

BROOKHAVEN NATIONAL LABORATORY
ASSOCIATED UNIVERSITIES, INC.

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Medical Department

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August 12, 1980

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Dr. Bruce W. Wachholz
Room F-233, Mail Station E-201
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U. S. Department of Energy
Washington, D. C. 20585

BEST COPY AVAILABLE

Dear Bruce:

I spoke to you early in July about the cost overruns on our FY '80 budget for the Marshall Islands Program and told you I would review carefully the justification for each item before I sent you a letter. I have taken that action, and I now forward to you a request totalling \$46,000, which is a hard and well defended figure.

You will recall that in November of last year a long memorandum from Hugh Pratt provided an analysis of the then existing budget of \$583,000 and described \$297,000 of additional costs which then appeared to be necessary. On November 14th you and I met with Bill Burr, Hal Hollister, Joe Blair, Vic Bond, and Hugh Pratt in the Forrestal Building to discuss that budget. The final outcome, as you may remember, was a list of priorities of add-ons written on the board by Hal Hollister. The order of that priority list and sums involved were the following: Likiap survey for \$134,000, upgrading of the medical records \$21,000, educational program \$57,000, 25 year report \$15,000. These four items, totalling \$227,000, were given the highest priority. The remaining items were: \$29,000 for a third survey, \$18,000 for unanticipated administrative costs, \$9,000 for travel expenses to be paid by BNL that were previously paid through PASO, \$5,000 of additional travel through PASO, and \$4,000 for microfishing records.

As you know, a number of these activities were never carried out, so the present requirement for \$46,000 represents only those items which could not be covered, even if some additional funds were made available through the cancellation of several anticipated activities. The following items represent existing commitments which cannot be covered by the budget remaining for this fiscal year: 1) Tabershaw Contract: This contract was let by BNL at the request of DOE. It was understood that reimbursement would be made for all incurred expenses. To date invoices and indirect costs for this effort amount to \$15,000. These invoices cannot be paid until additional

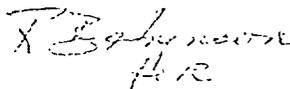
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funds are received. 2) Preparation of the 25 year report was to be performed by a consultant. Although the best estimate for this item in November was \$15,000, it has turned out that Dr. Donald Paglia's assistance has been extremely valuable, and the report, which is currently being prepared will cost \$22,000 in FY '80. This will cover consultation fees paid to Drs. Conard and Paglia. 3) Payment of travel costs of resident personnel. At the November meeting it was pointed out that BNL personnel were traveling under different travel policies, and it was agreed that it would be appropriate for BNL to support intra-island travel expenses for BNL personnel, although these previously had been reimbursed by PASO. In fact, the BNL budget has not been increased to cover these expenses, and the cost of intra-island travel paid for by Brookhaven over two fiscal years is \$9,000, including indirect costs.

The expenses of the very large survey that was recently completed, and the expenses of the survey that ended last October and were therefore charged to the FY '80 budget have not left any funds available for us to pay Tabershaw or the additional expenses that were not foreseen at the time of the original budget submission. The total of \$46,000 is much less than we were considering last November, but we will need that much in addition to our financial plan, in order to close out FY '80 with a balanced budget.

Very sincerely yours,



Donald C. Borg, M.D.
Chairman

DCB:mb

cc: Dr. Aronson
Dr. Blair
Dr. Bond
Mr. Mohring ✓

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