



Denali Center
Fairbanks Memorial Hospital
Banner Health System

Barbara Ollila, Grant Administrator
Department of Health and Social Services
Division of Administrative Services
Facilities and Planning Section
P.O. Box 110650
Juneau, Alaska 99811

April 1, 2004

Dear Ms. Ollila:

I would like to request approval for a line item budget variance for Denali Commission Grant #06-4-C4898, awarded to Fairbanks Memorial Hospital. This grant covers the costs to remodel an existing suite of rooms in order to develop a local Diabetes Education Center.

Pricing for remodel costs have come in higher than original estimates. This is, in part, due to the decision to build in cabinetry rather than use modular units. Additionally, the plans have been altered slightly from the preliminary drawings, and additional cabinetry was added. Fortunately, some equipment pricing came in lower than anticipated, and operating funding provided by the Greater Fairbanks Community Hospital Foundation is sufficient to cover some of the original grant requested equipment costs. This makes it possible to shift some of the funds in the equipment budget into the remodel budget. Approval of this request for budget variance would allow us to complete the project for the total previously approved funding amount.

Our design work is completed and our selected contractor is ready to begin, pending your approval. With your approval we can proceed with the remodel immediately. Once work has begun, we hope to have the remodel completed within 8 to 10 weeks. Thank you for your assistance, your help has been greatly appreciated.

Anne Lilley, Manager of Clinical Education
for Elizabeth Woodyard, Associate Administrator, Grants Administrator
Phone: (907) 458 - 5189 Fax: (907) 458-5418 anne.lilley@bannerhealth.com

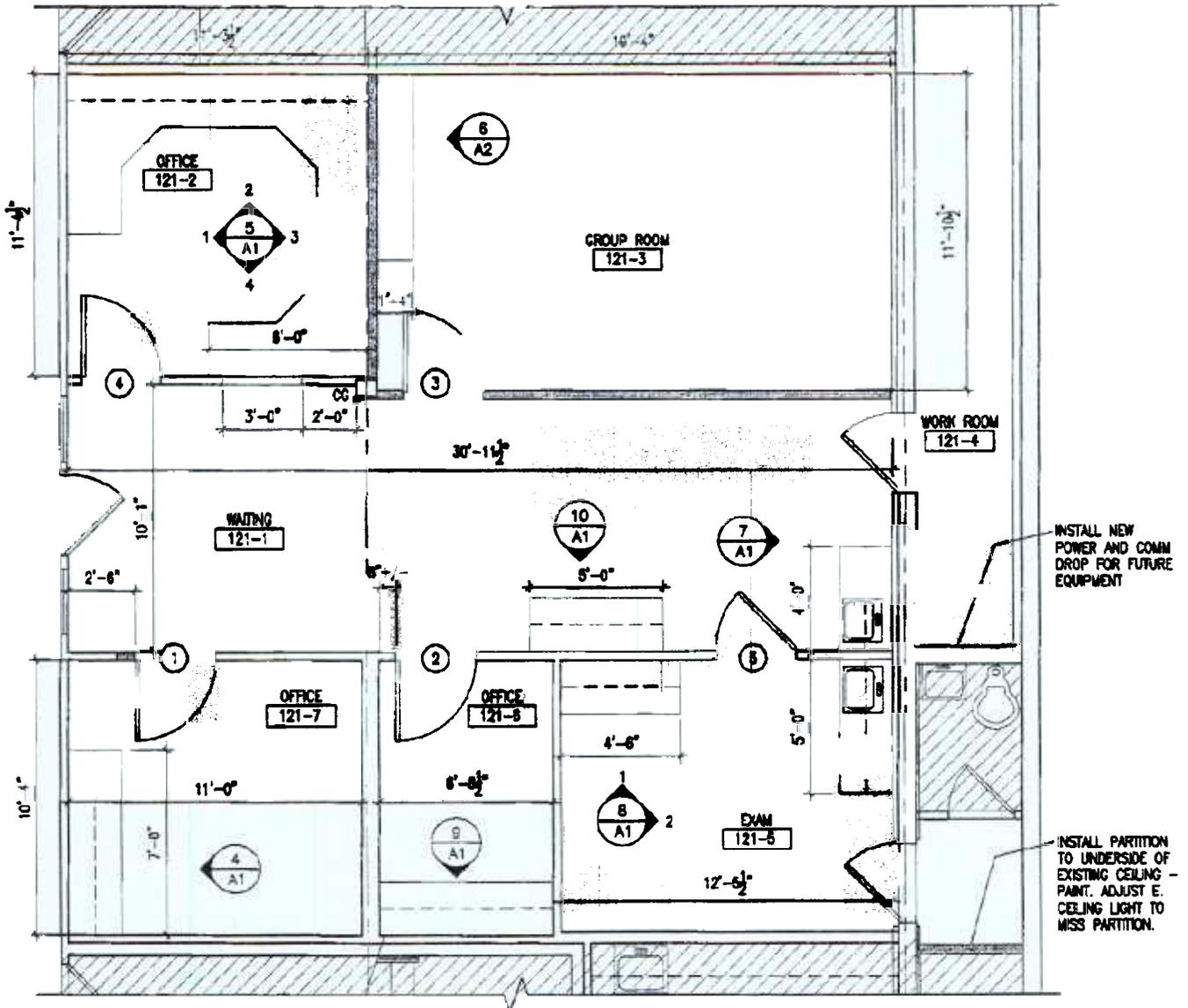
REQUESTED AMMENDMENT TO ARTICLE 3.
 Grant # 06-4-4898 Denali Commission
 April 1st, 2004

CURRENT BUDGET SCHEDULE

<u>Work Activity</u>	<u>DHSS Grant</u>	<u>Other</u>	<u>Total</u>
Equipment and Furniture	\$ 45,892	-0-	\$45, 892
Remodel	70,108	-0-	70,108
Personnel/Rent/Phone	-0-	176, 159	176,159
Total:	\$116,000	176, 159	\$292,159

AMMENDED BUDGET SCHEDULE

<u>Work Activity</u>	<u>DHSS Grant</u>	<u>Other</u>	<u>Total</u>
Equipment and Furniture	\$ 18,100	-0-	\$ 18,100
Remodel	97,900	-0-	97,900
Personnel/Rent/Phone	-0-	196, 411	196,411
Total:	\$116,000	196, 411	\$312, 412



2 RENOVATION FLOOR PLAN
 A1 1/4" = 1'-0"