

b. If a disagreement arose between the agency and the Bureau concerning the need for the laboratory, how would the matter be resolved—or who would make the final decision?

Answer. The basis for the Bureau's first statement is our continued belief that some in-house research capability is essential to the efficient and effective performance of the missions of most agencies. We feel that an agency should have the capability within its own staff to identify research needs, to relate research findings to the solution of problems within its mission and to insure that it will be a wise purchaser of R and D.

A number of the comments we made in response to question 2 above are appropriate here also. The budget process is the principal vehicle the Bureau uses to consider new programs, facilities, manpower, etc. It should be recognized that agencies consider alternatives such as (1) having research work performed by others, and (2) using available Federal land or facilities—if a new laboratory must be established. If an agency's budget and program justification did not include information from the agency's study of alternatives, it would likely be requested. If it appeared that an agency had not considered appropriate alternatives, the Bureau might ask that a study be done. We have no standard set of steps or studies for such situations. The content of a study would be determined by the particular situation involved and the specifications would be worked out with the agency. The study would, of course, be directed toward identifying alternative ways of getting necessary work accomplished and the related impact upon effectiveness, efficiency and cost.

The Bureau's procedures allow for full discussion of disagreements with the agencies on budget issues. The final decision on including funds for a laboratory (or any other item) in the President's budget is, of course, made by the President.

Question. 5. The Bell Report stated that a "continuing scrutiny" was needed to make sure that the facilities which the Government has are used to their fullest extent. Whose responsibility is it to provide this continuing scrutiny? What has BOB done in this area?

Answer. Utilization of laboratories must be evaluated by the agencies in the context of their mission needs and available funds. The extensive program in DOD under the guidance of the Office of Laboratory Management in DDR&E and its service counterparts illustrates agency efforts in this area. Closing and disposing of some excess laboratory facilities has occurred. For example, when the Connecticut Aircraft Nuclear Engineering Laboratory became excess to AEC's needs, the facility was promptly closed.

Bureau of the Budget reviews occur as a normal part of the budget process. The Bureau likewise has an observer on the FCST's Federal Laboratory Committee which deals with a number of general management issues.

Question. 6. As an indication of the extent of cross-agency work, please supply information showing the amount of funds transferred between Government agencies in FY 1967 for the conduct of research and development, such information should include the transferring agency, the receiving agency, the amount of funds transferred, and the project or purpose for which the funds were transferred.

a. What instructions or directives has BOB issued or plan to issue on the cross-agency use of Federal laboratories?

Answer. The Bureau and most agencies do not maintain data banks on cross-agency reimbursable efforts, but some basic information is available in the agencies. The attached tabulations * prepared at BOB's request provide a sizable number of examples of cross-agency efforts, general purpose and size of the dollar involvements.

The Bureau's principal pronouncements which have implications for cross-agency use of Federal laboratories include the Bell Report, BOB Circular A-76 and instructions to the agencies on implementation of the planning, programming and budgeting system (PPBS). The Bureau contemplates issuing no further directives on cross-agency use of laboratories at this time.

Question. 7. Since the Bell Report was published in 1962, what significant actions have been taken by the Bureau and the agencies to carry out the recommendations? What recommendations remain in need of action?

Answer. In summary, the following significant actions have been taken to implement the Bell Report recommendations. It should be noted that a number of these actions are continuing, so in some respect, they are unfinished items of business.

*The tabulations referred to may be found in the committee files.