

ADJUSTMENTS TO BUDGET

The Institute of Renewable Natural Resources at Texas A&M University is planning to open an office in San Antonio in mid-March or early April at 2632 Broadway in San Antonio. Neal Wilkins estimates that the cost of the lease (exclusive of startup costs) full time officer manager/assistant, utilities, IT and other annual operating expenses will be around \$125,000. Neal is willing to provide me an office including full access to the conference room, full access to a telephone, and fax copier and IT facilities, and shared access to the assistant -- all for \$25,000/year or or \$19,788 for the remaining 9.5 months of 2009. The assistant would be available to take minutes, and set up the EARIP meeting as well as provide me assistance at the office. Neil said that some adjustments to the costs may be necessary after the office is up and running depending largely on the cost of hiring a full time assistant. IRNR will pick up the initial cost of setting up the office (phone system, furniture etc).

Many of the items in the 2009 budget used the amounts budgeted in the original TAMU budget. The cost of the office and assistant can be accommodated my making the following adjustments within the existing 2009 budget based on historical experience:

Create a new category: "Office and Part Time Assistant\$20,000
 Reduce Travel to \$6,000 (\$9,000 savings)
 Reduce Project Manager Salary and Benefits to \$105,142 (\$13,276)
 Eliminate Part-Time Assistant category (\$2027 savings)
 Merge "operating costs" and "materials and supplies" categories and reduce the combined costs from \$16,000 to \$12,000 (\$4,000 savings)
 Increase contingency to \$15,409 (a \$6661 additional cost)
 Increase IDC to \$11,300 (a \$2113 additional cost)

These adjustments leave the total amount of the budget unchanged and move the "contingencies" in the individual categories to the contingency category.

The Finance Work Group has reviewed the proposed adjustments and supports the changes. The adjusted budget is set out below.

Project Management Budget For 2009

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|---------------------------------------|------------------|
| Salaries and Fringe | |
| Project Manager | \$105,142 |
| | |
| Travel | \$6,000 |
| | |
| Conferences | \$2,000 |
| | |
| Office and Part-time Assistant | \$20,000 |
| | |
| Other Direct Costs | |
| Operating Expenses | \$12,000 |
| Science Subcommittee Expenses | \$21,080 |
| Total Other Direct Costs | \$33,080 |
| | |
| Contingency | \$15,408 |
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| Total Direct Costs | \$181,630 |
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| Total Indirect Costs | \$11,303 |
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| TOTAL PROJECT MANAGEMENT COSTS | \$192,933 |