

✓  
BUDGET

Finance

For Income in Excess of Expense and Expense in  
Excess of Income from 1930-1939, see Chronological File  
1930-1939 for extra copy of this material.

A IAS (T)

1930-1941

✓ BUDGET

Finance

Aydelotte's figures of financial data.

Summary filed in Chronological file under 1930-41.

A, 10/18/56, IAS Financial Problems

1931-1941

✓ BUDGET (ACCOUNTING)

Finance

Budget and accounting did not reflect small grants made to I. A. S. (by Carnegie Corporation for instace 1937 for School of Humanistic Studies) until 1941 when set out ~~xxxxx~~ in income, except capitol expenditure Rockefeller Foundation \$62500 G. O. L. 1940

1941 showed total \$86,339.91 of which \$36,244.28 R-B Fd. Econ.

Treasurer's Reports

1931

10/13

/BUDGET

Finance

"On motion, the fiscal year was fixed to end June 30 of each year.

A budget for 1931-1932 was presented as follows:

Budget for the Year Ending June 30, 1932

Salaries . . . . .	\$24,000.00
Office rent . . . . .	2,300.00
Traveling - estimated . . . . .	2,500.00
Communication, entertainment, printing, etc. - estimated . . . . .	1,000.00
Petty cash disbursements - estimated . . . . .	750.00
	<u>\$30,550.00</u>

On motion, the budget for 1931-1932 was approved, as submitted.

Vol. 1, Number 4, Pages 1 and 2, Minutes

1932

4/11

FOUNDERS

Corporation

✓ BUDGET

Finance

See Bamberger's cautions about spending, page 2.

"Let me emphasize and reiterate one essential point: We should under no circumstances at any time undertake/ anything which we are not able to finance." Suggests annual reserve for emergencies.

Corporation Minutes, 4/11/32, page 2

1932

4/11

✓ BUDGET

OFFICERS

Finance

Corporation

"A budget for 1932-1933 was presented as follows:

Budget of Estimated Expenses  
for the Year ended June 30, 1933

Salary - director	\$20,000.00	
Salary - assistant	<u>4,000.00</u>	\$24,000.00
Office rent		2,300.00
Traveling		2,500.00
Custodian fees		2,750.00
Communication, entertainment, printing, etc.		500.00
Total estimated expenses		<u><u>\$32,050.00</u></u>

"On motion, the budget for 1932-1933 was approved, as submitted.

"Officers to serve until the next annual meeting were elected as follows:

Mr. Louis Bamberger, President  
Mrs. Felix Fuld, Vice-President  
Mr. Alanson B. Houghton, Chairman  
Mr. Samuel D. Leidesdorf, Treasurer  
Mr. Frank Aydelotte, Secretary

"Mr. Abraham Flexner was reappointed Director of the Institute."

1932

6/12

POLICIES

Academic Personnel

SCHOOL OF MATHEMATICS

Academic Organization

✓ BUDGET

Finance

Veblen to Flexner, June 12, 1932.

He acknowledges Flexner's last letter, of June 6, and is happy to hear that "you have probably secured three men for your Institute." He says that they were on a trip in the country with the Weyls, and found Mrs. Weyl was also enthusiastic about Princeton.

"Last Sunday I wrote you at length about my response to your proposal; namely, that I want very much to be attached to the new Institute. There is nothing to add except one point which you may need to have in mind when you see Eisenhart." He then asks that Vanderslice be hired as his assistant, and suggests that the Institute take over the payment of \$1,000 which would be paid by Princeton University to him as his assistant. Vanderslice was to get another \$500 for undergraduate teaching. He also serves

notice on Veblen that he is going to ask for another assistant later on at about \$2,000. "There are two or three recent doctors who should be useful to me, who have not yet secured teaching positions."

His Göttingen lectures are proposed for publication in a small book to be edited by Neugebauer here. ~~He thinks~~ This is an attractive idea to him first because it will put behind him a definite part "of this subject before going on with the rest of it," partly because it seems a good joke to be writing a book in German.

He says he ~~is~~ has accepted an invitation to give a lecture in Vienna on June 30. He will leave Göttingen on the 25th or the 26th of June, leave Vienna on July 2, arrive at Berlin on July 4, lecture July 5 there, leave Berlin on July 12th for Hamburg where they will stay at least a week. He expects to be in England in August.

1954

## POLICIES

## SCHOOL OF MATHEMATICS

## ✓ BUDGET

June (Apparently June 12)

ADMIN Academic Personnel

Academic Organization

Finance

Handwritten notes of Veblen's in File V-5 as follows:

(If you have said 15 of 16 it will be 16)

4 Professors Salaries	\$64,000
4 Personal Assistants	12,500
3 x 25 + 50	
3 Associate Professors	30,000
3 Assistant Professors	15,000
3 Resident Assistants	10,000
10 12 Scholars	15,000
Secretary	2,500
Librarian	3,000
New Books and Periodicals	3,000
Annals	1,500
Publications Series of books	3,000
	<u>\$159,500</u>

(Memo con't.)

Rent for Fine Hall	
Insurance for Professors' Retirement	<u>\$12,000</u>
	\$171,500
Stationery supplies, etc.	1,000

XXXXXXXXXXXXXXXXXXXX

In pencil is 7 Professors.

On an appended sheet there are two lists of 7 professors:  
one, as follows: Dirac, Artin, Lefschetz, Morse, Alexandroff,  
Noether, and ~~KIMM~~ Wiener; the next group is headed by  
Albert, Douglas, Gödel, Gilfont, De<sup>MS</sup>king, McShane, Whitney.

Also shown are the names of four assistants: Vanderslice,  
Stone, Whitehead, and Bohnenblust.

File V-5

1932

6/15

POLICIES

Administration

SCHOOL OF MATHEMATICS

Academic Organisation

✓ BUDGET

Finance

VEBLEN, O.

Biographical

Flexner to Veblen, June 15, 1932.

He asks Veblen to be absolutely candid with him on the subject of the \$7500 versus ~~\$8000~~ \$8,000. He acknowledges with enthusiasm an evidence of interest "the sketch which you sent me in your letter of June the 5th." That letter is not in either V-5 or in File IV-21, from which the main body of this correspondence is taken. He reserves discussion of details until later, except that he agrees to pay Vanderslice \$1,000, and he assures Veblen that he can "be perfectly certain that I will put your case to Eisenhart with all possible persuasiveness, and I have no doubt that he will agree that it is right for you to accept." He has taken his wife to Gastein after receiving news of the death of her uncle, and is, himself, proceeding to New York, hoping to go to Canada

later after getting his wife's affairs in order.

"I look forward with the keenest interest and the utmost confidence to our association. Perhaps at Zurich, you will get suggestions or see people who we may want as our scheme develops."

File V-5

1932

6/18

POLICIES

SCHOOL OF MATHEMATICS

✓ Budget

VEBLER, O.

*Administration*  
~~Academic Personnel~~

Academic Organization

Finance

Biographical

Veblen to Flexner, June 18, 1932.

There has been a slight error on Flexner's part. In his letter of June 2 when Flexner definitely says his mind was clear about asking Veblen to come to the Institute, he offered \$8,000 on retirement at 65, unless extended by mutual consent. At the same time since this letter was handwritten, he asked for Veblen to send it back or send him a copy of it. Veblen's wife hand-copied the letter, and when Flexner got it back, he raised the question as to whether or not he had said \$7500 or \$8,000 on retirement, and asked whether it made much difference to Veblen. Veblen responded that it did, indeed make a difference to him, and that he understood so clearly that it was to be \$8,000 that he trusted Flexner would see it his way. "I don't in the least make it a condition of my acceptance

of  
in the position, but I am trying to give a straightforward  
answer to your question. It did not occur to me on reading  
your letter from Hamburg that there was anything abnormal  
about \$8,000 because both my wife and I remembered that as  
the amount which you had always mentioned in talking Max  
with us about the pension."

He informs Flexner that he had a long talk with  
Miss Noether about algebraists, and she considers Albert as  
the best man in this field after Wedderburn and Kinkadee  
Kinkadee Dickson. "She has the same opinion as Weyl about  
Artin and Deuring. Also, (going outside of the algebraic  
field) she shares my suspicion that Gödel, the young man in  
Vienna who has upset Hilbert's program in mathematical logic  
is the best of the young Germans. I hope to get better  
acquainted with him week after next."

V-5 File

1932

6/30

VEBLIN, OSWALD

Biographical

FLENNER, ABRAHAM

BUDGET

Finance

Fleener to Veblen:

"...Beyond that I think we should play a waiting game. I discussed the whole situation with my brother last night. He thinks that my gratitude is sound and wise. In your further thought bear in mind that this is primarily a research institution, and a teaching institution only in so far as a few disciples are assembled by each important worker. Anyone who desires contact with a larger group can get it, so Eisenhower assures me, with the Princeton graduate group. We need at the top in each subject a few men of proved eminence. The number of men whom we will wish to keep permanently will, as at the Rockefeller Institute, be relatively small. Therefore the second string of men ought to be young and not so highly salaried that it is impossible for them to accept offers from other institutions. We can of course always keep anyone we want by raising his salary and improving his situation, but to do this we must preserve the possibility of promotion; and this can hardly be done if there is a second group as highly salaried as you proposed in your memorandum."

File V-5

1932

7/12

POLICIES

Administration

SCHOOL OF MATHEMATICS

Academic Organization

✓ BUDGET

Finance

VEBLEN, O.

Biographical

Flexner to Veblen, July 12, 1932.

He acknowledges Veblen's letter of June 28, and notes the paragraph which he ~~y~~ quotes in Veblen's letter to Eisenhart. He suggests deferring all problems until we have abundant opportunity to talk it over among ourselves and the Princeton people. The first thing to do is to define clearly our goal.

Veblen has asked him about the date of announcement, and Flexner replies we shall have to side-step it as far as definite statements are concerned until the autumn. "I have found that I can satisfy people's curiosity by saying that we are giving favorable consideration to the vicinity of Princeton. No one has pushed me beyond that point. Eisenhart

and I have agreed that we will issue a statement as close to October 1 as is feasible."

File V-5

1932

8/25

POLICIES

Administration

SCHOOL OF MATHEMATICS

Academic Organization

✓ BUDGET

Finance

VEBLEN

Biographical

Flexner to Veblen, August 25, 1932.

"We had a charming visit here in the woods from Courant ten days ago. He spent two days with us and entered thoroughly into the simple outdoor life which we lead up here. He sawed logs, swam, and fished - the last-mentioned for the very first time in his life. His colleagues at Göttingen had written and telegraphed him about Weyl, and Weyl had told him that he would make no final decision until Courant returned. Nothing could have exceeded Courant's kindness and consideration."

File V-5

1932

8/31

✓ BUDGET

Finance

MEMBERS

Academic Personnel

STIPENDS

Stipends

/Estimated for fiscal 1933 at \$230,851, including  
\$15,000 for "scholarships, fellowships or loans."

Trustees' Report, p. 5.

1932

10/10

## ✓ BUDGET

## Finance

"The Treasurer presented the following revised budget for the year ended June 30, 1933:

## Salaries:

Director	\$20,000.00	
Assistant Secretary	4,000.00	
Professor Veblen (at rate of \$15,000 per annum from *October 1, 1932)	11,250.00	
Assistant to Professor Veblen (Until June 30, 1933)	1,000.00	
Professor Mayer (at rate of \$100.00 per month from **September 1, 1932)	1,000.00	
Teachers Annuity (at rate of 5% a year)	<u>562.50</u>	\$37,812.50
Rent (lease expires April 30, 1933)		2,000.00
Custodian fees		2,750.00
Travel		1,000.00
Communication, printing, entertainment, etc.		1,500.00
Scholarships, fellowships, or loans		<u>15,000.00</u>
		<u>\$60,062.50"</u>

1932

10/29

BENEFITS

Academic Personnel

✓BUDGET

Finance

Flexner to Bamberger.

Flexner making inquiries among insurance companies for insurance to cover annuities and survivors benefits--"thus placing upon the Institute a very definite responsibility rather than waiting for...[it] to fall upon us.--When we have made no provision." Bamberger agreed.

D. L. Bamberger

1933

4/24

## BUDGET

## Finance

"A budget for 1933-1934 was presented as follows:

Budget of Estimated Expenses  
for the Year Ending June 30, 1934

## Salaries:

Director	\$20,000	
Assistant Secretary	5,000	
Secretarial assistance	2,500	
Two professors at \$15,000 (Dr. Veblen, Dr. Einstein)	30,000	
Two professors at \$10,000 (Dr. Alexander, Dr. von Neumann)	20,000	
One professor (Dr. Mitrany)	6,000	
One associate (Dr. Mayer)	4,000	
Two assistants at \$1,500 (Dr. Vanderslice, Dr. Torrance)	3,000	
Teachers Annuity at rate of 5% a year	<u>3,125</u>	\$ 93,625

Rent	1,500	
Custodian fees	2,750	
Travel, communication, printing, entertainment, etc.	2,500	
Scholarships	5,000	
Publication of Annals of Mathematics	2,000	
Subscription to American Mathematical Society	<u>200</u>	
		<u>\$107,575</u>

"On motion, the budget for 1933-1934 was approved, and the following resolution was adopted:

"RESOLVED, That the sum of One hundred ten thousand Dollars (\$110,000) be and hereby is appropriated for the support of the Institute for Advanced Study for the fiscal year 1933-1934."

1933

4/24

✓ BUDGET

Finance

REPORTS

Minutes, pp. 1-2:

"In the absence of Mr. Leidesdorf, the report of the Treasurer was presented as follows by Mr. Schur, the Assistant Treasurer, and, on motion, it was approved.

"Mr. Leidesdorf was called out of town suddenly and has asked me to deliver his report as Treasurer of the Institute.

"The Director has submitted a budget for the fiscal year ended June 30, 1934, estimating expenditures for that period of \$107,575.00. These expenditures are well within the estimated income of the Institute, which is estimated at approximately \$257,000.00 for the fiscal year ended June 30, 1934. Mr. Leidesdorf, therefore, recommends that the sum of \$110,000.00 be appropriated for the support of the Institute for Advanced Study for the fiscal year ended June 30, 1934.

"Defaults on bond maturities and interest payments have been few. The Finance Committee has taken such steps as are necessary in connection therewith.

"Market prices of securities have fluctuated so widely that to state present

market values would be meaningless."

Vol. I, No. 13

1934

4/23

✓ BUDGET

Finance

"The budget for the year 1934-1935 was approved as follows:

Budget of Estimated Expenses  
for the Year ending June 30, 1935

Administration .....		\$33,350
Salaries		
Director	\$20,000	
Assistant Secretary	5,000	
Stenographer	<u>2,000</u>	\$27,000
Custodian charges		2,750
Investment advisory service		<u>3,600</u>
School of Mathematics .....		121,800
Salaries		
Professors (Alexander, Einstein, Veblen, von Neumann, Weyl)	65,000	
Visiting Professor (Dirac)	10,000	
Associate	4,000	
Four Assistants	7,500	
Stenographer	<u>2,100</u>	88,600
Grants-in-aid		
Mathematics	20,000	
Mathematical physics	10,000	
Occasional lectures	<u>1,000</u>	31,000
Publication of Annals of Mathematics		2,000
Subscription to American Mathematical Society		<u>200</u>
School of Economics and Politics .....		6,000
Salary of Professor	6,000	
Teachers Insurance and Annuity Association of America .....		3,550
Rent .....		7,260
20 Nassau Street	1,260	
Use of part of Fine Hall	<u>6,000</u>	
Equipment, supplies, books, etc. ....		500
Travel, communication, printing, entertainment, etc.		<u>5,000</u>
		<u>\$177,460"</u>

1934

4/24

✓BUDGET

Finance

GRANTS-IN-AID

SCHOOL OF MATHEMATICS

Academic Organization

Flexner to Veblen (Fine Hall, Princeton): Excerpt

"I found that the Treasurer had worked out the budget in accordance with the recommendations which the members of the School of Mathematics submitted to me through Professor Einstein and Professor von Neumann, namely, \$20,000 for grants-in-aid in mathematics, and \$10,000 for grants-in-aid in mathematical physics. I thought it would make a bad impression if at the meeting I explained that the members of the staff had changed their minds; so in distributing the grants for next year I think it would be wise to make a distinction between mathematics and mathematical physics in so far as you can. You can doubtless use some of the \$10,000 for persons who go to Einstein or von Neumann. This is better than to ask the Board to adopt the second thoughts of the staff."

File IV-19

1934

10/8

✓BUDGET

Finance

GRANTS

Minutes, p. 10:

"At the request of the Director Mr. Veblen stated the advisability of having the assurance of appropriations for grants-in-aid made a year in advance in order that the professors might have sufficient time to make arrangements with universities regarding leave of absence of candidates for grants. Thereupon, on motion, it was

"RESOLVED, That the sum of Thirty thousand Dollars (\$30,000.00) shall be included in the budget for the year 1935-1936 to be distributed as follows: Twenty thousand Dollars (\$20,000.00) for grants-in-aid in the field of mathematics and Ten thousand Dollars (\$10,000.00) in the field of mathematical physics."

Vol. I, No. 20

1935

3/11 3/22 4/26  
3/18 4/24 4/27

✓ GENERAL

Finance

GENERAL

Relations WOAI

See memorandum of above dates which contains  
correspondence between Flexner and Straus regarding the  
above subjects.

Filed in Chronological File under 1935, 3/11.

D File, Straus, Percy S.

1936-7

BENEFITS

Academic Personnel

✓ BUDGET

Finance

T. I. A. A. budgeted on professors' salaries from beginning.  
Reserves for excess in benefits committed to Veblen, Flexner,  
Weyl and Einstein not budgeted until budget for 1936-7.  
\$10,000 per annum then and after.

Treasurer's Reports

1936

1/27

SALARIES

Academic Personnel

✓ BUDGET

Finance

ALEXANDER

BIOgraphical

VON NEUMANN

Plexner makes general observation ~~that~~ to the effect that the budget for 1936-37 will contain adjustments calculated to bring salaries more in line in a few cases with original philosophy of compensation. He did not mention Alexander and von Neumann whose salaries were increased in the budget as of July 1, 1936 to \$12,500.

~~That~~ Trustees Minutes, January 27, 1936, p. 4.

3/18

BUDGET  
SCHOOL OF MATHEMATICS  
HALDANE

Finance  
Academic Organization  
Biographical

Flexner to Veblen:

Flexner writes that the budget for next year, 1938, is approximately \$300,000 and that the budget for the School of Mathematics, omitting entirely Dirac and Bohr, is \$143,020 which is about one-half of the total income of the Institute. He feels that it is necessary to allow this amount for mathematics but that the sum should not be increased if there is to be any development in the other two schools.

Haldane (?) has been invited for two terms at a salary of \$2500 a term with the Institute and Princeton University each paying half the salary. ~~Flexner~~ Veblen has suggested this sum to Compton and Flexner feels that it should not be charged to the general budget, "the latter being a point which, as far as I can remember, was not previously raised", but either to the \$30,000 set aside for stipends, or from the amount previously allocated in reserve for Dirac.. He is trying to get money from another source for Dirac and Bohr. Flexner says the mathematicians should arrange the Haldane matter in the way that seems to them best, but that the mathematical budget cannot be increased.

File IV-20

4/12

BUDGET  
STIPENDS  
SCHOOL OF MATHEMATICS

Finance  
Academic Personnel  
Academic Organization

Flexner to Veblen:

"In reference to our telephone conversation this morning I should like to suggest that, if I were in the place of the mathematical group, I should not allow myself before the end of the year to be caught, as the group is caught, by reason of the fact that Professor Weyl has recently discovered a promising candidate for a stipend in the person of a Japanese mathematician. I should set aside a sum of \$4,000 ~~xx~~ or \$5,000 which I would not touch until, let us say, May 1 or some other arbitrary date, and thus be enabled to take advantage of a surprise candidate like the Japanese mathematician in question.

"I do not believe that the Bergmann case is the real obstacle since in the matter of Bergmann we are doing precisely what we did for Alexander in a similar manner concerning Zippin a few years ago.

"The budget of the Institute is in a different position. It is made up by Mr.s Bailey, Mr. Leidesdorf, and myself a good many weeks in advance of the annual meeting held about the middle of April. It would seem to me a pity to make any one select an assistant, if he has not found the person, prior to that date. I see no reason why, if

one of the mathematicians finds among those receiving stipends someone whom he would like as his assistant, he should not be allowed to have him, no matter if this decision is postponed as late as October 1 or later. We have had irregularities of this kind to manage previously, and there has never been any difficulty about it, but, if I were in your place, I should do into the fund for stipends precisely what I do in the general income of the Institute. I simply will not spend it all on the theory (first) that it will do no harm if a certain amount of money is returned to the treasury unspent and (second) I am in position to take care of a genuine surprise if anything of the first magnitude presents itself in the course of the following year. In other words, don't allocate money to the last dollar just because you have it."

1937

Summer

✓ BUDGET

Finance

BUILDINGS AND GROUNDS

~~Facilities~~ Facilities

FLEXNER, A.

Biographical

BAMBERGER, LOUIS

Flexner (draft) to L. Bamberger (3/10/43)

Flexner visiting Bambergers at Murray Bay told by  
Bamberger wanted to acquire a site and erect a building  
for I. A. S.

A - Supplemental Budget Material, 1943 Vertical

1937

8/6

FOUNDERS

Corporation

GIFTS

Finance

FLEXNER, A.

Biographical

✓ BUDGET COMMITTEE

Finance

See memorandum filed under 1937, 8/6 for letter from Flexner to Bamberger on above date regarding a draft of a letter such as might be enclosed in Mrs. Fuld's and Bamberger's wills enjoining upon the Institute what seemed to be the wise policy to be pursued in future years in the handling of its endowment funds.

D, Bamberger, Louis, 1937-1944

8/19  
8/26

✓ BUDGET COMMITTEE

Finance

SCHOOL OF MATHEMATICS

Academic Organization

FOUNDERS

Corporation

FLEXNER, A.

Biographical

Flexner to Mr. Bamberger, August 19, 1937.

He sends a proposed by-law which comes from Simon which has been worked out over a long period of years by the Rockefeller Institute which he has adapted to the purposes of the Institute for Advanced Study. (Abraham has adapted it). Though the draft is attached to a letter of August 19, that is probably a clerical error; the draft follows:

"The Budget Committee shall consist of three members with the Director and Chairman of the Board, ex officio.

"It shall be the duty of the Director to ascertain from the Treasurer the amount of income which will be available

during the following year. From this sum --- per cent shall be deducted to be held as reserve. Each School shall submit to the Director its recommendations as to its needs and plans for the coming year. These recommendations shall be considered and amended as may be deemed advisable by the Director and the Chairman of the Board. The sums requested by the several Schools and the general budget based thereon as recommended by the Director shall be submitted by the Director to the Budget Committee with power to amend. The budget, as approved by the Budget Committee, shall be submitted to the Board at the annual meeting.

"Unexpended balances at the end of the fiscal year shall be returned to the treasury.

"No professor Trustee shall be a member of the Budget Committee."

D, Bamberger, Louis, 1937-1944

1937

9/27  
9/29

BUDGET

Finance

AYDELOTTE, F.

Biographical

FLEXNER, A.

Aydelotte to Flexner, September 27, 1937.

Approves the idea of a Budget Committee as complexity in the budget with the growth of the Institute increases. Also expresses approval of the reserve, "although there are times when, in my opinion, it is not advisable to accumulate a reserve." Fluctuations of security prices, etc. He thinks reserve funds should be accumulated during a period of prosperity and ~~ex~~ spent during a period of depression, and he is not sure that the language of the resolution provides for this.

Flexner to Aydelotte, September 29, 1937.

The point Aydelotte makes about the reserve was also made

by Percy Straus.

"You know college faculties. They will spend anything they can lay hands on, and probably for the most part to good purpose, but, on the other hand, the head of an institution has to look to the future, and even to the distant future, and with that in mind has to reserve something for a rainy day even though a fine immediate use could be found for it."

File I-7

1937

9/27

9/29

PARTICIPATION IN ADMINISTRATION

Academic Personnel

✓ BUDGET

Finance

Aydelotte to Flexner:

"You ~~may~~ may count on me for the meeting on October 11th. I think the idea of a Budget Committee an extremely wise one. As the expenditures of the Institute increase in volume, the complexity and making of the budget is going to be a more and more complicated matter requiring careful and prolonged consideration.

"I also approve of the reserve, although there are times when, in my opinion, it is not advisable to accumulate a reserve. The income from securities fluctuates up and down, and the work of an institution can be kept on a more even keep if reserve funds are accumulated during a period of prosperity and spent during periods of depression. I dare say you have this in mind, but am not quite clear whether it is provided for by the wording of the resolution."

Flexner to Aydelotte:

"You know college faculties. They will spend anything they can lay hands on, and

probably for the most part to good purpose, but, on the other hand, the head of an institution has to look to the future, and even to the distant future, and with that in mind has to reserve something for a rainy day even though a fine immediate use could be found for it."

Source: A File IAS (home)

1937

9/29

✓GENERAL

Finance

GENERAL (By-LAWS)

Corporation

FLEXNER, A.

Biographical

Straus has objected to a proposed change in the by-laws providing for the establishment of a reserve fund each year.

Flexner replies September 29, 1937, that it ~~is~~ <sup>does</sup> not become a reserve added to endowment, but becomes a reserve which can be used by the Board when it must. He points out that all institutions during the depression suffered because they had no such reserves, but the General Education Board having such provision in the by-laws ~~as~~ which is the essential point of Straus' objection, had money to expand in the depression. He also cites Chancellor Kirkland at Vanderbilt University who had the same provision in his by-laws. He had terrific struggles maintaining it, but he did it. Swarthmore also has it in its by-laws.

D File, Straus, Percy S.

1937

10/11

BY-LAWS

Corporation

✓ BUDGET

Finance

Copy of proposed By-Law revisions for a Budget Committee  
and for a specific percentage reserve annually.

Filed in Vertical File under "B".

S-1 (Riefler)

1937

10/11

✓ BUDGET

Finance

The Director proposes the establishment of a Budget Committee of the Trustees to consider ~~the~~ budget before submission to the Trustees. This is approved in the form of an amendment to By-Laws, see By-Laws.

Trustees' Minutes, 10/11/37, p. 9

1938-1940

SCHOOL OF ECONOMICS AND POLITICS

STIPENDS

✓ BUDGET

Academic Organization

Academic Personnel

Finance

See series of decisions on proposed School of Economics and Politics enlargements which involved finding the money needed by decreasing stipends in academic year 1939~~8~~ to 1940 and returning to Treasurer unspent funds 1939-1939 appropriated to stipends. (Budget approved 1938-39 \$328,500 estimated income \$328,000 or \$330,000 with prospects income would be reduced. Board voted natural expansion permanent.

Trustees' Minutes

1938

1/24

✓ BUDGET COMMITTEE

*Finance*  
Corporation

Budget Committee appointed as follows:

Mr. Weed, Chairman

Mr. Aydelotte

Mr. Stewart

Founders, Chairman, Treasurer,  
and Director, ex officio

120765

1938

1/26

SCHOOL OF MATHEMATICS

Academic Organization

/BUDGET

Finance

GÖDEL, KURT

Biographical

FLEXNER, A.

Flexner to Veblen, January 26, 1938.

He says that after the meeting on Monday, he had long conferences on finance, and it is obvious that until business conditions improve, and thus increase the dividends in our present endowment, we shall have to hold in abeyance certain plans which six months ago I'd regarded as likely to be

fulfilled within the twelve-month period. This would mean postponing of the theoretical physicists and taking any salary paid to Professor Gödel from the \$30,000 stipend fund instead of making a further appropriation, for it is simply impossible under existing circumstances to increase the mathematical budget at all. Certain stipends committed by the School of Mathematics are not required because their people cannot come. Flexner has already notified Mr. Leidesdorf

that a \$1500 stipend for Bassi and a \$750 stipend released by Dr. Feenberg will revert to the Treasury.

"When an allocated sum lapses in the course of the year, it goes back to the treasury, a point upon which I think I have made myself clear before. Inevitably, in an institution like ours a demand for funds will be incalculable and there will always be persons who can be substituted for others. I think, however, in the long run, we ~~have~~ will have a higher grade of appointments if we all realize that an appointment of a grant once made is final, and that in the event of its not being used, it is not to go into the second best, but back into the general fund."

V File, Flexner, Abraham

1938

NOTES

1/27

SCHOOL OF MATHEMATICS

Academic organization

✓ BUDGET

Finance

GÜDEL, KURT

Biographical

FLEXNER, A.

VEBLEN, O.

Veblen to Flexner.

He regrets the ~~xxxxxxxx~~ contents of Flexner's letter of January 26, and will take it up with his mathematical ~~xxx~~ colleagues soon. He expresses himself as understanding the treatment of stipends which lapse.

V File, Flexner, Abraham

1938

2/16

✓BUDGET

Finance

SCHOOL OF MATHEMATICS

Academic Organization

Veblen to Flexner:

Veblen thanks Flexner for his letter of 2/14/38 in which he clarifies the situation about Bohr and the misunderstanding over financial remuneration to him. "The positiveness of my impression that Bohr was not on the stipend fund was due to the way in which the matter came up and to the considerations which I think I remember as having entered into the determination of the amount to be paid...I know that you want to deal as generously as possible with the School of Mathematics, and you know that I don't want this to be done at the expense of the best interests of the Institute as a whole."

Veblen says that he agrees with the "general point of view" which Flexner lays down about the way the budget should be handled and that it should be regarded "as representing the outside limit of what can be spent." He suggests that it might be well to let at least one member of each School look over the budget in advance of its adoption for any oversights.

Statement regarding Budget of Estimated Expenses  
of School of Mathematics  
for the year ending June 30, 1938

School of Mathematics . . . . .		\$143,159.00
Salaries .....	\$98,330.00	
Professors, Associates, Assistants,		
Secretary, Librarian	\$97,330.00	
Technical Assistant	<u>1,000.00*</u>	
Teachers Insurance and Annuity Association.....		4,479.00
Occasional Lecturers.....		1,000.00
Stipends .....		30,000.00
Publications and Subscriptions .....		3,350.00
Annals of Mathematics	\$ 2,750.00	
Mathematical Publication	300.00	
Subscriptions		
American Mathematical Society	200.00	
Journal of Symbolic Logic	<u>100.00</u>	
Contribution to work in Fine Hall .....		<u>6,000.00</u>

\*\$400 allocated to J. H. Giese for technical work on Annals of Mathematics

2/14

STIPENDS

Academic Personnel

SALARIES

Financial

✓ BUDGET

BOHR, NIELS

Biographical

GODEL, KURT

Extra copy of letter from Fleener to Veblen re Bohr, Godel and budget.  
File IV-20

*Filed under Academic Personnel, Stipends*

See STIPENDS - Academic Personnel

1938

3/30

✓ BUDGET

Financial

POLICIES

Administrative

Flexner writes to Veblen that he has spent several days in New York and Newark discussing the financial situations. "In view of the steady decline in the income from securities and the inevitable indefiniteness regarding the amount that will be required to build Fuld Hall, I am under the necessity of recommending to the Budget Committee... a budget from which every possible item has been excised though nothing, I believe, that will really impair the quality or extent of the opportunities we offer next year.." He suggests the excision of the sum of \$1,000 for occasional lecturers, and that no commitments be made to the stipend budget before the Jan. meeting of the Board. "...nothing will come out of our current income towards the payment for the new building, but indirectly we are nevertheless affected by what may prove to be a considerable non-productive investment." He said he will ask each school to incur no expense not authorized by his office, and that no lapses in appointments for the next year should be filled.

File IV-20

1938

4/18

✓ BUDGET

Finance

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

CARNEGIE

Foundations

Flexner's report on School of Economics and Politics, (p. 5-8)

Frank facing of cost of two or three additional men in economics at cost of \$50,000 or \$60,000. Lord Nuffield's gift to Nuffield College at Oxford for economics and social sciences. Aydelotte and Riefler supported. Stewart absent. Board approved it and authorized exploration by Director. Foundations then helping by \$2,750 (1938-9)

Trustees' Minutes, 4/18/38

1938

4/18

/BUDGET COMMITTEE

*Finance*  
~~Corporation~~

Budget Committee's report

Tr. Min. - 4/18/38 - pp. 11-14

10/28

✓ BUDGET

SCHOOL OF ECONOMICS AND POLITICS

WEED, LEWIS H.

Finance

Academic Organization

Biographical

Weed to Bailey, October 28, 1938.

Acknowledges receipt of letter of October 24,  
enclosing the Minutes of the Regular Meeting of the Trustees  
October 10, 1938. "I have read the minutes and find no  
corrections or changes to suggest."

D File, ~~MAXLEY~~ Weed, Lewis H., 1930-1940

1939-1941

✓ BUDGET

Finance

Budget for the year 1940-1941 and estimated figures  
for year ending 6/30/40, and the income for year ending  
6/30/39.

Filed in Chronological File under 1939-1941.

D, Aydelotte, Frank, 1930-1945

1939

1/23

✓BUDGET

Finance

Deficit forecast 1/1/39-6/30/39

Tr. Min. - 1/23/39 - p. 14

1939

1/23

## BUDGET

## Finance

## STIPENDS (p. 16)

## Academic Personnel

Partial appropriations for stipends at greatly reduced rate voted. Flexner said no stipends voted as was customary at October meeting because of uncertainty of income. (Not reflected in report, p. 14, 10/10/38)

School of Math \$17,500 for 1939-1940 vs. \$30,000 for 1939-1939  
School of Humanistic Studies \$10,000 for 1939-1940 vs. \$18,150 for  
1938-1939.

Trustees' Minutes, 1/23/39

1939

5/33

~~BUDGET~~

Finance

Estimated income for year 6/30/40, Budget 1939-40

Tr. Min. - 5/22/39 - pp. 7-8

~~Tr. Min.~~

1939

6/27

6/30

✓ BUDGET

Finance

SCHOOL OF MATHEMATICS

Academic Organization

WEYL, HERMANN

Biographical

FLEXNER, A.

Weyl to Flexner, June 27, 1939.

The letter concerns allocation of space in Fuld Hall to mathematicians. Number of members admitted to the School of Mathematics for next year, 1939-40, amounts to 13, not including the assistants. "In no previous year did the number fall below twenty-two. This alone should prove that there will be no difficulty in finding comfortable working room for all."

"You will have noticed that after the heavy reduction of our budget we were unable to grant more than two stipends... to men of non-professorial status. Fortunately two young candidates whom we had to turn down will be sent to the Institute with fellowships from their universities....I think

it would have been very unwise to reject them. We all feel the scarcity of younger men to be a serious handicap to our work. Methods in mathematics are changing so rapidly that we need the stimulus and enthusiasm of young men as much as they need our advice and experience..."

Flexner to Weyl, June 30, 1939.

"Thank you for your kind letter of June 27. I am sorry--extremely sorry--that the number of grants for next year has had to be reduced. We could only have avoided this by a reduction of salaries, and to this I will never consent."

D File, Weyl, Hermann, 1933-1945

1939

12/19

ROCKEFELLER

Foundations

✓ BUDGET

Finance

AYDELOTTE, F.

Biographical

WEED

Aydelotte to Weed, December 19, 1939.

Expresses desire to get to Baltimore to talk to him about the Institute to discuss the budget, etc.. "I am sure some economies are possible, indeed some are already going into effect, and I hope very much that we may get some help from the Rockefeller Foundation, and perhaps some money for books which are very much needed from another source."

A IAS (T)

1940-1941

✓ BUDGET

Finance

For material on Institute budget see file FA (Elsa Jenkins)  
3/19/57, File No. 8.

6/2

PRINCETON UNIVERSITY

FOUNDERS

✓ GIFTS

Relations woi

Corperation

Finance

Albrige C. Smith, Chairman, The Princeton University Fund, and John G. Buchanan, Chairman, Committee on Bequests, The Princeton University Fund to Louis Bamberger, June 2, 1943, asking for a gift investing in Princeton education. The tax laws have just amended to make it cheaper, etc.

D, Bamberger, Louis, 1937-1944

1943

8/31

9/4

BUDGET

Finance

✓ GIFTS

SEMINARS

Academic Procedures

AYDELOTTE, F.

Biographical

Aydelotte to Bamberger, August 31, 1943.

Transmits the budget for the study of "Fundamentals of American Civilization."

Professional salaries

Wright

\$10,000

Nicholson

10,000

McIlwain

12,000

Toynbee or Tawney

12,000

\$44,000

Stipends

15,000

### Miscellaneous

Reference books	\$ 5,000	
Secretarial assistance	5,000	
Travel and entertainment	<u>5,000</u>	
		<u>\$15,000</u>
Total		\$74,000

AT this rate the seminar for two years would cost about  
IX \$150,000, over and above present budget.

This budget contemplates Dodds will take care of McIlwain and Chinard and other members of the Princeton faculty who would cooperate.

In the letter accompanying the budget, Aydelotte asks whether if the Rockefeller Foundation were willing to provide half of the \$150,000 needed, Mrs. Fuld and Mr. Bamberger would provide the other half. He thinks that the study might begin in February, 1944, but if it began in September, 1944, a good many of the younger members whom he has in mind could apply for Guggenheim Fellowships in October.

Bamberger to Aydelotte, September 4, 1943.

He and Mrs. Fuld have decided to provide half the amount needed for the Study of American Civilization if the Rockefeller Foundation were willing to provide the other half.

D, Bamberger, Louis, 1937-1944

1940-41

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

✓ BUDGET

Finance

Items that would be "Indispensable on Reduced Budget--  
Omitting Outside Funds"

Filed in A, 10/18/56, Home, Institute; Financial Problems  
(Red Pouch). (In cardboard box).

(File # 47)

1940

1/17

SCHOOL OF ECONOMICS AND POLITICS

ROCKEFELLER FOUNDATION

✓ BUDGET

AYDELOTTE, P.

RIMPLEY, W. W.

STEWART

Academic Organization

Foundations

Finance

Biographical

See copy of Aydelotte's request for Rockefeller Foundation funds.

S. I. A. S., School of Economics and Politics

1940

1/22

✓BUDGET

Finance

STIPENDS

Academic Personnel

Budget for 1940-1941 for two schools; stipends for second term 1939-40 for School of Mathematics.

Tr. Min. - 1/22/40 - p. 11

1940

3/2

ECONOMICS AND POLITICS

Academic Organization

GENERAL

Facilities

✓ BUDGET

Finance

See Aydelotte's memo 3/2/1940 to Dr. Joseph H. Willitts -  
Formal Application for Funds to support work in Economics at the  
Institute for Advanced Study. (Photostated)

S I. A. S. Economics and Politics 1940

1940

3/2

✓ BUDGET

SCHOOL OF ECONOMICS AND POLITICS

ROCKEFELLER

Finance

Academic Organization

Foundations

Director's application to the Rockefeller Foundation for funds  
for economic studies.

Filed in Vertical File under B, Budget.

S File, Sch. of Econ. & Pol. 1940

1940

4/12

BUDGET

Finance

ROCKEFELLER

Foundations

CARNEGIE CORPORATION

Aydelotte to Weed, April 12, 1940.

He submits tentative draft of the budget--his tenth attempt having one merit--it balances.

"You can understand the points of difficulty if you keep these facts in mind: the Rockefeller gift requires that we should add \$40,000 of new money to the School of Economics and Politics which with \$6,500 from the Carnegie Corporation for some research of Earle's raises the total budget of that school from \$80,000 to \$127,000.

"For the rest we have absorbed last year's deficit by making slight reductions in the Schools of Mathematics and Humanistic Studies and by making drastic cuts in the appropriation for equipment and supplies and in the contingent fund. These cuts are not wise, but they seem to be necessary."

D File, Lewis H. Weed

1940

5/13

BUDGET

Finance

1940-1941 Appendix 4

Tr. Min. - 5/13/40 - p. 3

1940

5/13

✓ BUDGET

Finance

GIFTS

ROCKEFELLER FOUNDATION

Foundations

Discussion of Budget for 1940-41, and of gifts received.

Tr. Min. - 5/13/40 - Appendix 1, pp. 5-6

10/14

1940  
/ BUDGET

Finance

Budget for 1939-40 explained by Treasurer

Tr. Min. - 10/14/40 - pp. 1-2

1941

2.24

BUDGET

Finance

OPERATION OF BUDGET - July 1 - December 31, 1940

INCOME EXPENSES	Estimated	1940-1941	Estimated 1/2 Year	Received
		1940-1941	Estimated 1/2 Year	Expended
		\$457,200.00	\$228,600.00	\$228,600.00
Pension		\$ 12,000.00	\$ 6,000.00	\$ 6,000.00
Office of Director		32,495.00	16,247.50	16,247.50
Office of Treasurer		9,350.00	4,675.00	4,675.00
School of Mathematics		129,759.00	64,879.50	62,185.39
School of Economics and Politics		127,180.00	63,590.00	47,961.36
School of Humanistic Studies		90,575.00	45,287.50	42,000.00
Gest Oriental Library		4,980.00	2,490.00	2,490.00
Library Appropriation		25,000.00	12,500.00	12,500.00
Fuld Hall - Operation and Maintenance		12,000.00	6,000.00	5,956.74
Equipment, supplies, printing, etc.		4,000.00	2,000.00	3,937.49
Travel, communication, entertainment, etc.		4,000.00	2,000.00	1,658.25 (con't.)

Contingent Fund

5,861.00	2,930.50	750.00
<u>\$457,200.00</u>	<u>\$228,600.00</u>	<u>\$209,439.31</u>

Tr. Min. - ~~10/10/41~~ 2/24/41 p. 5

1941

5/19

GENERAL

MEMBERS

✓ BUDGET

POLICIES

GOLDMAN, BETTY

Foundations

Academic Personnel

Finance

Administration

Biographical

Aydelotte quotes Miss Goldman as saying the lack of funds for stipends in the School of Humanistic Studies makes it most natural that those who come come on foundation funds. This involves acceptance by the Institute of the people the foundations choose and sometimes even the subjects to which they give preference. "It would be quite easy for the Institute gradually and by imperceptible steps to become a kind of guest house of the foundations. Our vigilance will undoubtedly prevent this, but adequate funds of our own would entirely eliminate the danger."

Trustees' Minutes, May 19, 1941, Appendix p. 3

5/19

✓ BUDGET

Finance

Budget for 1941-42

Tr. Min. 5/19/41 - Appendix 1 - p. 1

1941

5/19

BUDGET

Finance

Discussion of budget for 1940-41.

Tr. Min. - 5/19/41 - pp. 1-2

1941

5/26

✓ BUDGET

SCHOOL OF ECONOMICS AND POLITICS

ROCKEFELLER FOUNDATION

WILLITS

AYDELOTTE, F.

Finance

Academic Organization

Foundations

BIOgraphical

Willits to Aydelotte on treatment unexpended balance  
Rockefeller money for 1941-43--cannot be considered part of  
I. A. S. contribution annually of \$30,000 for each year.  
Balance to be returned to Rockefeller Foundation, 1943-

School of Economics and Politics - Vertical File

1941

6/26

BUDGET

Finance

GIFTS

FOUNDERS

Corporation

FLEXNER, A.

Biographical

AYDELOTTE, F.

Flexner to Aydelotte, June 26, 1941.

He has talked with Bamberger several times since he last wrote, Bamberger and Mrs. Fuld both having called up to find out how he was feeling. Flexner learned that Bamberger is troubled about the war situation, and its probable effect on American finance, with the new complications introduced by the war~~x~~ between Germany and Russia, and our own vague, but probably involvment indirectly, "men of means are going to be more conservative than ever." He suggests that if the Aydelottes visit Bamberger and Mrs. Fuld at Placid, he would not raise the subject of finance unless Mr. Bamberger himself brings it up. But he also urges Aydelotte to use his own judgment in this as in all other matters in which he, Flexner, may  
D File, Flexner, Abraham comment.

1942

BUDGET

Finance

Warren took government salary and paid it to IAS.  
Accounts for drop in salaries of School of Economics and  
Politics during war. Riefler took \$3,000 off for English  
period. Stewart took only expense money.

Stewart Interview.

1942

1/26

✓BUDGET

Finance

## ROCKEFELLER-BAMBERGER FUND

Aydellette pointed out that there was a surplus in the Rockefeller-Bamberger fund for economics. The other schools were quite well off and Mr. Leidesdorf said that he felt there ~~would~~ be a surplus of at least \$10,000 at the end of the year.

Tr. Min. - 1/26/42 - p. 2

1942

4/16  
5/1

✓ BUDGET

ROCKEFELLER

BENEFITS

AYDELOTTE, F.

LEIDESDORF, S. D.

Finance

Foundations

Academic Personnel

Biographical

Aydelotte to Leidesdorf, April 16, 1942.

Presents a rough/ draft of the 1942-43 budget which he has balanced by obtaining Mr. Bamberger's permission to use \$15,000 from his library fund, plus \$9750 which he has recently obtained from the Rockefeller Foundation for stipends in mathematics, plus \$10,000 usually budgeted for Mittrany's salary, since Mittrany will take leave of absence without salary for 1942-43. (British income tax would eat it all up anyway).

Some of the items in the budget are over-estimated since

it probably will not be possible to use the entire amount budgeted for stipends in mathematics and humanistic studies.

The only item which is not included in the budget is \$10,000 set aside for pensions. He suggests that might be budgeted by taking \$2500 from each of the two stipend funds and \$5000 from the contingent fund. "I have, as you know, never believed in the budgeting of this pension fund in that way. There is a surplus in this fund, shown in your report of June 30, 1941, of \$33,755.72. By the time we use this up on Dr. Flexner's pension two or three members of the faculty will be retiring and it will always be possible to limit our new appointments so as to enable us to carry Dr. Flexner's pension if such limitation proves to be necessary."

His budget does not contain an account of the Rockefeller-Bamberger fund which is kept as a separate account according to the practice of Leidesdorf's office. The same thing is done with certain other special grants.

Aydelotte to Leidesdorf, May 1, 1942.

Acknowledges a letter from Leidesdorf not in the file,  
letter dated April 28.

He makes the following points:

(1) Agrees with Leidesdorf that the Trustees should approve leaving out provision for pension funds. Might forego replenishing this fund during the emergency, but certainly that decision should be taken by the Trustees.

(2) "I am very happy to inform you that I have in plain words the assurance from the Rockefeller Foundation that any part of the Rockefeller-Bamberger fund which is not expended remains in the surplus income account of the Institute for use for the same purpose in future years. At the expiration of the three-year period I intend to ask the Rockefeller Foundation to continue to pay this fund, perhaps for another three years, but if they are unwilling to do this I am planning to have a surplus sufficiently large to support our School of Economics for at least two years after the end of the three-year period."

(3) The annuity insurance for Mitrany and all annuity payments for which the Institute is obligated are provided for in the budget.

(4) We may have other savings. the Office of Scientific Research and Development will probably reimburse the Institute for Professor von Neumann's time which may bring in \$6250.

D, Leidesdorf, Samuel D, 1930-1935

4/22

✓ BUDGET

BAMBERGER,

ROCKEFELLER

AYDELOTTE, F.

Finance

Foundations

Biographical

Aydelotte to Flexner, April 22, 1942

It appears ~~xxxxxxxx~~ now possible to balance the budget for 1942-43 without cutting salaries. A handsome subsidy from the Rockefeller Foundation for two years has just been assured for stipends for Pauli, Gödel, and Siegel. Also Bamberger is willing to allow the use of part of the library fund for the general purposes of the Institute.

D File, Flexner, Abraham

1942

4/23

GIFTS

Finance

✓ BUDGET

SALARIES

Academic Personnel

FLEXNER, A.

BIOgraphical

Flexner to Aydelotte, April 23, 1942.

He asks what the capital sum is which will enable the Institute to go on without cutting salaries and without expansion. "The proposal which is in the air in Washington that no man should be allowed during the war to have an income of more than a definite sum - \$25,000 to \$50,000, as the case may be - may help when I see Mr. Bamberger again and resume my conversation on the subject if you so wish."

D File, Flexner, Abraham

1942

5/1

GIFTS

Finance

~~GENERAL~~

BUDGET

AYDELOTTE, F.

Biographical

FLEXNER SALARIES

Academic Personnel

Aydelotte to Flexner, May 1, 1942.

He says he will go to New York to talk about the financial problem with Flexner. He thinks it will be well for Flexner to know that the Institute is in financial difficulties.

"Meanwhile, it may be convenient to you to have on paper an answer to your question as to the capital sum which we need to add to our endowments to make the Institute solvent and enable us to go on without expansion on the one hand and without cutting salaries or other vital services on the other. If we are to estimate income from endowment at three per cent (and at the present moment I do not think it is safe to count on more) we need an additional \$5,000,000.

The budget of the Institute the year previous was \$450,000, of which \$330,000 was income from the endowment, and \$120,000 from outside sources, the largest items being \$60,000 from Mr. Bamberger and something over \$45,000 from the Rockefeller Foundation. If our income from endowment is to be \$300,000 we will need from outside sources about \$150,000, or three per cent on an additional \$5,000,000.

"During the three years of my directorship the Institute has received from outside sources, to be spend as income, approximately \$500,000, which corresponds to the figure I have named."

We are making drastic economies. Members of the faculty in a desire to protect position and influence of the Institute would prefer to cut salaries than to decrease stipends and otherwise cripple the work of the Institute. Furthermore, the Institute needs a little margin for unusual demand and unusual opportunities.

"It is very difficult to explain all this to Mr. Bamberger, because these things are far from his usual method of thinking, but concrete examples will occur to you instantly."

a

He says the only thing which has aided recently has been the magnificent efforts of the Faculty to bring in money, including Stewart, Riefler, Earle, Einstein, Veblen, and Lowe, "but we have now come to the point where we have to go back again and again to the same individuals and the same foundations and this, of course, cannot go on forever. If we ~~ask~~ do not have in the near future a substantial addition to our endowment we will be, in my opinion, more self-respecting to face the fact that we have expanded beyond our means and make such a reduction in our salaries as will adjust our continuing expenses to our income. I should hate to do that and I look upon the suggestion in your letter as a possible ray of hope."

D File, Flexner, Abraham

5/18

✓ BUDGET

Finance

GENERAL

Foundations

Rough statement of income for the next year and approximate budget.

Tr. Min. - 5/18/42 - p. 1

10/15

WORLD WAR II

/ BUDGET

TRUSTEES

Government Relations

Finance

Corporation

The Director outlined in general terms how the Institute is contributing to war effort; listed faculty doing war work. IAS will make up difference between salary paid by government and professorial salary. Also cited Trustees doing war work.

Tr. Min. - 10/15/42 - pp. 3-4

1942

10/15

/BUDGET

Finance

Report on the budget for 1942-43. Very difficult to balance budget; used \$15,000 from library fund for general expenses.

Tr. Min. - 10/15/42 - pp. 1-2

1942

11/13 to 12/22

## ✓ BUDGET

## FOUNDERS

AYDELOTTE, F.

FLEXNER, A.

HERZFELD, E.

LOWE, E. A.

## Finance

## Corporation

## Biographical

Flexner to Aydelotte, November 13, 1942, congratulating him on the small surplus which the auditor's report shows, and saying ~~him~~ that Bamberger called him up a few moments ago and talked to him very much like his old self.

On December 16, Aydelotte asks Flexner for a conference to talk over matters which have come up, and they meet December 18. There is no record of their conversation.

Aydelotte to Flexner, December 22, 1942. A letter in response to a telephone call from Flexner containing a brief

statement of the financial position of the Institute at that time. "We have not balanced our budget out of our own funds since 1938. The result of each year's operations since that time, as given in the auditor's report, is as follows:

1937-38	Surplus	\$16,110.28
1938-39	Deficit	25,570.41
1939-40	"	36,820.99
1940-41	"	2,348.14
1941-42	Surplus	1,995.58

"The deficit for 1939-40 would have been still greater except for the fact that the Institute paid me no salary that year. The deficits for 1938-39 and 1939-40 were due partly to new salaries in economics and partly to the operation of Fuld Hall and other additional expenses for which no additional income was available. Our comparative solvency in 1940-41 and 1941-42 was due to our having obtained additional temporary income, partly from Mr. Bamberger and the Rockefeller Foundation and partly from the Carnegie Corporation.

"Expenses added since 1938 without any corresponding addition to our resources are (excluding minor items) the following:

Two salaries in economics	\$30,000
Contribution on these to	
Teachers Ins. & Annuity	1,500 <i>3000 really</i>
Economics stipends - approx.	10,000
Operation of Fuld Hall	20,000
Director's Pension	12,000 <del>0</del>
Library	<u>25,000</u>
	\$98,500

"This, however, is not quite the whole ~~story~~ story. We shall in a few years time be compelled to provide in our budget an annual sum ~~of~~ for repairs and renovations to Fuld Hall and for pensions. We ought, furthermore, to increase the amount which we devote to stipends.

"The situation in regard to retirements is as follows:

<u>Date</u>	<u>Professor</u>	<u>Pension Promised</u>	<u>T. I.A.A.</u>	<u>Inst. Budget</u>
June, 1944	Einstein	\$8000	\$1909.44	\$6090.56
June, 1945	Veblen	8000	2439.00	5561.00
June, 1945	Lowe		2650.44	
June, 1945	Herzfeld		780.80	

113500  
 28220  
 141,720

"It is my opinion, and I know it is yours, that every consideration of humanity and of the prestige of the Institute demands that we add something to the amounts which Lowe and Herzfeld will receive from the Teachers Insurance and Annuity Association. If we brought the pensions of these two men up to \$4000, our pension load for professors, beginning in June, 1945, would be \$16,220.32, or, including your own pension, \$28,220.32. If we were content to bring Lowe's and Herzfeld's pension up to only \$3000, which is all that Stewart thinks it safe to do with our present resources, this amount would be reduced by \$2000.00.

"The upshot of all this is that we are running at least \$125,000 behind at the present moment, which is the interest on

*under stated*

141000 370  
m<sup>s</sup> 4,700,000

\$4,000,000. I hope, however, that Mr. Bamberger's generosity will extend not merely to the point of covering our present commitments but will make some provision for such interesting extensions as the development of Oriental studies, Latin-American studies, and work in other fields in which I think the Institute might make a great contribution. I have not talked much with Mr. Bamberger about such developments because I did not want to frighten him, but my own opinion is that the plan which you laid down for the Institute and its method of approach to scholarship is so effective, so much needed, and promises such fruitful results that it would be nothing less than a tragedy if we were not ~~going~~ going to be able to enter other fields. We need not enter them all at once and we can exchange one subject for another, but we need some margin in order to do anything."

D File, Flexner, Abraham

1948

11/27

SALARIES

Academic Personnel

WORLD WAR II

Government Relations

✓ BUDGET

Finance

Aydelotte to Schur (Leidesdorf's office).

Alexander, Von Neumann, and Veblen were authorized by the Institute to work for the government without compensation. They find that they are more useful if they take a salary from the government, and that their work, in consequence, is taken more seriously. They have, consequently, requested the Institute to make a temporary reduction in their salaries by the amount mentioned which is the equivalent of what they receive from the government minus their expenses.

The letter concerns the disposition of the money so saved, Aydelotte hoping that it can be diverted to the pension fund or be kept as a special reserve not returned to the budget generally.

D, ~~EXAMINER~~ Treasurer

1942

12/22

BENEFITS

Academic Personnel

SALARIES

DIRECTOR

Administration

✓ BUDGET

Finance

AYDELOTTE

Biographical

FLEXNER

Aydelotte to Flexner.

IAS paid Aydelotte no salary, 1939-40 thereby  
decreasing deficit. Financial statement.

A, 10/18/56 Mat. for Trustees Committee on Institute Policy

1943-4  
1943-6

✓ BUDGET

Finance

STIPENDS

AYDELOTTE, F.

Biographical

There are two budget files of Aydelotte's, dates  
1943-4 for stipends, and 1943-6 for budgets. They contain  
Aydelotte's working papers.

A Home Files, Budgets

1943-45

✓ BUDGET

Finance

For budget for 1943-44 and tentative budget 1944-45  
see Source.

FA (Elsa Jenkins) 3/19/57, File No. ~~71~~ 7.

1943-48

2/19/43  
5/20/47  
7/8/48

SCHOOL OF ECONOMICS AND POLITICS

POLICY

BUDGET

RIEFLER, W.

STEWART, W.

AYDELOTTE, F.

OPPENHEIMER, R.

Academic Organization

Administration

Financial

Biographical

Vertical File "*Econ. & Pol.*"

Rockefeller-Bamberger Fund

File: IAS Rockefeller-Bamberger Fund

1943-1954

✓ BUDGET

Finance

For material on budget see FA File (Elsa Jenkins) 3/19/57,  
File No. 7.

1943

REVENUES

Academic Personnel

SALARIES

GIFTS

Finance

✓ BUDGET

FOUNDERS

Corporation

AYDELOTTE, F.

Biographical

LEIDENDORF

FLEXNER, A.

This is A File, Budget--Supplementary Material, 1943, which is to be filed in the Vertical File. It is a discussion on correspondence and memoranda as between Leidesdorff and Aydelotte, Aydelotte and Bamberger, and Flexner and Bamberger (on Aydelotte's request) setting forth the over-committed and under-financed status of the Institute and suggesting rigorous ways such as reductions of salaries of the professors to meet the cost of operation plus the

cost of minimum benefits of \$4,000 for professors who will retire within the next 10 years. This is a very important file. It indicates that as late as March, 1943, one of Aydelotte's prime approaches to Mr. Bamberger on the subject of financial needs of the Institute was through Flexner whose aid he enlisted. It also contains a ~~phoned~~ statement that Mr. Bamberger has made no further commitments than those he originally made, and subsequently made up to that time to the Institute.

2/2/56

A File, Budget--Supplementary Material, 1943 File #5

✓BUDGET

Finance

ROCKEFELLER FOUNDATION

Foundations

Discussion of budget at Executive Meeting: application for renewal of subsidy from Rockefeller Foundation for the School of Economics. Hope of Committee that funds need not be taken from library fund for general expenses.

Tr. Min. - 1/26/43 - p. 1

1943

1/26

BUDGET

Finance

Income \$15,000 more than expected. "Part of this may be used up in the next six months, but our situation is better than was expected."

Tr. Min. - 1/26/43 - pp. 2-3

1943

2/27

✓ BUDGET

Finance

Aydelotte's memorandum to Executive Committee.  
Maass was Chairman.

Aydelotte's memorandum is filed in Chronological file  
under 1943, 2/27.

A Supplemental Material Budget, 1943, Vertical

1943

3/10

BUDGET

Finance

ROCKEFELLER

Foundations

STIPENDS

Academic Personnel

BAMBERGER, LOUIS

Biographical

AYDELOTTE, F.

LEIDESDORF, S. D.

A long letter from Aydelotte to Leidesdorf on how best to present the financial situation of the Institute to Mr. Bamberger now and as it will be two years from now.

Too long for detail, but in it he suggests that there might be several ways of reducing the expenditures of the Institute:

(1) By eliminating the assistants to the professors. This would be too bad since they are necessary to the work

of the professors.

(2) Failure to appoint professors to take the places of those retiring. Not a bad solution for the present because they continue to do their work anyway, but bad for the future.

(3) There is a surplus in the Rockefeller-Bamberger economics fund, but it is not wise to depend upon this surplus for the Institute. The best thing to do is to reduce expenditures at the Institute to the level of the endowment income.

(4) Might reduce or abolish stipends \$50,000. This, he says, would probably not be acceptable to Mr. Bamberger, for stipends are necessary to assist young men to come to the Institute to study, and as such are the one item of our budget in which Mr. Bamberger is most interested. To abolish them would be to sacrifice a great part of the utility of the Institute to the scholarly world.

(5) The other would be to reduce salaries which would certainly adversely affect the prestige of the Institute.

He thinks it is imperative that Mr. Bamberger understand these things, and he hopes that Leidesdorf will present it to Mr. Bamberger. "We have ~~leia~~- here laid the foundation of a great research institution. It is, however, only a foundation and if it is to fulfil its promises we ought to have funds in hand for some of the many possible and needed developments. I have talked with Mr. Bamberger about the possibilities in various fields but not extensively, and I have not laid these possibilities before the Trustees because it seems idle to talk about them until our financial ~~xxx~~ situation is so stabilized as to give us the prospect of continuing to be able to meet our present commitments."

D, Leidesdorf, Samuel D., 1930-1935

1943

3/10

ROCKEFELLER

Foundations

GIFTS

Finance

~~BUDGET~~ / BUDGET

Flexner to Bamberger (Draft 3/10/43)

He had had hopes of additional endowment from Rockefeller Foundation, but it has changed its policies and now makes grants only for limited and special purposes.

*Filed in Chronological File under 3/10/43*

A Supplemental Budget Material 1943 Vertical

1943

4/9

✓ BUDGET

Finance

ROCKEFELLER

Foundations

AYDELOTTE, F.

Biographical

STIPENDS

Academic Personnel

LEIDESDORF, S. D.

Biographical

Aydelotte to Leidesdorf, April 9, 1943.

He encloses draft of the budget which just fails to balance and has no contingent fund. Over and above this the enclosed budget lists \$5000 for library salaries and equipment as a part of Mr. Bamberger's library fund which he wishes spent exclusively for books. It would be good if we found the \$5000 for library assistance elsewhere.

The only way I can see to balance the budget is to take \$10,000 from our Surplus Income Account, using \$5000 of it for library salaries and equipment and \$5000 for contingent fund. He asks if it is satisfactory to present the budget in that way.

D, Leidesdorf, Samuel D., 1930-1935

1943

4/13

ROCKEFELLER-BAMBERGER FOUNDATION FUND

Foundations

✓BUDGET

Finance

AYDELOTTE, F.

Biographical

HARDIN, J. R.

Aydelotte to Hardin, April 13, 1943 regarding above.

Filed in Chronological File under 1943, 4/13.

Hardin Miscellaneous

1943

8/31  
9/4

✓ BUDGET

Finance

GIFTS

SEMINARS

Academic Procedures

AYDELOTTE, F.

Biographical

Aydelotte to Bamberger, August 31, 1943.

Transmits the budget for the study of "Fundamentals of  
American Civilization."

Professional salaries

Wright	\$10,000
Nicholson	10,000
McIlwain	12,000
Toynbee or Tawney	<u>12,000</u>

\$44,000

Stipends

15,000

### Miscellaneous

Reference books	\$ 5,000	
Secretarial assistance	5,000	
Travel and entertainment	<u>5,000</u>	\$ <u>15,000</u>
Total		\$74,000

AT this rate the seminar for two years would cost about  
~~XX~~ \$150,000, over and above present budget.

This budget contemplates Dodds will take care of McIlwain and Chinard and other members of the Princeton faculty who would cooperate.

In the letter accompanying the budget, Aydelotte asks whether if the Rockefeller Foundation were willing to provide half of the \$150,000 needed, Mrs. Fuld and Mr. Bamberger would provide the other half. He thinks that the study might begin in February, 1944, but if it began in September, 1944, a good many of the younger members whom he has in mind could apply for Guggenheim Fellowships in October.

Bamberger to Aydelotte, September 4, 1943.

He and Mrs. Fuld have decided to provide half the amount needed for the Study of American Civilization if the Rockefeller Foundation were willing to provide the other half.

D, Bamberger, Louis, 1937-1944

1943

10/5

## BUDGET

## Finance

Explanation of budget and resolution as follows:

"RESOLVED, That surplus income arising from the fact that the ordinary expenditures of the Institute in any year are less than the income should be carried in a surplus income account, it being understood (1) that a surplus in any fund given for a specific purpose should be earmarked for the purpose for which the fund was donated, and (2) ordinary capital gains and capital losses should be carried in the capital account."

Tr. Min. - 10/5/43 - pp. 1-3

1944

1/25

✓ BUDGET

Finance

BENEFITS

Academic Personnel

GIFTS

Finance

Report on the budget. Appropriations to Professors Lowe and Herzfeld upon retirement can be earmarked from the previous year's surplus. Funds are being provided by an anonymous donor to meet the difference between the pensions promised Professors Einstein and Veblen and their regular salary, so that in these four cases there will be no drain upon the Institute budget.

Tr. Min. - 1/25/44 - pp. 1-2

1944

2/21

~~BUDGET~~

Finance

BENEFITS

Academic Personnel

Letter from Aydelotte to Leidesdorf, February 21, 1944  
regarding the budget.

Filed in Chronological file under 1944, 2/21.

D, Leidesdorf, 1930-35

1944

7/29

7/26

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

✓ BUDGET

Finance

ROCKEFELLER

Foundations

STEWART, W. W.

Biographical

AYDELOTTE, F.

Aydelotte to H. M. Gillette, Assistant Comptroller,  
The Rockefeller Foundation.

A duplicate which he ~~sends~~ sent to Stewart.

"In reply to your letter of July 26, I hasten to assure you that the Institute Trustees have appropriated \$30,000 for our work in economics for the year 1944-45 in accordance with our agreement. I enclose a copy of the economics budget which I had my secretary send up from Princeton..."

EXF1115

This was in answer to Gillette's letter of July 26, 1944, reaffirming the agreement to match funds, and asking for assurances that the Institute had made available \$30,000 for the year ending 1945 for the work in economics.

S File, IAS, School of Economics - Rockefeller-Bamberger Fund

1945-1949

✓ BUDGET

Finance

~~Budget-for-the-three-academic-years,-1945~~

An annual budget of \$12,000 for an assistant, for an secretary to the assistant, for travels, for the editor's per diem, quarters for C. L. A. abroad and contingent fund of which the Institute furnishes \$4500, leaving a balance of \$7500 which multiplied by three amounts to \$22,500 to be found outside of the Institute.

D, Lowe, E. A.

1945

1/19

✓ BUDGET

Finance

BENEFITS

Academic Personnel

Although the wills of the Founders have increased the endowment of the Institute the income to be derived from it is not greatly in excess of the Institute's present budget. As the interest now being paid is high the IAS cannot count on its staying that high, and must therefore be prepared for a decrease in income. It is therefore necessary not to increase salaries, etc. without considering these facts.

*Pa on Rept*

Tr. Min. 1/19/45 - p. 13

1/19

BUDGET

Finance

POLICIES

Administration

Policy Committee Reported:

"...During the interval between Dr. Aydelotte's accession and the present, the war and the budgetary status of the Institute have in large measure precluded the adoption of any plans for the expansion of its activities. The increase in endowment through the generous provision made by Mr. Bamberger and Mrs. Fuld in their respective wills should, in the normal course, provide the Institute with a substantial increase in income."

Recommended after Conference with Faculty that Aydelotte retire in Oct. 1947 at 67, and that thereafter Directors retire at 65.

*One of the general assumptions which the  
Pol. Com. provided to consider is possible*

1945

12/13

## PARTICIPATION IN ADMINISTRATION

DIRECTOR

BUDGET

MORISON, SAMUEL ELIOT

Academic Personnel

Administration

Finance

Biographical

Professor Earle proposed the appointment of Professor Morison to the School of Economics and Politics. In the discussion Weyl commented unfavorable on Morison's history of Columbus. The debate centered around the competence of Morison in his field, and the appointment was supported by Veblen and Morse on the excellent character of Morison's maritime histories. The Faculty recommended the appointment, finally, with Weyl dissenting.

Director announced his departure from the Institute with the joint Anglo-American committee of inquiry on Palestine, and informed them that the standing committee, consisting of Professors Morse, Chairman, Panofsky, and Biefler would represent him, assisted by Mr. Gilmore Stott, a former Rhodes Scholar acting as assistant to the committee. In addition, Edgar Bamberger, Secretary of the Board of Trustees, will visit the Institute weekly and consult the Committee on Buildings and Grounds.

As to the question of budgeting, it was decided that each School must be given a statement of the budget at its disposal well in advance of departmental meetings.

D, Faculty Minutes, 1939-1947

1945

12/19

## ✓BUDGET

## Finance

## PARTICIPATION IN ADMINISTRATION

## Academic Personnel

The Faculty were informed of the following allocation of funds:  
School of Mathematics, \$30,000; School of Economics and Politics, \$20,000;  
School of Humanistic Studies, \$20,000. The Director hoped that it would  
be possible to get the fund up to \$100,000, allowing \$30,000 to each  
School and \$10,000 in reserve for special emergencies.

D, Minutes Faculty, 1939-1947

1946

5/23

## BUDGET

## Finance

Mr. Weed, Chairman of Budget Committee, presented tentative budget for 1946-47. Increased salaries and stipends and a decrease in expenditure of Gest Library, left the budget substantially the same as for 1945-46, approximately \$475,450. This figure is about \$75,000 less than the expected income of the Institute for 1946-47. The tentative budget as prepared was approved.

1947-1951

~~BUDGET~~

Finance

See proposed budgets for years between 1947 and 1951.

Filed in Vertical under File "Budget".

A File, IAS (T)

1947

4/12

✓BUDGET

DIRECTOR

AYDELOTTE, F.

Finance

Administration

Biographical

Aydelotte to Leidesdorf, April 12, 1947.

Trustees had set aside \$4,000 for an entertainment fund at the time of Aydelotte's appointment. It did not make use of the fund because the Institute budget was out of balance; then came the war and there was no opportunity to entertain much. He puts in a bill for \$3,400. for the academic year 1946-1947 to reimburse his own household budget for entertainment expenses. He also passed on caterers' bills to Miss Miller in the sum of \$301.25.

D File, Aydelotte, Frank, Expenses

1947

4/17

✓BUDGET

Finance

AYDELOTTE, F.

Biographical

Memo for Mr. Leidesdorf by F. Aydelotte.

Filed in Chronological file under 1947, 4/17.

D, Robert Oppenheimer Appointment

4/18

1947  
BUDGET

Finance

STIPENDS

Academic Personnel

Mr. Leidesdorf presented a tentative budget for 1947-48. Expenses were larger than previously but do not exceed expected income. With exception of stipend budget most items represented permanent commitments which could not be avoided. An additional \$15,000 had been added to the stipend fund for the School of Mathematics to be used for physics; the stipend fund for the School of Humanistic Studies was increased by \$5,000. No action was taken on the tentative budget.

1947

4/21

PARTICIPATION IN ADMINISTRATION

Academic Personnel

BUDGET

Finance

Permanent budget of the Schools stands as follows:

School of Mathematics	\$170,000
School of Economics and Politics	101,000
School of Humanistic Studies	79,000

These amounts do not include pensions and special research funds.

Commitments for permanent tenure stand as follows:

School of Mathematics	\$ 85,500
School of Economics and Politics	65,200
School of Humanistic Studies	44,250

Veblen and Einstein suggested discussion of the relative apportionment of funds from time to time, and thought it should be kept flexible in view of changing conditions in the future.

Faculty Minutes, 4/21/47

1947

4/24

PRINCETON UNIVERSITY

~~BUDGET~~

SALARIES

MILLER, BERNETTA

Relations WOAI

Finance

Academic Personnel

Biographical

Letter to Leidesdorf regarding the above headings.

Filed in Chronological file under 1947, 4/24.

D, Mt Leidesdorf, 1946-

1947

5/21

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

✓ BUDGET

Finance

ROCKEFELLER

Foundations

STEWART, W. W.

Biographical

AYDELOTTE, F.

Aydelotte to Stewart, May 21, 1947.

"The auditor's figures do not agree with yours about the Rockefeller-Bamberger Economics Fund. It is carried as a special-research fund in economics on the Treasurer's books and the auditor's report of June 30, 1946 gives the total as \$72,010.27. I am asking Miss Miller to study your figures and the Treasurer's in order to find out if possible where the discrepancy lies."

This indicates that Aydelotte either is not aware of or does not remember the action taken on June 30, 1944, June 30, 1945

appropriating to the budget out of the surplus funds or the special reserve account of the School of Economics \$30,000 for each year, leaving a balance out of the actual ~~xxxxx~~ balance \$132,010.27 of \$72,010.27. This was cleared up by a memorandum to Miss Miller by Mary C. McNamara of the accountant in the Treasurer's office in New York City, dated May 21, 1947, also in the file, and <sup>which</sup> ~~in~~ Bernetta A. Miller transmitted to Stewart on May 22, 1947, in red ink. Bernetta Miller says Aydelotte has seen it, and knows that it is being passed on to Stewart.

S File, IAS, School of Economics - Rockefeller-Bamberger Fund

1947

10/8

GENERAL

✓BUDGET

LEARY, ELEANOR

OPPENHEIMER, R.

Personnel

Finance

Biographical

Oppenheimer informed faculty Mrs. Leary was organizing secretarial staff with view to creating a secretarial pool. Corrected to show view to providing increased secretarial service to staff.

D, Faculty Minutes, Draft

1947

10/9

## ✓BUDGET (Surplus)

## Finance

Dr. Aydelotte stated the fact that we are approaching the deadline and cannot undertake much more expansion without new funds. Mr. Maass pointed out that the IAS had about \$700,000 in earned surplus accumulated over the years when income exceeded expenses, in addition to another \$900,000 or \$1,000,000 in capital gains resulting from sale of securities. Both could be used to meet budgetary needs.

Tr. Min. 10/9/47 pp. 4-5

1947

12/8

PARTICIPATION IN ADMINISTRATION  
GEST ORIENTAL LIBRARY  
DIRECTOR  
BUDGET

Academic Personnel  
Facilities  
Administration  
Finance

The Director asked whether there were other matters which the Faculty wished to have discussed with the Trustees, and Morse suggested raising the salaries of the assistants, and perhaps of the stipends, even if this involved a reduction in the memberships of the Institute.

The Director reported that the invitations extended to Professors Bohr, Pauli, Cherniss, and H. Yakawa had been accepted; that Mr. William Bradley had been appointed as Superintendent of Buildings and Grounds, and that progress was being made with the plans for new buildings adjacent to Fuld Hall; that "the insoluble problem of what to do with the Gest Library was being valiantly attacked."

The Director also reported that he was taking up with the Trustees the matter of creating a special fund to be used in experimenting with new activities not falling within the province of the existing Schools of the Institute. He proposed that the new Standing Committee of the Faculty should

act as an advisory body on the use of the fund, and suggested that the Faculty might wish to elect its members.

D, Faculty Minutes, December 8, 1947

1947

12/16

GENERAL

Academic Organization

GENERAL

Academic Activities

~~BUDGET~~

Financial

DIRECTOR'S FUND

"The Director said he found the School of Mathematics a healthy and flourishing concern. With the very generous help already given to physics, he expressed the hope that that too will flourish. But in the other Schools, perhaps because of a certain insularity in their efforts, the Director felt that there are troubles. Very eminent scholars feel that their work is not appreciated; no one seems able to answer the question of why what is going on is going on. The Director saw no solution in blanket rules. He expressed doubt that all members of the School of Economics were in any strict sense interested in or qualified for 'advanced study'. And in the case of the School of Humanistic Studies there are obviously areas of great fruitfulness beyond the Hellenistic studies to which the Institute is already committed. He was not of the opinion that to found a new professorship was the right thing to do; such a solution to the problem is one of the reasons why the past has so seriously committed the future."

"...The Director outlined no specific program for such efforts. His suggestion was that there be opportunity for exploring new fields outside and beyond the specific areas of the Schools, which in some cases have narrow interests. For this purpose the Director asked that there be members who are not members of the Schools. To accomplish his plan, he asked the Trustees to establish a General Fund of \$120,000 on a five-year basis. This should be used for stipends, memberships and work not at present part of the activities pursued at the Institute. He suggested an Advisory Committee for the use of the fund. The Director expressed the hope that in this way the Institute may carry out its functions in a more experimental way; and thus a coordinate community of scholars may be created.

"This plan was strongly commended and Dr. Fulton suggested that the motion of acceptance of the Director's plan be a vote of confidence in the new Director. On Dr. Weed's suggestion, the fund was designated the Director's Fund.

"The motion was unanimously carried that \$120,000 be appropriated to the Director's Fund from surplus over the next five years; that \$20,000 be made available for the year 1948; that the Fund be used as the Director sees fit."

12/16

## BUDGET

## Finance

## STIPENDS

## Academic Personnel

"The suggestion was made that stipend funds be budgetted cumulatively since many foreigners could not accept invitations for the Term for which they were invited."

1948

2/10

✓ BUDGET

Finance

STIPENDS

For the year 1947-48:

School of Mathematics	\$55,000.	
School of Economics and Politics	20,000.	
School of Humanistic Studies	29,000.	(\$29,000)

The last-mentioned sum includes \$4,000 payment to Dr. Hanns Swarzenski which is included as a part of stipend fund, but which should be considered as an assistant's salary.

Also, the Director reported the Faculty's conclusion that the normative stipend be set at \$3,000 for single members and \$4,000 for married members. The Executive Committee approved.

The Director suggested cumulative budgeting of stipends as the simplest and most economical way of dealing with School stipends. It was decided to budget the stipend funds cumulatively rather than keeping the stipend budget on an annual basis. Executive Committee Meeting Minutes, February 10, 1948

1948  
✓ BUDGET

TRUSTEES

FULTON, JOHN

OPPENHEIMER, ROBERT

2/10  
2/16  
Finance

Corporation

Biographical

Fulton to Oppenheimer, February 10, 1948.

The Executive Committee has met and Fulton is sorry that Oppenheimer's request for budgetary allocations for professorial assistants was not met with more immediate approval. Fulton favors it because assistantships are understood as an obligation in each professorial appointment, and he thinks that a budgetary allocation is not only mandatory but in the long run would make for economy.

"When the point of the cumulative budgetary principle came up I did not at first realize what the issue was involved. I have chafed for seventeen years under the practice of having

all unexpended funds both for salaries and general expense accounts revert on 30 June. It offers no incentive to economy and in most departments there is a wild spending spree during the month of June so as to be quite certain that nothing reverts. As a matter of principle, I should like to put myself on record as strongly favoring the cumulative concept.

2 "I mention another thing privately and somewhat hesitantly, namely, that I think you have developed a certain uneasiness about one of our Board members who is as eager as I am to give you budgetary latitude and the utmost possible freedom from Trustee domination. He would favor, and I should too, an annual unrestricted allocation to the Director for anything that might arise in the course of the academic year; it could be called a contingent fund or given any other designation that seemed appropriate. The proposal that you have power to shift funds from one school to another would be embarrassing and I admire you for your unwillingness to accept such an authorization. But an unrestricted ~~xxxx~~ contingent fund is something else which would, I think, be

acceptable because we all have complete confidence in your judgment and we want you to have a completely free hand in determining the future policies of the Institute.

"This is a purely personal expression of opinion but I cannot think of any Board member who would be seriously opposed to what I have said except possibly on the subject of the cumulative budget."

Oppenheimer to Fulton, February 16, 1948.

Thanks him for his understanding and support.

"It is a wonderful thing to have your understanding and help and support in trying to get this enterprise disentangled."

D, Fulton, John F.

✓ BUDGET

FINANCE

GRANTS

At faculty meeting on the above date the Director submitted for examination the proposed budget for 1948-49 and a specific listing of the funds (grants) available to the Institute for specific purpose with a statement as to the professor to supervise each individual fund, some of which were named for individuals.

Minutes Faculty Meeting, April 12, 1948, File V-1

1948

4/15

GENERAL (PUBLICATION FUND)

Publications

✓ BUDGET

Finance

The \$12,000 annually set aside for mathematical publications and publications in the other field was being obligated completely for mathematics and in the other fields for the publishing of Miss Goldman's book on Tarsus, (p. 5)

Trustees' Minutes, 4/15/48

11/16

✓ BUDGET (Balance Sheet)

Finance

"1. The balance sheet for the Institute as of June 30, 1948 shows a total fund of \$18,333,720.31 as against liabilities of \$653,182.66.

"2. The estimated income for the year was \$617,018. as against budget appropriation of \$624,086.08. The difference would probably be equalized by extra dividends.

"3. On question from Mr. Rosenwald as to whether there is an accumulated fund that can be drawn upon, Mr. Maass reported a surplus since 1942 of \$635,047.46. exclusive of profit on investments."

1949-1955

✓ BUDGET

SCHOOL OF HISTORICAL STUDIES

MEMBERS

STIPENDS

Finance

Academic Organization

Academic Personnel

See file for lists of members for each academic year with stipends if granted and sources of foundation funds.

/ D, Historical Studies, Budget

✓ BUDGET

Finance

Preliminary report on the budget, estimated the total for 1949-50 would be \$720,000, not to exceed \$720,000.

The following budgetary commitments for 1949-50 were approved: funds for grants-in-aid

School of Humanistic Studies	\$29,000.
School of Mathematics	40,000.

Executive Committee Meeting, February 15, 1949

1949

3/3

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

BUDGET

Finance

STEWART, W.W.

Biographical

OPPENHEIMER, R.

Stewart to Oppenheimer, March 3, ~~1944~~ 1949.

He corrects a statement which he made previously to Oppenheimer concerning Trustee approval of the transfer from the Economics Fund of \$30,000 for each of two years (1944 and 1945) as basic Institute support for the work in Economics. He says that all his notes show is that Aydelotte authorized the transfer when the budgets for the Institute were submitted to the Treasurer. He does not know whether Trustee action approved the transfers or not. Answers to his inquiries show that on June 30, 1944 and June 30, 1945 appropriations of \$30,000 in each year were made from the Fund to the Budget.

H<sub>2</sub> then attaches certain documents which are not present in the file:

(1) The action of Rockefeller Foundation on the first 3-year grant--March 15, 1940 and on the second 2-year grant made February 1943.

(2) Willits to Aydelotte, May 26, 1941, with the statement that, "any funds held over at the close of a year for use during subsequent years cannot, however, be considered as a portion of the annual sum of \$30,000 to be raised by the Institute prior to claiming our funds."

(3) Gillette (Comptroller of Foundation) to Aydelotte, July 26, 1944, asking for notification, "that the additional \$30,000 has also been made available by the Institute for the work in Economics for the year 1944-45," and Aydelotte to Gillette, July 29, giving assurance, "that the Institute Trustees have appropriated \$30,000 for our work in economics for the year 1944-45 in accordance with our agreement."

(4) Statement of May 21, 1947 by Miss McNamara of the New York office and attached statement by Miss Miller. "This was the first occasion on which I learned of the discrepancy between our local account (kept by Miss Miller) and the account kept in the New York office."

(5) The attached table, (not attached) prepared in May 1947, shows the receipts and expenditures of the Fund over the 5-year period, prepared to render a final accounting to the Foundation as to the use of the Fund. Until the question of the amount of the surplus in the Fund and the disposition to be made of it have been settled, no such final accounting can be made.

The closing paragraphs indicate that though Oppenheimer may not want to be bothered, it is a matter of principle with Stewart, and he thought Oppenheimer would want to know what was involved.

S File, IAS, School of Economics, R. B. Fund - correspondence

1949

4/9

✓ BUDGET

Finance

At Faculty Meeting the Director presented the budget for examination and question (F Y 1949-50) and suggested that the standing committee help the Director to prepare the next budget.

Faculty Meeting Minutes, April 9, 1949, File V-1

1949

4/19

## PARTICIPATION IN ADMINISTRATION

Academic Personnel

## / BUDGET (FACULTY BUDGET)

Finance

## DIRECTOR

Administration

Budget presented by the Director for the fiscal year 1949-50, and suggested the Faculty study it and that the next year the Standing Committee help the Director in preparing the budget.

Faculty Minutes, 4/19/49

1949

X5/2X 5/20

✓ BUDGET

Finance

GENERAL (BY-LAWS)

Corporation

Budget procedure prescribed in By-Laws as of that date (Probably adopted previously): Director ascertains from Treasurer estimated income during next academic year; receives from each school its recommendations as to its needs and plans. These considered and amended as may be deemed advisable by the Director and the Chairman of the Board. Then submitted to the Budget Committee with power to amend.

Certificate of Incorporation and By-Laws for the Institute for Advanced Study as Amended to and Including May 20, 1949 (Filed B under

By-Laws, GENERAL

1949

9/29

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

ROCKEFELLER FOUNDATION

Foundations

✓ BUDGET

Finance

STEWART, W. W.

Biographical

OPPENHEIMER, R.

AYDELOTTE, P.

Copy.

"September 29, 1949

"Memorandum on the Special Economics Fund--(For our Files)

Yesterday afternoon JRO told me the proposal which the Institute is making to the Foundation to settle the questions that have arisen concerning the Economics Fund. The

proposal had been worked out during the summer with Dr. Aydelotte and Mr. Leidesdorf and with some modification by JRG since his return. Leidesdorf has ~~xxxx~~ had an exchange of letters with Beal at the Foundation.

"In formulating the questions, JRG separates the rather involved position into two separate parts. At the end of the first matching grant in 1943 there was in the Fund something over \$99,000. Aydelotte at that time worked out with Willits a refund to the Foundation of approximately \$35,000. This refund left an amount of about \$65,000 still in the Fund. At that time, JRG believes, the proper procedure would have been to go to Mr. Bamberger and offer him a refund of his contribution as was done to the Foundation. Since this was not done the money remaining in the Fund could be interpreted as Institute funds available to Economics and therefore available to be used in making the two \$30,000 grants to meet the Institute commitment toward the second matching grant by Mr. Bamberger and the Foundation. While the matter at that time might have been handled with

greater clarity, it is now regarded as a matter internal to the Institute and not a matter to discuss with the Foundation. From the standpoint of internal administration, it would have been better to have dealt frankly with the professors in Economics so that they would have known at that time that the Fund was being used to meet the requirement of Institute support of \$30,000 a year.

"The second question has to do with the money remaining in the Economics Fund at the end of the second grant. During the years 1945-46 and 1946-47 certain moneys were spent in support of economics work and at the time were charged, as ~~support~~ [here the word, support, is crossed out and above it in ink is written, "were expenditures"] for other schools, against the Institute income. These expenditures JRO regards as legitimate charges against the Fund, if they had been so entered at the time. Since, however, the accounts were not kept in this form, he now feels that in writing to the Foundation this fact should be called to their attention. The Foundation would then be asked whether it agrees with the

Institute that the expenditures during these two years were legitimate charges against the Fund. If so, as much of the expenditures of those years as can be covered by the money remaining in the Fund will be charged to the Fund, thus liquidating the Economics Fund. This statement of fact to the Foundation and the raising of the question with them was the suggestion of JRO. The letter, however, will be signed by Leidesdorf and addressed to Seal.

"In considering the liquidation of the Fund the Director separated the question of whether Economics needed some special fund independent of regular budget support from the Institute. This he thought a separate matter, not requiring consultation with the Foundation and could be settled on its merits.

"JRO then asked me what I thought of the proposal. I told him that from the beginning my chief interest was to clarify the situation so that there could be no future embarrassment between the Foundation and the Institute, and if possible to work out an arrangement which would be satisfactory

both to the Institute and the Foundation. Without expressing any further views in the matter, I saw no reason why the proposal should not be made, though it seemed to me desirable that he should talk with Barnard on the matter after Leidesdorf's letter had been received by Beal. The reason for this is that the risk of misunderstanding does not lie between the accounting offices but between the heads of the two institutions.

"As to the continuance of some separate fund for the work in economics, I personally saw no need for it. From what I understand of the plans for the future in Economics, I saw no need for support beyond that which could be provided from the ordinary budget."

W. W. Stewart  
signed WWS

S File, I. A. S., School of Economics - Rockefeller-Bamberger Fund

1949

10/21

## BUDGET

## Finance

The Director asked that the full stipend budget, \$50,000, for the School of Mathematics, exclusive of the physics budget, be appropriated at this time, as the School would like to have freedom in committing its fund earlier than usual because of the 1950 international Mathematical Congress being held in this country. Only half the grant-in-aid budget need be appropriated at this time in the other Schools. The motion was carried that the following appropriations be made as recommended: \$50,000 to the School of Mathematics for 1950-51 grants; \$25,000 to the School of Historical Studies; \$12,500 for Physics.

1949

11/15

BENEFITS

Academic Personnel

BUDGET

Finance

The special committee formed to consider Faculty pensions approved the Director's suggestion of raising pensions from \$4000 to \$6000. This would affect six full professors; and would cost the IAS approximately \$12,000 a year as long as these six lived.

"It was moved and carried that operative as of July 1, 1950, the minimum total pension of present full Institute professors should be \$6000; that the obligation of the Institute is to provide the difference between this amount and the pension provided through insurance; that the additional payments should be covered in the ordinary budget."

1951

5/4

TRUSTEES

Corporation

GENERAL (BY-LAWS)

DIRECTOR

Administration

✓ BUDGET

Finance

The members revised the By-laws to provide for the election of additional honorary trustee without vote, and provides that they may serve on committees of the Board by appointment, but shall not vote.

The Trustees revised the provisions of Article VI, Section 1 on the Directorship, making ~~him~~ him a member ex-officio of the Corporation and of all committees of the Trustees (not of the Board of Trustees itself), and clarifying his position on appointments--after consultation with the Faculty on short-term members; with the approval of the Faculty and the Board or Executive Committee for appointments to the Faculty.

Revises budget procedure.

The Board also deleted the provision (Article III, Section 5) providing for Faculty-Trustees.

The Board discussed on Rosenwald's suggestion, but did not act upon a proposed revision establishing age limits and non-successive terms for Trustees, deferring it to the next meeting.

See discussion, page 3, on the dropping of the provision for an annual report by the Director; suggested by Director with the support of Aydelette, Maass; show of opposition by Strauss.

Note Strauss' feeble and inaccurate statement that provision for Faculty-Trustees is in Articles of Incorporation, page 3. (Veblen?)

Minutes of the Annual Meeting of the Corp., May 4, 1951

1952

9/29

✓ BUDGET

Finance

DIRECTOR'S FUND (GENERAL)

Finance

PARTICIPATION IN ADMINISTRATION

Academic Personnel

Director announced:

- (1) 2 plans and bearing on corporate identity of I. A. S.
- (2) Bibliography
- (3) Collection of bound manuscripts of publishable material I. A. S. To exhibit in uniform binding corpus of work I. A. S.
- (4) Invite Isaiah Berlin of Oxford and Perry Miller, Morton G. White of Harvard on Director's Fund.

#3 later (11/26/52) reconsidered as to possibility.

Faculty Minutes, p. 246

1953-54

✓ BUDGET

finance

Fleming to members of the Board enclosing final copy of the budget for 1953-54 incorporating decisions made by Board at Annual Meeting, April 3.

See Source.

FA (Elsa Jenkins) 3/19/57, File No. 7

1953

10/28

PARTICIPATION IN ADMINISTRATION

Academic Personnel

GENERAL

Finance

✓ BUDGET

OPPENHEIMER, R.

Biographical

Oppenheimer reported he had told trustees spending up with income. Had doubt about suggesting new appointments, etc.  
✓ Trustees told him to tell faculty to continue making recommendations. Could spend surplus or capital gains.  
Director construes this to mean Trustees aware of need for additional income.

Faculty Minutes, p. 257

1954-55

HOUSING

Facilities

✓ BUDGET

Finance

Extra minutes, etc., the 1954-55 budget for I. A. S., and Application for Loan Assistance under Title IV of the Housing Act of 1950 all found in source below.

PA (Elsa Jenkins) 3/19/57 . File No. 11

1954

BUDGET (DIRECTOR'S FUND)

Finance

FORD

Foundations

CARNEGIE

GUGGENHEIM

ROCKEFELLER

See pp. 24-25 in the Report of the Director  
published 1954 for 1948-53.

Report of the Director, 1954.

1954

3/10

✓ BUDGET (DIRECTOR'S FUND)

Finance

Six-year report.

Filed in Vertical File under "D" for Director.

F. A., 1/8/57

1955

12/16

PARTICIPATION IN ADMINISTRATION

Academic Personnel

STIPENDS

PRINCETON UNIVERSITY

Relations WOAI

✓BUDGET

Finance

POLICIES

Administration

GENERAL

Academic Organization

CHERNISS H.

Biographical

Interview with Harold Cherniss, December 16, 1955.

Filed in Vertical File under Interviews.

Interview with Harold Cherniss, 12/16/55

1956

2/8

SCHOOL OF MATHEMATICS

Academic Organization

SCHOOL OF ECONOMICS AND POLITICS

✓ BUDGET

Finance

VEBLEN, O.

Biographical

EINSTEIN, A.

EISENHART

FLEXNER, A.

PANOFSKY

HERZFELD

Interview with Professor Oswald Veblen, February 8, 1956.

Filed in Vertical File under Veblen Interviews.

Interview with Professor Oswald Veblen, 2/8/56

1956

3/8

SCHOOL OF ECONOMICS AND POLITICS

Academic Organization

SCHOOL OF MATHEMATICS

FOUNDERS

Corporation

✓ BUDGET

Finance

GIFTS

FLEXNER, ABRAHAM

Biographical

Interview with Dr. Abraham Flexner, March 8, 1956,  
11:10 a.m. to 12:30 p.m., and 2:30 p.m. to 3:00 p.m.

Filed in Vertical File under Flexner Interviews.

Interview with Dr. Abraham Flexner, 3/8/56

1956

5/29

FOUNDERS  
GENERAL  
INSTITUTE FILE

✓ GIFTS

DIRECTOR  
ECONOMICS  
SCHAAP  
FARRIER  
BAMBERGER, LOUIS  
FULD  
HARDIN  
BAMBERGER, EDGAR  
LEIDESDORF  
MAASS  
STRAUS  
FLEXNER  
AYDELOTTE  
STRAUSS

Corporation  
Facilities  
Institute File  
Finance  
Administration  
Academic Activities  
Biographical

Interview with Messrs. Schaap and Farrier, May 29, 1956.  
in the Board room at Bloomingdale's, New York City.

Filed in Vertical File under Schaap and Farrier Interviews.  
Interview with Schaap and Farrier, 5/29/56