Monsanto

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FROM (NAME & LOCATION): J. M. PETERS, ANNISTON PLANT

DATE: APRIL 26, 1971

CC: A. G. HILL
J. C. LANDWEHR
J. R. SAVAGE, G. C.

SUBJECT: TOXICOLOGICAL COSTS

REFERENCE:

TO : J. L. CORDER

BELOW IS AN ANALYSIS OF THE 916.07, TOXICOLOGICAL ACCOUNT, FOR THE FIRST QUARTER OF THE YEAR.

THE TOTAL AMOUNT SPENT DURING THE FIRST THREE MONTHS WAS:

	FIRST QUARTER
ACTUAL EXPENSE	$ 31,888
BUDGET	9,762
OVER	$ 22,126

Turner
Wright
Landwehr
Bell

OF THE $32M, $20M WILL HAVE BEEN TRANSFERRED TO WGK LEAVING $12M ON THE ANNISTON BOOKS. A BREAKDOWN OF THE MAJOR COSTS AND SPLITS FOLLOWS:

	TOTAL	WGK	ANNISTON
- FISH STUDIES (50/50 WGK/ANN)			
JANUARY	$ 1,851	$ 926	$ 925
MARCH	4,302	2,151	2,151
- TSD WORK ON REACTOR CLARIFIER PROJECT (90/10 - WGK/ANN)			
JANUARY	$ 1,915	$ 1,722	$ 193
FEBRUARY	1,823	1,641	182
MARCH	1,153	1,038	115
- TSD WORK - HCL NEUTRALIZATION PROJECT (50/50 - WGK/ANN)			
JANUARY	$ 3,000	$ 1,500	$ 1,500
- EXPERIMENTAL PROJECT - REACTOR CLARIFIER (90/10 - WGK/ANN)			
JANUARY	$ 3,727	$ 3,355	$ 372
FEBRUARY	1,298	1,168	130
MARCH	450	405	45
- SALARIES, O/H, SUPPLIES, DEPRECIATION, ETC. (50/50 - WGK/ANN)			
JANUARY	$ 4,975	$ 2,487	$ 2,488
FEBRUARY	3,725	1,863	1,862
MARCH	3,669	1,835	1,834
TOTAL FIRST QUARTER	$ 31,888	$ 20,091	$ 11,797

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Even with $11,777 on Anniston's books, we are still some $2,015 over the $3,254/month figure.

I feel that before we proceed much further some basic questions must be answered.

1. Are we, at Anniston, only responsible for the dollar amount remaining on our books? If so, what is the budget framework we are to operate within? $3,254/month?

2. How much more are we going to incur in the 916.07 Toxicological Account over the remainder of 1971? We are now heading toward another $100M plus year. Although Joe Landwehr in his January 20 memo spelled out minimum and maximum levels of possible expenditures, and verbal approval of this was received, we are still heading out of control unless some definite budget guidelines are set. We are definitely not operating within the framework of Jim Savage's December 24 memo wherein he states that he "cannot agree that the Toxicological Account will be $10M/month in 1971."

3. The charges to WGK have been worked out with Joe Landwehr and have been mainly based on his January 20 memo to Jim Savage. Are we splitting costs properly? If we are going to expend dollars the remainder of the year as we have in the first quarter, will the splits remain valid? Perhaps more should go to WGK as our production rates continue extremely low.

If I can be of further assistance, let me know.

J. M. Peters

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