

~~CONFIDENTIAL~~ UNCLASSIFIED 3

Memorandum L-62

Page 1 of 9

Digital Computer Laboratory
Massachusetts Institute of Technology
Cambridge, Massachusetts

REVISION CHANGED TO:
00234
RRE
3-15-60

SUBJECT: DIVISION 6 REVISED FISCAL '53 EXTRAORDINARY BUDGET.

To: Paul V. Cusick

From: Harris Fahnestock

Date: 1 October 1952

Abstract: This is a revision of the FY'53 Extraordinary Expense Budget submitted on 29 November 1951. By agreement, in May 1952, \$600,000 was removed from this budget and transferred to operating expenses for Groups 64 and 65. The Budget presented herein contemplates an increased expenditure of \$448,000 over the combined FY'52 and FY'53 extraordinary budgets previously presented. If we subtract from this \$140,000 not spent out of the FY'52 operating budget, the net increase in funds above previous requests is \$308,000. The increase is made up mainly of two items: \$160,000 for the Memory Test Computer which had not been planned at the time of the original budget and \$270,000 for test equipment which was previously seriously under-estimated. No provision is made herein for the proposed IBM Contract.

Contents

Table

- I - FY'52 Extraordinary Budget, Commitments, Balance.
- II - FY'52 Budget and Commitments; Extraordinary and Operating.
- III - FY'53 Original Extraordinary Budget (reference only).
- IV - FY'53 Revised Extraordinary Budget (including commitments already made in FY'53).
- V - FY'53 Extraordinary Budget Summary.

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SECURITY INFORMATION

~~UNCLASSIFIED~~
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Memorandum L-62

Page Two

TABLE I

FY'52 EXTRAORDINARY BUDGET, COMMITMENTS, BALANCE

<u>Account</u>	<u>Budget</u>	<u>'52 Funds Committed in '52</u>
6-200 Conversion	\$120,000	\$ 86,500
6-203 ERA	18,000	
6-204 Air Conditioning	25,000	
6-205 Power Supply	15,000	2,400
6-206 Ceramic Processing	25,000	
6-207 General Ceramics	32,000	10,000
6-208 Burroughs	40,000	66,600
6-209 Scopes	50,000	44,300
Flexo	<u>10,000</u>	
	\$335,000	<u>\$209,000</u>
FY'52 Budget	\$335,000	
Committed in FY'52	<u>210,000</u>	
Balance	\$125,000	

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Memorandum L-62

Page Three

TABLE II

FY'52 BUDGET AND COMMITMENTS; EXTRAORDINARY AND OPERATING

<u>Budget Requests</u>	<u>Amount</u>
April 12, 1951 - Memo to Sage	\$310,000
May 2, 1951 - Memo to Foster (modified)	500,000
November 15, 1951 - Memo from Sage	600,000
February 15, 1952 - Memo to Hubbard	
Salary, wages, overhead	\$357,000
Extraordinary	<u>335,000</u>
	<u>692,000</u>
Total Fiscal '52 Budget	\$2,102,000
Less Expenditures and Commitments in '52	
Extraordinary	\$ 210,000
Operating	<u>1,627,000</u>
	<u>\$1,837,000</u>
 FY'52 Balance	 265,000
Less Extraordinary Balance	<u>125,000</u>
FY'52 Operating Balance	\$140,000

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Memorandum L-62

UNCLASSIFIED

Page Four

TABLE III

FY'53 ORIGINAL EXTRAORDINARY BUDGET (REFERENCE ONLY)

<u>Account</u>		<u>Amount</u>
6-201	Recording	\$ 50,000
6-202	Center Planning and Display	100,000
6-210	Flight Plans, weather, etc.	50,000
6-211	Terminal Equipment	<u>50,000</u>
		\$250,000

(\$600,000 removed by agreement and transferred to operating expense of Groups 64 and 65)

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~~CONFIDENTIAL~~

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Memorandum L-62

Page Five

TABLE IVFY'53 REVISED EXTRAORDINARY BUDGET

The amounts listed in this Table include commitments already made in FY'53 and commitments still to be made in FY'53. It includes amounts in the FY'52 Budget, not committed in FY'52, but still needed in FY'53.

<u>Account</u>	<u>Amount</u>
6-200	\$ 75,000
FY'52 Budget included \$120,000 for terminal equipment for slowed-down video. Later detailed studies of the requirements show that an additional \$40,000 is needed. The above figure of \$75,000 represents the difference between the FY'52 commitments and the total of \$160,000.	
6-201	50,000
The amount originally requested for the FY'53 Budget for recording of radar data remains unchanged.	
6-202	90,000
Further study of the requirements for a Combat Information Center has resulted in a \$10,000 reduction of the figure put in the original FY'53 Budget.	
6-203	18,000
This amount was requested in the FY'52 Budget and has been committed in FY'53.	

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Memorandum L-62

UNCLASSIFIED

Page Six

Table IV Continued:

<u>Account</u>	<u>Amount</u>
6-204	\$ 45,000
The FY'52 Budget requested \$25,000 for cooling the additional equipment to be added to the Whirlwind Computer for use in the Cape Cod System. This amount must be increased by \$20,000 as a result of bids now received on our specifications.	
6-205	30,000
The FY'52 Budget included \$15,000 for power supplies for additions to the Whirlwind Computer. A number of items, including generators, power transformers and distribution system, were not included. The total of these requires an additional \$15,000.	
6-206	35,000
The FY'52 Budget of \$25,000 for ceramic processing equipment has been increased by \$10,000 to provide the necessary facilities for the equipment previously contemplated.	
6-207	30,000
The General Ceramics Sub-contract was written for \$35,000 instead of the \$32,000 estimated in the FY'52 Budget. We are adding an additional \$5,000 to provide for possible extension of the Contract for the balance of FY'53.	

UNCLASSIFIED
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Memorandum L-62

Page Seven

UNCLASSIFIED

Table IV Continued:

<u>Account</u>	<u>Amount</u>
6-208 6-209	0
<p>These accounts for Burroughs Test Equipment and Oscilloscopes which appeared in the FY'52 Budget will be closed out. Their continuation is combined in the FY'53 Budget under Account 213.</p>	
6-210	0
<p>The amount of \$50,000 included in the original FY'53 Budget for flight plans, weather, anti-aircraft, etc., has been deleted and transferred to FY'54.</p>	
6-211	\$ 20,000
<p>The FY'53 Budget for general terminal equipment has been reduced by \$30,000.</p>	
6-212	160,000
<p>During the spring of 1952, it became apparent that a rather large electronic system would be required to adequately test the magnetic memory contemplated for the WWII Computer. It has only recently been possible to prepare a budget for this system which is now known as the <u>Memory Test Computer</u>. The above figure is our present estimate of the expenditures in FY'53. We expect there will be additional expenditures on this system in FY'54.</p>	

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Memorandum L-62

Page Eight

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Table IV Continued:

Account

6-213

Amount

\$270,000

Our Test Equipment Committee, made up of representatives from each Group in Division 6, has determined that our needs for test equipment are very much greater than had been previously budgeted. The above amount includes an additional \$100,000 for Burroughs test equipment, manufactured by Control Instrument Company, for which an order has just been placed. It also includes \$50,000 for further Burroughs units which we think we will need. \$30,000 is provided for oscilloscopes and associated equipment, some of which is already on order. The balance includes some items of standard test equipment, some special test equipment probably to be built outside the Laboratory and some of which will be built in our shops. The test equipment provided for in this budget is believed to be sufficient for the staff level which Division 6 will reach by the end of FY'53; this is the level at which expect to operate during FY'54.

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Memorandum L-62

Page Nine

UNCLASSIFIED

TABLE V

FY'53 EXTRAORDINARY BUDGET SUMMARY

Revised FY'53 Extraordinary Budget	\$823,000
Original FY'53 Extraordinary Budget	<u>250,000</u>
Increase	573,000
Less Balance from FY'52 Extraordinary	<u>125,000</u>
Net FY'52 Plus FY'53 Extraordinary Increase	448,000
Less Balance from FY'52 Operating	<u>140,000</u>
Net Increase with Full Carry-Over	\$308,000

Harris Fahnestock

Harris Fahnestock
Executive Officer

HF:mb

cc: J. W. Forrester
R. R. Everett

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