



DEPARTMENT OF HEALTH & HUMAN SERVICES

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March 2, 2000

Dr. Richard J. Sohn
Director of Grants & Contracts
The Trustees of Columbia University
630 West 168th Street
New York, NY 10032

**SUBJECT: Columbia University
Contract #NO2-CP-77032
REQUEST FOR REVISED BUDGET**

We recently reviewed your quarterly financial report for the period ending 12/31/99 in which you project the need for an additional \$1,161,731 to cover performance of the subject contract through September 30, 2000. It is noted that the additional amount does not appear to include the proposed subcontract with the University of Illinois, which is pending approval. The National Cancer Institute does not have the money to fund an increase of this magnitude. In efforts to minimize the amount of the increase, we reviewed your budget projections and identified areas that we felt could be reduced. We are also open to your suggestions on how the increase can be reduced. Because certain key positions have been vacant and others underutilized, we suggest that the contract be modified to reduce the required level-of-effort for the current year. We request that you reprogram budget items for the remainder of the year and provide explanations where necessary, considering the following points.

- 1) Your budget report indicates that no additional costs are anticipated for the radiation biologist position (Medvedovsky). Please comment on whether this position needs to be maintained under the contract in the option years.
- 2) Consider reducing the effort of the bio-dosimetrist effort (Geard) for the remainder of the year.
- 3) Explain why the hematology pathologist (Reiss) is charged both under direct labor and other direct costs under "NY blood bank." Revise or delete as appropriate.
- 4) Consider eliminating the radiation biologist effort (Worgul) the remainder of this year.
- 5) Consider reducing the effort of the senior programmer (Simakovsky) the remainder of this year.
- 6) Provide further explanation of the benefit to NCI in allowing Lydia Zablotska to use "training funds" under the contract, particularly in view of the \$106,567 cost projection for her role through 9/30/00 under the contract.
- 7) Please explain the work performed to date by the subcontractor, University of Utah, and the amount paid for those services. Also, consider reprogramming the remainder of costs projected this year for the University of Utah subcontract based on not anticipating the need for their services.

- 8) Why are general office supplies significantly higher than anticipated?
- 9) The contract now allows travel expenses in certain instances. Please ensure that only necessary individuals are authorized to travel. Provide a detailed list of trips to date, including associated travel costs (including per diem), and what other travel you anticipate the remainder of this year.
- 10) Provide a list of to whom honoraria has been paid to date, how much was paid to each individual, and what other honoraria you anticipate the remainder of this year.
- 11) Please provide a copy of your most current indirect cost rate agreement. Please explain any deviations from the agreement (i.e., on your quarterly financial reports, foreign travel is listed as an exclusion from the indirect cost base.)

Please provide us with your revised budget and level of effort projections for this year, as well as associated explanations, by March 17, 2000. Your cooperation in addressing the changing needs of the contract and keeping costs to a minimum are greatly appreciated.

Sincerely,



Sharon A. Miller
Contracting Officer, NCI

bcc:
RCAB File
Project Officers
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