
Financials

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Chief Financial Officer's Statement

As the Lyndon B. Johnson Space Center (JSC) Chief Financial Officer, I am pleased to present this annual report for Fiscal Year 1999. The financial statements provide the Center's results of operation and financial position for the year — reflecting our Center's unique mission and leadership in the aerospace industry.

At JSC we always strive for excellence and look for ways to continuously improve our processes. As the newly appointed Chief Financial Officer, I established several teams within the Office of the Chief Financial Officer to look at ways to streamline our work processes and redesign our functions.

Reinventing how we do business is especially important in today's environment in order to step up to more demanding and challenging workloads. Our redesign goal is to continue to provide the right level of support to help manage the Center's responsibility for multiple programs and projects. We must also devise new and creative methods to absorb the impact brought by continued downsizing of our workforce. The efforts of the streamlining and redesign teams resulted in a number of opportunities for improvement. By focusing on streamlining and redesign of our work processes, I feel confident our overall ability to provide resource and financial management support to the Center will continue to be of the absolute highest quality.

Fiscal Year 1999 was a challenging and exciting year for the Johnson Space Center. The financial state of health at Johnson Space Center is good. We are looking forward to new challenges in the next century.



John H. Beall



Statement of Financial Position

as of September 30 (In Thousands)

Assets:	1999	1998
Intragovernmental Assets:		
Fund Balance with U.S. Treasury (Note 2)	\$ 1,236,169	\$ 1,265,755
Accounts Receivable, Net (Note 3)	1,771	1,833
Advances and Prepayments	12,613	15,457
Governmental Assets:		
Accounts Receivable, Net (Note 3)	1,025	1,296
Operating Materials and Supplies (Note 4)	2,365	2,597
Property, Plant, and Equipment, Net (Note 5)	10,528,577	10,292,069
Other Assets (Note 6)	700,704	751,018
Total Assets	\$ 12,483,224	\$ 12,330,025
Liabilities:		
Liabilities Covered by Budgetary Resources:		
Intragovernmental Liabilities:		
Accounts Payable	13,251	14,079
Other Liabilities (Note 7)	7	15
Governmental Liabilities:		
Accounts Payable	727,885	726,699
Other Liabilities (Note 7)	22,941	20,083
Total	\$ 764,084	\$ 760,876
Liabilities Not Covered by Budgetary Resources:		
Intragovernmental Liabilities:		
Other Liabilities (Note 7)	91	91
Governmental Liabilities:		
Other Liabilities (Note 7)	34,913	34,429
Total	\$ 35,004	\$ 34,520
Total Liabilities	\$ 799,088	\$ 795,396
Net Position:		
Balances		
Unexpended Appropriations	487,493	523,465
Invested Capital	11,231,112	11,039,620
Donated Property	535	6,064
Future Funding Requirements	(35,004)	(34,520)
Total Net Position (Note 8)	\$ 11,684,136	\$ 11,534,629
Total Liabilities and Net Position	\$ 12,483,224	\$ 12,330,025

The accompanying notes are an integral part of these statements. These statements are for internal use and have not been audited.

Statement of Operations and Changes in Net Position

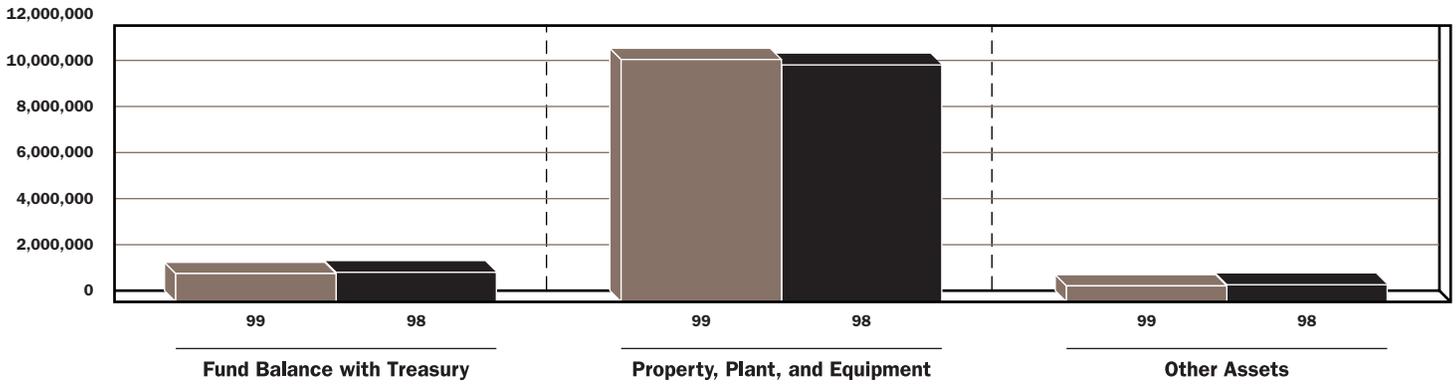
for the year ended September 30 (In Thousands)

	1999	1998
Revenues and Financing Sources:		
Appropriated Capital Used	\$ 4,037,430	\$ 4,009,008
Revenues from Sales of Goods and Services		
To the Public	8,249	9,086
Intragovernmental	37,101	10,192
Total Revenues and Financing Sources	\$ 4,082,780	\$ 4,028,286
Expenses:		
Program or Operating Expenses		
Science, Aeronautics, and Technology	196,467	117,383
Human Space Flight	3,471,323	3,528,246
Mission Support	369,511	359,390
Research and Development	(853)	28
Space Flight Control and Data Communications	(1,583)	1,476
Construction of Facilities	2,616	2,621
Research and Program Management	(51)	(136)
Total Program or Operating Expenses	4,037,430	4,009,008
Reimbursable Expenses	45,350	19,278
Total Expenses	\$ 4,082,780	\$ 4,028,286
Excess (Shortage) of Revenues and Financing Sources Over Total Expenses	0	0
Non-Operating Changes:		
Unexpended Appropriations	(35,972)	(102,003)
Donated Property	(5,529)	5,077
Invested Capital	191,492	506,240
Future Funding Requirements	(484)	2,838
Total Non-Operating Changes	\$ 149,507	\$ 412,152
Excess (Shortage) of Revenues & Financing Sources Over Total Expenses and Non-Operating Changes	149,507	412,152
Net Position, Beginning Balance	11,534,629	11,122,477
Net Position, Ending Balance	\$ 11,684,136	\$ 11,534,629

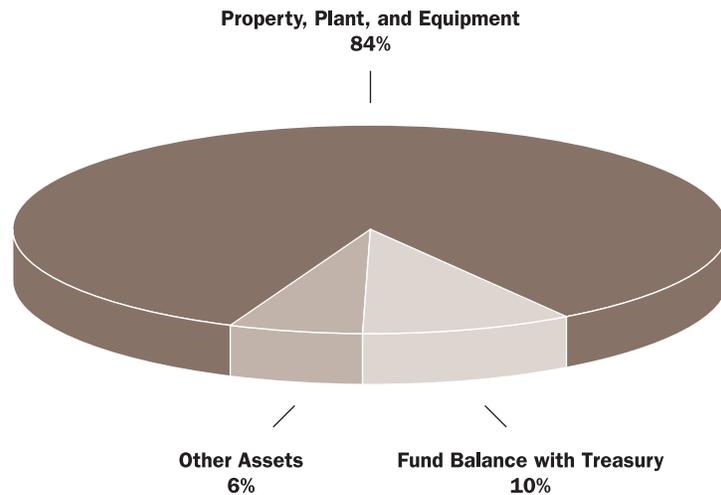
The accompanying notes are an integral part of these statements. These statements are for internal use and have not been audited.

Financial Highlights

	1999	1998	% Change
Fund Balance with Treasury	\$ 1,236,169	\$ 1,265,755	(2%)
Property, Plant, and Equipment	\$ 10,528,577	\$ 10,292,069	2%
Other Assets	\$ 700,704	\$ 751,018	(7%)



	1999	1998	% Change
Assets	\$ 12,483,224	\$ 12,330,025	1%
Liabilities	\$ 799,088	\$ 795,396	0%
Net Position	\$ 11,684,136	\$ 11,534,629	1%



for the years ended September 30, 1999 and 1998

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements were prepared to report the financial position and results of operations of Johnson Space Center (JSC). They were prepared from the books and records of JSC in accordance with the form and content for entity financial statements specified by Office of Management and Budget (OMB) Bulletin 94-01 and JSC's accounting policies which are summarized in this note.

Reporting Entity

JSC is 1 of 10 NASA field centers established to aid NASA in its mission to provide for aeronautical and space activities. The Johnson Space Center's accounting system, called the Interactive Basic Accounting System (IBAS), is a mechanized system that uses the single-source data entry concept to reduce the redundancy of data entry. Multiple transactions are entered into the system simultaneously using transaction codes that instruct the system to post debits and credits to the appropriate general ledger accounts. JSC's systems provide payroll and labor accounting for approximately 3,200 employees and process approximately 300,000 non-payroll-related accounting transactions monthly. These transactions update the Financial and Contractual Status (FACS) report and the General Ledger. This data provides the basic information necessary to meet internal and external financial reporting requirements and provides both fund control and accountability.

There are seven basic appropriations that require individual treatment in the JSC system of accounting and control. They are Science, Aeronautics, and Technology (SAT), Human Space Flight (HSF), Mission Support (MS), Space Flight Control and Data Communications (SFCDC), Research and Development (R&D), Research and Program Management (R&PM), and Construction of Facilities (C of F).

The SAT appropriation for program years 1995 and forward provides funding for research and development activities. This includes funds to:

- extend our knowledge of the Earth, its space environment, and the universe;
- invest in new aeronautics and advanced space technologies that support the development and application of technologies critical to the economic, scientific, and technical competitiveness of the United States.

The HSF appropriation for program years 1995 and forward provides funding for human space flight activities.

This includes funding for:

- the International Space Station
- the Space Shuttle Program
- payload and utilization operations
- flight support for cooperative programs with Russia.

The MS appropriation for program years 1995 and forward provides funding for:

- the civil service workforce
- space communication services
- safety and quality assurance activities
- maintenance activities.

The SFCDC appropriation for program years 1994 and prior provides funding for:

- space flight
- spacecraft control and communication activities
- operations, production services, and other activities related to space flight.

The R&D appropriation for program years 1994 and prior provides funding for:

- research and development of space vehicles
- space systems
- other related activities.

The R&PM appropriation for program years 1994 and prior provides funding for:

- civil service salary
- civil service travel
- related expenses for civil servants required to manage and conduct programs.

The C of F appropriation for program years 1994 and prior provides funding for:

- construction, repair, rehabilitation, and modification of facilities
- minor construction of new facilities
- additions to existing facilities
- facility planning and design.

In addition to the basic operating programs described above, the JSC financial management program included reimbursable activity of approximately \$45 million during FY 1999. The reimbursable program requires special management reports to monitor advance payments from customers maintained on deposit with the U.S. Treasury.

Basis of Accounting

JSC records transactions on an accrual accounting basis and a budgetary basis. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds.

Revenues and Other Financing Sources

JSC receives the majority of the funding needed to support its programs through appropriations. JSC receives both annual and multi-year appropriations that we use, within statutory limits, for operating and capital expenditures. We obtain additional amounts through reimbursements for services performed for the public and other federal agencies.

Funds with the U.S. Treasury

JSC does not have disbursing authority and does not maintain cash in commercial bank accounts. The U.S. Treasury processes all cash receipts and disbursements. The funds with the U.S. Treasury include appropriated funds and deposit funds received from the public as advance payments for reimbursable services.

Advances

For the most part, JSC funds its University Contracts and Grants program through the use of a letter of credit system and the automated clearinghouse method of providing advance payments of federal funds to recipient organizations. Recipients are required to schedule drawdowns to coincide with actual, immediate cash requirements, in accordance with Department of the Treasury regulations. Quarterly reporting by recipients to NASA is provided on Federal Cash Transactions Reports (SF 272). We maintain detailed accounting records and monitor audits by the Defense Contract Audit Agency and NASA's Office of Inspector General of the grantees.

Accounts Receivable

Most receivables are due from other federal agencies for reimbursement of research and development services related to satellites and launch services. Non-federal customers provide advance payments placed on deposit with the U.S. Treasury until services are performed.

Prepaid Expenses

Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of prepayment and recognized as expenses when related goods and services are received.

Operating Materials and Supplies

In accordance with Statement of Federal Financial Accounting Standards (SFFAS) Number 3, "Accounting for Inventory and Related Property," materials held by JSC that are repetitively procured, stored, and issued on the basis

of demand are considered Operating Materials and Supplies.

Government-Owned/Contractor-Held inventories are material at both contractor and NASA facilities, but under contractor control and accountability and used for programs and projects under contract.

Property, Plant, and Equipment

NASA-owned Property, Plant, and Equipment is held by JSC and its contractors. Property with a unit cost of \$100,000 or more and a useful life of 2 years or more is capitalized. Capitalized cost includes all costs incurred by NASA to bring the property to a form and location suitable for its intended use.

Equipment includes special tooling, special test equipment, and space hardware, such as the Space Shuttle, and other configurations of spacecraft: engines, unlaunched satellites, rockets, and Space Station and other scientific components unique to NASA's space programs. Structures, Facilities, and Leasehold Improvements include buildings with collateral equipment, and capital improvements such as airfields, power distribution systems, flood control, utility systems, roads, and bridges.

Under provisions of the Federal Acquisition Regulation (FAR), contractors are responsible for control over and accountability for Government-owned property in their possession. NASA's contractors report on NASA property in their custody annually, as of September 30, on a NASA Form 1018, NASA Property in the Custody of Contractors. The NASA Form 1018 is certified by the contractor's representative and approved by a Government property administrator.

NASA made significant changes in its property, plant, and equipment accounting and reporting policies and practices in Fiscal Year 1998, to implement the requirements of SFFAS Number 6, "Accounting for Property, Plant, and Equipment," and Number 8, "Supplementary Stewardship Reporting." Major changes included recognizing depreciation, capitalizing

assets in space, and reporting heritage assets as Supplementary Stewardship Information. However, JSC only incorporated the capitalization threshold change of \$100,000 from \$5,000 and the write-off of Heritage assets in this annual report. JSC continues to maintain physical accountability for property, plant, and equipment at lower values.

Liabilities

Accounts payable includes amounts recorded for receipt of goods or services furnished to the Agency, based on billings rendered. Additionally, JSC accrues cost and recognizes liability based on information provided monthly by contractors on NASA Contractor Financial Management Reports (NASA Forms 533M and Q). JSC relies on independent audits by the DCAA to ensure reliability of reported costs and estimates. To provide further assurance, financial managers test the accuracy of cost accruals generated from the NF 533s monthly, and NASA Headquarters independently analyzes the validity of Centers' data.

Liabilities Not Covered by Budgetary Resources

NASA's liabilities not covered by budgetary resources include environmental matters, legal claims, pensions and other retirement benefits (ORB), workers' compensation, annual leave (see discussion below) and closed appropriations.

Employee Benefits

JSC's employees participate in the Civil Service Retirement System (CSRS), a defined benefit plan, or the Federal Employees Retirement System (FERS), a defined benefit and contribution plan. For CSRS employees, NASA makes matching contributions equal to 7 percent of pay. For FERS employees, NASA automatically contributes 1 percent of pay to a retirement savings plan and matches employee contribution up to an additional 4 percent of pay. For FERS employees, NASA also contributes the employer's matching share for Social Security.

Notes to the Financial Statements (continued)

Note 2. Fund Balances with U.S. Treasury: (In Thousands)

	1999			
	Obligated	Unobligated Available	Unobligated Restricted	Fund Balance
Appropriated Funds	\$ 1,075,793	\$ 152,117	\$ 8,213	\$ 1,236,123
Deposit Accounts				44
Suspense/Clearing Accounts				2
Total				\$ 1,236,169

Note 3. Accounts Receivable, Net: (In Thousands)

	1999			
	Entity Accounts Receivable	Non-Entity Accounts Receivable	Allowance for Uncollectible Receivables	Net Amount Due
Intragovernmental	\$ 1,736	\$ 35	—	\$ 1,771
Governmental	999	68	(42)	1,025
Total	\$ 2,735	\$ 103	\$ (42)	\$ 2,796

Note 4. Operating Materials and Supplies: (In Thousands)

	1999		1998		Valuation Method
(a) Stores Stock	\$	411	\$	550	Weighted Avg
(b) Standby Stock		1,954		2,047	Weighted Avg
Total	\$	2,365	\$	2,597	

(a) Stores Stock is material being held in inventory by JSC that is repetitively procured, stored, and issued on the basis of recurring demand.

(b) Standby Stock is material held for emergencies whose stock levels are not based on demand criteria.

Notes to the Financial Statements (continued)

Note 5. Property, Plant, and Equipment: (In Thousands)

	1999	1998	Change
Government-Owned/Held:			
Land	\$ 8,797	\$ 8,797	\$ —
Structures, Facilities, & Leasehold Improvements	532,913	565,352	(32,439)
Equipment	294,482	286,731	7,751
Construction in Progress	9,630	6,476	3,154
	<u>\$ 845,822</u>	<u>\$ 867,356</u>	<u>\$ (21,534)</u>
Government-Owned/Contractor-Held			
Land	\$ 2,141	\$ 3,570	\$ (1,429)
Structures, Facilities, & Leasehold Improvements	42,262	48,176	(5,914)
Equipment	418,873	602,400	(183,527)
Special Tooling	41,888	43,654	(1,766)
Special Test Equipment	213,775	224,449	(10,674)
Space Hardware	7,933,386	7,303,812	629,574
Construction in Progress	1,030,430	1,198,652	(168,222)
	<u>\$ 9,682,755</u>	<u>\$ 9,424,713</u>	<u>\$ 258,042</u>
Total	<u>\$ 10,528,577</u>	<u>\$ 10,292,069</u>	<u>\$ 236,508</u>

Note 6. Other Assets: (In Thousands)

	1999	1998	Change
Contractor-Held Materials	\$ 700,704	\$ 751,018	\$ (50,314)

Notes to the Financial Statements (continued)

Note 7. Other Liabilities: (In Thousands)

	1999		
Liabilities Covered by Budgetary Resources:			
	Current	Non-Current	Total
Intragovernmental Liabilities:			
* Liability for Deposit and Suspense Funds	\$ 7	\$ —	\$ 7
Governmental Liabilities:			
* Liability for Deposit and Suspense Funds	\$ 101	\$ —	\$ 101
Accrued Funded Payroll and Benefits	22,840	—	22,840
Total	\$ 22,941	\$ —	\$ 22,941

Liabilities Not Covered by Budgetary Resources:

	Current	Non-Current	Total
Intragovernmental Liabilities:			
Accounts Payable for Closed Appropriations	\$ —	\$ 91	\$ 91
Governmental Liabilities:			
Accounts Payable for Closed Appropriations	\$ —	\$ 10,936	\$ 10,936
Unfunded Annual Leave	23,977	0	23,977
Total	\$ 23,977	\$ 10,936	\$ 34,913

*Liabilities include cash advances received from other Government agencies and public reimbursable customers. Also included are funds on deposit with the U.S. Treasury for employees' savings bonds and state tax withholdings.

Note 8. Net Position: (In Thousands)

	1999 Appropriated Funds
Unexpended Appropriations:	
Undelivered	\$ 327,163
Unobligated:	
Available	152,117
Unavailable	8,213
Invested Capital	11,231,112
Donated Property	535
Future Funding Requirements:	
Annual Leave	(23,977)
Closed Appropriations	(11,027)
Total	\$ 11,684,136

The Chief Financial Officer (CFO) is committed to providing you with the most current information in regard to budget, resources, and financial management activity at JSC.

The JSC CFO is responsible for:

- Implementing overall Agency policies, guidelines, and procedures for budget administration, financial reporting, and financial management systems;
- Maintaining liaison with NASA Headquarters and the Office of Management and Budget (OMB), the Department of Treasury, the General Accounting Office (GAO), and various congressional committees with Agency financial management oversight.

The JSC CFO's priority goals and objectives and related initiatives focus on efficient and effective: (1) Operations; (2) Staff; (3) Systems; (4) Statements and Reporting; (5) Streamlining; and (6) Standards. These goals and objectives are being pursued through several related Agency strategies. JSC's goals, objectives, strategies, and related initiatives also directly support counterpart Federal financial management goals and strategies.

JSC's fundamental financial and resources management goal focuses on efficient and effective support of NASA missions. To achieve and sustain this fundamental goal, JSC must achieve several interrelated goals and objectives by:

- (1) effectively and efficiently planning, monitoring, controlling, and managing financial and resources management operations;
- (2) maintaining a financial management professional staff with appropriate expertise and excellence;
- (3) implementing a flexible, integrated, cost-effective financial system compliant with Federal and Agency standards, and one that provides timely, relevant, and useful information for program and mission support;

- (4) providing timely, accurate, useful, reliable, and verifiable external financial statements, financial performance information and internal financial information;
- (5) streamlining financial and resources management policies, practices, processes, and operations consistent with legal, regulatory, and related guidance and requirements; and
- (6) effectively implementing Federal and Agency standards and initiatives.

In addition, in implementing its financial and resources management activities, JSC must also maintain appropriate mission and customer support and implement all activities consistent with applicable legal and regulatory requirements.

Operations

JSC is working to enhance its ongoing financial and resources management operations. These operations are critical to full accountability and disclosure and to effective stewardship of Federal resources. These operations include timely, complete formulation and execution of the budget, timely accurate accounting for JSC's activities, assets, liabilities, and equity and timely payment of its creditors, including payments to numerous vendors that provide goods and services to JSC.

In addition, JSC must continuously monitor Agency component compliance with established Federal and Agency financial and resources management policies and practices. One key element of JSC's Financial Management operations involves ongoing monitoring of key performance metrics. NASA reviewed JSC's ongoing operations through their quality assurance process.

Management Discussion and Analysis (continued)

Staff

JSC has a professional staff with capabilities commensurate with the challenging requirements of the current and future Federal financial and resources management environment. In that regard, JSC maintains an appropriate organizational structure for financial and resources management activities, maintains appropriate professional standards for critical positions, appropriately assesses and motivates exceptional performance, maintains effective intra-Agency communications, and appropriately trains and develops the entire JSC financial and resources management workforce.

Systems

In February 1995, NASA initiated the Integrated Financial Management Program (IFMP). Its goal is to establish an integrated financial management system, compliant with Federal Joint Financial Management Improvement Program (JFMIP) requirements.

JSC supports the move of its financial systems from an existing baseline structure to a targeted new structure. The existing baseline structure comprises a series of Agencywide and Center-unique automated systems, which support budget, financial, and procurement functions.

In order to achieve the targeted new structure, NASA has initiated activities that are resulting in standard Agency business processes and systems. The target integrated system will provide a financial management core, together with integrated budget, procurement, time and attendance, and travel modules to meet the needs of functional managers and end users, as well as decision makers at all levels.

Statements and Reporting

JSC provides reliable, useful, verifiable, timely financial resources and performance information and reports on its operations and activities. In that regard, JSC has achieved significant reporting improvements during the past few

years and plans to continue to enhance such reporting in the future. During 1999, NASA received its fifth consecutive unqualified audit opinion on its 1998 Agencywide financial statements. NASA received the prestigious “Certificate in Excellence of Accountability Reporting” by the Association of Government Accountants (AGA) in recognition of the Agency’s exemplary performance in the preparation, issuance, and timeliness of its Accountability Report. JSC participated in the annual audit by providing the appropriate financial management and reporting to NASA and assisted the auditors in their review of our financial systems. These statements were developed internally and, accordingly, are unaudited.

Streamlining

JSC has made significant progress in its movement toward a smaller, but more focused, civil service workforce. Approximately 700 full-time equivalent (FTE) reductions in the civil service workforce have been accomplished through voluntary measures such as separation incentives, hiring freezes, attrition, and aggressive outplacement.

Standards

During the next several years, JSC must effectively and efficiently implement a variety of new Federal and Agency standards and initiatives to support long-term financial and resources management excellence. These standards include recent Federal standards related to managerial cost accounting (full cost), as well as other key Federal and Agency initiatives.

NASA’s Full Cost initiative introduces new cost accounting, budgeting, and management practices into NASA. The NASA full-cost concept and approach integrates full-cost accounting, budgeting, and management practices to enhance cost-effective mission performance by providing complete cost information for improved (more fully informed) decision making and management. The initiative

introduces a concept that ties all Agency costs (including civil service personnel costs) to major activities and budgets (programs and projects) for budgeting, accounting, and managing these programs and projects from a full-cost perspective.

While full cost implies financial matters, the approach to implementation includes broad and significant management implications. Full cost also supports full disclosure and reporting on programs and projects, with an improved matching of costs with related program and project performance. In that regard, full costing is consistent with sound business practices and with recent legislative and administrative guidance, including the CFO's Act of 1990, Government Performance and Results Act, the National Performance Review (NPR), and NASA's Zero Base Review. JSC will implement NASA's full-cost policies and guidelines, including the interim approach to NASA's full-cost practices for improvement in the cost effectiveness of mission performance. Under full cost, all Agency costs, including civil service labor and travel, direct, service, and general administrative costs, will be associated with major programs and projects. We will begin full-cost reporting of program and project direct cost, including civil service labor and travel, to Center project managers on a monthly basis during FY 2000.

Resource Management

Resource Management personnel began reporting to the Chief Financial Officer in December 1998. Previously, they reported to the Center's Business Management Director. Resource Management serves as the focal point for Center financial and workforce planning, including budget execution and implementation. Resource Management interfaces with the technical organization for budget planning, implementation, and execution. The Central Budget Office provides the following centralized

functions to Center organizations: (a) provides overall policy, advice, procedures, and automated tools to accomplish Center resource planning and execution; (b) serves as the project office for JSC institutional management by providing advice and staff support to Center management; (c) coordinates, issues, reviews, and submits all Center program and institutional operating plans for financial and workforce data; (d) facilitates utilization of Center resources through distribution and control of resources authority; (e) provides resource reporting and variance analysis and performance analysis to Center management; (f) responds to special projects and actions.

Financial Management

The Financial Management Division (FMD) is responsible for providing internal controls to safeguard assets, promoting the accuracy and reliability of financial data, and encouraging adherence to approved NASA financial management policies. FMD established a system of checks and balances to detect and disclose any conditions and transactions not in conformance with legal, administrative, and accounting requirements, and to ensure that funds are disbursed only for the purposes for which they are legally available and administratively authorized.

In FY 1999, FMD submitted uncollectible delinquent accounts receivable to the Debt Management Service in compliance with the Debt Collection Improvement Act of 1996. FMD submitted for delinquent debt collection receivables totaling approximately \$42,500, including interest, penalties, and administrative charges, in January 1999.

Supplemental Information

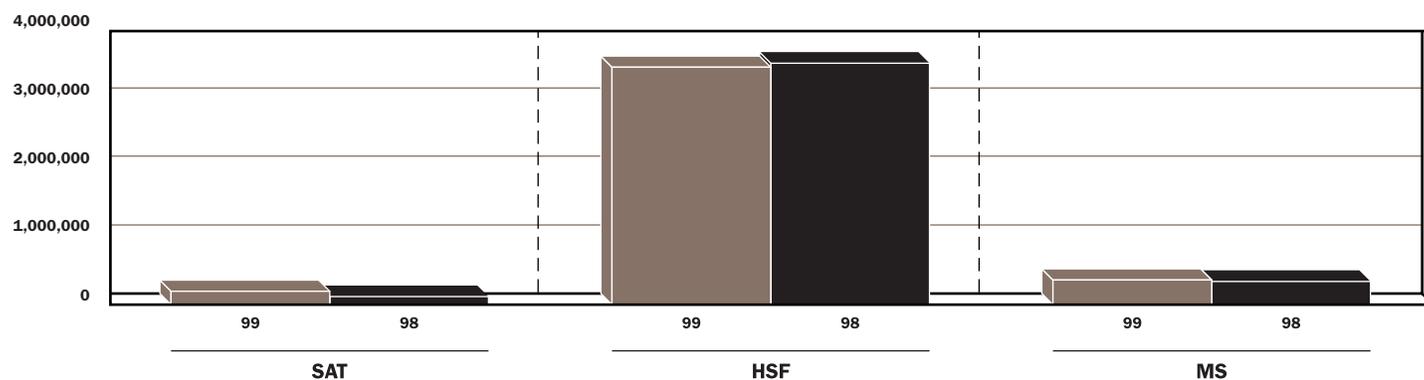
Accrued Expenditures (Dollars In Thousands)

	1999	1998	% Change
Accrued Expenditures, Appropriated, Gross	\$ 4,276,490	\$ 4,291,498	0%
Less: Funded Changes in Capitalized Assets & Inventory	239,060	282,490	(15%)
Accrued Expenditures, Appropriated, Net	\$ 4,037,430	\$ 4,009,008	1%

Program Expenses (Dollars In Thousands)

	1999	1998	Change
Science, Aeronautics, and Technology (SAT)	\$ 196,467	\$ 117,383	\$ 79,084
Human Space Flight (HSF)	3,471,323	3,528,246	(56,923)
Mission Support (MS)	369,511	359,390	10,121
Research and Development (R&D)	(853)	28	(881)
Space Flight Control and Data Communications (SFCDC)	(1,583)	1,476	(3,059)
Construction of Facilities (C of F)	2,616	2,621	(5)
Research and Program Management (R&PM)	(51)	(136)	85
Total Program Expenses	\$ 4,037,430	\$ 4,009,008	\$ 28,422

Current Appropriations



Supplemental Information (continued)

Program Expenses by Appropriation (Dollars In Thousands)

Science, Aeronautics, and Technology	1999	1998
Add: Cost of Current-Year Operations	\$ 245,066	\$ 120,939
Less: Change in Capitalized Expenses		
Fixed Assets in Progress	1,721	2,009
Contractor-Held Inventories	32,061	724
Contractor-Held Facilities in Progress	14,817	823
Contractor-Held Special Test Equipment	0	0
Contractor-Held Space Hardware	0	0
Contractor-Held Special Tooling	0	0
Total	48,599	3,556
Total Science, Aeronautics, and Technology	\$ 196,467	\$ 117,383

Human Space Flight	1999	1998
Add: Cost of Current-Year Operations	\$ 3,585,334	\$ 3,781,244
Less: Change in Capitalized Expenses		
Fixed Assets in Progress	8,241	8,923
Contractor-Held Inventories	(96,123)	157,265
Contractor-Held Facilities in Progress	(147,866)	320,899
Contractor-Held Special Test Equipment	(3,153)	34,608
Contractor-Held Space Hardware	352,927	(273,153)
Contractor-Held Special Tooling	(15)	4,456
Total	114,011	252,998
Total Human Space Flight	\$ 3,471,323	\$ 3,528,246

Supplemental Information (continued)

Program Expenses by Appropriation (Dollars In Thousands)

Mission Support	1999		1998	
Add: Cost of Current-Year Operations	\$	400,300	\$	364,618
Less: Change in Capitalized Expenses				
Fixed Assets in Progress		10,261		5,403
Contractor-Held Facilities in Progress		6,484		0
Contractor-Held Inventories		13,748		(175)
Contractor-Held Special Test Equipment		0		0
Contractor-Held Space Hardware		296		0
Contractor-Held Special Tooling		0		0
Total		30,789		5,228
Total Mission Support	\$	369,511	\$	359,390

Research and Development	1999		1998	
Add: Cost of Current-Year Operations	\$	(853)	\$	28
Less: Change in Capitalized Expenses				
Fixed Assets in Progress		0		0
Contractor-Held Facilities in Progress		0		0
Contractor-Held Inventories		0		0
Contractor-Held Special Test Equipment		0		0
Contractor-Held Space Hardware		0		0
Contractor-Held Special Tooling		0		0
Total		0		0
Total Research and Development	\$	(853)	\$	28

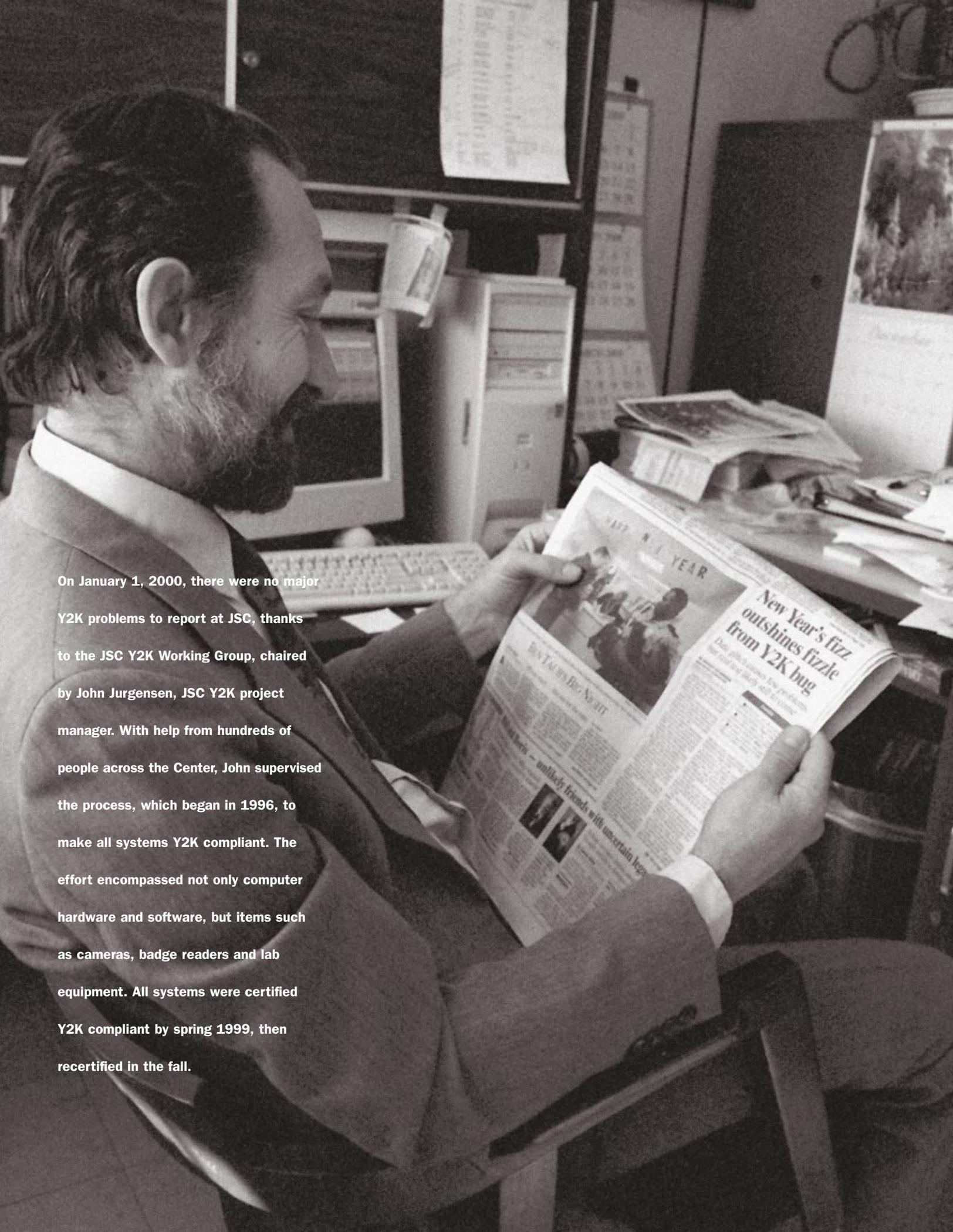
Supplemental Information (continued)

Program Expenses by Appropriation (Dollars In Thousands)

Space Flight Control and Data Communications	1999	1998
Add: Cost of Current-Year Operations	\$ (1,583)	\$ 1,476
Less: Change in Capitalized Expenses		
Fixed Assets in Progress	0	0
Total	0	0
Total Space Flight Control and Data Communications	\$ (1,583)	\$ 1,476

Construction of Facilities	1999	1998
Add: Cost of Current-Year Operations	\$ 2,926	\$ 4,051
Less: Change in Capitalized Expenses		
Fixed Assets in Progress	310	1,430
Total	310	1,430
Total Construction of Facilities	\$ 2,616	\$ 2,621

Research and Program Management	1999	1998
Add: Cost of Current-Year Operations	\$ (51)	\$ (136)
Less: Change in Capitalized Expenses		
Fixed Assets in Progress	0	0
Total	0	0
Total Research and Program Management	\$ (51)	\$ (136)



On January 1, 2000, there were no major Y2K problems to report at JSC, thanks to the JSC Y2K Working Group, chaired by John Jurgensen, JSC Y2K project manager. With help from hundreds of people across the Center, John supervised the process, which began in 1996, to make all systems Y2K compliant. The effort encompassed not only computer hardware and software, but items such as cameras, badge readers and lab equipment. All systems were certified Y2K compliant by spring 1999, then recertified in the fall.



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