



September 18, 2012

Deputy Secretary Decision Memorandum

Subject: Decisions regarding Recommendations contained in the National Oceanic and Atmospheric Administration (NOAA) / National Environmental Satellite, Data, and Information Service (NESDIS) Independent Review Team Report dated July 20, 2012

I have received and conducted a comprehensive review of the report titled "NOAA NESDIS Independent Review Team (IRT) Report, July 20, 2012" and I have been briefed by the IRT leadership. While this type of independent review by an external team of experts is a major component of our quality assurance program for satellite development, the timing and scope of this review was driven in part by concerns expressed by the Senate Commerce, Justice, and Science Appropriations Committee in the 2013 Appropriations Bill. I take the concerns articulated by both the Senate and the IRT quite seriously and this memorandum documents my expectations for Department and NOAA personnel in ensuring the success of the satellite mission.

Issues to be addressed can be categorized in five areas: Oversight and Decision Process, Governance, Joint Polar Satellite Systems (JPSS) Gap, Programs, and Budget. Consistent with their responsibilities and authorities, NOAA/NESDIS have been working for some time on issues identified under the latter four areas. Activities accomplished to date and on-going efforts are documented in the NOAA Under Secretary's decision memorandum dated September 18, 2012.

It is important we fully address the Oversight and Decision Process findings of the IRT to ensure success of this critical mission. The transition from the dysfunctional tri-agency NPOESS program to the JPSS program rightly required substantial engagement by the Office of the Secretary (OS). However, I agree with the IRT criticism that we have conflated the proper role of oversight appropriate at the NOAA and DOC headquarters level with the decision-making responsibilities at the NOAA/NESDIS level. We must refocus NOAA and DOC headquarters efforts to proper oversight and support the Under Secretary of NOAA in ensuring that NOAA/NESDIS has the internal capability to perform the analysis necessary for top-quality decisions. To that end, my specific expectations and directions are set out below.

The successful deployment and operation of the next generation of satellites is critical to NOAA's ability to continue to deliver excellence in weather forecasting. The partnership with NASA has been integral to the success of the satellite enterprise for several decades. I expect the Under Secretary of NOAA to continue to work with NASA to enhance that partnership.

The success of this mission requires all Department personnel to work collaboratively as a team while discharging their respective responsibilities. To this end, I expect every individual to approach their

responsibilities with mission success as the over-riding and urgent goal. Each member of the team has a specific role and set of responsibilities, authorities, and accountabilities. I expect team members to respect each other's roles, responsibilities, authorities and accountabilities, to support the appropriate flow of information and to provide assistance to program officials as needed.

A team led by the Chief of Staff to the Deputy Secretary has documented the roles, responsibilities, authorities, and accountabilities for the key management positions within NESDIS, NOAA Headquarters and at the Department Management level with regard to satellite program management. The direct accountability for mission success flows from the program manager, through NESDIS leadership, to the NOAA Deputy Under Secretary, to the NOAA Under Secretary, to the Deputy Secretary, and ultimately to the Secretary. NESDIS executives develop, execute, and manage programs within the approved cost, schedule, and scope and in compliance with applicable laws, regulations, and established policies. Executives in the roles of financial, administrative and information technology at NOAA and DOC (e.g., CFOs, CIOs, etc) are responsible for mission success by supporting the decision making process in this chain of command and ensuring that activities being performed are in compliance with applicable laws, regulations, established policies and performance targets. The role of the DOC executives is focused at the strategic level; any needed operational support and engagement should largely be addressed by NOAA HQ. The Under Secretary of NOAA is the senior official accountable to me for success of the satellite programs. I direct my staff to provide the Under Secretary of NOAA any and all assistance needed to support mission success.

Because the Secretary is ultimately accountable for the effective delivery of the satellite programs, we need a clear plan for conducting oversight that does not impede the conduct of work and the decision-making process. I direct the Chief of Staff to the Deputy Secretary to develop and implement a plan to meet Department Management's needs for metrics and information; to communicate necessary and sufficient information needed to make decisions and illustrate status at the strategic level; and ensure a comprehensive communications plan that serves internal and external stakeholder needs.

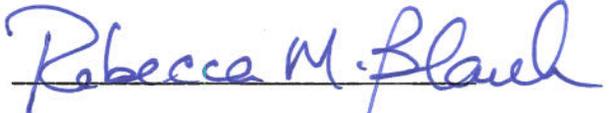
I expect every individual to conduct their work transparently and to be responsive to oversight authorities including the Administration, Congress, and investigative entities. Timely and responsive external communication is important for mission success. I support NOAA's work to implement a streamlined review process to ensure our satellite programs can engage in appropriate and timely communication with our external stakeholders. I direct OS staff to support NOAA in this effort, and in particular, to ensure the timely clearance of appropriate communications.

I expect the effective application of risk management principles in the operation and oversight of these programs. Furthermore, I expect the successful application of a Quality Assurance (QA) program and use of Quality Control (QC) procedures for these critical programs. NASA's role is critical to this QA/QC process as is the routine use of independent technical experts. A significant aspect of the Department's oversight role is ensuring the effective implementation of a QA program; conduct of QC activities at the Department level is not appropriate. I expect NOAA officials to brief me on the QA program employed for satellites at the first quarterly review identified below.

I reaffirm the existing delegation of Key Decision Point (KDP) authority to the Under Secretary of NOAA for the Geostationary Operational Environmental Satellite with its R series program (GOES-R). The JPSS program represents a critical component of the Department's mission and requires risk mitigation actions as outlined by the IRT. NOAA has work underway to identify options and associated independent cost estimates to ensure the JPSS program can execute with a high probability of success and efficiency while minimizing the probability of any gap in critical coverage. I expect the Under Secretary of NOAA, supported by OS staff, to fully evaluate options and provide a recommendation to me that will inform the FY 2014 Appropriations Process. Until such time as these risks can be retired, the Key Decision Point authority for the Joint Polar System Satellite (JPSS) program will remain with the Deputy Secretary to ensure the highest levels of support to the program.

In addition, I direct the Chief of Staff to the Deputy Secretary to establish a quarterly Department status review of satellite programs chaired by the Deputy Secretary. This will represent the single, formal review at the Department level, covering all oversight elements (e.g., financial, IT-related, etc.). The focus will be on identifying and addressing major risks and providing the programs any necessary assistance. The first of these reviews will occur in November 2012.

I hereby instruct officers of the Department of Commerce and National Oceanic and Atmospheric Administration to take all steps necessary to implement these decisions.


Deputy Secretary Rebecca M. Blank