NOTES

The Undergraduate Association is sponsoring a meeting open to all students, at which the various members of the MIT groups interested in the electronic transactions around the Institute (e.g., dorms, faculty, consultant groups) may come together and present the state of their group. The meeting will have an informal, question-and-answer setting and will be held in the Student Center next Tuesday, November 16 at 4 p.m. Refreshments will be served.

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Gay Dance - There will be a gay dance on Saturday, November 18 at Holyoke Church, Arlington St. and Boylston St. Beginning at 9:30 PM. Room W20-483, MIT Student Center, 84 Massachusetts Avenue, Cambridge, Mass., ext. 2731 or 1541.

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The MIT Black Student Union is holding its regular general meeting next Thursday, November 17 at 9:30 PM in the Bruins, Boston, from 9 PM to 1 AM. Gay members are invited. Admission, $3 at the door.

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Due to the closing down of the Homophile Community Health Service, the following items, which are still available, must be disposed of by Friday, November 11. Please call the Office, 14N-233B. Limit of two tickets per person.

- A memorial tribute to George Seferis, poet laureate of Greece, which contains affectionately written poems by many MIT students, faculty, and others. [Please specify price or if it is available for donation]
- * 'Which Way Vietnam?' A panel discussion of the possibilities for terminal aid during the war in Southeast Asia. [Please specify price or if it is available for donation]
- A booklet describing this program, call to receive a copy of the 20-page NSF booklet describing this program, call IOM 56-54." [Please specify price or if it is available for donation]

IAP

Students interested in serving abroad or in another school in the US over IAP should contact the Institute's Office, 10-303, 5454, for further information.

The National Science Foundation has reinstated the Undergraduate Research Participant program, which provides paid opportunities for college-aged students that increase the opportunities for undergraduate research experiences in the sciences. Such experience may be helpful in making choices for future careers or college participation, or independent study. The program is designed to provide young scientists with an introduction to the approach to the education of young scholars and the opportunities for research participation and publication. The program's purpose is to introduce students to the opportunities and the different types of work in the sciences.

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IAP 1971

By Paul Schindler

You can’t talk about Institute finances these days without talking about the Institute’s deficit. What’s more, many people today are thinking aloud about future finances at all including what are not it for the deficit, which is responsible for further curtailment of effort across the Institute. What is the Institute deficit? Does it $4 million mean that a marginal pittance of unpaid bills at the end of the fiscal year? Or did the Institute borrow those millions from those banks when it was not so tight. It’s not quite so simple.

The deficit, known as "deficit" or "in" (SR) contracts, which have very specific functions that define a contribution to the total endowment, pays for a large portion of the Institute's central functions. The "actual" deficit or "deficit" only represents what the budget item for the given period for the less actual actual are often not in exact agreement. Its purpose is to show the hard gap. The most basic incomes and expenditures.

To determine the actual deficit, the "demand on unrestricted funds" and the "endowment gap" which MIT refers to as its deficit. The expected total deficit for the current fiscal year (ending June 30, 1972) approaches $6 million.

According to an analysis provided by Chancellor Gray's office, the deficit breaks down like this:

**Educational and General Operations Budget, 1971-1972**

<table>
<thead>
<tr>
<th>Expenses</th>
<th>$ thousand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic instruction</td>
<td>20,384</td>
</tr>
<tr>
<td>Research support</td>
<td>2,146</td>
</tr>
<tr>
<td>Student services</td>
<td>4,548</td>
</tr>
<tr>
<td>Auxiliary services (housing, dining, medical, etc.)</td>
<td>7,600</td>
</tr>
<tr>
<td>Contingency reserve</td>
<td>178</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>71,905</strong></td>
</tr>
</tbody>
</table>

**Revenues and funds**

- Tuition (including medical fees and student services) | 21,982 |
- Endowment income for general purposes | 6,022 |
- Other investment income and funds | 9,488 |
- Gifts and grants | 21,233 |
- Auxiliary services (income) | 7,510 |
| **Total revenues and funds** | **66,235** |

**Excess of expenses over revenues and funds** |

<table>
<thead>
<tr>
<th>Excess</th>
<th>$ thousand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustments for current budget, non-recurring operations, and cost containment</td>
<td>5,571</td>
</tr>
</tbody>
</table>

**Operating gap**

4,021

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These figures make little sense without a good deal of explanation. The following are a couple of factors that may explain at least a portion of the total Institute budget of $31,489,000 and represent the current situation for the D- and L-Labs.

This is the budget for Institute general funds, not including sponsored research. These funds are needed to run the Institute, to fund the large share of the faculty salaries which are, far and away, the biggest expenses of the Institute, to fund the D-Labs, which are needed to cover administrative salaries; to cover administrative services, such as accounting, legal, and medical, to ensure that the "cost sharing with the government" is significant; unlike research sponsored by the government, most sponsored research is not expected to pay overhead. For purposes of analysis, the "actual" deficit, which Gray refers to as his deficit, includes this cost in other places.

In point of fact, the "operating gap" used in the Institute's budget is only a fraction of the total actual deficit. The "operating gap" for purposes of analysis. It is not normally determined on a "disaggregated" basis; although Gray had him compute it for two recent years, showing that the budget and its actual deficit are not often in exact agreement. Its purpose is to show the hard gap. The most basic incomes and expenditures.

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The types of monies used to cover deficits in the past are listed above. The major difference between this year's situation and those of years past is the reduction to zero of "prior year losses" which had been an acceptable way to "settle" or "deplete" the "operating surplus" of past years. This reduction is seen as a fairer way to see the "new" buffer necessities the use of other, more sensitive funds to cover the serious demand on unrestricted funds, funds in which the Institute does not want to be too dependent.

In addition, some of the unrestricted funds are "secured" with the condition that the Institute can only use such funds if capital investment comes from the "secured" funds. If capital investment comes from the "secured" funds, the Institute can only use such funds to cover the serious demand on unrestricted funds, funds in which the Institute does not want to be too dependent.

- Endowment

In broad terms, the total endowment of the Institute, including restricted endowment or "unrestricted" funds, was about $302 million at the end of the fiscal year, 1972. The total endowment was $328 million at the end of fiscal '71. This increase was mainly due to the receipt of a large bequest to the Institute for the purpose of improving the "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities." The major problem, according to Gray, was that the bequest was a large one, and that it was not clear how much of the bequest would be used for "educational facilities."