

[REDACTED]

**CIVILIAN RESEARCH FACILITIES WHERE MEDICAL RESEARCH
IS CONDUCTED UNDER CONTRACTS WITH THE ARMY**

Historical Notes. Until 1945, when the Office of Scientific Research and Development was disbanded, the Office of The Surgeon General had no research and development contracts. The face value of the 27 contracts taken over from OSRD by The Surgeon General's Office as of 1 November 1945 was \$1,502,000. At present (February 1948) the Medical Research and Development Board of The Surgeon General's Office has in effect 64 research contracts with a current yearly cost of \$1,379,950. (This amount does not include transfers of funds to other Governmental agencies.)

At the present time The Surgeon General's authority to let contracts for goods or services is based on Army Procurement Regulations of 1 November 1947, from which the following paragraphs are pertinent extracts:

1-201 Basic Authority--Procedures governing the purchase of supplies or services by the Department are now based primarily upon Section 1 (a) and (b) of the Act of 2 July 1940 (Pub. 703, 76th Congress), the First War Powers Act and E. O. 9001, 27 December 1941. This regulation limits the exercise of that authority to procurement principles expressed in HR 1366, recently passed in the 80th Congress. (Underlining brings that portion of statement up to date, February '48.)

1-100 Applicability--This regulation applies to the procurement by the Departments of the Army and Air Force of all supplies and services which obligate appropriated funds as to which invitations to bids or requirements for proposals are issued on and after 1 November 1947. It also applies to the procurement of added requirements under existing contracts.

1-101.4 Chiefs of the Procuring Services-- The term "Chiefs of the Procuring Services" includes the chief officer responsible for procurement of the Department of the Air Force, the Chiefs of the technical services, Chief, National Guard Bureau, Army Commanders, and the Commanding General, Military District of Washington.

1-200 Procurement Responsibilities

1-200.1 Secretary--The Secretary (of the Department of the Army) establishes policies for, directs and supervises the Department's activities with respect to procurement and related matters.

1-202 Delegation of Authority

1-202.1 Delegations of Authority to Chiefs of the Procuring Services-- Except as otherwise specifically stated herein, the chief of a procuring service is authorized to delegate further the powers conferred

upon such chief by these regulations, to any other officer or officers or officials as such chiefs may designate, with the power of redelegation.

Objectives of Contracts, Fields of Interest, and List of Projects. For objectives of contracts and detailed information, see attachments entitled "Research Contracts Sponsored by Medical Department, U. S. Army, 23 January 1948" and "SGO Contracts According to Universities, Hospitals, Etc." For a list of contracts arranged according to fields of interest, see attachment entitled "Contracts and Transfer Agreements, 20 January 1948."

Procedure for Letting Contracts. An individual investigator or a university or other research organization desiring Army support for a study submits detailed information upon the proposed work on SG Form 108, "Application for Consideration of Research Project" (copy attached) and biographical information on the investigator(s) on the SG Form, "Biography" (copy attached).

When a proposed contract is submitted to The Surgeon General for possible acceptance, as described above, it is sent for comment and/or approval to interested divisions of The Surgeon General's Office, to specialized field laboratories and, in certain instances, civilian consultants to The Surgeon General. Copies of the proposal and of the biography are then forwarded to the National Research Council for evaluation by the proper committees and subcommittees. This evaluation includes consideration of the proposal from the standpoints of military value, scope of study, qualifications of personnel, cost, and avoidance of duplication of work among the Army, Navy, Air Force, Veterans Administration, and U. S. Public Health Service. The results of this evaluation are presented to The Surgeon General as an advisory service, the cost of which is covered by contract. If the proposal is returned to The Surgeon General by the National Research Council as disapproved, the investigator or organization is so informed, with the reasons for such action. If the proposal is returned by the National Research Council as approved, it is further weighed by the Medical Research and Development Board in the light of budgetary limitations and assayed against the priority of needs for research in its particular field. If the proposal proves to be desirable in these respects, the Chairman of the Medical Research and Development Board gives the Contracting Officer of The Surgeon General's Office the necessary information as to the organization undertaking the contract, location, principal investigator, subject work, overhead allowance, amount, and any special instructions to be included, and requests him to draw up the contract. The Contracting Officer examines this information, approves it, and forwards it to the Legal Office of the SGO for the actual completion of details of the contract: drawing it up, sending out copies for signature, distributing signed and conformed copies, etc. (Copy of the contract form used in attached.)

The types of costs reimbursable under research and/or development contracts are indicated in the attached "Explanation of Principles for Determination of Costs Under Government Research and Development Contract With Educational Institutions," which was drawn up in 1947 by representatives of universities and of the Departments of the Army and Navy. Fiscal matters relating to contracts which can best be settled locally, and audits of such contracts, are handled by representatives of the Army Audit Agency, branches of which are strategically located in all parts of the country and have jurisdiction over such matters for designated geographical areas.