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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

PROCUREMENT AND SYSTEMS ACQUISITION DIVISION

B-198664

MAY 28, 1980

The Honorable William Proxmire, Chairman
The Honorable Charles McC. Mathias, Jr.,
Ranking Minority Member
Subcommittee on HUD-Independent Agencies
Committee on Appropriations
United States Senate

SEND 0306

Subject: [Staffing Implications of Tracking and Data Relay Satellite System and Remote Sensing Activities] (PSAD-80-47)

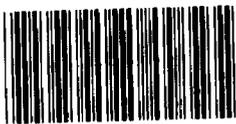
Your December 12, 1979, letter requested us to review the staffing implications caused by introducing the Tracking and Data Relay Satellite System (TDRSS) on the National Aeronautics and Space Administration's (NASA's) Goddard Space Flight Center. Also, on a related matter, you asked us to assess the staffing impact on NASA if civil land remote sensing activities are transferred to the National Oceanic and Atmospheric Administration (NOAA).

Your office was briefed on March 14, 1980, regarding TDRSS and on May 1, 1980, on the potential transfer of remote sensing activities to NOAA. Summaries of these briefings follow.

INQUIRY INTO STAFFING IMPACT ON NASA CAUSED BY INTRODUCING TDRSS

As agreed with your office, we reviewed and analyzed the TDRSS decisions that were announced in NASA's December 7, 1979, letter to the subcommittee. The letter contained the estimated number of personnel positions to be reduced by introducing TDRSS and explained NASA's conceptual plan for operating Goddard activities after TDRSS becomes operational.

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TDRSS will markedly change Goddard's operating mode by using satellites for tracking and data acquisition support of low, earth-orbiting spacecraft. This support function is now conducted by a worldwide network of ground tracking stations which will be closed or transferred to other NASA organizations for other functions. NASA decided to consolidate and restructure its contracts with industry for operating the space tracking and data system during the TDRSS era and transfer to industry certain work currently performed by civil service employees. NASA reported that during 1980 to 1986, there will be a reduction of about 225 civil service positions associated with tracking and data systems at Goddard and a net reduction of 2,300 contractor positions worldwide because of these actions. (See enc. I for details.) NASA plans to put the displaced Goddard civil service employees in other positions opened through new requirements.

NASA's conceptual plan seems reasonable and consistent with the Government policy of using contractor employees rather than Government employees where appropriate and given the assumptions and previously approved plans involved. The plan described in NASA's December 7, 1979, letter assumed that

- TDRSS would be operational in 1982 and stations would close as scheduled,
- the previously approved plan to consolidate three ground stations with the Deep Space Network at the Jet Propulsion Laboratory would be accomplished on schedule, and
- the transfer of three ground stations to other NASA organizations for primary mission support would be approved.

In reviewing NASA's decision, we noted three matters that may be of interest to the subcommittee:

- Possible effect on small business and minority contractors.
- Comparative costs of contractor and civil service employees.
- NASA's decision not to reduce Goddard's civil service personnel ceiling when work is eliminated.

Possible effect on small business
and minority contractors

NASA plans to consolidate and restructure contracts used to maintain and operate the tracking and data system. Currently, some 30 contracts and 23 contractors are involved. The plan calls for a reduction to six or fewer contracts. The consolidation could reduce the opportunities for small and minority contractors to participate unless preventive efforts are taken. According to NASA officials, the procurement strategy now being developed would require that: (1) prospective bidders identify in their proposals how small and minority businesses would be utilized and (2) contractor performance in using these business types would be one of the criteria for developing the award fee.

Comparative costs of contractor
and civil service employees

NASA plans to transfer to industry the operational tracking and data acquisition functions currently performed by 99 civil service personnel at Goddard. The transfer will be made in increments between 1980 and 1986. This plan was justified on the basis of restructuring Government and industry forces so that industry would be responsible for the full range of operational tasks.

As part of the decision process, NASA examined the applicability of Office of Management and Budget Circular A-76--"Policies for Acquiring Commercial or Industrial Products and Services Needed by the Government." NASA concluded that it was not practical to make formal cost comparisons on any single change or group of changes planned. The Office of Management and Budget's Office of Federal Procurement Policy believes this determination was within NASA's authority to interpret and apply the Circular.

Although Goddard officials did not follow Circular A-76, they did perform a rough estimate of the cost impact of the transfer. Their estimate showed that costs will increase when the functions are performed by industry. The increase will vary by year; for example, in 1986 the estimated contract cost is \$4.6 million or \$900,000 more than the civil service cost estimate. NASA believes, however, that contract consolidation may result in overall savings by 1986.

Goddard personnel ceiling
not to be reduced

As shown in the enclosure, a total of 225 tracking and data system civil service positions at Goddard will be eliminated when the NASA plan is carried out. NASA plans to put the displaced civil service employees in other positions opened through new requirements. If necessary, retraining would be provided. According to NASA officials, Goddard's personnel ceiling would not be reduced as a result of these changes because NASA's 5-year plan indicated that new program requirements would probably exceed the personnel reductions related to this plan.

INQUIRY INTO STAFFING IMPACT ON NASA
IF LAND REMOTE SENSING ACTIVITIES
ARE TRANSFERRED TO NOAA

According to NASA and NOAA officials, the proposed transfer of land remote sensing activities from NASA to NOAA would have little or no impact on NASA personnel for the following reasons.

- The system to be transferred is supposed to be an operational system and Landsat (remote sensing satellite) is considered to be an experimental system.
- The system will be designated as an "interim operational system" with the scheduled launch of Landsat-D in 1982.
- The system is not expected to be fully operational until 1988 or later.
- The system will be gradually phased in over such a long period of time that any affected personnel would be needed for other planned programs.
- Equipment and facilities used to support Landsat are multipurpose facilities; that is, they are used to support systems other than Landsat.
- Many of the Landsat-related functions are performed by contractor personnel rather than NASA employees.

We also advised your office that NOAA; NASA; and the Departments of Commerce, the Interior, and Agriculture are

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preparing a plan for the transition of remote sensing activities to NOAA. The schedule calls for this to be forwarded to the Office of Management and Budget in June 1980. We agreed to meet with your representatives after we have reviewed the plan. At that time, we will mutually decide whether any further work should be pursued by us on this issue.

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We discussed the above matters with officials of NASA, NOAA, and the Office of Federal Procurement Policy, as applicable, and have incorporated their comments where appropriate.

As arranged with your office, unless you announce its contents earlier, no further distribution of this report will be made until 2 days after the date of the report. At that time, copies will be furnished to interested parties.



J. H. Stolarow
Director

Enclosure

TABULATION OF ESTIMATED PERSONNEL
POSITIONS IN GODDARD'S TRACKING AND DATA
SYSTEMS REDUCED DIRECTLY OR INDIRECTLY BY
INTRODUCING TDRSS

	<u>Estimated personnel positions reduced</u>	
	<u>Civil service</u>	<u>Contractor</u>
Close ground stations	10	968
Transfer ground stations to Jet Propulsion Laboratory-consolidat- ing networks	81	460
Transfer ground stations to other organizations with primary mission support	35	400
Support for stations	-	1,175
Civil service transfers to industry	<u>99</u>	<u>-</u>
Total	<u>225</u>	<u>a/3,003</u>

a/NASA's December 7, 1979, letter cited a net figure of 2,300 reductions. The difference of about 700 represents adjustments for the civil service transfers to industry and the estimated contractor personnel requirements to operate the stations transferred to other NASA organizations (99 and 600 personnel respectively). The requirements involving the station transfers were order-of-magnitude estimates only since the actual requirements are to be determined after preparation of more detailed studies.