

To: C. A. Prella

Date: Divisional Controller's - May 23, 1979

Location: Willow Island

Reference:

From: R. L. von Glahn

Location: Bound Brook

Extension:

Copy to: J. C. Burns
F. B. Dorf
H. C. Gaffney
H. A. McKenzie
C. W. Postas
J. E. White
B. G. Witherspoon ✓

Subject: 2612

LITHARGE

During the January - April, 1979, period, Chicago shorted Willow Island budget requirements of litharge by 458 k pounds (see attached schedule). In order to satisfy their requirements, Willow Island purchased 659 k pounds of litharge at an average price of \$49.15 or \$8.35 above standard.

Solely for the purpose of not reflecting the full penalty in the records of the Willow Island Plant, you are requested to charge the budget shortage of 458 k pounds at your excess cost above standard or k\$38 to the Chicago Plant.

R. L. von Glahn
R. L. von Glahn

jlt
Attachment

CHICAGO PLANT
LITHARGE (k POUNDS)

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	
Opening Inventory	230	134	142	93	
Produced	681	893	1,025	1,023	
Used in Stabilizers	534	626	771	715	
Shipped to Willow Island	227	251	294	330	
Sold	16	8			
Shipped to Bound Brook			9		
Budget Take					
Sales 4%					
CG 59%					
WI 37%					
Available for Shipment	911	1,027	1,167	1,116	4,221
37% to WI	337	379	432	412	1,560
Actual to WI	227	251	294	330	1,102
WI Shortage	110	128	138	82	458
WI Litharge - Standard Cost					\$40.80
- Purchase Price					<u>49.15</u>
					\$ 8.35
Excess Cost @ WI					
			(458 k pounds @ \$8.35)		k\$ 38