

MINUTE ITEM

20. DATA PROCESSING PROGRAM

After consideration of Calendar Items 7 and 8 attached, and upon motion duly made and unanimously carried, the following resolutions were adopted:

(A) ELECTRONIC DATA PROCESSING AND REQUEST FOR DEFICIENCY AUTHORIZATION, 1961-62 FISCAL YEAR - W.O. 3203.

THE EXECUTIVE OFFICER IS AUTHORIZED:

1. TO SUBMIT A REQUEST TO THE DEPARTMENT OF FINANCE FOR A DEFICIENCY AUTHORIZATION IN THE AMOUNT OF \$19,360, AGAINST THE STATE LANDS ACT FUND, FOR THE PURPOSE OF PROVIDING FUNDS TO COVER THE COSTS OF THE STATE LANDS DIVISION'S ELECTRONIC DATA PROCESSING PROGRAM FOR THE 1961-62 FISCAL YEAR.
2. TO ENTER INTO AND EXECUTE A LEASE-RENTAL AGREEMENT WITH THE BENDIX CORPORATION-COMPUTER DIVISION, FOR THE RENTAL OF A G15 BENDIX COMPUTER FOR THE PERIOD JULY 1, 1961 THROUGH JUNE 30, 1962, AT A RENTAL RATE OF \$1,530 PER MONTH, INCLUSIVE OF SERVICE AND MAINTENANCE.

(B) DATA PROCESSING, STATE LANDS DIVISION, SACRAMENTO - W.O. 3293.

THE EXECUTIVE OFFICER IS AUTHORIZED TO SUBMIT A REQUEST TO THE DEPARTMENT OF FINANCE FOR A DEFICIENCY AUTHORIZATION IN THE AMOUNT OF \$10,485 AGAINST THE STATE LANDS ACT FUND FOR THE PURPOSE OF PROVIDING FUNDS FOR THE COMPLETION OF THE INSTALLATION AND OPERATION OF DATA PROCESSING EQUIPMENT IN THE SACRAMENTO OFFICE OF THE DIVISION DURING THE FISCAL YEAR 1961-62.

Attachments

- Calendar Item 7 (3 pages)
- Calendar Item 8 (2 pages)

CALENDAR ITEM

7.

ELECTRONIC DATA PROCESSING AND REQUEST FOR DEFICIENCY AUTHORIZATION,
1961-62 FISCAL YEAR - W.O. 3293.

The May 26, 1961 supplement to the Department of Finance Management Survey 960.3 of December 20, 1960, issued by the Organization and Cost Control Division, recommends:

The installation of a Bendix G15 electronic computer in the Division's Los Angeles office on a lease-rental basis, with a provision to purchase if such action proves more economical than continued renting. The survey recommends further that the feasibility of installing auxiliary punch card equipment be studied after actual Division experience in the use of the computer.

Installation of the recommended computer will:

1. Assist materially in the reduction of a 38,000 man-hour backlog of work in the Civil Engineering Section where, alternatively, additional staffing would be necessary.
2. Expedite completion of current Civil Engineering Section projects.
3. Permit the development of reservoir performance simulations for effective primary and secondary petroleum recovery from State oil and gas leases.
4. Permit contract simulation for determination of the optimum conditions for the best income yield from tideland oil resources.
5. Permit the computation of lease oil royalties by mechanical methods, after installation of auxiliary punch card equipment.

An estimate made by Organization and Cost Control (Exhibit II, Survey 960.3, Supplement) indicates that the use of the recommended equipment, as compared with performing the same work manually, will result in a Division operating cost saving of \$6,228 annually.

Adoption of the data processing program recommended by Organization and Cost Control requires financing, inasmuch as budgetary requirements for the program could not be estimated until the survey was completed. Exhibit "A" attached presents an estimate in detail of the total cost of the program, \$19,360, for the 1961-62 fiscal year. Since the program is unbudgeted, it will be necessary to finance it by means of a Deficiency Authorization to be approved by the Director of Finance.

CALENDAR ITEM 7. (CONTD.)

The installation of the Bendix computer in the Division's Los Angeles office will also require authority for the Executive Officer to enter into a lease-rental agreement with the Bendix Corporation.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED:

1. TO SUBMIT A REQUEST TO THE DEPARTMENT OF FINANCE FOR A DEFICIENCY AUTHORIZATION IN THE AMOUNT OF \$19,360, AGAINST THE STATE LANDS ACT FUND, FOR THE PURPOSE OF PROVIDING FUNDS TO COVER THE COSTS OF THE STATE LANDS DIVISION'S ELECTRONIC DATA PROCESSING PROGRAM FOR THE 1961-62 FISCAL YEAR.
2. TO ENTER INTO AND EXECUTE A LEASE-RENTAL AGREEMENT WITH THE BENDIX CORPORATION-COMPUTER DIVISION, FOR THE RENTAL OF A G15 BENDIX COMPUTER FOR THE PERIOD JULY 1, 1961 THROUGH JUNE 30, 1962, AT A RENTAL RATE OF \$1,530 PER MONTH, INCLUSIVE OF SERVICE AND MAINTENANCE.

Attachment
Exhibit "A"

W.O. 3293

EXHIBIT "A"

Estimate of Unbudgeted Electronic
Data Processing Expenses for 1961-62

Los Angeles

Bendix Computer

Computer Rental (Fiscal year at

\$1,530 per month)

\$18,360

Installation Costs

1,000

\$19,360

CALENDAR ITEM

8.

DATA PROCESSING, STATE LANDS DIVISION, SACRAMENTO - W.O. 3293.

On November 15, 1960 (Minute Item 20, pages 6485-88), the Commission authorized the installation of data processing equipment in the Sacramento office of the Division and the submittal to the Department of Finance of a request for a Deficiency Authorization to provide installation and operating funds for the balance of the 1960-61 Fiscal Year.

Final specific recommendations for equipment were not received from the Organization and Cost Control Division until the completion of Management Survey 960.3 on December 20, 1960. Therefore, installation and operating funds could not be included in either the 1960-61 or the 1961-62 budgets. Completion of the recommended installation at Sacramento and continued operation of the data processing system for land title records will require a Deficiency Authorization for the Fiscal Year 1961-62 to be approved by the Director of Finance. Exhibit "A" attached lists the estimated total costs in detail in the amount of \$10,485 for the 1961-62 Fiscal Year.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO SUBMIT A REQUEST TO THE DEPARTMENT OF FINANCE FOR A DEFICIENCY AUTHORIZATION IN THE AMOUNT OF \$10,485 AGAINST THE STATE LANDS ACT FUND FOR THE PURPOSE OF PROVIDING FUNDS FOR THE COMPLETION OF THE INSTALLATION AND OPERATION OF DATA PROCESSING EQUIPMENT IN THE SACRAMENTO OFFICE OF THE DIVISION DURING THE FISCAL YEAR 1961-62.

Attachment
Exhibit "A"

EXHIBIT "A"

W.O. 3293

ESTIMATE OF UNBUDGETED DATA PROCESSING

EXPENSES FOR 1961-62

Sacramento

McBee Cardsort System

Annual Costs

Salaries and Wages:

Temporary Help - 12 months at \$325 \$ 3,900

Operating Expenses:

Microfilm Paper 1,750

Microfilm Service 1,000

Equipment Rental 260

Miscellaneous Supplies 500

\$ 7,410

Conversion Costs

Salaries and Wages:

Temporary Help - 4 months at \$325 \$ 1,300*

Operating Expenses:

Imprinting Kardex Cards - State Printing Order 825*

Equipment Rental - 2 Key Punches at \$25.00 per
month - 5 months 250*

Equipment:

Acoustical Shells - 2 at \$350 700*

\$ 3,075

Grand Total \$10,485

* Provided for, but not expended during 1960-61, due to delay in starting project.