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BYEMAN EARPOP

FY-71 NRL BUDGET FOR POPPY

A. NRL LTR BYE-51900/71 OF 19 JANUARY 1971

B. DIR PROGRAM C MEMO BYE-60475/70 OF 30 DECEMBER 1970

C. DMO MEMO BYE-13396/70 OF 17 DECEMBER 1970

D. DIR PROGRAM C MEMO BYE-60449 OF 5 NOVEMBER 1970

1. REF A PROVIDED AN ANALYSIS OF THE COST GROWTH OF POPPY IN RESPONSE TO REF B AND C. IT IS ENCOURAGING TO NOTE THE EFFORTS AT NRL DIRECTED TOWARD IMPROVED MANAGEMENT PROCEDURES. THE PROGRAM C OFFICE IS ALSO TAKING STEPS TO INSURE THAT THE PROGRAM CONTINUES TO DELIVER THE BEST PRODUCT AT LEAST COST.

2. ENCLOSURE (D TO REF A CITED A DEFICIT OF \$365.5K IN THE 7106 ACCOUNT FOR FY-70 DUE TO THE 7106 FAILURE ANALYSIS AND REQUESTED THAT IT BE APPROVED AND FUNDED. ALSO REQUESTED WAS \$98.8K THAT WAS DEFERRED

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FROM THE INITIAL FY-71 FINANCIAL APPROVALS PENDING FURTHER JUSTIFICATION.

3. INFORMAL DISCUSSION WITH THE DMO INDICATED THAT REF A AND D ARE NOT SUFFICIENTLY DETAILED TO PERMIT A DECISION ON THE TWO FUNDING ITEMS. SPECIFICALLY, THE FOLLOWING QUESTIONS NEED TO BE ADDRESSED.

A. AS SOME PERIOD OF TIME HAS ELAPSED SINCE IDENTIFICATION OF THE TWO FIGURES, ARE THE AMOUNTS REQUESTED STILL VALID OR HAS THE PROGRAM BEEN ABLE TO ABSORB ANY PART OF THE ORIGINAL DEFICIENCIES?

B. WITH REGARD TO THE 7106 FAILURE ANALYSIS, THE GREATER PORTION OF WHICH IS ATTRIBUTED TO NRL SALARIES AND OVERHEAD, HOW WAS THIS FIGURE DETERMINED (MAN/DAYS, WORK AREAS, ETC)? NOTICE HAS BEEN TAKEN OF REF A WHICH INDICATED THAT \$271K WORTH OF MANPOWER RESOURCES HAD BEEN DIVERTED FROM ADVANCE DESIGN, ENGINEERING AND PROCUREMENTS ON MISSION 7107.

C. WITH RESPECT TO THE \$98.8K DEFERRED ITEM (MISSION 7107), WHAT WERE THE SPECIFIC ITEMS WHICH CAUSED THE LARGE INCREASE (19 PERCENT) IN THE FY-71 NRL GROUND STATION SALARIES OVER THE 1970 ESTIMATE?

D. WHAT WILL BE THE EFFECT ON THE PROGRAM IF THESE TWO MONEY REQUESTS ARE NOT FUNDED?

THE PROGRAM OFFICE WILL CONTINUE TO PRESS FOR REQUIRED FUNDS. HOWEVER, IN TIMES OF FISCAL AUSTERITY IT IS BECOMING

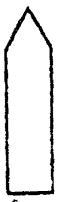
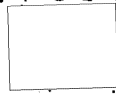
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DECREASINGLY APPARENT THAT MORE COMPLETE AND DETAILED JUSTIFICATION IS
REQUIRED BEFORE FUNDING IS APPROVED.

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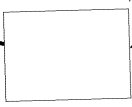


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