



Australian Vice-Chancellors' Committee

(INCORPORATED IN THE A.C.T.)

Ref: AVCC/AARNET/10/91
12 February 1991

AVCC Memorandum

To: J. Mullarvey

From: G. Huston

Re: AARNet 1991 Budget

In preparing the budget papers for the first meeting of the AARNet Advisory Board I have noted that the 1991 AARNet 1991 Budget worksheets of November 1990 contained a significant error in calculation within the budget spreadsheet.

Specifically, Item 1 of the budget, *Data Transmission Charges*, included three components, Telecom Australia Carrier Charges of \$1,068,936, OTC carrier charges of some \$364,000, and Private carrier charges (paid to those institutions who are undertaking the role of a carrier for AARNet using private services) of \$48,952. The subtotal of this item was erroneously calculated at \$1,068,936, rather than the correct amount of \$1,481,888.

Thus the total estimated expenditure for AARNet in 1991 was erroneously reported as \$2,090,000, rather than \$2,502,952. Accordingly the 1991 AARNet funding schedule was in deficit by some \$412,952 in the first instance.

However since these figures were prepared in November 1990 there have been a number of updates to the AARNet budget which impact on these figures;

- All figures in the budget have been revised according to invoices received to date and revised estimates of expenditure for the remainder of the year.
- ISDN / Megalink. As detailed in other correspondence, AARNet is ordering a 2Mbps service between Melbourne, Canberra and Sydney instead of ISDN, due to the technical limitations of the ISDN service at this particular point in time. This does result in significant savings in Telecom's carrier charges (of some \$130,000) and a reduction in equipment lease charges (of a further \$63,000).
- Project Funding. Of the \$150,000 included in the 1990 funding program, only \$134,000 was committed to projects. The sum of \$22,000 was included into the general carry forward into the 1991 budget. The sum of \$80,000 relating to the AARNet Directory project was not committed until early 1990. Accordingly the sum of \$80,000 has also been added into the general carry forward into the 1991 funding schedule, and a matching expenditure item included as Item 4.1
- The CCIRN have advised AARNet that they do not intend to meet in Australia in 1991. The sum of \$5,000 has been removed from the 1991 budget.
- Response to the AARNet Affiliate membership program is at a greater level than anticipated in November last year. Accordingly the estimate of full year income from this program has been revised from \$80,000 up to \$250,000.
- Funding from the ARC for 1991 is \$917,000 following adjustments (an increase of \$50,000 over the original estimate).

A revised 1991 budget reflecting these updates is attached. At this stage the budget indicates a net surplus of some \$262,719.

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AARNet - 1991 Budget Worksheet
(Updated 12/2/91)

	1991 Budget Feb-91 \$	1991 Budget Nov-90 \$	Corrected	1990 Budget 1990/ 1991 \$ %var
AARNET FUNDING				
1. Higher Education Institutions	703,112			
	703,112	703,112	703,112	1,161,865 -39%
2. CSIRO				
CSIRO 1991 Contribution	154,613	154,613	154,613	254,613
CSIRO Carry Forward 1990 - 1991	50,000	50,000	50,000	-50,000
	204,613	204,613	204,613	204,613 0%
3. Australian Research Council	917,000			
	917,000	867,000	867,000	854,400 7%
4. Affiliate Membership Income (Estimated)				
Network Service Affiliates	225,000			
Mail Service Affiliate Members	25,000			
	250,000	80,000	80,000	
5. General Carry Forward 1990 - 1991	337,275			
	337,275	235,275	235,275	
TOTAL	2,412,000	2,090,000	2,090,000	2,220,878 9%

Review of other users of AARNET other than Computer Science.

1. Library -

1. Rental of AARNET to

1. Graduate service.

ARC.



2. 6 R. K. H. L. T. O. S.

1. S. D. R.

Burke

Adelaide.

AARNet - 1991 Budget Worksheet

(Updated 12/2/91)

	1991 Budget Feb-91 \$	1991 Budget Nov-90 \$	Corrected	1990 Budget <i>Actual</i> \$	1990/ 1991 %var
<u>AARNET EXPENDITURE</u>					
1. Data Transmission Charges					
1.1 Telecom Carrier Services	931,160	1,068,936		542,204	72%
1.2 OTC Carrier Services	226,750	364,000		113,000	101%
1.3 Private Carrier Services	25,968	48,952		95,298	58%
Item 1 - Subtotal	1,183,878	1,068,936	1,481,888	750,502	58%
2. Equipment					
2.1 cisco Gateway Servers	204,474	238,210		731,101	-72%
2.2 Lease of ISDN Telecom Equipment		62,871			
2.3 Other Communications Equipment	55,429	50,983		16,000	246%
Item 2 - Subtotal	259,903	352,064		747,101	-65%
3. AARNet National Activities					
3.1 National Network Management (Staff & Travel)	247,500	271,000		153,000	62%
3.2 Facilities Management Contracts	165,000	165,000		165,000	0%
3.3 Network Management / Monitoring Equipment	50,000	25,000		26,000	92%
Item 3 - Subtotal	462,500	461,000		344,000	34%
4. Education Promotion and Development					
4.1 Program Funding	230,000	150,000		32,000	619%
Item 4 - Subtotal	230,000	150,000		32,000	619%
5. Other					
5.1 Other items	13,000	18,000		10,000	30%
Item 5 - Subtotal	13,000	18,000		10,000	30%
6. Sundry					
6.1 Contingencies (Xchng Rate & Misc)	40,000	40,000			
6.2 Carry Forward to 1992 (est)	222,719				
Item 6 - Subtotal	262,719	40,000			
TOTAL EXPENDITURE for 1991	2,412,000	2,090,000	2,502,952	1,883,603	28%