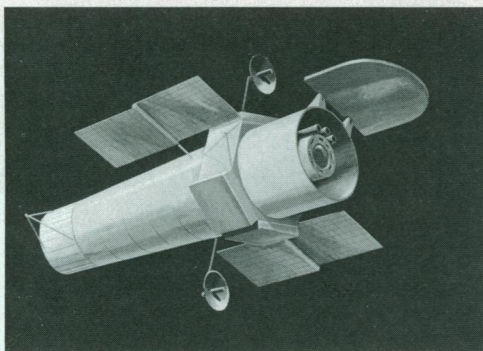


For-Profit Contractor Overhead Costs Head for the Sky

■ Universities may soon be joined in the indirect costs dock by for-profit government contractors—especially those in aerospace. The reason: Many contractors have begun to boost their overhead fees to compensate for a decline in new business and a resulting increase in the per-customer cost of sustaining plants and workers.

An example: Managers of NASA's Advanced X-Ray Astronomy Facility (AXAF) this winter allowed the project's three contractors—TRW, Hughes Danbury Optical Systems, and Kodak—to increase their overhead charges, thereby adding millions of dollars to the lifetime cost of the \$1.8 billion telescope. According to one NASA staffer, some of the companies cited the slump in



A boost in AXAF's cost is due in part to a rise in contractor overhead rates.

defense business as a key factor.

Contractors keep their overhead rates confidential, so neither they nor NASA will disclose the actual amount of the increase. However, a TRW spokeswoman played down the impact, claiming that overhead charges amount to no more than "a couple of percent" of AXAF's entire cost. A NASA program manager estimated that overhead accounts for 2 to 5% of the total AXAF cost.

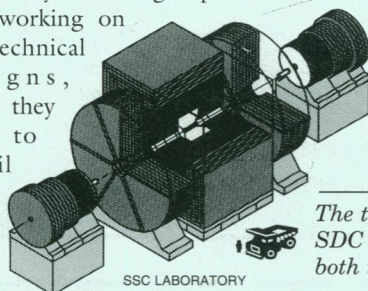
Whatever the exact amount

of the recent increase, it jacks up an overhead rate that is already believed to be much higher than university rates. An official at the Defense Contract Audit Agency notes that companies often charge more than 100% of labor costs as overhead, and that on some equipment-intensive jobs overhead runs as high as 400% or 500%.

Second SSC Detector Gains Support

■ Research administrators at the Superconducting Super Collider (SSC) will be breathing a bit easier in the future. The SSC Laboratory has approved engineering R&D support for the Gammas, Electrons, and Muons (GEM) detector collaboration, a group that was hastily assembled last June after the laboratory decided to cancel a detector proposal that represented nearly half its experimental program (*Science*, 17 May, p. 908).

The 22 January decision puts GEM on an equal footing with the Solenoidal Detector Collaboration (SDC), an experiment approved at about this time last year. Both groups are now working on full technical designs, which they hope to unveil later this year.



Congress "Grounds" NIH Scientists

■ On orders from Congress, the Public Health Service (PHS) has reduced its \$44 million travel budget by 29% in the present fiscal year, jeopardizing nearly all discretionary travel for "luxuries" such as scientific meetings and site visits.

The \$12.75 million cut is large in itself, but the bite on scientists was aggravated by NIH director Bernadine Healy's decision—taken, she says, out of humanitarian concern—to protect funds for patients traveling to NIH for treatment. Even worse, nearly a quarter of the travel budget had already been spent by the time Congress told PHS ad-

ministrators last December that they couldn't simply shift money into travel from other accounts.

Healy says Congress imposed the restrictions out of pique at what legislators considered an overly large number of federal scientists headed to Florence for last year's International AIDS Conference. But instead of merely cutting the budget for conference travel—a bad idea, but a manageable one, Healy says—Congress cut all travel across the board. "That was heavy handed and destructive," Healy says.

PHS officials have asked Congress to restore their travel money in the next budget, but until the new fiscal year starts on 1 October, NIH scientists will be staying close to home.

Grand Advisers, Scanty Advice

■ If the Department of Energy (DOE) accepts a draft report recently released by an illustrious 12-member advisory panel, its three defense laboratories will spend less time on the design and testing of nuclear weapons and more addressing the problems of nuclear proliferation, arms control verification, and weapon dismantlement and destruction. Otherwise, the future of DOE's national laboratories will closely resemble their past, except for some streamlining of the DOE management bureaucracy.

The long-awaited draft report, nearly 16 months in the making, emphasizes the need to maintain "broad and diverse" programs in nuclear defense R&D. It recommends that Lawrence Livermore, Sandia, and Los Alamos labs continue to research nuclear weapons, although such work should take place in the context of a yet-to-be-developed DOE "strategic

plan" for dealing with a world of complex multipolar threats. The same plan should guide work on proliferation and arms control issues, the report states.

As far as the overall laboratory system is concerned, however, the report contains little that is new. It suggests that Sandia and Oak Ridge serve as technology transfer "centers of excellence," for instance, although it doesn't say how this transformation might be accomplished. At another point, it states that each of the 17 national labs "must have clearly defined, specific missions" without suggesting what those missions might be.

One of the few concrete suggestions in the report is a recommendation that DOE streamline its central laboratory management, which is now distributed among at least five different offices. At the same time, however, the report calls on laboratories to beef up their own administrative infrastructure in order to address concerns about security, property management, and environmental and safety issues.

Social Science Director

■ As *Science* went to press, the National Science Foundation (NSF) was about to announce the first director of the newly created directorate for social, behavioral, and economic sciences: Cora Marrett, a sociologist at the University of Wisconsin in Madison. The new directorate, long sought by social science researchers eager for more clout within NSF, was carved out of the old biology, behavioral, and social sciences directorate headed by Mary Clutter. Marrett will assume her new post sometime after the academic year ends in May.