

.....
February 11, 2000

Future Resources Associates, Inc.
ATTN: Dr. Robert Budnitz
2039 Shattuck Avenue
Suite 402
Berkeley, California 94704

Dear Dr. Budnitz:

I am responding to your letter of January 17, 2000, in which you request an explanation for the delay of close-out and final payment under your expired NRC Contract No. NRC-04-95-037.

We recognize and appreciate your concerns regarding timely close-out of expired contracts. Since 1992, we have placed greater emphasis in this area, reducing our close-out inventory from 829 to 252 expired contracts as of January 12, 2000. The oldest expired contracts were given the highest priority for close-out. Unfortunately, your contract was not among the oldest expired contracts in our inventory at that time.

Our contract with your firm was a cost-plus-fixed-fee contract. The Federal Acquisition Regulation prescribes that cost-reimbursement type contracts requiring settlement of indirect cost rates be closed within 36 months of acceptance of the final deliverable. We received your final report on November 26, 1996, and final acceptance occurred on December 29, 1996. The release of final payment (balance of fixed fee due in the amount of \$1,868.10) and closeout occurred on October 7, 1999.

Our compliance with the above time standard notwithstanding, we acknowledge that final payment and closeout of your contract could have been accomplished sooner and regret any inconvenience this may have caused you. We will endeavor to continue to improve our close-out process and make final payments in a more timely manner in the future.

I trust this responds to your concerns.

Sincerely,

/RA/

Patricia G. Norry
Deputy Executive Director for
Management Services

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Patricia G. Norry
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Management Servicesr

*SEE ATTACHED CONCURRENCE

**See previous concurrence

ADM:DCPM:CMB1	ADM:DCPM:D	RES:PMPDAS:D	ADM:D	ADM:DEDM
MHMace**	TFHagan**	*CAder	*MLSpringer	PGNorry
2/0700	2/0700	2/7/00	2/8/00	2/11/00
Package ML003681546	Letter ML003681516		Incoming ML003680961	

DISTRIBUTION FOR LETTER TO DR. ROBERT BUDNITZ

DATED February 11, 2000

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