

MINUTES OF A MEETING OF THE BUDGET COMMITTEE OF  
THE INSTITUTE FOR ADVANCED STUDY

April 7, 1938

A meeting of the Budget Committee of the Institute for Advanced Study was held at the Uptown Club, 60 East 42nd Street, New York City, on Thursday, April 7, 1938.

Present: Mr. Weed, Chairman  
Mr. Aydelotte  
Mr. Houghton  
Mr. Maass  
Mr. Leidesdorf  
Mr. Flexner

Absent and excused: Mr. Stewart  
Mr. Louis Bamberger  
Mrs. Fuld

The Chairman, Mr. Weed, presided.

The Director presented the estimated budget for the year, 1938-1939, which was scrutinized, item by item, by the Committee. In view of the distinction which the Institute has obtained, it was the opinion of the Budget Committee that the total expenditures contemplated were modest in the extreme. The Treasurer stated that two independent outside agencies had conservatively estimated the probable income of the present endowment for next year: one at \$328,000, the other at \$330,000. There is, of course, a chance that, unless business improves, the income may fall below the estimates above quoted. The question, therefore, arose as to how the situation should be met in view of the fact that no one can be absolutely sure. Several decisions were arrived at:

1. The Chairman of the Board is of the opinion, and in this members of the Budget Committee concur, that the present financial situation is primarily political rather than economic.
2. The voting of the proposed budget for next year cannot create a deficit of any considerable proportion, if any.
3. If a deficit actually exists at the end of the year, the following year's budget should be decreased unless additional funds are procured.
4. In view of such financial uncertainty as exists, no commitments should be made in the matter of stipends for the year, 1939-1940, now or at the October meeting.
5. Stipends for the year, 1938-1939, represent commitments made at the meeting of the Board in October, 1937, and cannot now be modified; but in case any stipends already awarded for 1938-1939 lapse, no additional appointments should be made but the sum thus saved should be returned to the Treasurer.
6. The policy which the Board has pursued in previous years, namely, passing a budget which is well within the calculated income of the Institute, is sound, but on the other hand, gradual development of an institute which within the period of five years has shown such vitality cannot be and should not be prevented.
7. On the basis of the foregoing considerations the Committee recommends that the budget for the year, 1938-1939, be fixed at the sum of \$330,000.