

(c) The mechanism of providing support was an interagency transfer of funds.

(d) Personnel ceilings severely limit the capability to enter into any such arrangements other than those requiring very few positions.

*Question 2. In your prepared statement you said there is a constant search for organizations with competence to conduct specific research. Who is responsible for this search? How is it carried on? How does it involve Federal laboratories?*

Answer. The responsibility for locating organizations with competence to carry on specific research, whether other Government agencies, or private organizations, rests in part with DHEW laboratory directors and in part with contracting and management personnel. The process consists both of using informal relationships and lines of communication and of following established, formal methods. Responsible program officials are expected to make themselves familiar with all potential resources available for the conduct of program activities. In many cases, formal advertisement procedures are used in soliciting proposals for research contracts from non-Federal organizations.

At the National Institutes of Health, for instance, responsibility for the search for organizations with competence to conduct specific research is shared between the sponsoring program and the NIH Contracting Officer, who is located in the Office of Administrative Management. Under the NIH system, the program areas maintain their own bidders mailing lists and they are responsible for soliciting contract proposals. Augmenting that, the Supply Management Branch (SMB) advertises the requirement in the U.S. Commerce Business Daily. Proposals are received by program, evaluated, and considered by a program review group and by a policy review group within the individual Institute or Division. The proposal to be accepted is then submitted to SMB with a contract request and justification for the selected source. This judgment and the adequacy of the solicitation is subject to the Contracting Officer's review and approval. When the most acceptable proposal is determined by program and when it is the first time a contract is contemplated with the source, program managers quite often will send their Project Officer on a site visit in order to determine adequacy of facilities, competency, etc.

At the Cancer Institute, for example, a roster of organizations with capabilities in biomedical research was initiated during the latter part of 1963. Questionnaires designed to gather information with respect to a company's personnel, facilities, experience and general areas of interest were sent to organizations. Names of organizations to which the questionnaires were sent were obtained in a variety of ways. Some of the organizations were known to the scientists at the National Institutes of Health; the names of others were obtained from other agencies where they had contracts in biomedical research. Still others were obtained by publicizing the establishment of the roster in the Commerce Business Daily and inviting interested organizations to request questionnaires. Since establishment, the roster has been kept up-dated.

As to the involvement of Federal laboratories in the search for competent organizations, DHEW laboratory directors, with the help of their senior scientists, can generally keep abreast of the scientific activities or competences available within other Federal programs. In the search for other agencies to conduct activities for programs in air pollution control, for instance, it was natural for the Air Pollution Control Administration to establish relations with the Bureau of Mines of the Department of the Interior. We rely on the usual methods of scientific communication to identify areas of mutual interest between laboratories. Similarly, we have no formal method of advertising research and development activities to universities, although we did, when I was Scientific Director of the Division of Biologics Standards, initiate an attempt to establish a liaison with representatives of the National Association of College and University Business Officers to apprise academic institutions of our contract needs. The usual method of contracting with universities is to identify competent individuals in them and to invite them to submit proposals.

*Question 3. In the House floor debate on H.R. 10790, the electronic products radiation control bill, Mr. Price emphasized his desire that the Department of Health, Education, and Welfare in using the research authority provided in that bill make full use of AEC laboratories working in biological effects of radiation. What specific internal DHEW policies would apply to this situation? When were these established? Please furnish copies of any documents which may be applicable.*