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All:

Patrick and I spoke with Rich last week about protocol changes (change in number of individuals for the ME study and inclusion of urinary metabolite for ME and adding HIV status evaluation for controls for CC), as well as the need to track the progress of the studies versus expenditures.

Rich understood and is expected to get the protocol changes into the review system within the next 4-6 weeks. He said he was already looking into ways to change the budget tracking mentality from the 'estimating' mode to something more deliberate with respect to study goals (cases). He is having some difficulty in budget tracking but expects to figure a way soon. Timing is uncertain, but I would guess this would be within the next few months, which I would guess translates to inclusion into our 1Q04 or more likely 2Q04 financial report. PATRICK WOULD YOU AGREE WITH THE ABOVE ? ANYTHING TO ADD ?

My general feeling on the above is cautious optimism as per our budget goals, but I think we should continue to be diligent on controlling our nonstudy line items. I realize we discussed this before, particularly with respect to the significant trimming of the communications budget, and fine tuning of the ERP and SRP budgets, but we might need to do more. I am open to ideas, and perhaps wait and see for the next 6-8 months might be the most likely case, but perhaps we should drill down a bit more on administrative costs (API). They are obviously providing a critical function, but maybe some of this can be replaced with our own sweat equity. Regardless, I would like to ask API for a simpler way of tracking their costs. Is this agreeable ? We don't need to come to any final decision right now, and it would be difficult to discuss this in depth without Patsy on the line on 15 Dec, but I would like the budget and oversight committees to at least discuss this.

Thanks

Stuart

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