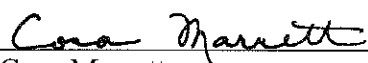


JUSTIFICATION FOR EXEMPTED COMMERCIAL ACTIVITIES

Justification Statement for Reason Code A

Efficient achievement of the Foundation's mission requires a collaborative effort among a variety of staff including scientists, engineers, program assistants, administrative personnel and support staff. The interaction between Directorate staff and Universities is critical to the announcement, receipt, processing, review, decision and oversight of grants. The relationship of program staff with program directors and senior officials within the Directorates is vital because of the broad responsibilities and relatively small size of the program staff. The need for program continuity, recognition of program priorities and continuous interaction with the research community is core to the Foundation's mission, and make program staff integral to the Foundation's success. Loss of the continuity afforded by the in-house performance of the functions listed below would result in substantial risk to the Foundation's ability to accomplish its unique mission. Therefore, the following functions, although potentially commercial in nature, should not be subject to privatization, commercialization or potential outsourcing:

- C315 Financial Management (14 FTE)
- D300 Statistical Analysis (33 FTE)
- D707 Program Evaluation (111 FTE)
- D000 Regulatory and Program Management Administrative Support (146 FTE)
- L000 Grants Management Administrative Support (98 FTE)



Cora Marrett
Deputy Director