

MLG

Memorandum No. 71(1962)

Subject: Proposed Revisions in Budget for 1962-63
Fiscal Year and in Budget for 1963-64
Fiscal Year.

We obtained sufficient moneys from the Emergency Fund to cover our printing for the 1963 legislative session if we are able to complete our bills in time to have them pre-printed and we can obtain authority from the Senate Rules Committee to preprint the bills.

We need the following additional amounts from the Emergency Fund to cover unanticipated expenditures during the 1962-63 Fiscal Year:

Moving to new office quarters	\$300
Additional cost of supplies and materials (to permit distribution of materials relating to sovereign immunity)	700
Postage (extra cost of distribution of materials relating to sovereign immunity)	500
Three studies of particular aspects of sovereign immunity	5,000
Additional money for indexing bound volumes containing publications printed 1961-64	700
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Total	\$7,200

The staff suggests that we need an additional \$3,000 for rent for the Fiscal Year 1963-64. This will cause our request for appropriation for that fiscal year to be in excess of the amount allotted to us by the Department of Finance.

We have not requested money to bind the extra volume that we will have as a result of the substantial publications for the 1963 legislative session. There are a number of possibilities for covering the cost of this volume.

The attached Exhibit I (yellow pages) provides further information concerning the fiscal affairs of the Commission.

Respectfully submitted,

John H. DeMouly
Executive Secretary

EXHIBIT I

SUPPORT EXPENDITURE DETAIL

SALARIES AND WAGES

Budgeted
1962-63Budgeted
1963-64No change is proposed in
1962-63 budget and approved
1963-64 budget

NET, SALARIES AND WAGES

\$ 63,431

\$ 68,113

OPERATING EXPENSES	<u>Actual</u> <u>1961-62</u>	<u>Budgeted</u> <u>1962-63</u>	<u>Revised</u> <u>1962-63</u>	<u>Budgeted</u> <u>1963-64</u>	<u>Revised</u> <u>1963-64</u>
General Expense	\$3,889	\$3,300	\$4,300	\$3,350	
Rent	1,500	1,500		1,500	4,500
Printing and Binding	6,410	4,000	17,180	4,500	
Travel, in-state	5,318	8,000		6,660	
Travel, out-of-state	378	400		400	
Telephone and Telegraph Exchange Charges	296	325		325	
Long Distance Tolls	389	400		400	
Postage	1,042	1,200	1,700	1,000	
Research and contractual services	15,267	11,000	16,700	9,500	
TOTALS, OPERATING EXPENSES	34,499	30,125	50,505	27,575	30,575
EQUIPMENT - Total	<u>717</u>	<u>2,050</u>	<u>2,050</u>	<u>1,000</u>	
TOTAL EXPENDITURES	85,667	95,606	115,936	96,688	99,688

SALARIES AND WAGES

No change is proposed in this category for either the 1962-63 or 1963-64 Fiscal Year. We anticipate greatly increased expenditures for temporary clerical help. However, we have recently lost both of our full-time senior level clerical employees. We filled one of these positions at the intermediate level. We do not know whether we can fill the other at the senior level. In any case, even if we appoint at the senior level, we will appoint at the low end of the salary range and will thus save money.

Naturally the loss of two experienced full-time clerical employees will make a difficult situation worse. We will have to rely more and more on temporary clerical employees during the next few months. We believe, as stated above, that we have sufficient moneys in this budget category.

GENERAL EXPENSE

We have the following unanticipated expenses for which we will need additional money for 1962-63:

Cost of move to new office quarters - estimated by mover	\$300
Additional supplies to permit mailing to persons interested in sovereign immunity study	700
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Total additional needed	\$1,000

The \$1,000 is, of course, an estimate. We hope that we will be able to cover any expenses in excess of the revised budget from other budget categories (perhaps travel if travel is lower than we anticipate.) In any case, the \$1,000 requested is the best estimate we can make now.

RENT

No change in rent for 1962-63. We should recognize, however, that the rent presently paid Stanford is inadequate. Moreover, there is a chance that we will get more adequate quarters when we move back to the law school. (One additional room, we hope.) We should have an additional \$3,000 for rent in 1963-64. This will fix the rent at near the market value but it will still be less than market value.

PRINTING AND BINDING

Our allotment for printing and binding was increased from \$4,000 to \$17,180. The additional moneys were secured from the Emergency Fund. This allotment should be adequate to print our recommendations for the 1963 legislative session if we can preprint the bills and avoid that expense.

One cost not anticipated and not included in the present allotment is the cost of binding 500 copies of a bound volume. We anticipated that we would publish only one bound volume for the period 1961-63. We provided money for that volume. We now find we will publish two bound volumes. We are not requesting additional money for the second bound volume. We plan to pay for it out of the allotment of \$17,180 we have and may be able to do so if we can save enough money by preprinting the bills. We have \$4,500 for the 1963-64 fiscal year and could, if absolutely necessary, use perhaps \$3,000 of that to cover the second bound volume.

Result--no increase in printing and binding for either fiscal year.

We will cover part of the cost of printing the three additional studies and recommendations on sovereign immunity in our budget for 1963-65.

TRAVEL

No increase in travel in either fiscal year.

TELEPHONE AND TELEGRAPH

These amounts are probably not sufficient. However, they are close to the actual amount and any deficiency will be picked up from amounts not expended in other budget categories. Our exchange charges in our new quarters will be approximately \$12 per month more than in our present quarters. Stanford paid the cost of installation of the new telephone equipment in our temporary quarters.

POSTAGE

Postage for 1963-64 should be adequate. However, for 1962-63, we believe that it is not adequate. We expended more than \$1,000 last fiscal year and this did not include any significant amount for mailing of publications. The amount represented primarily the cost of mailing out mimeographed materials relating to sovereign immunity. We are requesting an additional \$500 for postage. If we mail before the new postage increase goes into effect this probably will be adequate. Result--\$500 needed for 1962-63.

RESEARCH AND CONTRACTUAL SERVICES

At the last meeting, the Commission suggested that it was important that our consultant give consideration to several additional areas of study in connection with the sovereign immunity study. We anticipate that we will want to study in depth three areas. Professor Van Alstyne has indicated that he is willing to continue working on this subject. We plan to present for Commission determination in December a number of possible areas for study. We should, however, obtain necessary funds to cover these three areas we will study now so that we can assure Professor Van Alstyne that we will need the studies and so that he can begin work on them as soon as possible. It would be desirable to have the studies finished in May or June 1963 so that we can begin work on them. Professor Van Alstyne and the staff believe that \$5,000 would be a proper amount of compensation for the three studies contemplated. In selecting the studies we would keep this amount in mind.

We find that the bound volumes we will publish containing our reports and recommendations to the 1963 legislative session will be almost twice as large as we originally anticipated. We entered into a contract for the indexing of this material. We agreed to pay \$1,000 for the job. This amount was based on our estimate of the number of pages to be indexed. We now believe that this amount should be increased by \$700. This amount is needed in 1962-63 since in January everything will be available for indexing. Moreover, we plan to publish the sovereign immunity study as a separate bound volume and plan to have an index in the pamphlet containing the study. We will not have to then prepare another index for the bound volume. We think that the study will be much more valuable if it has an index. Our indexer has agreed to undertake a crash program to do the indexing of the sovereign immunity study. As soon as Professor Van Alstyne gives final approval to portions of the study, we will page them up and index them as the printer delivers page proofs.

Additional amount needed for 1962-63--\$5,700.