6/10/00 Union's clout made end-run necessary on schools bill
 6/17/00 It's wrong to force public schools to teach creationism
 6/24/00 Ethical lapses of Bill Gates undercut Microsoft in court
 7/1/00 TV reporter misled viewers on cause of JFK Jr.'s crash
 7/8/00 We can't go back to days of whale oil lamps, short lives
 7/15/00 The cost of a highway delayed, and a flawed apology
 7/22/00 Green Future Fund offers honest, durable preservation
 8/5/00 Best news is that most people favor end to 'death tax'
 8/12/00 Gov. Bush's ability to connect will be winning margin
 8/19/00 End awkwardness with a new Puerto Rico plebiscite
 9/2/00 California school results are victory for the 'melting pot'
 9/9/00 Media bias explains Gov. Bush's inelegant thoughts
 9/16/00 Honest politicians needed to deal with energy crunch
 9/30/00 Let's use all our tools to catch, punish the road bullies
 10/14/00 Gore's problem with the truth is a problem for us, too
 10/28/00 Let's remember that sometimes, the best law is no law
 11/11/00 GOP election less: be moderate on women's issues
 11/18/00 Electoral College was part of Founders' compromise
 11/25/00 Parents, schools should work together on discipline
 12/2/00 A Republican view: Why Al Gore is fighting so hard
 12/16/00 U.S. has good fortune in its leaders, majesty of system
 12/23/00 Generous couple have blessed Lehigh Valley, nation
 1/6/01 Integrity counts more than financial status in public life
 1/20/01 State testing can be a tool to help the schools improve
 1/27/01 Protesting of bioengineered foods is mostly political
 2/3/01 California gets what it deserves in electricity shortages
 2/10/01 In Clinton's last days, everyone's eyes were opened
 2/24/01 We must be able to talk to each other about the schools
 3/10/01 The scandal isn't in Florida, but in Clinton's character
 3/17/01 Remember: improvement plan must benefit *all* children
 3/24/01 A Republican argument for big U.S. tax cuts, right now
 4/7/01 ASD must focus more on teaching, less on fighting state
 4/21/01 Wise choices needed on energy supply, distribution
 4/28/01 Don't let past errors foul next decision in downtown
 5/5/01 New energy policy: nuclear, conservation and hydrogen
 5/8/01 'Charles's choices' is list of picks in important Valley primary races
 5/19/01 On arsenic standards, Bush is just defusing a time bomb
 6/2/01 Don't let global warming become political shell game
 6/9/01 Jeffords' defection raises questions about party labels
 6/23/01 American drivers have a lot to learn from Europeans
 7/7/01 Untangle the politics and past, Beth Works is the future
 7/21/01 Cameras, high tech: Do they give police too much power?

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By C. D. Snelling

8/4/01 Traffic is here to stay and Route 22 plans are on-target
 8/25/01 Decisions on traffic, use of land: Whose interest is saved?
 9/1/01 Best office holders state their views, then stick to them
 9/13/01 United States has absolute right to bare Eagle's talons in retaliation
 9/22/01 Flags-on-buses flap is glimpse into academia's values
 9/28/01 Unidentifiable, armed marshals, secure cockpits needed for air safety
 10/20/01 Beads and pins are sure evidence of nation's strength
 11/5/01 Let terror-sponsoring states know costs for continued terror attacks
 11/10/01 Zealotry of any type runs counter to the American spirit
 11/18/01 Plaza at PPL Center opens door to a brighter future for Allentown
 11/24/01 End of reliance on imported oil will free U.S. policies
 12/8/01 Anti-terrorism measures do not threaten citizens' rights
 12/15/01 Philadelphia schools are problem for Lehigh Valley, too
 12/29/01 A little global warming won't be so bad for U.S., after all
 1/7/02 State reapportionment benefits political parties more than people
 1/12/02 Wise leaders made good luck for Valley's economy
 1/26/02 Speak up to get Pa. tort reform
 2/9/02 Sorting out what happened at Enron
 2/23/02 Governor is wise to spread out sacrifices
 3/9/02 Speak up to save industrial museum
 3/23/02 Sometimes, the law is not adequate
 3/25/02 An electronic debate on education funding
 4/8/02 World pressure must get Mideast foes talking
 4/20/02 Virtual porn case was a test of values
 5/4/02 Green Future Fund: an honorable option
 5/18/02 Bush was right to reject ICC treaty
 6/1/02 Bad bus behavior: what are the lessons?
 6/15/02 Valley has stake in college's family feud
 6/29/02 Come down hard on business criminals
 7/13/02 Deeper trends are behind CEO scandals
 7/27/02 U.S. regulators can learn from the British
 8/10/02 Put the Arts Walk to work for Allentown
 8/24/02 'Transnational' thinking threatens U.S.
 9/7/02 Fair discrimination is a human strength
 9/21/02 Multiculturalists threaten Melting Pot
 10/5/02 Don't let scandals override the good
 10/19/02 Liberals give bad advice on world crises
 11/4/02 They were only victims of their own actions
 11/16/02 Nov. 5 lesson: obstruction gets punished
 11/30/02 A city needs its cherished institutions
 12/14/02 Supreme Court must uphold free speech
 12/28/02 Troubled city has an enlightened ally
 1/11/03 The double standard for racism
 1/25/03 Stop the bleeding, save the patient
 2/8/03 Explore space, but with unmanned craft
 2/22/03 U.S. must do right thing, not be popular
 3/8/03 Why Toomey challenge is ill-advised
 3/22/03 Outcome of Iraq war will raise stature of United States
 4/5/03 'War for oil' line doesn't square with market realities
 4/19/03 The 'heartland' view and 'the coasts' view
 5/3/03 Allentown's voters must demand first-rate leadership
 5/17/03 Most important task in Iraq is achieving democracy

Bethlehem Sunday Globe Commentaries

By C. D. Snelling

4/3/83 Exploiting Human Frailty
 4/10/83 Bad Information Riskier
 4/17/83 Natural Gas Deregulation: A Free Market is Sufficient
 4/22/83 Navy Couldn't Ignore Cole's Defiance
 4/24/83 Take An Early Morning Jog Through the Op-Ed Page
 5/1/83 The Biased 'News Filter'
 5/8/83 Mack's Message to Industry
 5/15/83 Selection of Judge Candidates: A Process in Need of Revision
 5/22/83 The Discipline of Foreign Trade
 5/29/83 The Error of Direct Democracy
 6/5/83 A Lesson in Deficits: Ten Dollars and Ten Bags of Wheat
 6/12/83 Prison System Still in Need of Change
 6/19/83 I-78 Foes Should Pay the Costs
 6/26/83 Offer Fingerprinting, But Don't Require It
 7/3/83 Teach Our Teachers the Subject
 7/10/83 Are Students to Blame?
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 7/24/83 Modern Reasons for Optimism

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By C. D. Snelling

7/31/83	Is Colonialism Obsolete?
8/7/83	Getting What You Pay For Also Applies to Public Officials
8/14/83	Radical Politics Surfaces on the St. Lawrence Seaway
8/21/83	Opposing a Radical
8/28/83	The Trashing of the President '83
9/4/83	Rethinking Lebanon
9/11/83	A Simple Lesson in Soviet Conduct
9/18/83	Handling the Soviets
10/2/83	Health Care Cost Crisis
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10/23/83	Women Getting Mixed Signals
10/30/83	Legislative Pay Raise: Method Devious but Understandable
11/6/83	Geopolitics a Nasty Game
11/13/83	Television Reporters Wage Continuing War on Reagan
11/20/83	A Main Course and Tidbits
11/27/83	A Growing List of Thanks
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12/18/83	Marital Rape: Making Fair Rules
12/25/83	The Grinch Subdued Again
1/1/84	Put End to Pa.'s LCB Mess
1/8/84	Now That Lt. Goodman is Home, Was Jesse Right?
1/15/84	In Search of the Village Mentality
1/22/84	Ma Bell Waits for Her Handsome Prince—Stay Tuned
1/29/84	Economic Literacy and Heating Oil Prices
2/5/84	Rep. Aflerbach's Solution Violates Rules of Fair Play
2/12/84	Taxpayers and Labor Talks
2/19/84	Salvaging Lebanon
2/26/84	Time to Junk the Primaries
3/4/84	Balancing Cries of 'Wolf Against Real Danger
3/11/84	Banks Make Good Targets but Fees Can be Beneficial
3/18/84	Free Speech and Hypocrisy
3/25/84	Musings on a Sunny Day Deep in a Rt. 22 Traffic Jam
4/1/84	A First Anniversary 'Thank You'
4/8/84	A Free Marketeer's Election Choices
4/15/84	From Fat, Dumb and Happy to Equal Portions of Pain
4/22/84	Jackson Dismantling Demo Coalition
4/29/84	Frey vs. Stoutenburgh: a Tale of Wreckers and Builders
5/6/84	A Civilized Plea for Libraries
5/13/84	Acting in Moral Accord with Lessons of the Holocaust
5/20/84	Pay Not the Problem
5/27/84	Talking to Those Ignored by Political Polls and Pundits
6/3/84	Debunking Liberal Beliefs on Minorities & Segregation
6/10/84	Mondale's the Winner; Jackson and Hart Should Back Off
6/17/84	What About Life Under the Soviets?
6/24/84	Hospitals Must Adopt Business Practices or Face Failure
7/1/84	25-Cent Meters in Downtowns Long Overdue
7/8/84	'Seekers of Peace' Should Protest Soviet Bio-Weapons
7/15/84	Nuclear Fears are Foolish
7/22/84	Apply Test of Fairness to Women
7/29/84	Consumerism Extreme May Endanger Vaccine Production
8/5/84	Proposition One Attacks Budget Deficit
8/12/84	In This New Era, the Owners Won't Live Down the Street
8/19/84	Big Bad Chemicals are Your Friends and Neighbors
8/26/84	Face-to-Face Encounters Help Republicans Cohere
9/2/84	Warm Milk? Quick, Hand Me That Asbestos Suit
9/9/84	A Squeaky Delegate Gets No Peace
9/16/84	Religion Debate Belies Constitutional Concerns
9/23/84	Ritter, O'Hare, the League and 'Libbers': Two Views
9/30/84	Reagan's Acts Are the Issue
10/7/84	Excuses for Beirut Embassy Bombing Won't Wash
10/14/84	No-Growth Nay-Sayers Block LV Economic Progress
10/21/84	Hysteria an Inappropriate Response to Child Abuse
10/28/84	Mack Trucks Strike Unlikely to Improve Job Security
11/4/84	It Isn't Enough to Face the Nation; the President Must Beat Press
11/11/84	When All Else is Equal, GOP Should Win in Future
11/18/84	Bishops' Letter Challenges Economic Inequality
11/25/84	Libel Suits Could Discourage 'Vile' Abuses of Media
12/2/84	Union Strife, Crooked Guards May Underly Prinson's Problems
12/9/84	To Cut Deficit: Higher Taxes as Well as Spending Cuts
12/16/84	County Politicians Preserve Antique Tax Collectors
12/23/84	Communists Discover Scrooge Knew His Economics
12/30/84	Crystal Balls Reveal What New Year Will Bring

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By C. D. Snelling

1/6/85	Doonesbury: The Comic Strip That Isn't a Comic Strip
1/13/85	Political Machinations Sometimes Come Home to Roost
1/20/85	From the Wasteland Some Courageous Men Emerge
1/27/85	Helms' Takeover of CBS an Experiment in Free Speech
2/3/85	Today's Prosperity Proves Conservatives Right
2/10/85	'Star Wars' Could Give Truth to 'National Defense'
2/17/85	Fuel Co. an Innocent Victim in Misdirected Labor War
2/24/85	Now is the Time for Good People to Run for Office
3/3/85	High Court Retracts its Support for States' Rights
3/10/85	Wish Steel Well, but Prepare for Non-Steel Economy
3/17/85	Don't Let a Few People Upset Progress for the Many
3/24/85	Pharmacists Try 'Buy-Local' Campaign Against Steel
3/31/85	Decision on Waste Treatment Will be Far-Reaching
4/7/85	Democratic Party Smugly Wallows in Self-Delusion
4/14/85	U.S. Shouldn't Push Democracy on South Africa
4/21/85	PUC Decision on PP&L Will Cripple State's Economy
4/28/85	U.S. Appeasement Will Spawn Another Holocaust
5/5/85	Wages, Salaries are Better Left to the Marketplace
5/12/85	Taxing Corporations: An Unfair, Political Fiction
5/19/85	Scrap Income Taxes in Favor of a National Sales Tax
5/26/85	When it Comes to Tax Reform, Confusion is King
6/2/85	Democrats Display Crude Power Politics at its Worst
6/9/85	In the Primary, Bedrock Values Beat Party Politics
6/16/85	This Consumer Activist Knocked on the Wrong Door
6/23/85	Conserve Water—But Encourage Free Choice, Too
6/30/85	For Good of Everyone, Sometimes Hostages Must Die
7/7/85	In Lehigh Valley, the Benefits of Wealth are Shared
7/14/85	Private Charity Preferable to Public Redistribution
7/21/85	Bombs Protect the Freedoms of Confused Dissenters
7/28/85	Hold Your Nose if You Like, but Fasten that Seatbelt
8/4/85	Get Solid-Waste Plant Soon, or Jobs will Drain Away
8/11/85	Reluctant Developers are Forced to Accept Handouts
8/18/85	Society Must Protect Itself Against the Murderers
8/25/85	Political Party Distinctions get Hazy at the Edges
9/1/85	Samantha Smith: Pawn of Parents and Soviets
9/8/85	Gorbachev—Master of Political Propaganda
9/15/85	Renewal of Family Planning Services is Crucial
9/22/85	Democracy a Prescription for Disaster in S. Africa
9/29/85	Insurance Crisis Hurts Everyone—Except Lawyers
10/6/85	On Allentown School Board, Bad Drives Out Good
10/13/85	What Steel Doesn't Need in Its Struggle for Survival
10/20/85	Network Coverage of Terrorism was Unpatriotic
10/27/85	Givebacks Could Save Mack Plant; 'Moralizing' Won't
11/3/85	Some Politicians Favor Business; Most Say They Do
11/10/85	Anti-Star Wars Springs from Politics, Not Science
11/17/85	Who's to Blame in the Miroslav Medvid Tragedy?
11/24/85	UAW is Throwing Mack Workers to the Wolves
12/1/85	LV Professor Propounds Marxist View of U.S. Goals
12/8/85	Gentrification of Allentown Area has Drawbacks
12/15/85	Some Hospitals Offer Better Care than Others
12/22/85	Local Health 'Czars' Would Deny Consumers a Choice
12/29/85	Businesses Betray Market Ideals in Health Care Field
1/5/86	School Board, City Charter were Saved Just in Time
1/12/86	Allentown and Bethlehem: A Tale of Two Downtowns

The CHAIRMAN. Thank you, Mr. Snelling.

Ms. Brown, the Return-of-Flight Task Group is conducting an ongoing analysis of NASA's progress toward implementing the recommendations of the Columbia Accident Investigation Board report for NASA's return to flight. What do you see as being key financial issues to consider in implementing recommendations from that report?

Ms. BROWN. As you're aware from previous testimonies from the Administrator, that we are in the process of reviewing the recommendations and all the options and also looking at all the recommendations and trying to cost them out, it has been very difficult, at this point in time, going through each of the options and being able to place costs associated with that, but we are working toward that, and we will have something to you guys very soon.

The CHAIRMAN. What do you view as the key issues?

Ms. BROWN. Key issues would be International Space Station, the costs associated with that, costs associated with the hardware and software changes that we have to make, as far as being able to return to flight and making the right decisions with regards to what needs to be done to our shuttle, and making sure that we have made the right decision in being able to cost those out.

The CHAIRMAN. Mr. Bhatia, beginning this fall, the United States is going to begin negotiations with the European Union which could lead to an open-skies agreement, something that's been the subject of on and off negotiations for all the years I've been a Member of this Committee. Do you think this a realistic prospect in the near-term? And what do you think the obstacles would be to attaining fully open skies over the Atlantic? And, finally, do you think this breakdown in Cancun last week has any impact on those negotiations?

Mr. BHATIA. You're correct, Senator. The US/EU negotiations, that were launched originally by President Bush and President of the EU earlier this year, are going to begin with formal sessions at the end of this month, and then another session is scheduled for December. It is extremely difficult, I think, to predict the prognosis for success there. We look forward to these negotiations, because they do promise, potentially, so much.

The strategy that has been pursued not only by this Administration, but by the last two Administrations before it, of pursuing open skies on a country-by-country basis has yielded benefits. At the same stage, there has always been this tantalizing notion out there of being able to develop an open transatlantic market, one that would multiply the benefits of the open-skies arrangements several-fold. We will really have to see, I think, based on the first set of discussions that we have in October and then subsequent working sessions, what the likelihood of success is.

That said, I, personally, am very intrigued by this possibility, and I look forward to spending a good deal of my time working on trying to make it a success.

The CHAIRMAN. Wasn't there a recent EU decision that would probably change the whole aspect of this set of negotiations?

Mr. BHATIA. I think you're probably referring to the decision of the European Court of Justice from earlier this year. I think that raised some initial concerns, perhaps on both sides of the Atlantic. Quite frankly, I think when you parse through the decision carefully, you see that the decision, which was perceived to have stricken down or stricken out parts of the bilateral agreements, really applied only to very limited parts. I don't think it is a decision that's likely to impede our US/EU negotiations. Indeed, one might arguably credit that decision with giving the Commission the mandate that it subsequently has used to commence these discussions.

Again, the prospect here of a truly liberalized bilateral market between the U.S. and the EU, both very large markets, is a source of great excitement to me and, I know, to Secretary Mineta, as well.

The CHAIRMAN. Mr. Snelling, there have recently been a number of contract awards by MWAA that have been challenged. Some of these have triggered investigations by the Department of Transpor-

tation's Inspector General and the General Accounting Office. In fact, a recent comprehensive GAO report on the Authority's contracting practices showed that GAO found that its contracting guidance does not adequately reflect competitive contracting principles and is out of date in many respects.

I believe that the Board of Directors has a responsibility in overseeing these practices. These are taxpayers' dollars, and I hope that you will make it a priority to look into these contracting practices, and that they are in keeping with the overall governmental guidelines that all agencies of government have to comply with. All right?

Mr. SNELLING. I assure you that I will, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Snelling.

Ms. Brown, I just want to go back one second to this issue of implementing the recommendations of the Gehman Board, as its better known. They didn't address, to any significant degree, the costs—nor would I particularly expect them to; that wasn't their charter—but don't you see that—would you agree that some very tough decisions are going to have to be made, given the fact that NASA's budget simply won't encompass all of its missions as we envision them today, and then complicated by the recommendations, which are all expensive, that the Gehman Board has made?

Ms. BROWN. Yes, I definitely do agree with that, sir.

The CHAIRMAN. So, to some degree, you're going to have to be at the table—to a significant degree, you're going to have to be at the table when some of these decisions are made, because we can't afford everything.

Ms. BROWN. Exactly. And that's why I'm hoping that the Committee will support my nomination and move it out expeditiously so I can get there and be right there to help make those decisions at this point in time.

The CHAIRMAN. Good.

Since we have a vote on—

[Laughter.]

The CHAIRMAN.—since we do have a vote on, and you can see by the attendance here that all three of your nominations are fraught with controversy—

[Laughter.]

The CHAIRMAN.—we will try to move your—we will move your nominations as expeditiously as we can, which should not be a very long period of time. Thank you for your willingness to serve your country, and congratulations to you and your families.

Thank you. This hearing is adjourned.

[Whereupon, at 2:52 p.m., the hearing was adjourned.]

A P P E N D I X

REMARKS BY HON. RICK SANTORUM INTRODUCING CHARLES SNELLING

Mr. Chairman, I am pleased to introduce Charles Snelling to the Committee in connection with his nomination by President Bush to be a Member of the Board of Directors of the Metropolitan Washington Airports Authority.

Mr. Snelling, a resident of Fogelsville, Pennsylvania, is an active community leader in the Lehigh Valley and has a wide variety of experiences in the private sector and in public life.

His experience in the private sector includes involvement in private venture capital activities, real estate investment and development, and agricultural interests. Charles is a founder and Director of the Northeast Pennsylvania Venture Fund, L.P., Northeast Pennsylvania Venture Fund II, and Mid-Atlantic Venture Fund III. This venture fund family is involved in leading seed and startup stage venture investors.

Charles also has experience in Federal service. In 1976, during the Ford Administration, Secretary of Commerce Elliott Richardson appointed him to the Commerce Technical Advisory Board. He was also appointed by President Ford to the President's Commission on Personnel Interchange. Later during the George H.W. Bush Administration, Charles was appointed to the U.S. Small Business Administration's National Advisory Council.

On the state level, Snelling was also appointed in 1995 by then-Governor Tom Ridge to serve as Chairman of the Pennsylvania Aviation Advisory Board. In addition, as a member of Governor Ridge's Keystone Committee, he co-authored a report entitled *Meeting Pennsylvania's Challenges*. Charles has also served as a Past President of The Pennsylvania Society.

Charles's experience as a leader in his community also includes four years as President of the City Council of Allentown, Pennsylvania and a regular commentary column on economic, political, and social issues in the Allentown Morning Call newspaper and a weekly column in the *Bethlehem Globe-Times*.

In addition to service on numerous other boards, Charles is a member of the American Association for the Advancement of Science, the Franklin Institute and is listed in American Men of Science, Who's Who in Finance and Industry, Who's Who in the East, and Who's Who in American Politics.

I am confident that Charles will be an excellent addition to the Board of Directors of the Metropolitan Washington Airports Authority and urge the Committee to quickly approve his nomination.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN MCCAIN TO GWENDOLYN BROWN

Question 1. What strategies should NASA use to facilitate maximum communication between NASA and Congress to ensure that NASA's funding needs are fully assessed and accurately communicated?

Answer. In my current position as the Deputy Chief Financial Officer for Financial Management, I have not had the opportunity to work directly with the Congress on NASA's funding needs. As CFO, I intend to change that. I will take a pro-active, hands-on approach and I hope to develop close working relationships in order to enhance the flow of communication and understanding between NASA, OMB and the Congress.

Question 2. In April of this year, the General Accounting Office released a report on the Improvements Needed in Management of NASA's Integrated Financial Management Program. The report stated that NASA has not established an analytical capability to guide and constrain its acquisition of the financial management system's commercial components. It also states that in implementing core financial module components, NASA has deferred addressing the needs of key system users, namely the program managers. The GAO report further states that the agency is

at risk of making a substantial investment in a system that will fall far short of its stated goal of providing meaningful and reliable information to support effective program management and congressional oversight.

- a. Do you agree with GAO's assessment?
- b. What is NASA doing to address GAO's findings and recommendations?
- c. How much will NASA spend on this financial management system?
- d. There are concerns that the development of this financial management system is focused too much on meeting a schedule. Similar findings were discussed by the investigation board of the *Columbia* accident concerning the Shuttle program. Do you believe that the emphasis on schedule may have caused some of the problems that GAO identified in its report?

Answer 2a, b, c, d. As stated in our response to GAO's review, which is included as an appendix to their report, the Integrated Financial Management Program (IFMP) is scheduled to be implemented in a modular fashion over the 2000–2006 period. (Those modules are: Position Description, Resume Management, Travel Management and Core Financials which are active as of today, "Erasmus," our Executive Management Information module, Budget Formulation, Asset & Project Management, Contract Administration and Human Resources, which are scheduled to be deployed individually over the next three years). At the time of the GAO review, in December 2002, less than 1/3 of the total modules had been implemented. Core Financials, our most recent deployment, completed less than 90 days ago, is focused on accounting, budget execution and internal financial controls and funds management. Our next module, scheduled for rollout in 2004, will address the Agency's Budget Formulation needs and, once implemented, will indeed allow the subsequent "Planned vs Actual" analysis, which is fundamental to the Agency's cost estimation and program management functions. In addition, our Project and Program Management community will greatly benefit from our forthcoming Asset and Project Management module, scheduled for operation in the 2005–2006 timeframe.

Previous unsuccessful efforts have shown us that trying to build and deploy at once all functionality, satisfying all constituencies immediately, carries an unacceptable degree of implementation risk. This is why the Agency has decided to manage this Program based on a detailed milestone plan emphasizing integration functionality and individual module performance rather than abide to an artificial installation completion deadline. The current and projected costs of the IFM Program, which were presented and analyzed in the report NASA delivered to Congress last spring, are still valid.

Finally, given that the scope and planned functionality of the IFMP is beyond just financial information, this system is truly an Agency-wide initiative, ultimately touching every single function in our organization, (currently no comparable capability exists in the Federal Government). Therefore, the Administrator has decided to be directly involved in overseeing all facets of the program (the IFM Program Executive Officer is part of his staff and reports directly to him) to make sure that we are not building "an accounting system, for accountants, by accountants." The financial functionalities that IFM will bring to NASA in budget formulation and execution are critical, but the IFM system will, when completed, significantly affect all the core activities of our agency, including the programmatic and human capital functions giving managers at all levels the detailed information they need (and never had) to make more effective decisions in a timely way.

Question 3. The CAIB report raised concerns that scheduling pressure had been a factor in Space Shuttle *Columbia* accident. The report recommended that NASA "adopt and maintain a Shuttle flight schedule that is consistent with available resources." How will NASA's implementation of this recommendation affect your plans as CFO for budgeting and estimating the costs of the Shuttle program?

Answer. We are in the process of exploring various options, all of which have varying impacts on the NASA budget. As a financial manager, it would be premature for me to answer this question until I have reviewed the final options selected based on the recommendations and made a definitive cost analysis and assessment. However, I believe that rigorous oversight during budget formulation will be a critical part of the process for the assessment of The Shuttle flight schedule and its budget. Cost control and effective program management is important and should be a continuous process to provide fiscal credibility that is so critical to prudent management of scarce resources.

Question 4. The International Space Station has incurred major cost overruns over the years. Many times, the Congress was not notified of these overruns until they reached some exorbitant amount. The truth is that the cost overruns did not happen overnight and they represent, in some cases, years of neglected reporting.

- a. What do you plan to do to ensure that these cost overruns are tracked and reported in a timely manner to both NASA and the Congress?
- b. As Chief Financial Officer, what steps do you plan on taking to ensure that the Space Station stays on budget and that other programs, such as the Space Shuttle, are not raided to meet these potential cost overruns?

Answer 4a, b. NASA has taken significant steps toward ensuring that the true costs associated with the ISS are justifiable. The Agency has also implemented a new Core Financial System with controls in place that clearly identify for the resource manager as well as the project manager the disparity between cost and billings.

First, NASA commissioned the review of the ISS cost by three different groups—each working independently (DOD/CAIG, NASA independent cost estimating group, and program managers estimate). Upon review of each group's results, they were within ten percent of cost that validated our estimate to Congress in order to bring the program back in line.

Next, as of July 2003, we have successfully implemented the Core Financial Module of the Integrated Financial Management System at NASA. The Core Financial Module is a key element, as it provides customary execution data. We have also developed a reporting mechanism that allows resource managers and program managers visibility into cost and disbursements for a particular program. This provides up-to-date information by which managers are able to control, monitor and report to external entities costs as they relate to the ISS program.

Question 5. Given the discussion about NASA's culture and its effect on NASA management, including financial management, what are your views of the need for cultural change at NASA?

Answer. I am in complete agreement with the CAIB recommendation. As this agency has been without a CFO for sometime, the culture and leadership within this portion of the organization has suffered quite a bit. I plan to restore the leadership and direction and will begin the often difficult work of transformation of the financial management culture. The financial management community is primed for change as we continue to implement our suite of new business processes and systems to better track NASA's budget and expenditures. I will provide the needed leadership and work hand in hand with other leaders within the NASA community to reframe this organization in order to meets its mission "to understand and protect our home planet, to explore the universe and search for life, to inspire the next generation of explorers . . . as only NASA can."

