



**A MESSAGE FROM UNIVERSITY OF CALIFORNIA
PRESIDENT RICHARD C. ATKINSON**

TO ALL LOS ALAMOS NATIONAL LABORATORY EMPLOYEES

I wish to inform you of some major management changes that will be occurring at Los Alamos National Laboratory, including the resignations of Director John C. Browne and Principal Deputy Director Joe Salgado, effective January 6, 2003.

I have appointed as interim director retired Vice Admiral Pete Nanos, currently principal deputy associate director for the lab's Threat Reduction Directorate. He will serve as interim director for a period of several months while the University conducts a nationwide search for a new permanent director. Please provide him your strongest possible support as you continue the vital work of the Laboratory while we proceed through this important transition.

During his career at Los Alamos, Director Browne has made many contributions to our nation's security. In his five years as director, he has led the laboratory through times of significant achievement, as well as times of difficulty. He has achieved a long and distinguished career of service to our nation as both a scientist and senior administrator. It is to our nation's considerable benefit that he has agreed to stay on in a senior research capacity.

While his resignation is a mutual decision, Director Browne deserves full credit for recognizing that recent allegations regarding LANL business practices were distracting from these accomplishments and the work of the laboratory's extraordinary scientific community. Befitting his integrity and his depth of feeling for Los Alamos and its unique to the nation, he has chosen to step down in order to make way for new leadership as a major step toward restoring confidence in the laboratory's business practices.

Let me stress that the University of California continues to have confidence in the high quality of the national security program and the scientific and technical work of Los Alamos. At the same time, we recognize that the business and administrative practices of the laboratory need to be addressed so that they will rise to a similar level of quality.

For that reason, we are also implementing a number of other interim oversight changes involving administrative and business operations at the laboratory. They include:

- For the purpose of ensuring that recommended changes to laboratory business practices are implemented in a timely and effective manner, all administrative and business operations will report to Anne Broome, Vice President of Financial Management at the University of California Office of the President;
- For the purpose of ensuring timely and effective implementation of recommended changes in audit practices, the Laboratory Auditor will report to Patrick Reed, University of California Auditor;

- To guide the Interim Director Nanos on general laboratory management issues, I will be appointing an oversight board.

These changes reflect our deep concern about the allegations that have been made about Los Alamos business practices and our absolute and steadfast commitment to addressing them in a timely manner. We will continue our review of the issues raised in these allegations while cooperating fully with the legislative bodies and agencies investigating these matters. Throughout this difficult time, we will also continue to provide unwavering support to the thousands of dedicated employees at Los Alamos who are focused on their valuable work on behalf of the American people.

In Pete Nanos, Los Alamos will have as its interim leader a talented and experienced professional dedicated to carrying on the tradition of outstanding science and technology in service to our nation's security that has been the hallmark of the laboratory since the Manhattan Project. Immediately before joining the lab, Nanos commanded the Naval Sea Systems Command, the Navy's largest major acquisition organization responsible for design, development, repair and support of all Navy ships and shipboard weapons systems. This included oversight of the Navy's four public nuclear repair shipyards with 22,000 employees and seven Navy laboratory divisions with approximately 20,000 employees. Nanos' experience and background will be valuable resources in helping to implement the changes needed in the laboratory's business practices, while at the same time providing leadership to its ongoing scientific contributions to our national security.

Please join me in wishing Director Browne and Principal Deputy Director Salgado well in their future endeavors, and in welcoming Interim Director Nanos to his new position.

###