

and questions raised concerning the adequacy and competence of the staff and future requirements; similar matters are covered in respect to facilities, equipment, funds and other resources. Program requirements and priorities are discussed in respect to their relationship to national needs. On the basis of all of the above, the present health and future outlook of Bureau programs are assessed by NBS officials, priorities are set, and appropriate allocations and commitments are made. Occasionally decisions are made that some programs of substantially diminished importance have outlived their usefulness. When such decisions are made, the staff members involved are reassigned when possible or reduced in force when reassignment is impractical.

*Question 8. The DOD witness proposed the elimination of manpower controls on cross-agency work in order to achieve flexibility similar to that available to the AEC contract laboratories. What is your opinion on this proposal?*

Answer: As indicated in my statement before your Committee, I feel strongly that laboratory directors should be given an overall allocation of resources with which to achieve a mutually understood set of program goals and, within this general framework, should be free to use the resources as he best sees fit. In this context I would endorse the elimination of manpower controls on cross-agency work in terms of numbers. However, laboratory directors should be subject to certain policy guidelines to ensure a reasonable balance. For example, one such guideline might be that the laboratory not undertake such work when acceptance of it would require the building or acquisition of additional space.

If political considerations or policies require some type of manpower controls then a more acceptable and practical limitation would be one placed on the total amount that could be paid for salaries, rather than one in terms of staffing patterns. Manpower controls contribute to the inflexibility of in-house procedures and, in our judgment, sometimes lead to contracts for personal services as a means of circumvention.

*Question 9. What criteria should govern: (a) how much independent money a laboratory director should have? (b) the appraisal of what the director has accomplished with funds previously authorized to him?*

Answer: In respect to the criteria for part (a), I would agree with Dr. Hornig that suitable factors to apply would be the degree of narrowness or leeway in the mission and work of the agency and the quality of the laboratory and its management. The more general the nature of the work and the higher the quality, the more independent money should be provided. This might reasonably range from 3 to 15 percent.

In respect to question (b), the appraisal of what a director has accomplished with funds previously authorized to him could probably best be accomplished by periodic program reviews at which laboratory officials present and discuss their program accomplishments, plans, and problems with a competent technical review board of higher authority. These periodic reviews should evaluate the results obtained from use of the independent funds in terms of their relevance and contribution to:

1. The laboratory's mission;
2. The parent agency's mission; and
3. Building and strengthening the basic capability of the laboratory staff.

A pattern of results of trivial value or little relevance to the above objectives would indicate inefficient use of funds.

*Question 10. Does your laboratory have ceilings for its personnel? If so, how are these ceilings set and who does it? What flexibility do you have for assignments within a ceiling? How feasible is it for you to obtain a change in personnel ceiling to accommodate work for another agency?*

Answer: The NBS does have manpower ceilings controlling the number of personnel. Bureau requests are reviewed by Departmental and Bureau of the Budget officials with the numbers adjusted accordingly. The manpower ceiling allocated to the Bureau is specified in terms of two numbers: (1) total employment and (2) number of permanent full-time positions. Within these overall totals NBS is free to shift personnel assignments among any of its subordinate organizations. If forecast in time, a change in personnel ceiling to accommodate work for another agency would be reflected in our yearly manpower request to the Department. If this was not known until after allocation of the annual ceiling, it would require a request that the ceiling be changed. The result would depend on the decision of Department officials. In a recent case the Bureau's manpower ceiling was increased to accommodate a new program for another agency to implement recently enacted legislation.