

ence, we're science in the pursuit of health."

In addition to setting a corporate philosophy, the planning process is intended to establish some specific areas for emphasis. A small committee of senior NIH officials chaired by Moskowitz had come up with 12 science topics and 11 policy issues that served as focusing themes for the 2-day meeting. For each topic area, the individual institutes and centers were asked to suggest projects they are already funding that could be part of a larger, NIH-wide activity. This approach is "tremendously encouraging to the smaller institutes," says National Institute of Dental Research director Harald Loe, because it will provide an opportunity to engage in projects that they could never afford on their own. And Loe says it will also get them in on the early planning stages of projects, rather than being asked to piggyback some research on a protocol already

developed by a different agency.

The strategic plan is scheduled for a formal unveiling on 5 February in Texas at a Southwest Foundation research symposium. So far, work is well advanced on the science topics, but is lagging on the policy topics. This isn't surprising, given the recent difficulty NIH has had grappling with issues like scientific misconduct, research on fetal tissue, and issues relating to human reproduction.

One issue still to be worked out is how to implement the plan. Work on this has just begun. Each institute will continue to receive a separate budget from Congress, so how can they be persuaded to participate in the cross-cutting activities?

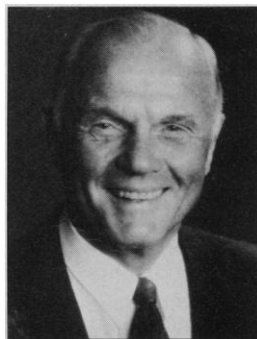
Again, using the corporate analogy, Healy and Moskowitz see the meetings of institute directors acting like corporate board meetings where recalcitrant corporate divisions are brought into line by the will of the

majority. Healy is convinced that the directors will not be alienated by this process. At last month's meeting, "[They] saw that their roles were not diminished by the process," she says, adding, "Everybody wants to be a part of NIH's future and they don't want to be left at the station when the train pulls out."

Sounds good, but will some Machiavellian institute head emerge to tilt the planning process to his or her own ends? So far the answer appears to be no, and the plan is moving forward according to schedule: After it has been shown to the scientific community at a series of meetings in February, it will be discussed with senior officials in the Administration and members of Congress. And insiders are already saying that just the act of developing the strategic plan represents a turning point in the direction and management of NIH. ■ JOSEPH PALCA

## Glenn Uncovers the Great Pizza Scandal

Senator John Glenn (D-OH), like other people who followed the investigation of Stanford's accounting practices, has the impression that "our major universities are slipshod" and "lackadaisical in the management of their own affairs." So, as chairman of the Senate government affairs subcommittee, he commissioned a study to see if officials who oversee grants at the National Science Foundation (NSF) really know how scientists are using the money they receive—whether it is always put to worthy purposes or sometimes to frivolous uses.



Sen. John Glenn

After combing through the records of three big universities—Harvard and the universities of Chicago and Michigan—for 10 months, a team of accountants from the General Accounting Office (GAO) returned last week and spilled its findings before Glenn's subcommittee. There was palpable relief among the university administrators in the chamber as the auditors detailed

their "revelations." It was hardly a catalogue of horrors:

- Although rules forbid the use of research funds for entertainment or food, GAO found that grantees had spent about \$5000 at the three universities for "pizzas, deli sandwiches, luncheons, and dinners"—apparently because they wrongly assumed that "working lunches" were billable.

- A University of Chicago researcher paid for two \$500 "thank-you" lunches for people who had helped him with his grant proposal; grant funds may not be used for this purpose.

- Grants may be used only for air travel on U.S. airlines, but GAO investigators found that an administrator at Michigan used university funds to buy a \$515 ticket on a foreign carrier, then compensated by charging an NSF grant \$500 for office supplies.

- Michigan billed an NSF grant for \$4754 worth of fax and Xerox machine expenses that were not used specifically for research. These should have been billed as "indirect expenses."

"For the most part, we found no basis for questioning" the expenditures of NSF grantees, GAO's Judy England-Joseph testified. But the administrators' relief may have been premature. England-Joseph went on to say that government auditors have no reason to be confident that worse offenses are not hidden in the records. "NSF does not have a system in place to provide for adequate federal oversight of its grants," she said, and for this reason GAO cannot say whether the results of its audit were typical or not. The implication: More record-keeping and auditing may be needed. And, as it happens, that's just what universities are about to be faced with, as a result of reforms installed by the Office of Management and Budget (OMB) in 1990.

Until recently, all agencies of government have relied on universities to check abuses on grant expenditures through what is essentially a self-policing honor code. And while universities were supposed to submit biennial audit reports to the government, few did. In fact, Harvard, Michigan, and Chicago were among those who made no filings. Alexander Sharp, vice president for business at the University of Chicago, says this failing occurred not through sloth or sloppiness, but because "we never got the guidelines" from the government explaining how to do it.

Guidelines have now been formulated and put into effect under a new rule (OMB circular A-133), making it mandatory to file grant expenditure reports, prepared every other year by an outside auditor. The first are due this year. While this will be an improvement over past practices, NSF's inspector general, Linda Sundro, says her office won't be able to check the reports in detail, given the small size of the staff. Glenn, weighing the possibility of increasing the NSF inspection staff, said, "I don't want to set up a program that's going to require zillions of accountants accounting for every nickel," yet he doesn't want people thinking they can "dip into the federal money bag," either.

While university officials were concerned about the cost of OMB's new rules (Harvard may spend an extra \$200,000, and Chicago, more than \$50,000), they were pleased that the government still plans to rely largely on university staffs—with independent auditors—to police the faculty. ■ ELIOT MARSHALL