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# REPORT TO THE CONGRESS



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## Problems Associated With Converting Defense Research Facilities To Meet Different Needs: The Case Of Ft. Detrick B-160140

Department of Defense

BY THE COMPTROLLER GENERAL  
OF THE UNITED STATES

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FEB. 16, 1972



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

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To the President of the Senate and the  
Speaker of the House of Representatives

This is our report on the problems associated with  
converting defense research facilities to meet different needs.

Our review was made pursuant to the Budget and Ac-  
counting Act, 1921 (31 U.S.C. 53), and the Accounting and Au-  
diting Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Of-  
fice of Management and Budget; the Chairman, President's  
Advisory Council for Management Improvement; the President,  
National Academy of Sciences; and to the departments and  
agencies mentioned in the report.

A handwritten signature in cursive script that reads "James B. Stacks".

Comptroller General  
of the United States

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ABBREVIATIONS

DOD	Department of Defense
FDA	Food and Drug Administration
GAO	General Accounting Office
HEW	Department of Health, Education, and Welfare
NASA	National Aeronautics and Space Administration
NIH	National Institutes of Health
OMB	Office of Management and Budget

GLOSSARY

- Fort Detrick: as used in this report, refers to the Army's Biological Defense Research Center located at Fort Detrick, Maryland.
- Pine Bluff: as used in this report, refers to the Army's Division of Biological Operations located at Pine Bluff Arsenal, Arkansas.

D I G E S T

WHY THE REVIEW WAS MADE

Because conversions of military facilities from defense and space use to civil uses have met with mixed success in the past, the General Accounting Office (GAO) reviewed the Army's efforts to transfer research facilities located at Fort Detrick, Maryland, to civil agencies of the Government. 20

The facilities became available when the President decided to eliminate this country's biological warfare program. The potential value to the Nation of the unique laboratories and highly skilled personnel has been widely recognized.

FINDINGS AND CONCLUSIONS

In attempts to convert the facilities, the Army encountered problems which one agency acting alone could not control. The Army made a substantial effort to convert the research facilities to civil scientific or medical purposes. The availability of specialized laboratories and expert scientific and technical personnel at each of two similar installations was made known to potential users. Disposition of the facilities, however, differed greatly.

Pine Bluff

- 3 In contrast to Fort Detrick, the value of the Army's Biological Complex at Pine Bluff Arsenal, Arkansas, was recognized by the Food and Drug Administration (FDA) as particularly suited to its plans to develop a national center for food and drug safety evaluation. The site offered FDA a facility which it could not have acquired otherwise in the foreseeable future. 809

FDA will use the facilities, all of the scientists and technicians, and most of the other personnel as the National Center for Toxicological Research. FDA began conversion in the latter part of fiscal year 1971 and obtained financing to undertake research programs in fiscal year 1972. The gradual transfer of Pine Bluff personnel into FDA programs is expected to be completed by June 1972. (See p. 9.)

Fort Detrick

Attempts to make the resources at Fort Detrick available for civil purposes encountered problems, often interrelated, such as

- the size of the research facility and its work force (the laboratories are 40 times larger than those at Pine Bluff);
- the problem of finding an agency willing to assume responsibilities as landlord for the facility;
- the lack of firm plans and available funds by prospective users; and
- other problems, often intangible, that prospective users may identify with respect to being associated with a former biological warfare center.

The availability of Fort Detrick's facilities--valued at \$190 million--and personnel was made known in January 1970. Recognized scientific authorities reported that it was essential that the specialized facilities and the scientific personnel, while still intact as a group, be given a national mission commensurate with their potential, such as finding a cure for cancer. (See p. 12.)

In June 1970 the Deputy Secretary of Defense reported an apparent accord that the Detrick facilities would be transferred to the Department of Health, Education, and Welfare (HEW), as HEW had requested; however, actual agreement was not reached. Ten months later HEW was still considering the use of some of the facilities but had no firm plan. Part of HEW's interest was dependent on the Army's acting as landlord. The Army Surgeon General expressed an interest in some of the facilities and was willing to accept responsibilities of the host agency, but at the time he had not indicated the extent of his needs. (See pp. 16 to 22.)

Finally, in October 1971, the President announced that Fort Detrick would become the focal point for the National Cancer Institute's crusade against cancer. Subsequent announcements indicated that the research would begin in May or June 1972 and that the Detrick phase would be handled by a private contracting firm. (See p. 22.)

The Army attempted to retain as many as possible of the 1,800 persons employed at Fort Detrick. Despite the Army's efforts, however, less than 600--primarily support personnel--remain.

The Department of Agriculture has taken over one research facility employing 20 people, and plans are for the Army Surgeon General to retain some of the remaining personnel. Most of the unique scientific and professional staff formerly employed at Fort Detrick, however, are no longer available. (See pp. 21 and 27.)

In GAO's opinion, it would be advantageous to the Government to have a coordination point between the prospective users and offering agencies.

The Office of Management and Budget (OMB), with the assistance and cooperation of the Office of Science and Technology and the General Services Administration, could make a substantial contribution toward converting resources which have significant potential value for civil purposes. (See p. 24.)

RECOMMENDATIONS

To conserve national resources, GAO believes that prompt action should be taken to close facilities no longer needed. Where a facility has unique features of significant value to the Nation, the Director, OMB, should: 27

--Coordinate the efforts of defense and civil agencies in the conversion and transfer of national resources.

--Give favorable consideration to requests for additional funds that would enable an existing facility to remain operational. This would keep the work force intact until potential users' plans are more fully developed.

--Designate a host agency, such as General Services Administration, where multiagency use of a large facility is proposed and where no single agency is willing to assume responsibilities. (See p. 25.) 17

AGENCY ACTIONS AND UNRESOLVED ISSUES

OMB, which is coordinating the response for the executive branch, informed GAO that matters to be decided in the succeeding months made it impossible to offer definitive comments on the positions taken and on the recommendations made.

The President's Advisory Council on Management Improvement agreed that it would be advantageous to have a coordination point for achieving planning and timely decisions between the prospective users of surplus facilities and the offering agencies. It further stated that OMB, with the advice of the Office of Science and Technology, the General Services Administration, and the Civil Service Commission, could certainly serve that function. (See p. 26.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

Studies in process in the executive branch concerning matters involved in this report are expected to lead to decisions and actions in the near future. GAO is therefore making its report available to the Congress without having received agency comments so that its views can be given timely consideration. (See p. 26.)

## CHAPTER 1

### INTRODUCTION

In recent years considerable interest has been focused on national goals, the priorities of various Federal programs, and the proper balance that should exist in meeting defense, space, and civil needs. Such interest has been expressed by the Congress, the executive branch, and the general public.

This interest has caused the Executive Office of the President to reexamine critically various programs and, if considered appropriate, to redirect, eliminate, or propose new programs believed to be more responsive to the needs of the Nation. In those instances where a decision is made to alter substantially or eliminate an existing program, the Government is confronted with the problem of determining what is to become of the personnel and facilities involved in such programs. In some cases the specialized skills of the personnel involved may represent a valuable asset. The facilities may be unique and represent a substantial capital investment on the part of the Government. In these circumstances the Government, rather than lose such a capability, may attempt to convert the facilities to other useful purposes and to retain the expertise of the personnel.

In 1969 a decision was made by the Department of Defense (DOD) to close the Navy Radiological Defense Laboratory in San Francisco, California, at the end of that year. A bipartisan group of nine congressmen recognized the versatility and competence of the staff and the investment in equipment and facilities. They tried to extend the closing date 6 months to give other Federal agencies who might utilize the laboratory time to act. In June 1969 the Department of Health, Education, and Welfare advised DOD of its interest in preserving and utilizing the available assets for the national benefit. HEW decided in August 1969, however, that the facilities would not be useful because many of the employees and much of the equipment were no longer available and because the constraints of available positions and budget precluded taking over the remaining assets.

The National Aeronautics and Space Administration (NASA) found that it no longer required its Electronics Research Laboratory in Boston, Massachusetts. About the same time the Department of Transportation was seeking an electronics capability. On July 1, 1970, NASA was able to turn over the real estate, equipment, and most of the personnel to the Department of Transportation at no cost except for reimbursement for some equipment.

NASA also made its Mississippi Test Facility available for other purposes. Upon reductions in NASA programming, facilities were offered for (1) a regional Gulf Coast Environmental Center for use by new agencies such as the Environmental Protection Agency and the National Oceanic and Atmospheric Agency and (2) an interim Mississippi Gulf Coast Recovery Program created following the devastation in 1969 of Hurricane Camille. NASA serves as host agency and site manager. Most of the skilled workers assembled for work on the space program, however, were not involved in the above new enterprises.

Because of the mixed success in making these defense and space laboratories and test centers available to meet other needs of the Nation, we reviewed two similar efforts by the Department of the Army in order to obtain a better understanding of the problems involved in such conversion attempts. The two facilities at Fort Detrick and Pine Bluff were formerly used for biological research purposes and became available for transfer to the civil sector of the Government because of a Presidential decision to eliminate this country's offense-type biological research program.

PRESIDENTIAL DECISION TO  
ELIMINATE RESEARCH IN  
OFFENSE-TYPE BIOLOGICAL WARFARE

On November 25, 1969, the President announced that a National Security Council study of the Nation's chemical and biological defense policies and programs had been completed. The President decided, on the basis of this study, that:

- The United States would renounce the use of lethal biological agents and weapons and all other methods of biological warfare.

--The United States would confine its biological research to defensive measures, such as immunization and safety measures.

--DOD would be asked to make recommendations as to the disposal of existing stocks of bacteriological weapons.

On February 14, 1970, the Presidential decision regarding the use of lethal biological agents was extended to include toxins. The executive announcement stated that the production of toxins in any significant quantity would require facilities similar to those needed for the production of biological agents and that it was the President's decision to no longer operate any facility which was capable of producing either toxins or biological agents in large quantities.

Among the governmental activities affected by the Presidential decision were the Army's Biological Defense Research Center, Fort Detrick, and the Army's Division of Biological Operations, Pine Bluff Arsenal. The biological research activities at these two facilities will be referred to as Fort Detrick and Pine Bluff in the remaining sections of this report.

RECOGNITION THAT THE ARMY  
BIOLOGICAL LABORATORIES COULD  
CONTRIBUTE TO CIVIL PROGRAMS

Although DOD no longer needed the capabilities of either Pine Bluff or Fort Detrick, there was general recognition that these facilities might make a significant contribution toward achieving other national goals if converted to civil purposes. The Army's research activities at both facilities represented highly specialized programs involving both the skills of a large scientific and technical staff and physical plants and equipment that could be considered to have unique capabilities.

Fort Detrick and Pine Bluff were specifically designed and constructed in a manner that would permit the safe handling of highly hazardous and infectious material and organisms. The replacement value of land and facilities at

Fort Detrick has been estimated by the Army to be about \$190 million. Through the Army research programs conducted at these facilities, a professional and technical staff having expertise in such disciplines as microbiology, bacteriology, botany, immunology, chemistry, and virology was developed.

The combination of available facilities and highly skilled work forces appeared to offer considerable potential if it could be adapted to other scientific or medically oriented programs. In the case of Pine Bluff, this potential not only has been recognized but the facility is in the process of being converted to a national center for food and drug safety evaluation. The Army, however, has not achieved the same degree of success in its attempt to enable Fort Detrick to be used for civil purposes.

#### SCOPE OF REVIEW

We held discussions with officials of DOD and the Army and with officials of HEW and the National Institutes of Health (NIH) concerning efforts made to transfer defense facilities, formerly used for biological research, to civil agencies of the Government. We reviewed available files and records at these agencies. We also received a briefing and toured the facilities at Fort Detrick.

We made a draft of this report available in September 1971 to the Office of Management and Budget, the Office of Science and Technology, DOD, HEW, and the General Services Administration. Comments on the report were to be coordinated by OMB. We were informed, however, in mid-December that matters to be decided in the executive branch in the succeeding months made it impossible for OMB to offer definitive comments on the positions taken and the recommendations made in the report. Therefore we have not followed our usual practice of including agency comments on this report.

## CHAPTER 2

### CONVERSION OF THE PINE BLUFF BIOLOGICAL COMPLEX TO A NATIONAL CENTER FOR TOXICOLOGICAL RESEARCH

The Army's Biological Complex at Pine Bluff had been in operation about 16 years when the Presidential decision to eliminate this country's offense-type biological warfare program was first announced. During this period the Complex's administrative, plant, and laboratory areas had undergone several expansions and its facilities had been developed to include a modern administration building, an animal farm, as well as production areas and laboratory space. A distinguishing feature of the Complex was that it functioned independently of other areas of the Pine Bluff Arsenal and that, with the exception of electrical power, it was self-sustaining in nature.

The Army Biological Complex at Pine Bluff consisted of 33 buildings having a total floor space of 1.7 million square feet, of which 41,430 square feet represented laboratory facilities. The Complex contained, in addition to a modern cafeteria, a dispensary, various shops, and warehousing areas, its own steam plant, refrigeration systems, waste treatment systems, and a tank farm capable of containing bulk shipments of sulfuric acid, caustic soda, or other liquids. Moreover the buildings and equipment at the Pine Bluff Complex were designed to produce and process pathogenic materials in a safe manner.

The staff at Pine Bluff consisted of a professional group--biochemists, microbiologists, bacteriologists--as well as laboratory technicians, biological plant operators, craftsmen, and administrative and other support personnel. Available data indicated that about 300 people were involved in as many as 40 major research and development programs having costs up to \$8 million annually. The staff of the Biological Complex had technical competence and expertise in areas such as insect propagation and control, protein chemistry, diagnostic microbiology, preservation of biological materials, and biochemical processing.

RECOGNITION OF PINE BLUFF'S VALUE  
AS A NATIONAL CENTER

The value of the Pine Bluff facilities and personnel was recognized by HEW's Food and Drug Administration as being particularly suited to its plans to develop a national center for food and drug safety evaluation. On December 19, 1970, the Army announced that the President had approved a plan to begin destruction of the biological stockpiles at Pine Bluff early in 1971, to be completed in about a year. Shortly thereafter, on January 12, 1971, the Commissioner of FDA wrote to the Secretary of the Army proposing that the Pine Bluff facility be transferred to FDA. In his proposal the Commissioner stated that:

"The Food and Drug Administration is going to establish a permanent National Center for Food and Drug Safety Evaluation. The Biological Complex at the Pine Bluff Arsenal in Arkansas has been visited by FDA personnel, who have found that it can be adapted to our purposes. Our plans for the use of the complex are based on the need for more definitive research into the safety of the Nation's food and drug supply. Current research is confined for the most part to short-term, high-dose studies, using limited numbers of animals. However, we know that as dose levels are lowered there is a corresponding reduction in responses; consequently, in order to arrive at statistically significant conclusions, large numbers of animals must be tested over a comparatively long term. This is a matter of critical importance in view of problems being encountered, such as the current one involving the levels of mercury in tuna fish. FDA does not have, and could not in the foreseeable future build, a research center for this special purpose. The Biological Complex offers a facility wherein this essential research can begin within a reasonable time frame."

Our review indicated that within 2 weeks of receipt of the FDA proposal, Army and FDA officials met and discussed it. During this meeting FDA officials indicated that they

would like to take over the facilities as soon as practicable and expressed their intention of employing all of Pine Bluff's professional personnel and most, if not all, of the other personnel. Since the Army needed time to demilitarize the facility, the FDA officials indicated that a gradual transfer of the facilities was acceptable.

CURRENT STATUS OF PINE BLUFF'S  
CONVERSION TO A NATIONAL CENTER

The formal conversion of Pine Bluff from defense use to civil use was begun in March 1971 with completion scheduled by June 1972. On March 20, 1971, the Secretary of the Army concurred in FDA's request for a use permit for the biological facilities at Pine Bluff and indicated that the Army was prepared to discuss the transfer of real property accountability. The granting of the use permit by the Army allowed FDA to initiate the establishment of its food and drug safety and evaluation center which is to be formally known as the National Center for Toxicological Research.

We were informed that, under FDA's proposals to convert Pine Bluff, FDA would undertake research programs, valued at \$4 million, at the facility in fiscal year 1972 and that another \$4 million would be provided by the Environmental Protection Agency. In addition, FDA would begin a gradual transfer of Pine Bluff personnel into its programs as facilities became available.

## CHAPTER 3

### RECOGNITION OF FORT DETRICK'S POTENTIAL AS A NATIONAL CENTER

The capabilities of Fort Detrick, like those at Pine Bluff, have been widely recognized as being potentially a national asset that could be used advantageously in other programs. For example, two scientific committees that studied Fort Detrick--a panel of the President's Science Advisory Committee and a group of members of the National Academy of Sciences--were reported to have concluded unequivocally that the facilities were so valuable that they should be saved and put to use.

Similar expressions of Fort Detrick's potential to the Nation--a medically oriented research facility--have been made by prominent civilian scientists and educators and have appeared in a leading scientific journal "Science," published by the American Association for the Advancement of Science. The use of Fort Detrick's capabilities in achieving the Nation's goal of eliminating cancer has been singled out for attention. The National Cancer Panel has stated that research on important biochemical problems is dependent on both the resources necessary to prepare materials in sufficient quantity for testing--such as viruses, cell fractions, etc.--and on the availability of personnel who are "expert in the handling of dangerous materials." Consequently the chairman of the panel stated, as have other members of the scientific and medical community, that Fort Detrick should be used as promptly as possible to achieve the national goal of finding a cure for cancer.

Among the features of Fort Detrick that appear to make it attractive as a cancer research laboratory are:

- A highly sophisticated containment facility specifically designed for handling infectious materials. Many of the available laboratories are subdivided into areas having zones that can handle different degrees of contamination and contain ultraviolet air locks, change rooms, and disinfectant showers separating the various zones. Available also are class

III safety cabinets--gastight enclosures which have rubber gloves attached and a system of pass boxes and superheated steam devices designed to contain hazardous materials completely.

- A 1-million-liter gastight sphere that can be used to study results of varying conditions of humidity, temperature, and pollution on aerosols of pathogenic microorganisms. Animals can be exposed to controlled aerosols in many of the available chambers and held for subsequent observation and testing. Fort Detrick scientists have indicated this sphere-- as well as other smaller spheres that are available-- could also be used to study the transmission of respiratory diseases or the behavior of air pollutants.
- Extensive animal facilities, including a new \$2.2 million holding laboratory, designed to house animals that must be observed for long periods of time. This latest laboratory addition was specifically constructed to house, observe, study, and treat experimental laboratory animals exposed to or challenged with highly infectious biological agents and their toxic products. Among this laboratory's features are three animal holding rooms, areas for animal receiving and preparation, and related supporting laboratory facilities. Additionally Fort Detrick has an animal farm which can produce large quantities of mice, guinea pigs, and rabbits and which can condition monkeys for testing and observation.
- Pilot plants which can mass-produce bacteria, viruses, and tissue cultures needed in experimental research. A number of activities that have specific interest in virology have indicated that Fort Detrick's pilot plants, with their capability of producing large quantities of tissue cultures and other biological materials, could be used to enhance the activities' programs in this area.

The highly skilled, specialized, and experienced professional and technical work force at Fort Detrick has received acclaim. Fort Detrick's scientists and engineers have been significant contributors to scientific literature

and have had over 1,400 articles published in scientific and technical journals. Similarly a laboratory design criteria manual, compiled by Fort Detrick personnel, served as the basic design guide for such facilities as the National Aeronautics and Space Administration Lunar Receiving Laboratory, the National Cancer Institute's Emergency Virus Isolation Facility, and the Department of Agriculture's National Animal Disease Laboratory.

Articles published by the American Ordnance Association in late 1970 and early 1971 noted several scientific disciplines in which Fort Detrick's personnel had made significant contributions. Our review indicated that Fort Detrick's accomplishments in three such disciplines--immunology, aerobiology and airborne infection, and standards development--are particularly noteworthy in that they represent research advances of nationwide benefit, and not with military applications alone. For example, research activities conducted at Fort Detrick have resulted in the development of, experimental evaluation of, and methods for the production of a number of vaccines and toxoids to protect people against infectious diseases and toxic products, such as anthrax, botulinum toxin--a poisonous substance associated with improperly processed foods--and various fevers.

Moreover in some cases the research conducted by the Fort Detrick staff has been of a collaborative nature. In this regard Fort Detrick has pioneered in modern aerobiological research and, as such, has collaborated or participated in studies related to mouse leukemia virus, the flu, the common cold, and other infectious diseases with the National Cancer Institute, the National Institute of Allergy and Infectious Diseases, and various medical colleges and universities.

## CHAPTER 4

### PROBLEMS ASSOCIATED WITH

#### CONVERTING

#### FORT DETRICK TO CIVIL PURPOSES

In considering the attempts by the Department of the Army to make its former biological research facilities available for civil purposes, we noted a number of problems associated with the Fort Detrick conversion attempt that apparently did not exist during the Pine Bluff conversion. These problems ranged from the relatively obvious--such as the disproportionate sizes of the two facilities in terms of physical plant and number of personnel--to other more subtle and intangible problems.

On the basis of our review of Fort Detrick, it seems that the success and ease with which such conversion attempts are accomplished are dependent on numerous, and often interrelated factors, such as

- the size of the facility and its attendant work force;
- the problem of finding an activity or agency willing to assume host responsibilities for the facility;
- the extent to which prospective users' plans for the facility have been developed and the related problem of whether sufficient funds are available; and
- other problems, often of an intangible nature, that prospective users may identify with respect to their use of the facility.

These factors, as they related to Fort Detrick, are discussed in more detail below.

PROBLEMS ASSOCIATED WITH THE  
SIZE OF THE FACILITY AND  
ITS ATTENDANT WORK FORCE

The Fort Detrick laboratories are located on 1,229 acres of federally owned land in western Maryland. The facility contains 460 structures--286 of which are of a permanent nature and 174 of which are of a temporary or semi-permanent nature--housing about 1.8 million square feet of research laboratories. The replacement value of the Fort Detrick land and facilities has been estimated by the Army to be \$190 million. At the time of the Presidential decision to eliminate this country's offense-type biological research programs, about 1,800 professional, technical, and support personnel were employed at Fort Detrick.

The size of the Fort Detrick facility and the number of employees are in striking contrast to the more limited size--33 buildings, 41,430 square feet of laboratory space--and the approximately 300 employees in the Division of Biological Operations at Pine Bluff.

Until about July 1970 it appeared that the Army was optimistic that it could readily attract to Fort Detrick one large user which could productively use the bulk of the facility's capabilities. Initially HEW's National Institutes of Health was regarded as the potential user of the major portion of the Fort Detrick facility. Upon further consideration, however, this agency decided that its needs could not be extended to include either the majority of the physical facilities or the bulk of Fort Detrick's personnel. In April 1971 NIH was still expressing interest in the capabilities available at Fort Detrick, but such interest was restricted to specific structures rather than the facility as a whole. Under these circumstances the Army attempted to attract a number of activities to Fort Detrick who collectively might be able to productively use the facilities. (See p. 20.)

PROBLEM OF FINDING AN AGENCY TO  
ASSUME HOST RESPONSIBILITIES FOR  
THE FACILITY

Another problem that directly relates to the size of the Fort Detrick facility, particularly when multiagency use is considered, involves attracting an activity to the site that is willing to assume host agency responsibilities. Essentially the host agency would assume ownership responsibilities for the facility and would provide the necessary support services--that is, maintaining the structures, providing communication services, furnishing the necessary physical security--that would be required by tenant agencies and be reimbursed by them on some equitable basis.

In the case of Fort Detrick, the basic cost of operating the facility is relatively high. For example, the Army estimated that some 300 employees would be needed to provide central support services and that the total operating costs would involve expenditures of about \$6 million. In comparison the estimated number of people needed to operate Fort Detrick is about equal to Pine Bluff's total work force involved in the transfer to FDA.

The decision to become host at a multiagency facility is a difficult one for an agency to make. As the landlord the host agency would conceivably have to absorb--during periods when the facility was not fully occupied--those costs that could not be equitably prorated to existing tenants. At the same time the host agency would have to provide assurances to the remaining tenants that no action would be taken regarding operating costs that would adversely affect the tenant agency's program. Additionally the host agency's program costs should be reasonably related to its operating costs so that its operation of the facility could be economically justified in terms of the size and significance of the programs being accomplished.

The inability of the Army to attract a host activity to operate Fort Detrick and its support facilities was recognized as a deterrent by the HEW Secretary in February 1971. Subsequently indications were that the Army Surgeon General, one of the potential users of the facility, might be willing to assume responsibilities of the host agency.

RELATED PROBLEMS OF USERS'  
UNDEVELOPED PLANS AND LACK  
OF FUNDS

Another problem which directly affects the success of a conversion attempt is the extent to which the prospective users' plans for the facilities have been developed and the related problem of fund availability. This problem emerged in the Army's attempt to convert Fort Detrick but was not a factor in the Pine Bluff conversion.

Our review indicated that, in the case of the Pine Bluff conversion, FDA had definite program plans and viewed the availability of the Pine Bluff Biological Complex as being particularly suited to the implementation of its plans. Similarly FDA was in a position to begin funding the conversion in the latter part of fiscal year 1971 and had, in cooperation with the Environmental Protection Agency, ascertained the necessary funds required to conduct their respective programs at the facility during fiscal year 1972.

We found that at Fort Detrick HEW had expressed early interest in acquiring certain of the unique buildings and equipment available there but had not developed its plans in sufficient detail to obtain justification for the additional funds needed to operate the facility.

In January 1970 a Senator from Maryland advised the Science Adviser to the President that, although DOD, NIH, and the Surgeon General of the Army had begun preliminary exploration to find a role for Fort Detrick in contributing to the solution of the nation's environmental and public health problems, prompt and effective coordination would have to be achieved at an early date to hold together its unique team of scientific personnel.

In June 1970 the Deputy Secretary of Defense wrote the President's Science Adviser that, because of White House-initiated conferences, HEW had requested the facilities at Fort Detrick and that DOD was making them available for transfer; however, despite this apparent accord, an actual agreement was not reached.

In late 1970 a congressional amendment to HEW's fiscal year 1971 appropriation bill was proposed which would have provided \$15 million to convert Fort Detrick to HEW's use. This proposal was deleted to give the agency time to further develop its program plans. The congressional subcommittee report stated that:

"The conferees will expect the Department of Health, Education, and Welfare and particularly the National Institutes of Health to make a thorough study of the feasibility and desirability of this proposed new research program and be prepared to testify on this subject when hearings are held by the House and Senate Committees on Appropriations on the budget for 1972."

Subsequently HEW indicated that Fort Detrick might serve a useful purpose in undertaking the special cancer initiative program announced by the President in his 1971 state of the Union message. The Secretary of Health, Education, and Welfare, on February 23, 1971, indicated, however, that detailed plans for conducting such a program were still months away and that, when such plans were developed, HEW would still require additional funds.

In contrasting the Pine Bluff and Fort Detrick conversions, it appears that the degree of success of each conversion was dependent, to a large extent, on whether firm operating plans for the facility had been developed by the prospective user. It seems to us that the absence of a firm plan for Fort Detrick made it unlikely that any substantial amount of funds would be made available to keep either the facility or its work force fully intact.

OTHER PROBLEMS WHICH POTENTIAL  
USERS IDENTIFY WITH THE  
FACILITY

In addition to the major problems involved in conversion attempts, we found that there were other problems which HEW identified in considering its possible assumption of Fort Detrick. Although these problems did not appear to represent serious obstacles, they nevertheless had to be dealt with. We found that HEW's various activities had expressed concern on the following matters.

- The agency's desire to avoid any association with the warfare research activity once conducted there, and its hesitancy to occupy facilities if such military activities were to continue at the installation.
- The agency's desire, in order to disassociate its research from that conducted by the military activity, to rename the facility or its area of operation, make the facility as open as possible, and separate its area from DOD's tenants, including a separate access road.
- The agency's reluctance to undertake any activity at Fort Detrick at the expense of its present operations, either intramural or external.
- The agency's concern that the buildings would require substantial repair to make them comparable to the agency's own basic standards for facilities.

With respect to the conversion of Fort Detrick, an Army official stated that the Army would agree to a change in the name of the installation, would not conduct classified research there after July 1, 1971, and would permit a civilian agency to become the host activity of the facility.

Our review indicated that the Army took substantial measures to make Fort Detrick as attractive as possible to potential user agencies in order that the conversion of these resources to civil purposes might be accomplished.

CURRENT STATUS OF FORT DETRICK'S  
CONVERSION TO CIVIL PURPOSES

Since the President's decision of November 25, 1969, the Department of the Army has achieved only limited success in arranging with other agencies to convert the resources at Fort Detrick from defense purposes to civil purposes.

In a letter dated February 17, 1971, to the Under Secretary of Agriculture, the Secretary of the Army agreed to the transfer of certain facilities, personnel, and equipment to the Department of Agriculture to conduct research in plant pathology. This agency, in addition to receiving 20 employees, received laboratories and greenhouses during the third quarter of fiscal year 1971. The Department of Agriculture's activity is to be known as the Epiphytology Research Laboratory of the Plant Science Division of the Agricultural Research Service. Agriculture included \$870,000 for this operation in its budget for fiscal year 1972.

Also a tenant, the United States Army Medical Research Institute of Infectious Diseases, was to receive some additional facilities, and a unit of the Army Strategic Communications Command will remain at Fort Detrick.

In view of the President's announcement in October 1971, discussed subsequently, the research facilities located at Fort Detrick probably will be utilized for civil research. Significant use of the Fort Detrick research personnel, however, is no longer possible.

In spite of the recognition given to the value of retaining the staff assembled at Fort Detrick, by April 1971 only 975 of 1,800 civilian employees remained. Another 350 were due to be relocated by DOD or be lost to other organizations.

On March 10, 1971, DOD had expressed concern about the Fort Detrick research staff members no longer needed by the Army. In a letter to the Secretary of Health, Education, and Welfare, the matter of further retention by the Army of these surplus employees was termed to be a critical one.

The Secretary replied on March 31, 1971, that the Director of NIH had been asked:

"to make a final screening of the current Detrick scientific staff to determine whether they might be suitable candidates for existing National Institutes of Health vacancies."

In August 1971 minimum staffing was attained by releasing 347 employees.

Thus, of the approximately 1,800 employees at Fort Detrick at the time of the President's announcement in November 1969, less than 600 remain. These are primarily support personnel. See appendix I for changes in the status of Fort Detrick civilian personnel through December 1971.

In regard to the facilities, the Secretary of Health, Education, and Welfare, in his letter of March 31, 1971, stated that HEW was:

"still definitely interested in the possibility of utilizing at least some of the high-hazard research and animal holding facilities as a tenant, with the Army acting as landlord."

The Secretary further stated that the utilization of these facilities "will be one of the first matters which will be considered as the 'Conquest of Cancer' program is formulated."

Thus it appeared that the conversion of Fort Detrick's facilities was largely dependent upon HEW's needs becoming known. The Army Surgeon General also expressed an interest in some of the facilities and his willingness to accept responsibilities of the host agency, but at that time he had not indicated the extent of his needs.

In October 1971 the President announced that Fort Detrick would be converted into a focal point for the National Cancer Institute's crusade against cancer. Subsequent announcements indicated that the research would begin in May or June 1972 and that the Detrick phase would be handled by a private contracting firm.

## CHAPTER 5

### CONCLUSIONS AND RECOMMENDATIONS

The potential value of Pine Bluff and Fort Detrick as national resources was duly recognized by the Government, and efforts have been undertaken by DOD to transfer them to civil agencies in order that other national goals might be achieved.

We believe that, on the basis of our review, the Department of the Army, acting in behalf of DOD, made a substantial effort to transfer the unique facilities and staff at both Fort Detrick and Pine Bluff to civil agencies. In achieving the progress that it did, the Army, functioning alone, had to deal with a number of significant problems which were not within its ability to control. In the Fort Detrick conversion, the Army attempted to retain as many of the installations's personnel as was practicable in the prospect that civil agencies' plans would become more fully developed.

We recognize that program cutbacks should generally result in personnel reductions and release of unneeded facilities. We believe, however, that, where such personnel and facilities have unique features required to meet recognized national goals, it is important that an early decision be made on the benefit to the nation to be derived from keeping the scientific body intact. Studies should be made on a Government-wide basis and alternative plans should be generated. Therefore we believe that it would be advantageous to have a coordination point for achieving adequate planning and effecting timely decisions between the prospective users and the offering agencies.

The Subcommittee on Science, Research, and Development of the House Committee on Science and Astronautics reported in October 1968 that national policy for the effective use of Federal laboratories should include a responsible official or office which would investigate and furnish advisory opinions to agencies requesting funds for new laboratory facilities as to the feasibility of obtaining desired research and development from existing Government laboratories. Although

the policy was intended to strengthen the interagency use of existing laboratories as a viable alternative to the creation of new ones, we believe that such a policy is even more pertinent and essential where facilities are becoming wholly available for use by other agencies.

In our opinion, the Office of Management and Budget could fulfill this function and make a substantial contribution toward alleviating the problems of prospective users and present owners in attempting to successfully convert resources with a significant potential value to the civil sector. The Office of Science and Technology has responsibilities for evaluating major plans and programs of science and technology of the various agencies and coordinating Federal activities to ensure that science and technology are used most effectively in the interests of national security and general welfare. OMB could receive valuable assistance and cooperation from the Office of Science and Technology, as well as from the General Services Administration with its expertise in matters relating to the holding and transferring of real property.

We believe that OMB should act as a single coordination point in conjunction with its management responsibilities to assist in developing efficient coordinating mechanisms to implement Government activities and to expand interagency cooperation, and to keep the President informed of the progress of activities by agencies of the Government, to the end that the work programs of the several agencies of the executive branch of the Government may be coordinated.

This role would also be related to OMB's budgetary responsibilities. OMB could:

1. Screen the plans of the civil agencies and determine which could utilize the facilities in lieu of constructing or acquiring similar facilities.
2. Initiate and oversee negotiations between potential users and the divesting agency.
3. For those facilities determined to have a potentially vital role in the Nation's future programs, approve funds to enable the curtailing agency to keep the

facility operational and, if it would be advantageous, to retain its work force intact.

4. Designate a host agency, such as the General Services Administration, if required to ease transfer of the facilities.
5. Allocate funds to enable the potential user agencies to assume operation of the facilities without jeopardizing other programs until funds are available in the normal appropriation process.

#### RECOMMENDATIONS

To conserve national resources we believe that prompt action should be taken to discontinue operation of facilities that are no longer needed. Where a facility, however, is considered to have unique features of significant value to the Nation, we recommend that the Director, OMB:

- Coordinate the efforts of defense and civil agencies in planning the conversion and transfer of such national resources.
- Give favorable consideration to requests for additional funds that would enable such facility to remain operational and keep its work force intact until potential users' plans are more fully developed.
- Designate a host agency, such as the General Services Administration, where multiagency use of a large facility is proposed and no single agency is willing to assume responsibilities of a host agency.

OMB informed us that studies were being made and that considerations were being given in the executive branch to matters that would have a direct bearing on the thrust of this report. Therefore OMB felt that, until such decisions are made, it would not be in a position to respond definitively regarding implementation of our recommendations.

A draft of this report was furnished to the President's Advisory Council on Management Improvement. In a letter dated November 15, 1971, signed on behalf of the Chairman of the Council, we were informed that the Council staff concurred in our conclusion that it would be advantageous to have a coordination point for achieving planning and timely decisions between prospective users of surplus facilities and the offering agencies.

The letter further stated that OMB, with the advice of the Office of Science and Technology, the General Services Administration, and the Civil Service Commission, could certainly serve that function. The full text of the letter from the Advisory Council appears as appendix II.

In view of the studies in process in the executive branch concerning matters involved in this review, we are presenting our report without waiting for the comments of OMB and the other interested agencies. In this way the views contained herein can be considered in relation to future decisions made and actions taken by the executive branch.

STATUS OF CIVILIAN PERSONNEL EMPLOYED IN  
THE BIOLOGICAL PROGRAM AT FORT DETRICK  
AT THE TIME OF THE PRESIDENT'S DECISION

REMAINING STAFF (as of December 1971):		
Army's research programs (Biological De-	147 <sup>a</sup>	
fense Research Laboratories)	<u>423</u>	
Base support services		570
PRIOR EMPLOYEES:		
Released on November 27, 1970	295	
Retired or resigned to seek other employ-		
ment (by April 1971)	500	
Transferred to Department of Agriculture		
(April 1971)	20	
Released on August 13, 1971	347	
Transferred to Dugway Proving Ground		
(August 1971)	6	
Transferred to Edgewood Arsenal (August		
1971)	<u>54</u>	
		<u>1,222</u>
Number of civilian personnel employed		
in the biological program at Fort		
Detrick in November 1969		
		<u>1,792</u>

<sup>a</sup>To be transferred to the Army Surgeon General.

APPENDIX II

PRESIDENT'S ADVISORY COUNCIL ON MANAGEMENT IMPROVEMENT

WASHINGTON, D.C. 20503

November 15, 1971

Mr. Harold H. Rubin  
Associate Director  
Research and Development  
United States General Accounting Office  
Washington, D. C. 20548

Dear Mr. Rubin:

Reference: Your letter dated September 17, to B. A. Schriever forwarded Draft Report RD-100, Problems Associated with Converting Defense Research Facilities to Meet Other Needs

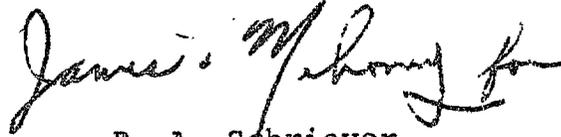
The PACMI staff has reviewed the reference report and briefed me on its content. We believe it to be an excellent and very timely report on an issue of considerable importance to the Nation.

We concur with the opinion stated in the report that the Army should not have been charged with the task of finding a host activity acceptable to potential tenants of Fort Detrick and we further believe that the Army should not have had to carry the greatest burden in finding tenants for either Fort Detrick or Pine Bluff. We concur also with the conclusion that it would be advantageous to have a coordination point for achieving planning and timely decisions between prospective users of surplus facilities and the offering agencies. The Office of Management and Budget could certainly serve that function, assuming they receive the advice of the Office of Science and Technology on all technical factors involved in the decision-making process. The General Services Administration and the Civil Service Commission may also have advisory roles to fill in that process.

At this time PACMI is planning the implementation of a study of the coordination and decision-making problem related to both disposition of surplus and acquisition of new R&D capabilities. It is our intent that the study will indicate which organization should serve what functions in the coordination process and that it will define for us what decision-making procedures should be established. Once we have that information we intend to make recommendations to the appropriate offices.

I sincerely believe that your and our efforts in this area are complementary and that both are needed in order to achieve effective results. The findings, suggestions, and recommendations contained in your report will be most helpful to us.

Sincerely,



B. A. Schriever  
Chairman

cc: Mr. Dwight Ink, OMB  
Mr. Clifford Berg, OMB

BEST DOCUMENT AVAILABLE

APPENDIX III

PRINCIPAL OFFICIALS OF  
 GOVERNMENT AGENCIES  
 RESPONSIBLE FOR MANAGEMENT OF ACTIVITIES  
 DISCUSSED IN THIS REPORT

<u>Tenure of office</u>	
<u>From</u>	<u>To</u>

EXECUTIVE OFFICE OF THE PRESIDENT

DIRECTOR, OFFICE OF MANAGEMENT AND  
 BUDGET:

George P. Shultz	July 1970	Present
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DIRECTOR, BUREAU OF THE BUDGET:

Robert P. Mayo	Jan. 1969	July 1970
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SCIENCE ADVISER; DIRECTOR, OFFICE  
 OF SCIENCE AND TECHNOLOGY:

Dr. Edward David	Aug. 1970	Present
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Dr. Lee A. Dubridge	Jan. 1969	Aug. 1970
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DEPARTMENT OF DEFENSE

SECRETARY OF DEFENSE:

Melvin R. Laird	Jan. 1969	Present
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DEPUTY SECRETARY OF DEFENSE:

Vacant	Dec. 1971	Present
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David Packard	Jan. 1969	Dec. 1971
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DIRECTOR OF DEFENSE RESEARCH AND  
 ENGINEERING:

Dr. John S. Foster, Jr.	Oct. 1965	Present
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ASSISTANT SECRETARY OF DEFENSE  
 (Installations and Logistics):

Barry J. Shillito	Feb. 1969	Present
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Tenure of officeFromToDEPARTMENT OF THE ARMY

## SECRETARY OF THE ARMY:

Robert F. Froehlke

July 1971 Present

Stanley R. Resor

July 1965 June 1971

## ASSISTANT SECRETARY OF THE ARMY

(Research and Development):

Robert L. Johnson

Nov. 1969 Present

## ASSISTANT SECRETARY OF THE ARMY

(Installations and Logistics):

Dudley C. Mecum

Oct. 1971 Present

J. Ronald Fox

June 1969 Oct. 1971

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## SECRETARY:

Elliot L. Richardson

June 1970 Present

Robert H. Finch

Jan. 1969 June 1970

## ASSISTANT SECRETARY (Health and

Scientific Affairs):

Dr. Merlin K. Duvall

July 1971 Present

Roger O. Egeberg

July 1969 June 1970

GENERAL SERVICES ADMINISTRATION

## ADMINISTRATOR:

Robert L. Kunzig

Mar. 1969 Present

Copies of this report are available from the U. S. General Accounting Office, Room 6417, 441 G Street, N W., Washington, D.C., 20548.

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