

April 27, 1973

Mr. Clarence Hardy,
Cost Advisory Branch,
16A55,
Parklawn Building,
5600 Fishers Lane,
Rockville, Maryland 20852.

Dear Mr. Hardy,

We are writing in response to a letter from Mr. C. J. Stratton, dated April 23rd. Previously, we have submitted the 1971-72 financial statement and a schedule of salary rates (items 1, 3).

2. The Association's policy regarding subsistence allowance while employees are on travel status follows the prevailing policies of the New York Medical College. This provides full reimbursement for all necessary costs of hotel, meals, and business telephone. For hotel accommodations exceeding \$28 per day, or a daily meal allowance greater than \$18, prior permission is required.

For subsistence on overseas trips, the policy has been \$25 a day, or itemized receipted expenditures. Effective January 1, 1973, this basic daily rate was increased to \$35 a day to account for changes in exchange rates.

4. Under the requested extension of the contract HSM 42-70-98, we are requesting funds for 4 visits to Athens by consultants, and 1 visit to New York by subcontractor. All trips are between New York and Athens. (In establishing travel costs, we note that effective May 1st, the round trip air fare, JFK to Athens, is \$805 until May 31st; and \$927 from June 1 to September 30th). We anticipate 2 trips during the summer period and 2 after September 30th.

5. We have processed physiological data sent by the subcontractor beginning December 1, 1972. This processing includes:

(a) Data reduction and primary analysis using an IBM 1800, situated in Stony Brook, N.Y. which is funded by this Association. The Association has submitted monthly statements for the personnel time and identifiable supplies used, and has agreed to a flat rate of \$150/month or \$30/hour, whichever is lower, for the ongoing analyses. At present, charges will be \$600 for the period January 1 to April 30, and we have encumbered \$300 to June 25.

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(b) Statistical processing of the large data matrices produced has been carried out at the Biomedical Information Processing Center of the New York Medical College in Valhalla, N.Y. In this processing we have reimbursed the New York Medical College for time on their IBM 370-45 at \$100/hour.

(c) During the next 8 weeks, additional computations will be made at the New York Medical College, and additional statistical programming will be needed. Additional help will be provided by programmers at SUNY at Stony Brook, or a private consulting firm in New York.

For the remaining period of the contract and specifically with regard to the extension, we are requesting additional funds to continue similar expenditures. We anticipate increased hours on the IBM 370/45 as the final statistical analyses are requested by the scientists. In our calculations we are estimating 10 hours machine time at \$100 an hour; \$750 for programming services; and \$1250 for personnel costs and IBM 1800 time.

To utilize the facilities of the subcontractor at the University of Athens, we have provided a full library of statistical programs usable on the CDC-3300 computer at that University. Some statistical analyses of the behavioral data will be done by the subcontractor under our supervision at hourly rates equal or less than the rates noted above.

I trust this information is helpful, and I look forward to meeting with the contracting officers on May 2nd.

Sincerely yours,

Max Fink, M.D.
Executive Director

MF/lj