Pursuant to notice, a regular meeting of the Board of Trustees was held in the Board Room of the University of Chicago, 38 South Dearborn Street, Chicago, Illinois, on Thursday, August 13, 1964, at 2:19 P.M.

There were present: Mr. Cone in the chair, Messrs. Axelson, Beadle, Block, Downs, Goodman, Heineman, Kramer, Lloyd, Moore, McNair, Nuveen, Palmer, Patterson, Pick, Ranney, Ryerson, Smith, Stern, Sulzberger, Tenney, Ward, Wood, Woods, Yntema; also Messrs. E. H. Levi, Ritterskamp, Harrell, O'Brien, J. P. Hall, Lincicome and Leen.

Prayer was offered by Mr. Nuveen.

The Chairman welcomed Messrs. Palmer and Heineman, the newly elected members of the Board of Trustees.

The Chairman referred to the Luncheon Meeting of the Board which had been held that day at the Mid-Day Club at which Mr. Philip M. Hauser, Professor of Sociology and Chairman of the Department of Sociology, gave a talk to the Trustees.

The officers were excused and the Board met in Executive Session.
Upon the resumption of the meeting the Chairman reported that action had been taken at the Executive Session relative to the appointment of Mr. Charles U. Daly, in accordance with the following report and recommendation, and commented thereon:

Re: Approval of Appointment of Charles U. Daly

It is recommended that approval be given to the appointment of Charles U. Daly as a vice president of the University for University public relations at an annual salary of $25,000 effective October 1, 1964. The exact title for Mr. Daly would be determined later by the University, but his responsibilities would include supervision and coordination of the following:

1. Public relations
2. University promotional publications
3. Alumni affairs
4. Public affairs institutes and events
5. Radio and television

Mr. Daly would be responsible to the Vice President for Planning and Development.

In connection with the foregoing appointment, the Chairman presented background information to the meeting regarding Mr. Daly's education and previous experience and stated that he was presently one of a four-man White House congressional liaison team, and had held various editorial and other positions, the most recent being at Stanford University.
The minutes of the meetings of the Board of Trustees held August 8, 1963, September 12, 1963, and October 10, 1963, copies of said minutes having been previously sent to all members of the Board, were approved.

The minutes of the meetings of the Business Administration Committee for:

- July 2, 1963
- August 1, 1963
- August 29, 1963
- September 26, 1963
- October 31, 1963
- December 5, 1963
- January 2, 1964
- January 30, 1964
- March 26, 1964
- April 23, 1964
- May 28, 1964
- June 25, 1964

copies of said minutes having been previously sent to all members of the Board, were approved.

The minutes of the meeting of the Committee on Investments held on February 6, 1964, copies of said minutes having been previously sent to all members of the Board, were approved.

The Chairman presented a Notice of Intention to Amend the By-Laws, and at his request, Mr. Lean read the following notice:
Notice of Intention to Amend By-Laws

Upon recommendation of the Investment Committee, a proposal will be made at the September meeting of the Board of Trustees to amend Section 1 of Article V of the By-Laws in the following respects:

1. By increasing the Investment Committee's authority to approve initial single investments of University funds without specific approval of the Board as follows:
   (a) Securities: From $2,000,000 to $4,000,000
   (b) Real Estate: From $1,000,000 to $2,000,000

2. By providing that where aggregate holdings in a single credit already exceed the above limits, or would exceed them with a proposed purchase, Board or Budget Committee approval will be required for an additional investment in the same credit in excess of $1 million in securities (other than in direct or indirect U.S. Governments), and $500,000 in real estate, including mortgage loans.

The foregoing Notice to Amend the By-Laws was received and ordered placed on file.

The Chairman reported that invitations for appointment to the Council on Medical and Biological Research had been extended to Messrs. Matthew L. Devine of the Amphenol-Borg Electronics Corporation, Charles W. Ebersold of the Illinois Bell Telephone Company and W. Wallace Tudor of the Sears Roebuck Company, and it is expected that they will accept.
The President reported briefly upon the Argonne negotiations and gave a résumé of past developments for the benefit of the new Trustees. In commenting upon the current situation he stated that complete agreement has not as yet been achieved as to the details of the three-way contract involving the Atomic Energy Commission, a multi-University corporation and the University of Chicago as manager-operator of Argonne; the major matter to, and which remains to be settled is the allocation of authority and responsibility determination of responsibility for the University of Chicago as manager-operator of the Argonne Laboratory; and that although agreement had been reached in principle that the multi-University corporation should determine the broad policy in accordance with which the University would manage and operate Argonne, the problem still remains to allocate to a single organization the responsibility and concommitant authority that would enable a viable operation under the terms of the contract and within the broad policy and the budget. He commented further that the patterns to be worked out under the tri-partite arrangement could well have significance nationally in that no universally agreed upon pattern for such operations at present exists.

The Provost requested authorization to increase the salary of Milton Friedman, Paul Snowden Russell Distinguished Service Professor in the Department of Economics, from $25,000 to $30,000, and in connection therewith commented that Mr. Friedman has had an offer of a Professorship at Stanford University and it would be a great loss to the University should he decide to leave.
Upon motion duly made and seconded,

It was voted to increase the salary of Milton Friedman to $30,000, effective July 1, 1965, or upon his return as Visiting Professor at Columbia University, whichever shall first occur.

The Provost requested authorization for another one-year appointment effective July 1, 1964, for Paul Tillich, John Nuveen Professor of Reappointment Theology in the Divinity School, and in connection therewith commented that Professor Tillich, although he is 78 years old, is very productive, having published three books during the past year, and is finishing another book this year; and that the Divinity School is very anxious to have his appointment continue.

Upon motion duly made and seconded,

It was voted to approve a one-year appointment for Paul Tillich, effective July 1, 1964.
The Provost presented a list of candidates for degrees to be conferred at the Summer Quarter Convocation, September 4, 1964, and recommended that the degrees be conferred upon the candidates named provided they conform to all requirements of the University.

A summary of the list is as follows:

<table>
<thead>
<tr>
<th>Degree</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelors</td>
<td>83</td>
</tr>
<tr>
<td>Masters</td>
<td>396</td>
</tr>
<tr>
<td>Doctors</td>
<td>97</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>576</td>
</tr>
</tbody>
</table>

[The names of the candidates for degrees appear in the Spring Quarter Convocation programs, a copy of which is attached to the official copy of these minutes.]

Upon motion duly made and seconded,

It was voted that the recommendation as presented be approved.

The Vice President for Administration reported upon a request from the Veterans Administration and the City of Chicago that the University sell certain land owned by it to the Government to complete site requirements for the construction of a Veterans Hospital, stated that the matter
had been presented to, and discussed by, the Business Administration Committee and the Budget Committee, and in connection therewith presented the following recommendation from the Budget Committee:

The Budget Committee, with the prior recommendation of the University Administration, is recommending to the Board of Trustees that as a matter of Neighborhood policy the University pose no objections to the proposed plan of the City of Chicago and the Veterans Administration in designating the 60th and Cottage Grove site for the Veterans Hospital provided it is understood clearly: (1) that by so doing the University makes no implicit or implied academic commitment for affiliation with the hospital or for any joint program of any type; (2) that the City of Chicago and the Veterans Administration must secure the approval of the Woodlawn community to such plan; (3) that the City of Chicago and the Veterans Administration must secure the approval of the Woodlawn Hospital group to such a plan; (4) that the City of Chicago will proceed with its South Campus program as agreed upon; (5) that the City of Chicago will close 61st Street in the area of the Veterans Hospital; (6) that the Veterans Administration will cooperate with the University architect in the design of the hospital so that its architectural appearance will harmonize with the University's general plan; and (8) that the University will receive fair market value for the property that it owns in that area.

The Vice President for Administration commented that there are both advantages and disadvantages to the Veterans Hospital as proposed, and
pointed out some of the problems connected therewith, as follows:

The site in question is a prime site on the Midway that would thereby be turned over to a use other than a University affiliated use as present plans for campus expansion designate; Woodlawn Hospital is located in the adjacent block and the University in order to encourage Woodlawn Hospital to remain made certain commitments in terms of land for its expansion, which land would encroach upon that desired by the Veterans Administration; low income (221 B 3) housing projects have been proposed by the Woodlawn Community in part of the area desired by the Veterans Administration; it is Veterans Administration policy to locate its hospitals adjacent to Medical Schools, which affiliations have proved not always of the most desirable kind due to the limitation in the type of patient (male, elderly and a disproportionately large number psychiatric patients) which severely limits medical training possibilities; and the desire of the Veterans Administration to look to the University of Chicago School of Medicine to staff the hospital for them although retaining the administrative controls within their own organization.

In weighing the advantages against the disadvantages, Mr. Ritterskamp noted that the advantages tended to outweigh the disadvantages insofar as Neighborhood considerations were concerned, as by tying this agreement in with the South Campus development, the University will have this project, highly desired by it, implemented by the City; the City will be requested to provide an underground parking facility on the Midway to serve both the
Veterans Hospital and the University's hospitals and clinics; Sixty-first Street would be closed at Cottage A, a definite advantage for the University and for the Neighborhood; and the new hospital would bring 18 to 22 million dollars worth of construction and 1100 jobs, 800 of which would be semi-skilled, to the City, a circumstance greatly desired by the Mayor.

In commenting upon the disadvantages, Mr. Ritterskamp stated that this site on the Midway will be lost forever; the Veterans Hospital would be a competitive organization in every term in terms of differences which would exist in hiring policies and pay scales to those of the University hospitals; the staff of the hospital would increase pressure on housing in the neighborhood; and there would be the possibility that once the hospital were built pressures would be exerted on the University and its School of Medicine to affiliate, which pressures if the present attitude of the School of Medicine continued, would have to be resisted. Mr. Ritterskamp qualified some of the disadvantages by saying that the University hospitals have a good pay scale comparing well with civil service rates and the Administrator of the University Hospitals states that he is not particularly worried in regard thereto; and that the question of housing may be also viewed positively in that pressure for housing will push up the value of property.

Following discussion,

It was voted to approve the recommendation of the Budget Committee as set forth in the foregoing report.
The Vice President for Administration requested that authorization be given to pay $110,523 to the American Meat Institute for the building occupied by them at 57th Street and Ellis Avenue, said sum representing the unamortized portion of the cost of the building, and pursuant to agreement entered into between the University and the American Meat Institute when the building was constructed in 1969, which provided that if the Foundation terminated the agreement within 16 years from the date of occupancy, the University would pay the above sum to the Institute.

Upon motion duly made and seconded,

It was voted to approve the recommendation of the Vice President for Business Administration, as requested.

The Vice President for Planning and Development presented the Report of Gifts, Grants and Bequests for June, 1964, and recommended acceptance thereof. Upon motion duly made and seconded, the report and recommendation were accepted.

[ Copy of the above mentioned report is attached to the official copy of these minutes. ]
Upon motion duly made and seconded,

Re: Approval of Promoted Salary

It was voted to approve the recommendation as set forth in the foregoing report.

The Vice President for Planning and Development presented the Report of Gifts, Grants and Bequests for July, 1964, recommended acceptance thereof and commented thereon that the Report shows nearly a half million dollar increase for July 1964 over July 1963.

[ Copy of the above mentioned report is attached to the official copy of these minutes. ]

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The Vice President for Planning and Development presented the following report and recommendation and commented thereon:
Re: Approval of Proposed Salary
for David M. G. Huntington

It is recommended that approval be given for an annual salary of $15,000 for David M. G. Huntington who will join the staff of the Development Office as soon as an adequate replacement can be found for his present position as Associate Dean of Students and Director of Placement for the Graduate School of Business.

Mr. Huntington holds AB and MBA degrees from Harvard. He has been connected with the Business School for the past five years.

Upon motion duly made and seconded,

It was voted to approve the recommendation set forth in the foregoing report.

The Vice President for Planning and Development requested authorization to increase the salary of Carl Larsen, Director of Public Relations, to $21,000 to be effective July 1, 1964.

Upon motion duly made and seconded,

It was voted to approve the foregoing recommendation.
The Vice President for Planning and Development presented the following report and recommendation and commented thereon:

Re: Estate of William Embry Wrather, Deceased

At the request of the Business Administration Committee, the action which it took at its June 25, 1964 meeting with respect to the gift to the University from the estate of this distinguished alumnus, is reported herewith to the Board.

Dr. William Embry Wrather died on November 28, 1963, a legal resident of Texas. His will left his estate (consisting of one half of the community property under Texas law) in trust for the benefit of his widow during her life, and upon her death, after providing for a number of other gifts, the residue of the remainder is to be distributed to the University - one-third for its "Student Loan Fund" and two-thirds "unrestricted". The lawyer for the executor advised us that there were questions under Texas law whether property listed by Dr. Wrather as either "joint property" or the separate property of Mrs. Wrather should be considered a part of the estate of Dr. Wrather, thus enlarging the ultimate gift available to the University. The Business Administration Committee approved the recommendation of the Vice President for Administration that the University accept the gift without raising these legal questions because it was clear that Dr. Wrather intended his wife to have the joint and separate property and it would be inappropriate for the University to contest the intention of a loyal and generous alumnus to leave property to his widow.

When advised of the University's decision, the lawyer for the executor replied with a most gracious letter advising that the University is "also Mrs. Wrather's alma mater and that she holds, as did Dr. Wrather, a deep love for it".

Approximately $700,000, less taxes and administration expenses, will go to the estate. It may be interesting to note that Mrs. Wrather's share of the community property, together with the joint and separate property, will amount to more than $2,000,000. At one time the lawyer for the executor indicated that Mrs. Wrather, who is now 77, might be interested in making additional provision for the University by will or inter-vivos transfer.

It is recommended that the Board of Trustees approve the acceptance of the gift by the Business Administration Committee, and express its gratitude for Dr. Wrather's generosity.

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.
The Vice President for Planning and Development presented the following report and resolution, recommended the approval thereof and commented thereon:

Re: Estate of Elizabeth L. Becker, deceased

Elizabeth L. Becker, a resident of Chicago, Illinois, died on July 16, 1963 leaving a will which provides two bequests to the University for the benefit of the Orthogenic School, the first in the sum of $10,000, and the second amounting to one-ninth of 5% of her residuary estate. The First National Bank of Chicago, one of the executors of her will, advises that it is prepared to make the $10,000 distribution and in due course of administration will make the other distribution, and requests that the following resolution be adopted:

WHEREAS, ELIZABETH L. BECKER, a resident of Chicago, Illinois, departed this life on July 16, 1963 leaving a last will and testament which has been duly admitted to probate in Cook County, Illinois, and which contains provisions for bequests as follows:

"NINETEENTH: I give and bequeath to the UNIVERSITY OF CHICAGO, a corporation organized and existing under the laws of the State of Illinois, of Chicago, Illinois, the sum of Ten Thousand Dollars ($10,000.00). This sum shall be in addition to the percentage amount hereinafter described in clause TWENTIETH of this Will, and its disposition shall be governed by the provisions with respect thereto appearing in said clause.

"TWENTIETH: I give and bequeath a total of five percent (5%) of my net estate after giving effect to the above bequests, to the following institutions to be distributed to such institutions in equal shares:

- JEWISH FEDERATION OF CHICAGO
- UNITED CHARITIES OF CHICAGO
- ART INSTITUTE OF CHICAGO
- THE ORCHESTRAL ASSOCIATION
- MICHAEL REESE HOSPITAL, CHICAGO
- ILLINOIS CONFERENCE OF CHRISTIANS AND JEWS, INC. (to be used in and about the work of the organization in Chicago and its environs).
- ILLINOIS CHILDREN'S HOME AND AID SOCIETY
- COMMUNITY FUND OF CHICAGO, INC.
- THE UNIVERSITY OF CHICAGO, a corporation organized and existing under the laws of the State of Illinois, of Chicago, Illinois, to be held as part of the general endowment funds
of the University and shall be known as the  
'ELIZABETH AND BENJAMIN V. BECKER FUND'.
The fund so constituted shall be held under 
the above name and designation and used by 
the University as follows:

The principal of said Fund shall be invested 
and reinvested in the unfettered discretion of 
the said University, free from any restrictions 
now or hereafter imposed by law upon the in­
vestment of trust funds, and such investments 
may be made independently of, or in common with 
those of other funds of like character, pro­
vided the identity of the Fund hereby established 
shall be preserved at all times.

The net income derived from the Fund shall be 
used by the University for the support of the 
Orthogenics School of the University. If by 
reason of progress in the science or improve­
ments in the methods of teaching and research or 
for any other compelling reason the Trustees of 
the University at any time in the future shall 
deem it desirable to discontinue the Orthogenic 
School, they shall be at liberty to do so, pro­
vided that the income from said Fund shall there­
after be used by the University for such purposes 
as shall conform most nearly to the work that was 
carried on in the Orthogenic School, and that 
such use shall at all times be suitably identified 
with the fund hereby created."

NOW, THEREFORE, BE IT RESOLVED That the said bequests be and 
the same are hereby accepted by the said The University of 
Chicago for the uses and purposes therein set forth, and

BE IT FURTHER RESOLVED That J. Parker Hall, as Treasurer, Hort­
tense Friedman, as Assistant Treasurer, or A. C. Svoboda, as 
Assistant Treasurer of said University be and either of them is 
hereby authorized to accept payment on behalf of said corpora­ 
tion of said bequests, and to execute and deliver to The First 
National Bank of Chicago as Executor of the last will and testa­
ment of the said Elizabeth L. Becker, deceased, the receipt of 
the said corporation in satisfaction thereof.
in accordance with the conditions set forth in the foregoing report and resolution.

The Vice President for Planning and Development reported that the Ford Foundation has requested a profile of needs from the University to be submitted by October 15, 1964, and commented in connection therewith that whereas there is no indication as to the size of a possible grant such a request on the part of the Ford Foundation does indicate at least that the University will be given serious consideration, although it may still be a number of months before the Foundation takes action. He reported further that the profile is in preparation by the Vice President for Administration, and that the priorities will be set by the President and the Provost, and that once the profile is completed and the priorities are set it can be also used in planning for the campaign.

Mr. O'Brien reported in regard to the Campaign Planning Committee that at a recent meeting this Committee considered major gift prospects for contact regardless of whether a campaign goal has been set and regardless of whether a response has been received from the Ford Foundation, and commented that large gifts normally take several months to develop.

Mr. O'Brien reported that an Alumni Screening and Rating Committee has been organized and is to begin an evaluation of alumni prospects in terms both of gift potential and volunteer leadership. He commented further in connection with Alumni solicitation that the 1963-64 alumni fund was the most successful ever experienced in terms of raising unrestricted dollars from the alumni,
and that it is his intention to institute a more personal solicitation looking to larger gifts and special gifts, with an attempt to raise the goal of this fund above the $300,000 figure of this year.

The report of the Comptroller was presented by Mr. Lincicome, who commented thereon.

[ Copy of the 1963-64 Operating Results of the Budget is attached to the official copy of these minutes. ]

The report was received and ordered placed on file.

The meeting adjourned at P.M.

WALTER V. LEEN
Secretary
Pursuant to notice, the regular September meeting of the Board of Trustees was held in the Board Room, 38 South Dearborn Street, Chicago, Illinois, on Thursday, September 10, 1964, at 2:00 P.M.

There were present: Mr. Cone in the chair; Messrs. Aldis, Axelson, Beadle, Bensinger, E. M. Blair, Block, Coggeshall, Goodman, Gunness, Heineman, Jarvis, Kramer, Lloyd, Ludgin, McNair, Moore, Nuveen, and Poole, Ranney, Smith, Stern, Sulzberger, Tenney, Ward, Woods/Yntema; also Messrs. Ritterskamp, Harrell, Johnson, O'Brien, J. P. Hall, Linicome and Leen.

Prayer was offered by Mr. Goodman.

The Chairman of the Committee on Memorials, Mr. Aldis, presented a memorial to Mr. Robert E. Wilson:

Our fellow Trustee, Robert E. Wilson died on September 1, 1964, in Geneva, Switzerland.

He graduated from Wooster College in 1914 and from Massachusetts Institute Technology in 1916.

In World War I he directed the Research Division of the Chemical Warfare Service. His career with Standard Oil Company of Indiana began in 1922. He retired as Chairman of its Board in 1958.
He became a Trustee of the University of Chicago in 1945, resigning in 1960 when appointed a member of the United States Atomic Energy Commission. At the conclusion of this service in 1964, he was elected an Honorary Trustee. While an active Trustee, Dr. Wilson served as a member of the Committee on Government Contracts for an extended period. In addition, he was very active in many of the University activities pertaining to the natural sciences and showed particular interest in those relating to the research institutes.

He held over ninety patents, contributed to professional journals, received a number of honorary degrees and learned awards and served on the Board of the First National Bank of Chicago, of Massachusetts Institute Technology and of other institutions.

Dr. Wilson is survived by his widow and three daughters.

Mr. Chairman, I move that our sorrow at his loss be expressed by rising vote, and that copies of this testimonial of our respect and esteem be transmitted to the members of his family.

By a rising vote, the sorrow of the Trustees was expressed at the loss of Mr. Robert E. Wilson; and it was voted to transmit copies of the foregoing testimonial to the members of his family.
The Chairman referred to the Luncheon meeting of the Board that had been held that date at the Mid-Day Club at which Wayne Booth, Pullman Professor of English, had talked to the Trustees.

The Chairman presented a proposed amendment to the By-Laws and requested Mr. Leen to comment further thereon.

Mr. Leen read the report containing the proposed Amendment and commented thereon that the purpose of the Amendment is to increase the authority of the Investment Committee to approve investments in single investments from two million dollars to four million dollars, and other aspects of investment policy in furtherance of that general objective:

Notice of intention to amend Section 1(a) of Article V of the By-Laws was given at the August 13, 1964 meeting of the Board of Trustees.

In furtherance of the foregoing Notice the following amendment to Section 1(a) of Article V is proposed:

(deletions indicated by brackets, additions underscored)

V. GENERAL

"1. Purchase and Sale of Corporate Property. -

(a) The Investment Committee, in accordance with such investment policies as may be established from time to time by the Board and subject to the general discussion of the Board, shall make, or authorize the Treasurer to make, investments and reinvestments of all funds held by the University and may authorize the Treasurer to dispose of any
investments held by the University; provided, however, that no initial investment in a single credit in excess of $2,000,000 ($4,000,000 (other than direct or indirect obligations of the United States Government), and that no initial investment in a credit in excess of $2,000,000 shall be made without the approval of the Board, and provided further that where aggregate holdings in a single credit already exceed the above limits, or would exceed them with a proposed purchase, Board or Budget Committee approval will be required for an additional investment in the same credit in excess of (1) $1,000,000 in securities (other than in direct or indirect obligations of the United States Government), and (2) $500,000 in real estate (including leaseholds thereof and mortgage loans)."

The use of the word "credit" and its meaning in the above context was questioned, and it was explained that it was a term used by investment people and encompassed every kind of security of a particular company as well as those of the related entities.

Following discussion, it was the consensus of the Trustees that the language of the proposed amendment should be reexamined by Office of Legal
Counsel, and action was deferred until the next meeting.

The Chairman commented generally upon the development campaign, and stated in connection therewith that Mr. Phil Block has agreed to serve as interim major gift chairman, in that there does not exist as yet a campaign organization, in addition to his capacity as a member of the Trustees' Campaign Planning Committee; and that major gift solicitation is being presently planned in terms of individual campaigns for the prospects. He commented further in connection with major gift solicitations that eventually there will be a major gift committee on which all of the Trustees will be asked to serve in some capacity, but that Mr. Block will be calling on the Trustees from time to time for help in the meantime with some of these assignments.

The Chairman announced that there would be a fund raising dinner meeting of the Corporate Support Campaign Committee, the chairman of which is Mr. Robert Ingersoll, on Tuesday, October 20th, at the Center for Continuing Education, where Mr. Neil McElroy, President of Proctor and Gamble, will give the dinner address. He commented further that Mr. McElroy who is also head of the Board of Overseers of Harvard University, is a member of the Corporate Support Committee and very much interested in the matter of corporate support and his address is expected to be an important and worthwhile one. The Chairman stated that he hoped there would be a good turnout of the Trustees for this dinner, because a good turnout of Chicago citizens is expected, and all should enjoy each other's company. He further stated that all Trustees would be called by a member of the Committee relative to whether they would attend the dinner.
The Chairman reported that Mr. Albert Pick who had been taken ill prior to the meeting that had been scheduled for certain of the Trustee committees on August 21 on his boat, and who had been hospitalized at that time, is now home and recuperating satisfactorily, and the Chairman expressed his hope that Mr. Pick would be back in attendance at meetings shortly.

The President reported upon the status of the Argonne situation and in connection therewith referred to the joint meeting on August 21, 1964, of the several standing Committees of the Board (Budget, Investment and Business Administration) where discussions took place relative to the Argonne situation and the University's proposal, as well as the counterproposal of the Williams Committee were submitted to the Trustees, analyzed and reviewed in detail. The President recalled that the consensus of that meeting had been that the University should stand by its stated position and insist upon the authority necessary for the successful operation of Argonne. The President commented further that he felt generally optimistic about the differences between the University and the multi-university group over the allocation of authority, and that he felt confident the differences were working themselves out. In reply to a question, the President commented further upon some of the background aspects of the situation which had been covered extensively at the meeting of August 21, 1964, account of which is contained in the minutes of that meeting. He stated that Mr. Harrell was due to make another trip to Washington shortly.
The President commented in regard to the Development Campaign that the profile statement of needs of the University that the Ford Foundation has requested for consideration in relation to the University's request for a challenge grant, is being worked on and should be ready for presentation to the October meeting of the Board of Trustees in form prepared for the Foundation.

The President presented the following report and recommendation on behalf of the Provost who was in Europe, and commented thereon:

Kantor, J. R.
Appointment

APPROVAL IS REQUESTED for the appointment of Mr. J. R. Kantor, Professor Emeritus from the University of Indiana, as Research Associate in the Department of Psychology.

Professor John T. Wilson, former Professor of Psychology at The University of Chicago and now Deputy Director of the National Science Foundation, supports this recommendation, praises The History of Psychology which Kantor is writing, and indicates the likelihood of full National Science Foundation support.

Professor Kantor is 76 years old.
Question was raised relative to whether such an appointment would be inconsistent with University policy as applied to its own faculty, and it was pointed out by the President that the faculty of the University are permitted to carry on their research after the age of 65 provided that space is available and provided outside funds are available, that Mr. Kantor qualifies in regard to both these provisions, and that this appointment is therefore not inconsistent with policy to the University's own faculty. The President further pointed out that these outside appointments are exceptions, that there is one other at the University in Professor Tillich, but that both of these men are outstanding scholars. The President further commented that the History of Psychology which Professor Kantor is writing is considered to be important to the whole field and that he is unique in his ability to produce such a work.

Following discussion,

It was voted to approve the recommendation as set forth in the foregoing report.

The President presented the following report and recommendation on behalf of the Provost, and commented thereon:

Reynolds, Thomas F.,
Appointment and Salary Approval
APPROVAL IS REQUESTED for the appointment of Mr. Thomas F. Reynolds as Adviser on Administration for the Ford Foundation Pakistan Education Project, effective October 1, 1964, at an annual salary of $18,000.

Mr. Reynolds will play an important role in a program aimed at improving secondary education in Pakistan.

The President commented that this appointment was brought before the Board because of the salary in excess of the ceiling of $15,000, and that inasmuch as this is an important project on the part of the Department of Education, the position is an important one, and that as Mr. Reynolds is clearly a competent man, it is considered to be in order to request such a salary for Mr. Reynolds.

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The President presented the following report and recommendation on behalf of the Provost, and commented thereon:

Dr. Adolph E. Martin
Dr. Robert B. Martin

It is further recommended that Dr. Harvey Benjamin be reappointed to the Pediatrics Courtesy Staff at Lying-In for the period July 1, 1963, through June 30, 1965.
IT IS RECOMMENDED that reappointments to the Associate and Eligible Staffs of the Chicago Lying-in Hospital and Dispensary and reappointments to the Pediatrics Courtesy Staff for the year July 1, 1964 through June 30, 1965 be approved as follows:

ASSOCIATE STAFF

Dr. Adnan B. Baydoun
Dr. Harry B. W. Benaron
Dr. Sol J. Benensohn
Dr. Sol T. DeLee
Dr. Catherine L. Dobson
Dr. J. P. Greenhill
Dr. John P. Harrod, Jr.
Dr. James E. Jones

ELIGIBLE STAFF

Dr. Allan G. Charles
Dr. Ruth Frances Charles
Dr. Norman Roy Cooperman
Dr. Orion O. Coppock
Dr. Dorothy Edwards

PEDIATRICS COURTESY STAFF

Dr. I. Pat Bronstein
Dr. Joseph K. Calvin
Dr. Carl L. Cohen
Dr. Vernon R. DeYoung
Dr. Ernst H. Dreyfuss
Dr. Lawrence D. Elegant
Dr. H. William Elghammer
Dr. Charles Goldenberg
Dr. Sumner Hagler
Dr. Johanna Heumann
Dr. Ronald N. Jefferson
Dr. Avner Kauffman
Dr. Robert E. Keeley
Dr. Gilbert Lanoff
Dr. Herbert I. Lerner
Dr. Matthew Michael Lewison
Dr. Robert S. Mendelsohn
Dr. Adolph R. Nachman

IT IS FURTHER RECOMMENDED that Dr. Harvey DeBofsky be newly appointed to the Pediatrics Courtesy Staff at Lying-in for the year July 1, 1964 through June 30, 1965.
The President explained, in reply to question raised, that the Courtesy Staff consists of members of the medical profession who are invited to provide staff services for the patients in excess of the number which can be handled by the medical students; and that they have no research or teaching responsibilities or privileges.

Following discussion, it was voted to approve the recommendation as set forth in the foregoing report.

The Vice President for Special Assignments presented the following report on the Country Home for Convalescent Children and commented thereon:

The Country Home for Convalescent Children was organized in 1910 "for the care, cure and education of crippled children". The moving spirit behind the Home was Mrs. Joan Chalmers. The Home began its service program on a farm at Prince Crossing in DuPage County donated by Mr. R. W. Sears. The original gifts which permitted the Home to initiate its program of service to children were given by Mr. and Mrs. William J. Chalmers, Mr. M. Ogden Armour, and Mr. James Patten. Subsequent major contributions, including a school building, were received from Mr. John Shedd and the Reuben Donnelly family.
The Home was officially opened on July 10, 1911, and on that date received nineteen children from various hospitals in the Chicago area. The capacity of the Home was forty patients and this capacity was reached during the first year.

The following is quoted from the President's report of 1928 which best relates the history of the Home. Mrs. Chalmers was President of the Home at that time.

"In the 17 years of our existence, a world-wide interest has developed in the convalescent care of all illnesses as being the shortest way back to health. This is especially true with diseases which affect the crippled child because so many things are involved in an intelligent effort to overcome and cure, or at least, greatly alleviate the suffering of this class of sick children.

"A child between the age of 4 and 14... must have educational work as well as medical, surgical and nursing care, because there is not much use in curing a crippled child if it is left to grow up in ignorance, so our work from the beginning had school advantages. As the years have passed, this work has constantly assumed a higher grade until our educational work today is recognized by the State Examiners who come to visit us as fine as anything in the State in the way of educational work for children.

"We have also established a Domestic Science Department where the children are taught plain cooking. We do not attempt to teach the higher class of cooking because a child who has suffered from severe bone disease or one of infantile paralysis would probably never be strong enough to do the work of a cook in a home, but they are taught the cooking of simple meals and to prepare them with great cleanliness. They take these ideas home to their families and we find in our follow-up work that they get exceedingly good results."
"And now (1928) comes that which at the beginning of this report I
suggested might be considered the most important thing that has come into
the life of our Convalescent Home. It is the arrangement by which we have
now $1,000,000 from the endowment principal of the Home, which we shall
come affiliated with and a part of The University of Chicago in its medical,
surgical and educational work. With the broad line of vision of this marvel-
ously progressive University, we are hoping to accomplish greater things than have ever
been attempted in the line of work we do for crippled children. We
were taken over by The University of Chicago as a part of their new medi-
ical school and the Billings Hospital, and their educational work."

The Home continued to serve at Prince Crossing until it became
apparent that the need for such a program no longer existed because of
advances in medicine and surgery which markedly reduced crippling diseases
in children. Consequently, the Home was closed in 1945. At that time, it
was contemplated that a new structure would be built on the campus of the
University to continue a broadened program of child care under the auspices
of the Board of the Home. In 1956 the Home contributed to the construction
of the West Wing of the University of Chicago Hospitals, thus creating a cen-
ter for the treatment of patients suffering from chronic illness such as tuber-
culosis. The Home also agreed to continue to use its income to support free
care given to pediatric patients, a program which was undertaken with the
University of Chicago after the closing of the Home at Prince Crossing. The
seventh floor of the West Wing was designated as the Chalmers Memorial Floor.

In 1960, the Board joined with the University in its plan to construct
a new children's hospital as a result of the agreement entered into between the
University and The Home for Destitute Crippled Children. Under this agree-
ment, the University will utilize $1,000,000 of accumulated endowment income
from the Home for the construction of the Children's Hospital and would bor-
row $1,500,000 from the endowment principal of the Home, which sum will be repaid from income earned on the remaining endowment principal. After the endowment principal has been repaid, income from the endowment will be used to support the activities of the Children's Hospital. Thus the program of the Home, "Service to Children", will be perpetuated in the nation's newest Children's Hospital.

The following is a summary of the financial activities of the Home since 1945:

<table>
<thead>
<tr>
<th>Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Value of Endowment Principal, July 1, 1945</td>
</tr>
<tr>
<td>Gifts and additions to Principal through June 1, 1964</td>
</tr>
<tr>
<td>Capital gains</td>
</tr>
<tr>
<td>Loss withdrawal of Endowment Principal as a loan for construction of the Children's Hospital</td>
</tr>
</tbody>
</table>

Book Value, June 1, 1964: 2,826,280

Market Value, June 1, 1964: $4,557,617
### Income

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income earned 1945 - 1964</td>
<td>$2,772,985</td>
</tr>
<tr>
<td>Other additions</td>
<td>101,316</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,874,301</strong></td>
</tr>
<tr>
<td>Less transfer to Principal</td>
<td>228,357</td>
</tr>
<tr>
<td><strong>Total available through June, 1964</strong></td>
<td><strong>2,645,944</strong></td>
</tr>
<tr>
<td>Expended for the Hospitalization of Free Patients</td>
<td>$1,115,417</td>
</tr>
<tr>
<td>Expended for the West Wing</td>
<td>400,642</td>
</tr>
<tr>
<td>Transferred to Construction Fund for Children's Hospital</td>
<td>42,000</td>
</tr>
<tr>
<td><strong>Total spent on construction of new hospital</strong></td>
<td><strong>$1,558,059</strong></td>
</tr>
<tr>
<td>Encumbered for Children's Hospital</td>
<td>958,000</td>
</tr>
<tr>
<td><strong>Total encumbered</strong></td>
<td><strong>$2,516,059</strong></td>
</tr>
<tr>
<td>Unexpended Balance, June 1, 1964</td>
<td>$129,335</td>
</tr>
</tbody>
</table>

During the course of his comments on the above report, Dr. Coggeshall stated that the new children's hospital will probably be the most important in the country today, and showed the Board two photographs of construction of the new hospital taken that week.

The report was received and ordered placed on file.
The Vice President for Administration presented the following report and resolution and commented thereon:

Re: Gift from Trust of Theodosia Kane Eshbaugh

In a living trust agreement established by Theodosia Kane Eshbaugh with The Northern Trust Company, dated March 25, 1958, provision was made for the distribution of the remaining trust estate upon her death and after various administrative expenses were paid, including a gift of one-fiftieth (1/50) of the residue to the Quadranglers Alumni Scholarship Fund of The University of Chicago. Theodosia Kane Eshbaugh died on August 12, 1963. The University maintains among its endowment funds such a fund, which has been built up from contributions by alumnae of the Quadranglers, a women's club to provide scholarships for women students. The trustee is prepared to make the major distribution of the gift at the present time and in due course of administration will make the remainder of the distribution, and requests that a resolution of acceptance be adopted, which is presented as follows:

RESOLUTION

WHEREAS under an Agreement dated March 25, 1958, as amended, by and between THEODOSIA KANE ESHBAUGH and THE NORTHERN TRUST COMPANY, it is provided that upon the death of Theodosia Kane Eshbaugh, and after making or providing for the payments specified in Section 2 of the Trust Instrument, the Trustee shall divide the then rest, residue and remainder of the corpus of the trust estate and all undistributed net income into fifty (50) parts including a specified bequest of One Fiftieth (1/50th) to the Quadranglers Alumni Scholarship Fund of The University of Chicago; and

WHEREAS, The University of Chicago maintains such an endowment fund, the income from which is applied to the tuition fees of young women students;

NOW, THEREFORE BE IT RESOLVED That the said bequest be and the same is hereby accepted by The University of Chicago, to be added to the Quadranglers Alumni Scholarship Fund, and used for the purposes of said fund, and

BE IT FURTHER RESOLVED That J. Parker Hall, as Treasurer, Hortense Friedman, as Assistant Treasurer, or A. C. Svoboda, as Assistant Treasurer of said The University of Chicago be and each one of them is hereby authorized to receive and receipt for the bequest allocated to the Quadranglers Club of The University of Chicago, Chicago, Illinois, under the terms and provisions of the aforesaid Trust, and to do such further acts and things as may be necessary to satisfactorily and properly consummate such transactions.
Upon motion duly made and seconded,

It was voted to approve the resolution as set forth in the foregoing report.

The Vice President for Planning and Development presented the Report of Gifts, Grants and Bequests for August, 1964, and commented thereon:

[A copy of the Report of Gifts, Grants and Bequests, August, 1964, is attached to the official copy of these minutes.]

Mr. O'Brien commented upon the difference in the total of August 31 over that of the preceding year that the main reason for the drop was that there had been two $700,000 grants from the Ford Foundation the prior year which did not repeat in this particular month of the current fiscal year, and that there had been also last year in August a gift of $150,000 from the Montgomery Ward Foundation.

The report was received and ordered placed on file.
The Vice President for Planning and Development reported upon a bequest by the late Henry Hinds of Greenwich, Connecticut, and stated in connection therewith that Mr. Hinds, who died on August 5, 1964, had bequeathed one half of his estate which will amount to approximately one million dollars to the University to be used to aid and promote basic research in the fields of Biology, Geology, and other sciences concerned with the evolution of the earth and the solar system and life therein. Mr. O'Brien commented further that this is a particularly interesting bequest in that Mr. Hinds had taken a total of only twelve courses at the University between 1907 and 1909, had made only two gifts to the University previously, one of $2 and one of $10, and then asked that his name be removed from the solicitation list.

The Vice President for Planning and Development reported upon a bequest of Morton Zabel, deceased, who had been a member of the faculty, and who set up a $25,000 lecture fund to bring to the campus three or four lecturers each year in modern literature and criticism.

Mr. O'Brien mentioned in addition a proposed bequest from Miss Mabel Zeiss who intends to leave the University $150,000 from her will for the purpose of establishing an endowment to help to augment the number of positions for women on the University faculty, the income to be used to finance the recruitment of additional women as faculty members. He commented that her will further contains the provision that should women advance to such an extent that they are in a position of superiority to men in obtaining faculty positions, and the Board of Trustees of the University
decide that such a change in relative position has taken place, that it may
direct the use of the income for purposes of helping worthy men. Mr.
O'Brien stated that formal acceptance by the Board of this proposed bequest
will be requested at a later date, but that the appropriate administrative
officers have determined that the terms of the bequest would be acceptable
new to the University, and although not enough to endow a chair, the funds can
be used for the purpose desired by Miss Zeiss.

Mr. O'Brien reported upon campaign planning that it is desired that major
gift solicitation be commenced forthwith in order to take advantage of the
1964 tax year, that however the final campaign goal materializes major gifts
are obviously going to be needed, and as these gifts normally take several
months or years to develop, solicitation for such gifts at the present time
is conceived of as a bridge which will result in some large gifts to the
University at an appropriate time during the campaign. Mr. O'Brien further
stated that campaign goals and plans are being held up in that the total
needs have not as yet been defined and it is not known what support may be
forthcoming from the Ford Foundation, but that the mechanics of the
campaign plan can be put together relatively quickly after the above two
factors are known.

The Chairman commented relative to the above reports of Mr. O'Brien that
the argument that graduate students and students attending the University
for relatively short periods of time do not develop sufficient feeling for
the University to make substantial gifts, is completely discounted by the
case of Mr. Hinds, and that therefore it is very important to find out all
that is possible concerning alumni making the small gifts also.
The Treasurer presented the following report and commented thereon:

**Report of the Treasurer for the Fiscal Year 1963-64**

**FUNDS**

The market value of the University's investible assets on June 30, 1964, was $331 million, 53% greater than book value of $217 million. A year ago the market was $299 million, or 47% in excess of book of $204 million. The Funds holding these assets are:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Book Value</th>
<th>Market Value</th>
<th>Income 1963-64</th>
<th>Market Return Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment</td>
<td>$163,582</td>
<td>$275,606</td>
<td>$9,602</td>
<td>3.6%</td>
</tr>
<tr>
<td>Annuity</td>
<td>2,910</td>
<td>3,776</td>
<td>126</td>
<td>3.5%</td>
</tr>
<tr>
<td>Living Trust</td>
<td>853</td>
<td>1,100</td>
<td>38</td>
<td>3.1%</td>
</tr>
<tr>
<td>Employees Retirement</td>
<td>7,089</td>
<td>8,034</td>
<td>255</td>
<td>3.5%</td>
</tr>
<tr>
<td>Current</td>
<td>2,664</td>
<td>2,812</td>
<td>87</td>
<td>3.8%</td>
</tr>
<tr>
<td>Suspense</td>
<td>1,509</td>
<td>1,256</td>
<td>40</td>
<td>2.8%</td>
</tr>
<tr>
<td>Plant</td>
<td>523</td>
<td>523</td>
<td>19</td>
<td>3.7%</td>
</tr>
<tr>
<td>Operating Funds (Gen'1 Acct)</td>
<td>37,930</td>
<td>37,804</td>
<td>1,395</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

**Total - 1964**

- Book Value: $217,060
- Market Value: $330,911
- Income: $11,562
- Return on Market: 3.7%

**Total - 1963**

- Book Value: $204,247
- Market Value: $298,707
- Income: $10,583
- Return on Market: 3.8%

Since 1936, endowment funds have grown from $65 million to $276 million, a total of $211 million, of which approximately 21% came from gifts, 25% from net realized investment profits, and 54% ($112 million) from unrealized appreciation on investments now held.

For purposes of investment, all endowment, annuity, living trust, and operating funds, except as specifically limited by terms of gift, are invested in the Consolidated Investment Merger (CIM), the Annuity Merger, the Living Trust Merger, and the General Account Merger, respectively. Other funds are separately invested. A breakdown of mergers and separately invested funds is as follows:
The funds of the Baptist Theological Union, a separate corporation whose income supports theological education at the University, had a June 30, 1964, market of $7.7 million, a book of $4.5 million, and fiscal year income of $542,000. These are not included in the above figures but are managed by officers serving both institutions in the same capacities.

### CONSOLIDATED INVESTMENT MERGER

Substantially all of the 439 separate funds in this pool are endowment. Participating funds own an undivided interest in the investments based on market values at the time of entry. During the year, new funds added to the merger approximately equalled withdrawals. Net capital gains realized were $2.2 million, resulting in an increase in book value of that amount.

A fund with an index number of 100 at the start of the pool in 1936, declined in market value to a low of 80 in 1942 and then rose intermittently to 260 in 1963 and 282 in June 1964. Over the 28-year period the average return has been 6.0% on beginning principal and last year's income was 9.8% on the original investment.

### CIM INCOME

The comparison of income for the past several years is:

<table>
<thead>
<tr>
<th>Year</th>
<th>1936</th>
<th>1942</th>
<th>1952</th>
<th>1962</th>
<th>1963</th>
<th>1964</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>9.8%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>
The overall breakdown at June 30 market compares with a year ago as follows:

<table>
<thead>
<tr>
<th></th>
<th>Amount (millions)</th>
<th>Proportions</th>
<th>Projected Return at June 30, 1964</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1963</td>
<td>1964</td>
<td>1963</td>
</tr>
<tr>
<td>Bonds</td>
<td>$54.1</td>
<td>$59.4</td>
<td>23.1%</td>
</tr>
<tr>
<td>Preferred</td>
<td>2.3</td>
<td>.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Commons</td>
<td>128.1</td>
<td>147.6</td>
<td>54.7</td>
</tr>
<tr>
<td>Real Estate</td>
<td>26.0</td>
<td>26.2a</td>
<td>11.1</td>
</tr>
<tr>
<td>Real Estate Loans</td>
<td>7.4</td>
<td>5.8</td>
<td>3.2</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>14.9</td>
<td>13.2</td>
<td>6.4</td>
</tr>
<tr>
<td>Cash</td>
<td>1.1</td>
<td>1.6</td>
<td>.5</td>
</tr>
<tr>
<td>Total</td>
<td>$233.9</td>
<td>$254.1</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

a - Consisting of secured fees $15,649 (000), net leases $7,791 (000) and operated $2,742 (000)

During the year equity risk investments increased 14% in value from $137 million to $156 million, largely as the result of the rise in the stock market. Equity risks other than common stocks had a book value of $1.8 million and an appraised value of $7.9 million. The equity risk proportion increased to 61.2% from 58.4% a year earlier.

A comparison with selected years (June 30, 1964) follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Equity Risk Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1936</td>
<td>40.8%</td>
</tr>
<tr>
<td>1946</td>
<td>51.1%</td>
</tr>
<tr>
<td>1956</td>
<td>59.7%</td>
</tr>
<tr>
<td>1962</td>
<td>53.8%</td>
</tr>
<tr>
<td>1963</td>
<td>58.4%</td>
</tr>
<tr>
<td>1964</td>
<td>61.2%</td>
</tr>
</tbody>
</table>
CIM INVESTMENT POLICY

The Investment Committee is charged by the Board with the investment of University funds. The single restraint is that the Committee shall not permit equity risk investments in CIM to exceed 65% at market value without approval of the Board. The Committee's policy at this time is to hold between 56% and 61% in equity. This serves only as a guide; sales and purchases are not mandatory when the limits are exceeded. As shown above, the June 30 level was 61.2%.

CIM MAJOR CHANGES DURING THE YEAR

(1) Common stocks increased $19.5 million to $147.6 million. The major part was due to the market rise with the balance coming from advantageous switches.

Holdings eliminated were:

<table>
<thead>
<tr>
<th>Shares</th>
<th>Stock Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,300</td>
<td>American Air Filter</td>
</tr>
<tr>
<td>2,076</td>
<td>Bell &amp; Howell</td>
</tr>
<tr>
<td>7,000</td>
<td>Castle &amp; Cooke</td>
</tr>
<tr>
<td>3,507</td>
<td>Cummins</td>
</tr>
<tr>
<td>30,000</td>
<td>Gillette</td>
</tr>
<tr>
<td>8,500</td>
<td>Glidden</td>
</tr>
<tr>
<td>15,300</td>
<td>Hooker Chemical</td>
</tr>
<tr>
<td>27,200</td>
<td>Lone Star Gas</td>
</tr>
<tr>
<td>24,000</td>
<td>G. C. Murphy</td>
</tr>
<tr>
<td>20,000</td>
<td>United Gas</td>
</tr>
<tr>
<td>21,216</td>
<td>Wallace &amp; Tiernan</td>
</tr>
</tbody>
</table>

New issues added to the list were:

<table>
<thead>
<tr>
<th>Shares</th>
<th>Stock Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000</td>
<td>Hart, Schaffner &amp; Marx</td>
</tr>
<tr>
<td>9,000</td>
<td>Montgomery Ward</td>
</tr>
<tr>
<td>12,000</td>
<td>Pure Oil</td>
</tr>
</tbody>
</table>

Additions to stocks already held included:

<table>
<thead>
<tr>
<th>Shares</th>
<th>Stock Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,000</td>
<td>General Portland Cement</td>
</tr>
<tr>
<td>6,200</td>
<td>Jewel Tea</td>
</tr>
<tr>
<td>9,000</td>
<td>Marsh &amp; McLennan</td>
</tr>
<tr>
<td>8,690</td>
<td>Monsanto (through Am Viscose)</td>
</tr>
<tr>
<td>9,500</td>
<td>National Lead</td>
</tr>
<tr>
<td>16,000</td>
<td>Northern Natural Gas</td>
</tr>
<tr>
<td>10,000</td>
<td>Peoples Gas</td>
</tr>
</tbody>
</table>

Reductions in shares held included:

<table>
<thead>
<tr>
<th>Shares</th>
<th>Stock Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,500</td>
<td>Swift</td>
</tr>
</tbody>
</table>

(2) Bonds increased $5.3 million to $59.4 million. High coupon bonds were switched into low coupon, deep discount issues to reduce risk of early call and to freeze current yields. At the same time, maturities were lengthened considerably, with the average maturity increasing from 9.3 to 12.7 years:

<table>
<thead>
<tr>
<th></th>
<th>6-30-63</th>
<th>6-30-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short (5 yrs. or less)</td>
<td>58%</td>
<td>43%</td>
</tr>
<tr>
<td>Medium (5 to 15 yrs.)</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td>Long (after 15 yrs.)</td>
<td>25%</td>
<td>46%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

This involved a turnover of 45% of the bond portfolio.
- About 12.5 percentage points are in convertible issues.
(3) Preferred stocks were reduced through sale from $2.0 million to only $378,000 with proceeds going into long-term, non-callable Governments at an insignificant reduction in income.

(4) Real estate changes were at a minimum. About $510,000 was invested in gas station properties of Clark Oil and Refining on a leaseback basis yielding 6%. A package of 36 loans aggregating $446,000, yielding 5%, was purchased from St. Paul Federal Savings and Loan Association.

CIM COMMON STOCKS

During the fiscal year, the market value of common stocks (after adjusting for net sales) increased 16% as compared with 18% for the Dow-Jones Industrials and 19% for Standard & Poor's 425 stocks. CIM industrial stocks were up 20%, the total gain being held down by poorer action of utilities and financial.

Major industry holdings at June 30 market were as follows:

<table>
<thead>
<tr>
<th>Industry</th>
<th>1963</th>
<th>1964</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum</td>
<td>22.3%</td>
<td>24.7%</td>
</tr>
<tr>
<td>Public Utility</td>
<td>14.6%</td>
<td>13.9%</td>
</tr>
<tr>
<td>Insurance</td>
<td>9.2%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>6.5%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Chemical</td>
<td>7.7%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Banks</td>
<td>7.3%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Business Equipment</td>
<td>5.2%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Other</td>
<td>27.2%</td>
<td>25.7%</td>
</tr>
<tr>
<td></td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The merger holds 91 issues. The average holding at market is $1,600,000. The three largest are Standard Oil of New Jersey, $25.1 million, IBM, $8.0 million, and Christiana Securities, $5.5 million.

CIM MISCELLANEOUS

Investments which are not classified as stocks, bonds, mortgages, or real estate, have a book value of $8.4 million and a market or appraised value of $13.1 million. Of this total, 48% may be regarded as "unconventional;" 48% also (by coincidence) is fixed return. The holdings, listed in the following table, produce income of $550,000 or 6.3% on book and 4.2% on market:
Oil Interests

7 Oil & Gas Payments

Coronado Properties

<table>
<thead>
<tr>
<th>Item</th>
<th>Book Value</th>
<th>Appraised Unconventional Value</th>
<th>Items at Mkt</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$5,389</td>
<td>$5,389</td>
<td>$2,240</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,240</td>
<td>$2,240</td>
</tr>
<tr>
<td></td>
<td>$5,389</td>
<td>7,629</td>
<td></td>
</tr>
<tr>
<td>Shipping</td>
<td>712</td>
<td>3,376</td>
<td>2,675</td>
</tr>
<tr>
<td>Equipment Leases</td>
<td>209</td>
<td>217</td>
<td></td>
</tr>
<tr>
<td>Havana Terminal</td>
<td>435</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1,659</td>
<td>1,925</td>
<td>1,399</td>
</tr>
<tr>
<td></td>
<td>$8,404</td>
<td>$13,147</td>
<td>$6,314</td>
</tr>
</tbody>
</table>

Activities in miscellaneous investments in the past year included:

The $1 million Marine Navigation 6% Subordinated Note due 10-31-68 was called.

In 1962, the University established Midway Foundation, Inc., a not-for-profit corporation which is able to assume debt required in so-called ABC oil and gas production payment financing and thereby to receive an income spread of 1/8 to 1/4% on capital. At present oil production loans of $12 million are held. This requires nominal net assets of $40,000 which the University invested in a 6% subordinated note of Midway and Midway carries as a compensating balance in The First National Bank of Chicago, which holds the production loans. Midway Foundation's net income in 1963-64 was $10,675.

An investment of $450,000 in Empire Gas Corporation, a small, privately held, rapidly expanding LPG company operating in Missouri and surrounding states, was completed with the purchase of debentures, preferred and common.

The Havana Shipping Terminal, owned by CIM and confiscated by the Castro regime, is carried at $1. The unamortized investment therein is $435,000 (book value). A suit by Ward Industries, the lessee, awaits trial.
OTHER FUNDS

ANNUITY MERGER

This pool had a book value of $2.9 million and a market of $3.8 million at June 30. The projected income of $139,811 or 3.7% on market, is $28,700 more than needed for annuity payments which for the new fiscal year are estimated at $111,123 on 27 lives. Of the amount payable 85% is to individuals who are past 70, 22% past 80; two annuitants who received $6,000 and $3,000 (8%) are under 47. The merger is 36% in commons, of which 28% is IBM, accounting for the relatively low yield on market. It appears that each of the University's annuity contracts is actuarially solvent and likely to retain a residue even with lives attaining the University's rate base expectancy of 85 for men and 90 for women. A reserve of $222,000 has been accumulated from undesignated matured funds to cover insolvent contracts, if necessary.

EMPLOYEES RETIREMENT FUND

Invested separately, this fund for non-academic pensions now has a book value of $7.1 million and market of $8.0 million and is growing at the rate of approximately $1 million a year. At present 49% is in commons. Return on market is 3.7%.

LIVING TRUST MERGER

All the income from the fourteen funds in this pool is payable to life beneficiaries, with the capital ultimately coming to the University. Book value on June 30 was $403,000 and market $544,000. The fund is diversified with 50% at market in common stocks. Projected income is 3.8% on market.

Nine living trust funds, worth $556,000, are separately invested because of donor or beneficiary preference or the special nature of the investments.

GENERAL ACCOUNT MERGER

This is a pool for investment of all eligible suspense (24%), operating (32%), plant (40%), and other (4%) funds. Up $6.6 million during the year and now at an all-time peak of $37.8 million since its
establishment in 1952, this merger is invested in U.S. Governments and Agencies, commercial paper, savings deposits, and bonds of top quality, with maturities which can extend out to fifteen years.

Income in 1963-64 aggregated $1,407,000 and capital losses $9,000, a net of $1,398,000, of which 68% went to regular budget and 32% was distributed to special funds at a rate of 3 1/2%.

SEPARATELY INVESTED FUNDS

Only those funds required by legal or investment restrictions to be separately invested are unmerged. Insofar as possible, CIM policy is followed, with specific securities chosen from the CIM list. The major item in this category is the Louis Block Foundation, with a book value of $11.6 million and a market of $14.1 million on June 30. At present $9.6 million (68% of the fund) is invested in commons, which includes $3.5 million in 80,000 shares Olin Mathieson (reduced from 245,905 shares received by bequest).

MISCELLANEOUS

$1,250,000 face value of the $1,500,000 Encyclopaedia Britannica 7% note was extended one year to June 1, 1965.

LARGE HOLDINGS

By direction of the Board, the Treasurer reports semi-annually all security holdings which, either at book or market, exceed $2 million and real estate and miscellaneous holdings which exceed $1 million. A list of such holdings as of June 30 is attached.

COST OF OPERATING THE TREASURER’S OFFICE

The office cost was $248,100, consisting of salaries of $175,200, retirement expense $13,500, equipment and services $26,400, rent $21,000 and custody fees $12,000. This plus investment accounting (a division of the Comptroller’s Office) expense establishes total investment cost at 91 cents per $1,000 of principal handled or 2 1/2% of income, which is about one-sixth of the management fee rate of balanced mutual funds.

Respectfully submitted,

J. Parker Hall
<table>
<thead>
<tr>
<th>Holding</th>
<th>MARKET VALUE (000's Omitted)</th>
<th>(000's) Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Oil (NJ)</td>
<td>438</td>
<td>25,712</td>
</tr>
<tr>
<td>American Tel &amp; Tel</td>
<td>6,058c</td>
<td>2,725</td>
</tr>
<tr>
<td>IBM</td>
<td>-</td>
<td>8,642</td>
</tr>
<tr>
<td>Christiana (including duPont)</td>
<td>-</td>
<td>5,814</td>
</tr>
<tr>
<td>Standard Oil (Indiana)</td>
<td>-</td>
<td>5,619</td>
</tr>
<tr>
<td>Continental Casualty</td>
<td>-</td>
<td>5,242</td>
</tr>
<tr>
<td>Sears Roebuck</td>
<td>-</td>
<td>5,009</td>
</tr>
<tr>
<td>First National Bank - Chicago</td>
<td>3,000b</td>
<td>2,008</td>
</tr>
<tr>
<td>General Motors</td>
<td>947c</td>
<td>3,940</td>
</tr>
<tr>
<td>Marine Midland Corp</td>
<td>4,000bc</td>
<td>794</td>
</tr>
<tr>
<td>Inland Steel</td>
<td>723</td>
<td>3,905</td>
</tr>
<tr>
<td>Continental Illinois</td>
<td>3,000b</td>
<td>550</td>
</tr>
<tr>
<td>Olin Mathieson</td>
<td>-</td>
<td>3,530</td>
</tr>
<tr>
<td>Swift</td>
<td>-</td>
<td>3,042</td>
</tr>
<tr>
<td>Bankers Trust</td>
<td>3,012b</td>
<td>-</td>
</tr>
<tr>
<td>Peoples Gas</td>
<td>-</td>
<td>3,012</td>
</tr>
<tr>
<td>Standard Oil of California</td>
<td>-</td>
<td>2,950</td>
</tr>
<tr>
<td>Encyclopaedia Britannica</td>
<td>1,250</td>
<td>1,595</td>
</tr>
<tr>
<td>Harris Trust</td>
<td>-</td>
<td>2,748</td>
</tr>
<tr>
<td>Federated Dept Stores</td>
<td>-</td>
<td>2,672</td>
</tr>
<tr>
<td>National Lead</td>
<td>603</td>
<td>1,873</td>
</tr>
<tr>
<td>Penn Power &amp; Light</td>
<td>2,426</td>
<td>-</td>
</tr>
<tr>
<td>Fireman's Fund</td>
<td>-</td>
<td>2,377</td>
</tr>
<tr>
<td>Caterpillar Tractor</td>
<td>206</td>
<td>-</td>
</tr>
<tr>
<td>Royal Dutch</td>
<td>-</td>
<td>2,190</td>
</tr>
<tr>
<td>Northern Natural Gas</td>
<td>-</td>
<td>2,058</td>
</tr>
<tr>
<td>So New England Telephone</td>
<td>2,009</td>
<td>-</td>
</tr>
</tbody>
</table>

- excludes obligations and instrumentalities of the U S Government
- Certificates of deposit, bankers acceptances, bank savings deposits, or credit letters
- includes obligations of subsidiaries
### REAL ESTATE HOLDINGS OF $1,000,000 OR MORE

<table>
<thead>
<tr>
<th>Secured Fees</th>
<th>Under Lease to Year</th>
<th>(000's) Appraised Value</th>
<th>(000's) Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWC Van Buren &amp; Sherman</td>
<td>2026</td>
<td>3,434</td>
<td>2,231</td>
</tr>
<tr>
<td>29 So LaSalle</td>
<td>2037</td>
<td>2,750</td>
<td>2,542</td>
</tr>
<tr>
<td>SWC Wacker &amp; LaSalle</td>
<td>2025</td>
<td>2,700</td>
<td>1,576</td>
</tr>
<tr>
<td>SEC Monroe &amp; Franklin</td>
<td>1966</td>
<td>2,500</td>
<td>1,575</td>
</tr>
<tr>
<td>SWC LaSalle &amp; Lake</td>
<td>1971</td>
<td>1,027</td>
<td>927</td>
</tr>
<tr>
<td>17th &amp; Stout Sts., Denver, Colorado</td>
<td>2031</td>
<td>1,000</td>
<td>904</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Leases</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sylvania Electric, Williamsport, Pa.</td>
<td>6-30-80</td>
<td>1,025</td>
<td>1,025</td>
</tr>
</tbody>
</table>

### Operated Real Estate

- SEC Wabash & Monroe (Williams) 2,000 2,000
- SEC Wabash & Randolph 1,000 571

### Other

- Chicago Dock & Canal Trust Shares 1,107 153

### MISCELLANEOUS INVESTMENTS OF $1,000,000 OR MORE

- Marine Navigation (incl. Canterbury stock) 2,076 86
- Coronado Properties 2,240
- University Property Oil Payments 2,000 2,000
- Mid-Continent & No. Rocky Mtn. Payments 1,711 1,711
- Trinity Navigation (incl. Oswego Securities stock) 1,300 625
Mr. Hall commented in some detail upon the foregoing report, and in addition thereto presented information for comparison with other universities. He pointed out, however, that drawing comparisons with other institutions is not entirely accurate as different items are included in the category of endowment funds, for example, Harvard includes its own faculty retirement fund while the University's faculty retirement fund is with TIAA and is not listed; and MIT includes various other types of funds not included by the University. He also pointed out that the total of endowment funds in the United States is valued between 8.5 and 9 million dollars and that the University has 3% of this.

In commenting upon the Consolidated Investment Merger pool, Mr. Hall stated that this pool has increased regularly, that part of the increase is from new funds but most of it is from increased dividends. In connection with his comments on CIM, Mr. Hall presented some comparison figures with Mutual Funds, which figures he stated were strictly comparable. He stated that the University is worse than Mutual Funds on capital but on income the University is about 10% more, and the University's compound rate of interest is 1% less over a 10 year period. Mutual Funds in the 10 year period have more money in equity than does the University all during the period, but although their capital has gone up they have not produced as much income thereon. Mr. Hall stated that these comparisons have been examined by him to try and determine why the University did not do as well in regard to increased capital and pointed out that Mutual Funds spend between five and six times as much money as the University on research which could be an explanation.
Mr. Hall commented upon selected unusual investments by the University as he had done in prior reports. He reported upon an investment in a shipping company where the University put up one million dollars out of a purchase price of nearly twelve million, and received 20% of stocks gratis therefor. He commented further thereon that all indebtedness of the University has been paid or reacquired, only 2.4 million of debt remains in the company, and the Company has 2.9 million working capital; and that it is estimated the value of the University’s holdings is something like two million dollars, although Mr. Hall stated that he considered this to be a conservative figure. He further stated that the directors are presently working to see if the University can make its interest marketable and dispose thereof.

Mr. Hall mentioned another investment of a similar/nature/which the University had made of one million dollars out of a total of twenty-six million dollars required to build three 42,000 ton tankers for lease, that the University received 25% of the stock, and as of the day following the present meeting all of the University’s indebtedness would have been paid off. Mr. Hall stated that it is presently estimated that the University’s one quarter interest is worth $675,000 but that he estimated it would eventually be worth double that figure.

Mr. Hall commented in summary that over the years the shipping investments of the University had realized $5,200,000 and that the University has suffered in only the one instance of the stock in the dock in Havana, Cuba. He commented further in connection with this stock that the lawsuit pending in the New York courts is not considered to be of an outcome favorable to the University.
Following discussion,

The report was received
and ordered placed on file.

The Chairman recommended to the Trustees a book by Mr. Benjamin Bloom of the Psychology Department of the University, the title of which is Stability and Change in Human Characteristics, published by John Wiley, and recommended commented thereon that according to the review of the book by Dr. Bruno Bettelheim in the New York Times Review of Books of September 10, 1964, the findings of the research that compose the book could change the whole educational process in the United States in the elementary and high schools. He commented further that Mr. Bloom has indicated that boys and girls have 50% of their I.Q. by the time they are four years old and that they pick up another 30% by the time they are six, and that from then on there is not very much that can be done about raising the I.Q., the implication being that the schools are going to have to start their educational process much earlier if they are to develop I.Q.'s to full potential.

The Administrative officers were excused and the meeting went into Executive Session.

The meeting adjourned at 3:00 P.M.

WALTER V. LEEN
Secretary
Pursuant to notice, a regular meeting of the Board of Trustees was held in the Board Room of The University of Chicago, 38 South Dearborn Street, Chicago, Illinois, on Thursday, October 8, 1964, at 2:00 P.M.

There were present: Mr. Cone in the chair; Messrs. Aldis, Axelson, Beadle, Bell, Bensinger, Benton, E. M. Blair, Block, Coggeshall, Downs, Gwinn, Heineman, Ingersoll, Ludgin, Merriam, Moore, Nuveen, Patterson, Poole, Smith, Stern and Ward; also Messrs. E. H. Levi, Johnson, O'Brien, J. P. Hall, Lincicome and Leen.

The Chairman declared a quorum to be present.

Prayer was offered by Mr. Axelson.

The minutes of the following meetings of the Board of Trustees and of the Committee on Budget, as respectively set forth below (copies of said Minutes minutes having been previously sent to all members of the Board), were approved:
The Chairman referred to the Board Luncheon preceding the meeting and noted for the record that Mr. Jerald C. Brauer, Professor and Dean of the Divinity School, was the Speaker at the Luncheon and that he gave a very interesting and informative talk to the Trustees, concerning the educational objectives of the Divinity School in the training of persons for the Ministry.

The Chairman asked Mr. Leen to present the proposed amendment to the By-Laws and noted that this matter had been previously considered by the Board at the meeting on September 10, 1964, and had at that time been deferred for clarification of language. Mr. Leen thereupon presented the following report and proposed amendment to the By-Laws and commented thereon:
Notice of Intention to Amend Section 1 a) of Article V of the By-Laws was given at the August 13, 1964, meeting of the Board of Trustees. The purpose of the proposed amendment is as follows:

(a) To increase the Investment Committee's authority, without specific approval of the Board, to approve investments in the same enterprise (including its controlled subsidiaries) from $2,000,000 to $4,000,000 in the case of securities, and from $1,000,000 to $2,000,000 in the case of real estate; and

(b) To authorize the Investment Committee, without the prior approval of the Board, to approve further investments in the same enterprise up to an additional $1,000,000 where the University's aggregate holdings of securities in that enterprise (including its controlled subsidiaries) are in excess of $4,000,000 and these holdings previously had been approved by the Board.

In furtherance of the foregoing Notice, the following Amendment to said Section 1 a) is proposed:

(deletions indicated by brackets; additions underscored)

V, GENERAL

"1. Purchase and Sale of Corporate Property. -

(a) The Investment Committee, in accordance with such investment policies as may be established from time to time by the Board and subject to the general direction of the Board, shall make, or authorize the Treasurer to make, investments and reinvestments of all funds held by the University and may authorize the Treasurer to dispose of any investments held by the University; provided, however, that no single investment in excess of [$2,000,000] $4,000,000 (other than in the direct and indirect obligations of the United States Government), and that no purchase, sale or disposition of real estate (including mortgage loans) or leasehold thereof [of a value] for an amount in excess of [$1,000,000] $2,000,000 shall be made without the approval of the Board; and provided further that where, by reason of increase in market value or otherwise, the aggregate current holdings, previously approved by the Board, in the stock and/or debt obligations of a single corporate or non-corporate entity or enterprise (including holdings of its controlled subsidiaries), already exceed $4,000,000, or would exceed it with a proposed purchase, the Investment Committee, without specific prior approval of the Board, may make, or authorize the Treasurer to make, further investments in the stock and/or debt obligations of such entity or enterprise (including those of its controlled subsidiaries) up to an additional amount not to exceed $1,000,000. ***
Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The Chairman commented that at each place at the table was an invitation to the University of Chicago Forum for Business Executives, an activity under the chairmanship of Mr. Robert Ingersoll, and asked Mr. Ingersoll to comment thereon.

Thereupon Mr. Ingersoll stated that an invitation and description of the seminar to be held Tuesday, October 20, 1964, at the Center for Continuing Education, had been sent to each Trustee; that a very encouraging number of acceptances had already been received, that Mr. Neil McElroy, Chairman of the Board of Proctor and Gamble and formerly Secretary of Defense, will be the speaker and urged all of the Trustees that will be in town on that date to attend as it is anticipated the Trustees will act as hosts and that a Trustee and a Faculty Member will be placed at each table.

The President reported to the Trustees on developments with regard to the erection of the Atomic Energy Memorial. He stated that Dr. Ing. Pier Luigi Nervi had been commissioned to do a memorial on the site of the pile on Stagg Field, but that it has now been decided that there will not be
room on Stagg Field for the kind of memorial Mr. Nervi wishes to design as the new Library is also to be situated on Stagg Field. The President commented further that although the University recognizes the international importance of such a memorial, the University does not wish to give up all of Stagg Field, and that therefore proposal has been made to place the memorial designed by Mr. Nervi on the Midway in the two-block area between University and Ellis Avenues, between 59th and 60th Streets, the two express highways to be placed underneath. The President pointed out that the Midway site would be a far more impressive site for the memorial with the mile long open vista, and would in addition create a mall across the Midway between the Law School and Harper Library which would connect the two sides of the Midway. Mr. Nervi, however, has indicated he will not design the memorial for any place except that of the exact site, but it is still hoped and anticipated that he will reconsider. It has been pointed out that the development of the experiment occurred in various places through-and out the campus, Mr. Nervi has reportedly designed what he considers to be a perfect structure. Financial assistance of a significant nature is expected from the United States Government for this memorial.

In view of the foregoing decision, proposal has now been made to Mr. Henry Moore who was commissioned to do a piece of sculpture to be placed on the Midway also to commemorate Enrico Fermi and the advent of the Atomic Age, that his statue might better be placed on the site of the pile on Stagg Field and landscaped against a backdrop of the new Library. The preliminary estimate of the statue by Mr. Moore is $300,000.
The President reported upon the situation in respect to the Argonne National Laboratory that the Williams Committee (the ad hoc committee representing the Associated Midwest Universities, the Midwest Universities Research Association, the Argonne Laboratory and the University of Chicago) has submitted a report agreed to by its members. He stated that the report recommends in principle that there be organized a multi-university corporation of Midwest universities that will have as its responsibility the formulation and recommendation of general policy in respect to the program of the Laboratory and the use of its research facilities by academic institutions. As proposed by the report, the University of Chicago would manage and operate the laboratory in accordance with broad policy set by the corporation under a tri-partite contract with the Atomic Energy Commission as the third party thereto.

The President commented thereon that the open question now is how much the corporation will want to dictate the details of management of the Laboratory and that it remains the position of the University of Chicago that if the University has the responsibility it must also have the authority to carry out that responsibility effectively. The President commented further that this tri-partite arrangement could be a model for operating national laboratories, and that he was of the opinion that the arrangement as presently contemplated makes considerable sense logically and he considers it to be the best solution all things considered, in that the involvement of several institutions at the policy level seems desirable for national laboratories, but at the same time recognizing that a body composed of fifteen universities cannot effectively manage and operate such a laboratory.
The President stated that the University is now working on a memorandum in response to the report which will not be a criticism thereof, but rather an elaboration of how the broad outlines should be implemented. He stated that at present the status of negotiations is to be kept confidential and that as the details are worked out, public announcement will be made by the Atomic Energy Commission.

The Vice President for Special Scientific Programs commented that it is expected the Commission will make such an announcement in about two weeks' time.

In reply to a question, the President stated that various aspects of the present management arrangement will have to be renegotiated, including the management fee and that the management agreement negotiated with the AEC a year ago will not necessarily remain, as the new corporation will likely share in the overall fee, and that it was his opinion that the way in which the fee should be divided is something the multi-university corporation and the University could best work out between themselves.

[Copy of the Final Report of the AMU-Argonne-Chicago-MURA ad hoc Committee, September 23, 1964, is attached to the official copy of these minutes.]
Following discussion,

The report was received and ordered placed on file.

The President reported upon the Veterans Administration Hospital and in connection therewith stated that although the University has in effect given its consent to the location proposed by the Veterans Administration and the Mayor of Chicago, the situation is a delicate one in that the University does not wish to do anything contrary to the desires of the Woodlawn Community, but that it is felt such a hospital located in the area, although taking a small amount of land which could otherwise be used for housing for the Woodlawn Community the creation of 800 semi-skilled jobs which will be created in the hospital and accessible to the residents of the Woodlawn Community would more than offset the former possible disadvantage. During the course of the meeting the President announced that he had just been informed that the Mayor of Chicago has in fact made the announcement of the location of the hospital and that therefore the matter now has become public record.
The Provost presented his Report on the College in the form of a Memorandum prepared for and distributed to the President and the College Faculty, and commented thereon.

[ Copy of this Memorandum Report on the College is attached to the official copy of these minutes. ]

Mr. Levi commented that the report presents what is hoped will be an acceptable organizational program for the College, that it must be voted upon by the College Faculty and the Council of the University, and that he has attempted therein to avoid adding to the tensions which have surrounded the College almost from the beginning. He noted that the document is in large measure the result of the criticisms and suggestions voiced to him by both the faculty and a considerable number of students. He noted especially that the students are anxious to have a curriculum that is uniquely Chicago, and although there were criticisms of the general education courses, such courses do constitute for the students the uniqueness of Chicago.

In explaining the program outlined in the Report Mr. Levi stated that the College has always presented a problem although it has achieved notable impact in its pioneering efforts in such programs as the use of discussion groups in teaching when they were not acceptable, the use of original texts, and the program of wide training in the Humanities, the Social Sciences and the Natural Sciences, and more recently, the general courses developed in the cultures of non-western areas.
Mr. Levi commented that the tensions attendant upon the College have derived basically from the often conflicting aims of research and instruction, general education versus specialization, and the location of general education within the four year program. He noted however, that in addition there were certain situations which could be seen as compounding the difficulties of the College:

(1) The neighborhood, the decline of which as might be expected affected the College perhaps more than any other part of the University;

(2) The equipment, which has been neglected and needs to be replaced and augmented, but no effective organization exists through which this may be done; and

(3) The faculty, which is divided. Some of the faculty are wholly in the College, some teach in the College but have departmental appointments, some have joint appointments, and some faculty with College appointments are unacceptable to the regular Departments.

In regard to the latter situation, the Provost commented that under President Hutchins the plan had been that every member of the separate College faculty would also be a member of a regular department or division, although this plan in actuality had never been carried out. He stated that attempts are being made to correct this situation and whereas last year there were 107 members of the College faculty who were not in any regular department and 72 who had joint appointments, this year 102 have joint appointments and only 77 do not.
The Provost noted, however, that there is a much more serious way in which the College faculty is divided, namely, that whereas the intention has been that the College faculty be in charge of the four-year undergraduate program, in fact it is not. The College faculty is effectively in charge only of the first two years' general education courses and at present there is no effective dean nor any faculty at the University who can look at the educational program in terms of a four-year approach. The departments have in general been in charge of the last two years, although they do not generally acknowledge that they are. This has meant that the student in the College is not offered the kind of seminars he ought to have in his last two years, but the third and fourth year courses are presented as prerequisites for doing graduate work in particular disciplines and not as part of a four-year integrated liberal education program. This particular aspect of the problem therefore reduces itself to creating the kind of organization in the College which will bring the strength of the total University faculty to the College but at the same time preserve for the College a prime position as the liberal education area.

The Provost commented in this connection upon two particular problems attendant upon the maintenance of liberal education courses in the College:

(1) The general education courses have been staff taught courses which require multi-disciplinary training; and although highly desirable from other points of view to have a distinguished members of the departments teach in the College, it is not possible to require that these faculty members teach in a multiplicity of disciplines; and

(2) It is undesirable to have one program for all College students.
In order to overcome these difficulties the Provost stated that the report recommends that the College be divided into five areas: Humanities, Social Sciences, Physical Sciences and Biological Sciences; and in addition a fifth General Studies area which would be concerned with the non-specialized education of public citizens. The main objectives are to retain areas wherein the faculty can work together as they are accustomed to doing within the graduate divisions; to preserve the core of eight or more general education courses; to redistribute these courses so that they need not be taken in the first two years; and to thereby achieve a kind of federalized educational program of five separate but interdependent areas concerned with the four-year undergraduate program.

To implement the proposed program it is suggested by the Provost in his report that there be created an overall College Council which would pass upon changes instituted by the various areas. It is also suggested that each of the area colleges or sections have a small governing group, with three of the members to be from other areas in order to guard against overspecialization, appointed by the President and headed by Associate Deans or Chairmen. It is hoped that such an arrangement will provide an atmosphere wherein different educational philosophies could be articulated but establish a faculty who would be concerned with the individual student in terms of a four year program. By dividing the College into areas it is hoped to achieve an atmosphere of the small college in the context of the atmosphere of a large university and thereby add to the strength of the University as a whole.
The Trustees commented upon the Report by the Provost particularly in regard to the proposal to divide the College into five areas, and questioned whether something like the Harvard and Yale Club plans was contemplated, that is, whether it was proposed to incorporate the academic divisions into residential units. Mr. Levi stated that the proposed program would have to be built onto the existing residential situation, and that although the residential unit might well be used to compliment the academic division, that this was not viewed as of primary concern.

In reply to a question as to whether the new plan also intends to attract a different type of student, namely those who do not necessarily intend to do graduate work, the Provost commented that the University of Chicago in concert with the major eastern colleges will continue to have about 80% of its students go into graduate work; that this is one of the arguments for making sure that specialized work is offered, but that it is anticipated that such work will be directed not as specific prerequisites for graduate or professional work but as a liberal arts education. He further commented that it is anticipated student enrollment will climb from the present 2200 to 4000 over the next 10 year period.

Comment was made by the Trustees that the proposed plan was an exciting and beguiling one, and point was made that as the faculty had not voiced any loud criticisms or opposition thus far, that the document perhaps is an accurate reflection of the wishes of the faculty and the the College and Division faculty are ready for such a change.

Following discussion,

The report was received and ordered placed on file.
The Provost reported on new academic appointments and stated that 105 new faculty members have been appointed, bringing the total faculty to 945 as compared with 930 last year, although policy is to attempt to hold down an increase in the number of new acquisitions to the faculty.

Mr. Levi reported upon some of the most notable of the new appointments and mentioned by name Professors Hecht (Cardiology), Lewontin (Zoology), Spiro (Anthropology), Rohrlich (SSA), Coase (Law School), Hazard (Law School), Cohn (History and Anthropology) and Berry (Chemistry), all of whom he had commented upon in his more extensive report on new appointments at the June 11, 1964, meeting of the Board of Trustees. In addition, Mr. Levi mentioned as being among the notable appointments for the forthcoming year, John Hope Franklin from Brooklyn College, and formerly Cambridge University, in the Department of History, and commented in regard to the appointment of Professor Rohrlich in the School of Social Service Administration, that he comes from the International Labor Office and is reputed to be particularly knowledgeable in research in this area.

In connection with the losses of faculty to other Universities, Mr. Levi commented that among the losses was that of Michael Cherniavsky in Russian History to Rochester, which in view of other losses also in that area, is going to increase the necessity of the History Department to build up their sors Russian area. Some of the other losses include: Profs/Clive (History) to Harvard, Dyer (Mathematics) to the Rice Institute, Goldberg (Medicine and Biochemistry) to Harvard, Williams-Ashman (Biochemistry) to Johns Hopkins, Roberts (Astronomy) to a British University, and Lichten (Physics) to Yale.

Mr. Levi commented that he felt on the whole the University had done well, that he did not see cause for great excitement over the losses, but that he hoped the University would do even better in the forthcoming year.
The Provost reported upon student enrollment and in connection therewith stated that although it is not possible to tell exactly the enrollment as the students are still registering, current indications are that student registration on the campus will be around 6,940 or 250 more students than last year. He commented further that the figures estimated earlier by the Deans had been double that figure of increase which figure had been the one used in preparing the budget for 1964-65. He commented further that the total College enrollment may be slightly down, but the enrollment of the entering class will be up by 150 students, or approximately 677 students entering this year.

The Provost commented that of the approximately 2,000 applications to the University for the current year, about 1,000 were rejected, as it is the policy of the departments to accept only the very smart students. Suggestion was made that more information would be desirable on the students who were accepted but who went elsewhere. Mr. Levi stated that his office is trying to acquire further information along these lines but it is somewhat inconsistent with the tradition of the University of Chicago to seek such information.

In regard to the College, the Provost stated that more information is available and reported that a substantial number of students come from Illinois, and the rest come from 45 other states and 5 foreign countries. Ninety-seven percent live on the Quad. He stated that they rank very high on the College Board examinations, 657 on the verbal and 667 on the Math, women being higher on the verbal and men higher on the math, and that scores have consistently risen over the past 10 years which he suspects is the situation nationwide but is nonetheless an indication of the University's competitive position.
He commented further that only completed applications were considered in the figures and that the number of these for the College had gone from 1206 in 1954-55 to 1,963 in 1964-65.

The Vice President for Planning and Development presented a report of Gifts, Grants and Bequests for the month of September and commented thereon.

Mr. O'Brien's comments may be summarized as follows:

The million dollar difference in the total cumulative figures for 1964 as against 1963 is explained largely by two large grants from the Ford Foundation received in 1963, as commented upon at the Board meeting on September 10, 1964.

The large increase in gifts listed as received from groups is primarily a bookkeeping change as in the past grants from such organizations as the American Cancer Society were credited as foundation grants and are now presented as association grants.

The category designated "The College" does not contain all gifts to the College as some are reported elsewhere such as funds received for Cobb Hall which are listed under Plant Funds.
A very small percentage of total gifts (2%) are to the Humanities Division, and Mr. O'Brien emphasized that all are concerned with raising the level of gifts in this area. He commented further upon the grant to the Humanities Division by the Rockefeller Foundation which he characterized as interesting, for the purpose of allowing the Chicago Symphony Orchestra to lengthen its 1954-55 season and in cooperation with the University of Chicago, give premiere performances of symphonic works by young American composers. In this connection he referred to a talk given by Mr. Meyer, Chairman of the Music Department, at a prior Board meeting where Mr. Meyer referred to this program as fitting into the overall plans of the Music Department.

The drop in the gifts for this year in Social Sciences and the Graduate School of Business, Mr. O'Brien explained as being due to two large grants from the Ford Foundation which would earlier have been credited to the Graduate School of Business. The increase in the amount reported under Industrial Relations Center Mr. O'Brien explained, was due to the reporting thereunder of a $200,000 grant from the Ford Foundation which would earlier have been credited to the Graduate School of Business.

The drop in the figure under the School of Education is due to the fact that a grant was received last year from the Carnegie Corporation which has not and probably will not be received this year.

Mr. O'Brien called attention to the items listed as corporate support, particularly the fact that there are three different pledges totalling $250,000 from Proctor and Gamble, and commented that this Corporation has always been a leader in corporate support and Chicago has had its share.
He also commented upon support received from the Shell Foundation.

In regard to the grant of $208,500 listed from the Ford Foundation to establish a Population Institute at the University of the Philippines, Mr. O'Brien commented that the majority of this money is paid out to the University of the Philippines, that the University of Chicago to a large extent is doing the bookkeeping, and that the balance of the funds are being used to send advisors, largely University of Chicago people, to the Philippines.

Mr. O'Brien commented further upon the status of the Ford funding raised by the University of the Philippines.

The amounts listed under scholarships and fellowships as being received from other universities, Mr. O'Brien explained, are tuition remission payments for children of faculty at other universities.

In regard to the item listed under Women's Board, Mr. O'Brien commented that the Women's Board set out to raise $100,000 for the restoration of Midway Studios, which they have now done, and the funds now being listed are additional thereto.

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.
Mr. Benton commented upon the foregoing report and noted that some twenty-five years ago when he suggested that the University should endeavor to interest industry in giving support, that it was considered unrealistic to expect a corporation to give money to a great university, and that the extensive gifts from Proctor and Gamble especially, a corporation with no special emotional ties to the University, indicate the great change which has taken place in terms of what may be now expected as corporate support.

Mr. Benton commented further upon the status of the fund being raised by himself for the purpose of underwriting a biography of Beardsley Ruml, as reported upon by Mr. Benton at the June 11, 1964, meeting of the Board of Trustees, and stated that approximately $30,000 has now been raised towards that end. He commented further that such a biography would be of great significance as far as the University is concerned as so very much of Mr. Ruml's life and activities were connected with the University.

The Vice President for Planning and Development presented the following report and resolution and commented thereon:

Bequest
Re: Acceptance of Bequest Under Last Will and Testament of
Matthew A. Churlis, Deceased

Under the Last Will and Testament of Matthew A. Churlis, a resident of San Diego, California (who died on June 20, 1963), the University was bequeathed a one-half interest in a three-story, fifteen unit apartment house located at 6212-16 North Mozart Street, Chicago, Illinois. The Testator expressed a desire in his Last Will and Testament that the University use the income from the above mentioned property, or the property itself, to pay the tuition fees of students, selected by the University, primarily on the basis of financial need.

Subsequently, on April 1, 1964, the University sold its undivided one-half interest in the aforementioned real estate to one Stanley Veshys, owner of the other one-half interest in the said property, for a gross sales price of $41,500.00. After all necessary sales adjustments were made, the net proceeds of $41,147.87 were paid direct to the University.

The First National Bank of Chicago, as Ancillary Executor under the aforesaid Last Will and Testament has now prepared its First and Final Account for the Estate of Matthew A. Churlis, Deceased, which indicates, among other things, that the University is entitled to receive the sum of $392.91 as the remainder of the share of net profits for the year 1963 on the aforesaid real estate. In anticipation of this distribution the First National Bank of Chicago has requested that the Board of Trustees adopt a Resolution accepting the said bequest and authorizing an officer of the University to accept the aforesaid payment and to execute a Receipt therefor.

In furtherance of the Executor's request, it is recommended that the following Resolution be adopted:

RESOLUTION

WHEREAS, Matthew A. Churlis, a resident of San Diego, California, departed this life on June 20, 1963, leaving a Last Will and Testament, which has been duly admitted to Probate in Cook County, Illinois, and which contains the following provisions:

"FOURTH: I give, devise and bequeath to the University of Chicago located in Chicago, Illinois my one-half interest in that certain three story apartment house containing 15 units known as 6212, 6214, and 6216 North Mozart Street, Chicago, Illinois. 

****

SEVENTH: It is my desire that the universities named in Paragraphs Fourth, Fifth and Sixth above should use the income of these properties or the properties themselves to pay tuition fees of students, male or female, to be selected from time to time by said universities. These legacies are made with the hope that the said universities in paying these tuition fees will do so on behalf of students who are primarily in financial need but who are also of a caliber acceptable to the universities."
NOW, THEREFORE, Be It Resolved, that the bequest be and the
same is hereby accepted by the said THE UNIVERSITY OF CHICAGO
for the uses and purposes therein set forth; and

Be it further Resolved, that J. PARKER HALL as Treasurer and
HORTENSE FRIEDMAN and A. C. SVOBODA as Assistant Treasurers of the said
THE UNIVERSITY OF CHICAGO, or any one of them, be and they are hereby
authorized to accept payment on behalf of said Corporation of said
bequest, and to execute and deliver to The First National Bank of
Chicago, as Executor of the Last Will and Testament of the said
Matthew A. Churlis, deceased, the Receipt of the said Corporation
in satisfaction thereof.

Upon motion duly made and seconded,

It was voted to approve the
resolution as set forth in the
foregoing report.

The Vice President for Planning and Development reported upon the status
of the proposal to the Ford Foundation and the Profile of the University
being prepared in connection therewith. He commented that an outline of
the information requested by the Foundation and being presently
collected had been prepared for the information of the Trustees and
presented copies thereof.

[ Attached to the official copy of
these minutes is an outline of the
information requested by the Ford
Foundation in order to obtain a
profile of the University. ]
Mr. O'Brien commented that the outline indicates the scope and exact nature of the Ford Foundation’s interest in the long term educational objectives and plans of the University, and elaborated upon his foregoing comments as follows:

1. On the surface, the Profile would appear to ask primarily for factual information and financial projections. This is misleading because the Foundation officers are principally interested in learning more about the academic aims of the University of Chicago for the coming decade.

2. There is no intent upon the part of the Foundation to urge the University to formulate different aims; nor is the Foundation interested in shaping our objectives. The Foundation’s principal concern is whether or not we have a plan or target for the future development of the University. Concomitantly, the Foundation would like a realistic appraisal of our financial plans and needs.

3. It is very likely that dollar needs for further development of the University during the next ten years will outstrip the growth of the traditional sources of income. New levels of gift support will be required to achieve even the highest priority needs. Hopefully, the Foundation will want to stimulate our chances of attaining these new levels.

The report was received and ordered placed on file.

The meeting adjourned at _____ P.M.

WALTER V. LEEN
Secretary

September, 1964
# Report to The Board of Trustees of Gifts, Grants, and Bequests

**September, 1964**

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<tr>
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<td>Cash</td>
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<td><strong>Total</strong></td>
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**Total**

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<td><strong>Total</strong></td>
<td>1,240,402.31</td>
<td>1,275,598.30</td>
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### SUMMARY OF GIFT DOCKET, SEPTEMBER 1964

**July 1 - September 30**

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<th>Purpose</th>
<th>September '64</th>
<th>1964</th>
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<td><strong>1. Unrestricted</strong></td>
<td>$85,225.77</td>
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<td><strong>Bequests</strong></td>
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<tr>
<td><strong>4. Total</strong></td>
<td><strong>$1,213,174.85</strong></td>
<td><strong>$2,949,621.50</strong></td>
<td><strong>$3,995,229.78</strong></td>
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<th>Source</th>
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<td><strong>1. Foundations</strong></td>
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<td><strong>5. Bequests</strong></td>
<td>91,764.87</td>
<td>223,474.24</td>
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<td><strong>6. Total</strong></td>
<td><strong>$1,213,174.85</strong></td>
<td><strong>$2,949,621.50</strong></td>
<td><strong>$3,995,229.78</strong></td>
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ANALYSIS OF GIFT DOCKET, SEPTEMBER 1964

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<tr>
<td><strong>1. Unrestricted</strong></td>
<td>(85,225.77)</td>
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<td>(134,331.08)</td>
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<td><strong>2. Considered Restricted</strong></td>
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<td>Biological Sciences</td>
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<td>500.00</td>
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<td>Humanities</td>
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<td>Physical Sciences</td>
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<td>Graduate Library School</td>
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<td>Laboratory School</td>
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<td>167,996.36</td>
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<td>Sundry</td>
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<td><strong>Total</strong></td>
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<td><strong>3. Capital Purposes</strong></td>
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<td><strong>Total</strong></td>
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<td><strong>5. Bequests</strong></td>
<td>91,764.87</td>
<td>223,474.24</td>
<td>244,682.77</td>
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<tr>
<td><strong>6. GRAND TOTAL</strong></td>
<td>$ 1,213,174.85</td>
<td>$ 2,949,621.50</td>
<td>$ 3,995,229.78</td>
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</table>
**GIFT REPORT**

It is recommended that the following gifts and grants, made or pledged during September, 1964, be accepted. (Names of donors of $50.00 or more are reported.)

### UNRESTRICTED

<table>
<thead>
<tr>
<th>Non-Alumni — In Support of the University</th>
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<td>Socony Mobil Oil Co.</td>
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<tr>
<td>Western Electric Fund</td>
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<td>Shell Companies Fndn.</td>
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<td>Peoples Gas Light &amp; Coke Co.</td>
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<td>Abbott Coin Operated Machine Co.</td>
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<td>Chicago Community Tst.</td>
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<td>John P. Mentzer Fund</td>
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**Alumni Annual — In Support of the University**

- Supplement A (Gifts of $500 or more) 425.00
- Sundry (Gifts under $50) 410.89

**Total** $835.89

**BIOLOGICAL SCIENCES**

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**The National Foundation**

- SYMPOSIUM ON DEVELOPMENTAL GENETICS 29,000.00
- SCHOOL OF MEDICINE 15,385.00

**The Procter & Gamble Fund**

- Medical Alumni 385.00

**UCCRF Associates**

- Cancer Research Foundation 13,175.00

**UCCRF Contributors**

- 1,975.00
- 7,850.00
- 3,350.00

**Others**

- Larabida Jackson Park San. 8,483.41

**National Dairy Products Corp.**

- Food Safety Program 8,250.00

**Eli Lilly & Co.**

- 1,000.00

**National Restaurant Assn.**

- 1,000.00

**The Pillsbury Co.**

- 1,000.00

**Seymour Foods, Inc.**

- 250.00

**National Council to Combat Blindness, Inc.**

- Surgery Grant Potts 7,705.00

**Cancer Society of St. Joseph County**

- Grant Jacobson 7,600.00

**Enterprise Paint Fndn., Inc.**

- Salary Support Program 2,100.00

**McGraw Foundation**

- 100.00
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<td><strong>INDUSTRIAL SPONSORS</strong></td>
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<td>Aluminium Laboratories</td>
<td><strong>LAURA FERMI FUND</strong></td>
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<td>Hughes Aircraft Co.</td>
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<td>SOCIAL SCIENCES</td>
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<td>Research and Training in Social</td>
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<tr>
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<td>GRANT - Research in Industrial Relations and Organization</td>
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<td>A. G. Bush Foundation</td>
<td>GRANT - 2nd, 3rd, 4th quarters 1964 to A. G. Bush Library</td>
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<td>George N. Pullman Educational Fdn.</td>
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<td>Procter &amp; Gamble Fund</td>
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<td>United States Steel Foundation</td>
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<td>National Legal Aid &amp; Defender Assn.</td>
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<td>Wieboldt Foundation</td>
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<tr>
<td>General Electric Foundation</td>
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### Fellowships and Scholarships (continued)

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<td>FELLOWSHIP - Law</td>
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<td>FELLOWSHIP - Koops</td>
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<td>SCHOLARSHIP - Dale</td>
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| Contributors              | FELLOWSHIP FUND - Graduate Program in Hospital Administration, GSB | $234,28
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<th>Organization</th>
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<td>Long Island Panhellenic</td>
<td>Scholarship - Konrad</td>
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**Sundry**

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<td>Mrs. Laura Fermi</td>
<td>International House General Student Aid Fund</td>
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**Plant Funds**

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<td>Stuart Blazer Foundation</td>
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<tr>
<td>Mr. Earle Shilton</td>
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<tr>
<td>Mr. Rudy D. Matthews</td>
<td>Class of 1933</td>
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<td>Contributors</td>
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<td>Leslie Fund, Inc.</td>
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<td>Signode Foundation</td>
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<tr>
<td>Women's Board, U. of C.</td>
<td>Midway Studios Restoration</td>
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<td>Robie House Restoration</td>
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<td>Friends of A. J. Carlson</td>
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<td>Contributors</td>
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<tr>
<td><strong>Loan Funds</strong></td>
<td>Miss Emma C. Roberg</td>
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<td></td>
<td>Mr. A. Himmelblau</td>
</tr>
<tr>
<td></td>
<td>Mr. &amp; Mrs. William Gurvitz</td>
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<td>Captain John Zwaanstra</td>
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<td>Medical Alumni</td>
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<td>Contributors</td>
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<td><strong>Bequests</strong></td>
<td>Estate of Fannie Colbert Whalen</td>
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<td></td>
<td>Frances H. Griswald Estate</td>
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<td>Louis H. Silver Estate</td>
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<td>Lomira Perry Estate</td>
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<td>David B. Stern Estate</td>
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<td>Chester S. Bell Bequest</td>
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<td>Frances K. Hutchinson Will</td>
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<td>William E. Vogelback Estate</td>
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Total: 1,130.00
SUPPLEMENT A - Alumni Annual
The General Electric Foundation $225.00
Dr. Walter F. Hoeppner 100.00
Towner B. Root 100.00

SUPPLEMENT B - Graduate School of Business
Sigmund H. Danziger 200.00
Stuart W. Cochran 100.00
Roy A. Ferguson "
Ford Motor Company Fund "
Arthur J. Goldberg "
Ernest Kanrich "
Edward J. McAdams "
Dale Noble "
Lowell G. Schultz "
Charles C. Callard, Jr. 50.00
Robert M. Drevs "
Anthony J. Gasbarra "
William A. Jefson "
Robert W. Moore "
S1 Richard Wynn "

SUPPLEMENT C - Law School
Leo J. Carlin (Carlin Fund) 1,000.00
Thomas R. Mulroy 500.00
Jerome B. Rosenthal 150.00
The Honorable James R. Bryant 100.00
Herbert A. Friedlich "
Benjamin Rosenberg "
Harry N. Wyatt (In honor of Arnold Maremont) "
Arthur J. Goldberg (Arthur J. Goldberg Foundation) "
Harry Kalven, Jr. "
George W. Rothschild "

September, 1964
TO: College Faculty

I hope the faculty will consider the enclosed proposals in the fall.

E. H. L.
August 25, 1964

MEMORANDUM TO THE PRESIDENT AND TO THE COLLEGE FACULTY

As has frequently been observed, The University of Chicago did not begin as a college and grow into a university. Conflicts and balance between teaching and research, as reflected in an emphasis on undergraduate or graduate work, have been with the University since the beginning. The original Harper plan was criticized because it attempted to be both a college and a university in the same institution. Harper's original emphasis was in favor of research, but he was greatly interested in general education. He developed the junior college as the main instrument for general education and as the means of coordinating the last two years of high school work with the first two years of the college.

Thirty years later the University Senate reflected strains within the institution when it announced that "this University can perform its most distinguished service to education through its graduate and professional schools" and suggested a limitation of undergraduate instruction. Dean Boucher later described that period as a time when "undergraduate work was grossly neglected; even worse, the College came to be regarded by some members of the family as an unwanted, ill-begotten brat that should be disinherited. Nearly all finally agreed that we had reached a situation that necessitated a decision either to abandon the College or to develop it . . ."

The College, of course, was not abandoned. Instead President Burton took the position that its development was "no less obligatory than the development of the work of the Graduate and Professional schools." In his view the University had then reached a stage where
undergraduate and graduate education should receive that discriminating attention which each in its own character demanded. The rationale for granting equal emphasis was in part that "the University is dominated by the idea of research and that such research must be carried on in all the social sciences and surely, not least, in education." Five years later President Hutchins in his inaugural address reaffirmed this position. He recognized that "the emphasis on productive scholarship that has characterized the University from the beginning and must characterize it to the end has naturally led to repeated questions as to the place and future of our colleges. . . . At times, therefore, members of the faculty have urged that we withdraw from undergraduate work, or at least from the first two years of it. But we do not propose to abandon or dismember the colleges . . . If the University's function is to attempt solutions of difficult educational problems . . . it cannot retreat from the field of undergraduate work . . . ."

The fact is that throughout the history of the University, and despite the statements of discontent, which in themselves are characteristic of the restless spirit of this place, undergraduate education has always been a principal and honored part of the University's work. In the early years this was in accord with a strong sense of mission to reveal the heritage received from the past. In later years the University's view of itself as somehow unique compelled a particular concern for the shape of undergraduate education. The academic leadership of the College through deanships or similar posts has been in the hands of such men as James R. Angell, George E. Vincent, David Alan Robertson, Ernest Hatch Wilkins, Chauncey Boucher, Aaron J. Brumbaugh, Clarence Faust, F. Champion Ward, Robert E. Streeter, and Alan Simpson. An almost
continuous dialogue has produced notable steps and experiments. Among these are the junior college idea, the integrated first year, the orientation period, the general survey courses, general education courses rooted in the larger dimensions of a particular subject matter, the emphasis on discussion and on the understanding of classical materials, the conception of required training in the major humanistic and scientific disciplines, the effort to coordinate or unify the last two years of high school work with the first two years of college and to join specialized training with graduate work, early admission, accelerated programs, the separation of examinations from course credits, and the development of tutorial studies. In the last few years the College has been among the leading universities developing out of the intellectual resources of the University undergraduate courses in the study of non-western areas.

The vitality of the College has been derived less from set programs than from the vigor of both debate and development. Its educational philosophy has not been frozen. Not all of the changes have been permanent; nor were they intended to be, despite the vigor with which they were developed and the conviction which they necessarily represented. Since the University as a whole is characterized by lively interaction among its ruling bodies and its disciplines, it is not surprising that the College, which in itself has a particular mission to unify, should not be insulated from the strains and influences of various aspects of university life. Protective barriers, however important, have been hard to maintain and where maintained too long have been self-defeating. The protection which the University has always given to experimental programs is different from
a separatism which would reflect a lack of involvement and a lack of concern on the part of the institution as a whole. That kind of separatism would be contrary to the spirit of unifying purpose and community which has characterized our institution.

Undergraduate education is then a matter of vital concern for the entire University. But there are many problems to be faced.

Chief among these problems is the appropriate relationship between general and specialized education and the relevance of each to liberal education. The colleges have a mission to train citizens, and citizens in some sense are generalists. The colleges have a mission to carry forward through their students a mastery of our culture and, increasingly, an understanding of other societies and their traditions. More than the recognition of relevant areas of subject matter is involved. Because the students will be the citizens and the protectors and interpreters of our values and society, colleges cannot be indifferent to the student's recognition of value structures, his appreciation of the works of the mind, his grasp of the richness of life, his discerning intelligence, his compassion, indeed his character. This combined emphasis on citizenship, on the cultural values and on the growth of the individual student has directed the content of general education to an examination of the great works and themes of our past and to instruction in the arts necessary for comprehending the structures of human reasoning.

For many reasons, and in part because of the nature of the themes involved, there has been a tendency to equate general education and training for citizenship and individual growth with work in the humanities alone. The curriculum of our College protests such a conclusion. But the growth in knowledge, in graduate study, and in the prerequisites for graduate study has kept alive a question as to the
basic difference between knowledge treated in a professional or specialized manner and knowledge approached as general or liberal education.

Because of the special problems posed by undergraduate education, the College has sometimes been thought to test the desire of the University to be something more than a research institute and the producer of scholars. But the problems of liberal education, the interrelationships of knowledge, and the nature of specialized work exist at many levels within a university. A college which provides a forum for the discussion of evolving theories which encompass and point the way to new knowledge and restate fundamental themes adds greatly to the life of the University and to the reality of the community. Moreover, it is through the College that the University may well exercise its greatest influence upon future teachers and scholars and their students in colleges and universities throughout our country.

At the present time the College approaches the problem of general education with ten basic courses (and some alternative modifications) to be taken by the student within a period of time which permits only eight courses. These courses are a current version of a pioneering effort to restate ideas in the humanities, social sciences and natural sciences, to interpret institutions and thought within a culture, to provide training in the arts of reading, writing, speaking and mathematics, and to give a certain amount of instruction in a foreign language. Placement examinations taken by all students make it possible for the requirement of ten courses to be reduced to eight because the students have "placed out," have come within a reasonable distance of doing so, or have had the requirements mitigated. The student who has
not "placed out" of more than two courses thus has in effect two years of general education work. While these general education courses need not all be taken in the first two years, the program reflects a kind of division of the four years into a general education period followed by specialized departmental courses. I realize that it is not entirely correct to speak of the last two years in this fashion. To do so is to neglect such important developments as General Studies in the Humanities, Tutorial Studies, Special Honors, General Studies in the Social Sciences, Advanced Undergraduate Research in the Biological Sciences, and a somewhat similar program in the Physical Sciences. It neglects also to some extent the expanded influence and jurisdiction of the College and the collaboration among the College, the departments, and the divisions.

The basic general education courses are staff-taught and have been worked out by them. They are not, as has sometimes been suggested, unchangeable. They are subject to change and have changed. For example, three variants are offered for a portion of the Biology Sequence. An experiment is now taking place to relate the English Composition course with the student's experience in the general Humanities course. The Social Science general courses have been substantially reorganized, and a whole series of non-western civilization courses has been introduced. To a considerable extent the courses are interdisciplinary and they rely heavily on discussion. Where appropriate, they are built around original writings, frequently in translation, rather than on text books. They represent what has come to be regarded as the Chicago tradition.

In the course of examining the present College program, I have heard discussions on it by most of the members of the College faculty; and I have talked with many of the College students. In general the students are proud of the general education courses. They regard them as Chicago's
unique contribution to liberal education. Praise of the general education courses is mixed, as one would expect, with specific criticisms, on which there is less agreement, on the conduct of specific courses or sections. The point was frequently made that discussion groups of approximately twenty-five students are no longer regarded by students as small group discussions; there is a desire for more individual and tutorial work. There is pride in the fact that most instruction is in the hands of full-time members of the faculty and has not usually been given to graduate students. On the other hand in those limited areas where graduate students have been used, the students have sometimes commented favorably. To some extent, I assume the reactions of the students were based upon what they have been told and their desire to identify Chicago's uniqueness. There is a certain antipathy to the idea of large lecture courses as not being Chicago's way, and because being talked at is not as good as discussion or reading for one's self. There seems to be general agreement that the requirement of some work in common for all students in the humanities, social sciences, and natural sciences is highly desirable. With notable exceptions there was less satisfaction expressed with the more specialized work of the last two years; there was less enthusiasm and pride in their accomplishments in this area of work than might have been expected.

The appropriate staffing of the general education courses presents very real difficulties for the College and for the University. The demands made by many of these courses upon the instructors are heavy. To some extent they are interdisciplinary and require a multidisciplinary background. It has been important to the College to have the same instructor lead the students in his section through all phases of the course sequence. There are obvious advantages to this, but it increases
the burden. The work of the general education courses poses difficulties, although there are some countervailing advantages for the teacher who naturally wishes to contribute as a scholar to the knowledge and understanding of a particular area. These are not new problems, but they are not less serious on that account. It is a matter of concern to the College and to the University that the quality of the University's faculty, which is its pride, be maintained through appointments to the College. This is not to suggest that this has not been the case but to suggest, as the competition for faculty increases, and perhaps as multidisciplinary backgrounds become less frequent, that some special inventive measures may be required. Until these have been tried, it is not clear whether the present form of the general education courses can be maintained. Surely the attempt is worthwhile.

The relationship of College and departmental appointments has complicated the situation. The original memorandum from President Hutchins to the University Senate on the reorganized College provided that "each member of the College faculty would be a member of some other division." There were changes in that policy. In the last three years, however, there has been a renewed attempt to encourage joint appointments. In 1963 there were 107 appointments in the College only, and 72 on joint appointment; in 1964, 77 appointments in the College only, and 102 on joint appointment. Because of the scope and orientation of the College, which is more akin to the divisions than to the departments, it is understandable that in some circumstances a particular departmental appointment might not be most appropriate. For such cases, divisional appointments would be helpful. It is not suggested that all College appointments need be joint.

The last two years of the undergraduate program suffer from the lack of effective responsibility for the curriculum and its implementation.
Departments vary greatly in their assumption of responsibility for undergraduate instruction. The movement in the last few years has been toward greater responsibility. The College, however, largely because of its structure and the size and heterogeneity of its faculty, has not been in a position to program as effectively as would be desired for the entire undergraduate curriculum, and no other faculty has been in a position to do so. Yet a view of that curriculum as a whole is desirable if specialized courses at the undergraduate level are to perform best their function of liberal education. The problem seems to be mainly one of organizational structure rather than a reflection of fundamental difference in educational philosophy. There are some fears that specialized courses will be only prerequisites for graduate work or that on the contrary they will be developed so as to completely fail in that function. There is general recognition that the more specialized courses, just as much as the general educational sequences, should be directed toward the undergraduate's intellectual development and that in connection with the mastery of a given field of knowledge, whether in or outside the student's ultimate area of specialization, the student can be led to a better understanding of the ways of thought and of the limits and interrelationships among various disciplines. Under present circumstances the separation, to the extent it exists, of the College into two divisions has had a tendency to limit faculty involvement in experiments which, without diminishing the College's central concern for the organization of subject matter, would reflect the strengths and interests of the faculty and of the students. It has tended also to remove from faculty discussion those issues previously determined but which must be thought through again as part of any on-going educational program. This separation has arisen because of the University's
extraordinary efforts to solve the problems of the appropriate relationships between general and specialized education and the relevance of each to liberal education. But the continuation of this separation now impedes discussion. The University's work in liberal education would be strengthened if the undergraduate curriculum could be regarded as a whole.

Whatever the advantages, the splitting of faculty into those teaching the general education courses, those who instruct in the last two years of the undergraduate program, and those who lead research at the graduate level has unfortunate consequences. The University's faculty is marked generally by the freedom of choice given to it. There has been less freedom for the College teacher and fewer opportunities. For most, participation solely in the general education courses over a long period of time has not been the best basis for continued intellectual growth. Granted that some difference in emphasis may be sought in the general education courses, too marked a separation in staffs from specialized and graduate instruction removes these faculties and their courses from the mainstream of the University's thought and power. If there is a special justification for an undergraduate college within a university such as Chicago, it is because the strength of the University through its faculties will be brought to bear on undergraduate programs and instruction and the broadening influence of the College program in turn will have a coordinating and continuing influence upon graduate work. Indeed the strength of Chicago's present general education courses reflects the work of many divisional faculty members at a crucial earlier period.

The question, of course, is whether greater opportunities for specialized work on the part of College faculty and greater participation in College instruction from divisional faculty can be obtained only at the cost of making undergraduate education a secondary and incidental part of
the University or by modifying the liberal arts focus of the program. Greater faculty concern and involvement with the College imposes a burden upon the faculty and not all will or should be interested. For these reasons the separate College organization with its own budget and dean represents an important commitment by the University. But the University's interest in undergraduate liberal education should be deemed sufficiently strong to permit somewhat greater flexibility and interchange. Optimistically there is reason to believe that at this stage of the University's development there are many members of the University's faculties who would welcome an opportunity to develop and implement programs at the undergraduate level. And this can be done in such a way as to strengthen and not diminish the independent integrity of these programs and the independent integrity of the College.

To secure greater participation by the faculty as a whole and at the same time to preserve the integrity of the programs of the College and to focus attention upon them, two steps should be taken. First, greater reality and effectiveness should be given to the College faculty as a ruling body. The College faculty is now too large and amorphous to be effective as an originating and affirmative body. It numbers 280, of which 101 have appointments solely in the divisions, having been designated for College voting membership on the concurrent recommendations of the Dean of the College, the Dean of the Division and the Dean of the Faculties. This latter statutory category was created in an effort to secure greater participation by the faculties as a whole in the undergraduate programs. The College faculty has been divided into four sections patterned after the divisions, although without statutory authority. In addition the College faculty has an executive committee and a policy committee. These agencies, while useful, have not been sufficient to
provide the kind of forum needed for meaningful faculty discussion and work on curriculum. Recommendations for faculty appointments coming from the College suffer because to some extent they originate from ad hoc or administrative committees and do not have that independent affirmation which can be given by a standing faculty committee appropriately representative of an entire faculty when discussion and decision by the entire faculty are not possible.

Second, the present sectional structure of the College should be built upon and modified in order to encompass responsibility for the entire four years of undergraduate work and to reflect the University's interest in undergraduate instruction. The experience at Chicago with the divisional structures, cutting across departmental lines while preserving their integrity, should be of considerable help in the evolution of new undergraduate programs. The similarities and interrelationships among subject matters within these areas should make it possible to have faculties that can respond to curriculum problems and carry through needed innovations. It is within these areas that both at the College and divisional levels the faculties are most accustomed to working together. The organization of the subject matter is closest to that now represented by the general education courses. It is within these areas that many of the problems concerning generalized and specialized approaches must be understood and worked upon. If the emphases and objectives of the programs are kept clearly in mind, this use of the area sections should facilitate renewed efforts to restate and exemplify the basic concepts and modes of thought of the major disciplines. At the very least the use of the area sections as organizing structures for undergraduate education should result in an improvement in the specialized work of the undergraduate curriculum.
It is therefore proposed:

First, in order to give greater effectiveness to the College faculty as a ruling body, that a College Council should be created with delegated powers, numbering forty in membership, half elected by the College faculty and half appointed by the President of the University. Subject to the usual statutory provisions, the Dean of the College would be the presiding officer of the College Council. The President, the Provost, the Dean of Students, and the four Divisional Deans will be members ex-officio. The College Council should elect a Policy Committee of twelve from its membership. The Dean of the College should appoint standing curriculum and faculty appointment committees responsible to the College Council.

Second, in order to secure greater faculty participation in the undergraduate curriculum, while at the same time preserving the integrity of the College programs and extending the scope of effective concern over the entire four year undergraduate period, that four area colleges or sections should be authorized, subordinate to the College Council, each with a governing committee of twelve members appointed by the President of the University, and headed by an Associate Dean or Chairman appointed by the President. Three of the governing members should be from outside the discipline of the particular area.

Subject to the authority of the College Council, each of the area colleges or sections would have a fourfold responsibility. Each would develop general education and other courses to be available to all students including students not members of that college or section. Each would develop special programs to be required or offered to their own students. Each would determine the over-all required or permitted programs for their own students in the work of other colleges or sections. And each might offer in the fourth year of the undergraduate's work a year long seminar...
to give opportunity for individual work and an integrating view of the field. It is to be hoped that the colleges or sections will deliberately foster some joint programs. Recommendations for faculty appointments or curriculum changes would move from within the area College or section to its governing committee and associate dean or chairman, and then to the College Council. When organized, the College Council should set guidelines as to what type of appointments recommended by the area colleges or sections should be passed upon by the College Council appointments committee and what kinds of curriculum changes are regarded as sufficiently important to be brought before the College Council curriculum committee.

Within the framework of certain requirements, although there should be discussion and consultation, diversity and innovation should be encouraged. Yet some coordination among the separate colleges or sections is desirable. Some mechanism must be present to speak for the College as a whole as the programs evolve. The College Council should be that mechanism.

The division of the College into area colleges or sections builds upon the present College structure and the experience of the University with its divisions. It thus adopts for its organization particular distinctions among fields of knowledge. But these distinctions, while providing much of the present framework for the general education courses, may not be in fact the best preparation for some specialized work. They may not be the best preparation either for an understanding of the basic values of our society in discharge of the College's duty to train public citizens. Other patterns of organization are useful to students and faculty. This is reflected in the numerous interdisciplinary area committees, sometimes between divisions, which exist at the graduate level. It is reflected also in the approach of many of the professional schools. In the modern world the training of a public citizen requires
not only the specialized training which can be given in the professional schools, such as law, or in the graduate departments, such as economics, but also a broad liberal arts base, with language skills, an understanding of cultural values in western and non-western civilization, an appreciation of science, and skills in persuasion and analysis. The liberal arts education of students to be trained either for careers in the public service or as informed citizens should challenge the best efforts of the College. Pressures for particular curriculum arrangements set with other goals in mind should not impede this effort.

It is therefore proposed:

Third, to give emphasis to the responsibility of the College to train public citizens and to provide approaches which can complement the area colleges, that there shall be a fifth coordinate college or section known as General Studies, which will have its own governing committee and associate dean or chairman.

This organization of the College into separate colleges or sections will have to meet certain problems. One problem relates to the student who is uncommitted when he enters undergraduate work, or if committed, changes that commitment, as so many do, after a certain period of work. It is to be assumed that transfers will be permitted from one College or section to another. But after a certain point this undoubtedly will and should entail a loss of student time. There are advantages in having the first year of the student's work in general a year in common with other first-year students. Such a first year in common is not a new idea. It was suggested many years ago for Chicago by Dean Angell; it has been tried elsewhere. When linked to the General Studies and area colleges or sections it seems to provide a needed function. All of the students, then, would take a portion of their general education studies in the first year. A
student who is regarded as particularly qualified to do so might be permitted to defer one such year-long course in order to begin specialized work. There will be problems of variations in programs among students. There are such problems now. There will be students who "place out" through examination from some of the general education courses; it may be that more advanced work should be required of them rather than an excuse from the field. In general, the first year should provide a distributed portion of the core curriculum required of all. The emphasis here is on "a part", since a division between one year of general education followed by three years of specialization is not intended. The Dean of the College may find it desirable to have an Associate Dean and a special committee, partially representative of the colleges or sections, particularly concerned with the first year of the College.

A second problem relates to the common requirements which would be adopted by all of the area colleges or sections and General Studies. It seems wise to begin with the requirements as they now are. Thus, one would begin with the requirements for specialization which actually exist and with the general education courses as they now are. This would mean, for example, that beyond the first year, one-third of the courses taken would be general education courses. Basic modifications of the amount of work required outside of the field of concentration and substantial deviations in the offering or requirement of general education courses should be passed upon by the curriculum committee of the College Council. It should be made clear that in the development of the curriculum, the colleges or sections are expected and encouraged, if they so desire, to develop alternative programs.

It is proposed:

Fourth, that the first year of the undergraduate curriculum should in general be a year in common of general education courses for all students,
but with students particularly qualified permitted to defer one general education course in favor of specialized work.

Fifth, that initially the requirements for general education courses and for specialization should be as they now are but with the colleges or sections encouraged to develop new programs. Substantial modifications of the present requirements should be passed upon by the College Council and its curriculum committee.

The organization of the College into coordinate units will aid in solving another problem which exists on a different level. This is the problem of the educational organization of undergraduate student life. The College at Chicago with approximately 2300 students is relatively small. Some significance may attach to the fact that it is usually not known to be that small. Chicago has an extraordinarily high faculty to student ratio, and at the College as well as the graduate level. Chicago should have the singular advantages which come within a university when a particular faculty group can know and work with the students in its charge. This is indeed the case in most of the professional schools and often at the graduate level, but it has not sufficiently existed within the present College framework. The system of advisers and other steps which have been taken have not made up for the difficulties presented by a lack of smaller units related to educational programs. The success of some of the special programs, such as General Studies in the Humanities, perhaps can be attributed in part to this designation of a small group. The organization of the College which is proposed will designate viable student communities. This will greatly assist the educational programs. Student life, faculty and student relationships, and the use of academic and residential facilities now available or to be built will be greatly improved by this organization.
New approaches to undergraduate education made possible through the greater participation of the faculties and a more effective organization of the College faculty can be enormously important to Chicago and to liberal education generally. They have been in the past. The proposals made herein are mostly matters of organization. They rely on the interested faculties to take the next steps, building on the considerable although uneven progress which the College has made through many years. They have the strength of opening up to faculty discussion the amount and nature of general requirements, including the distribution and type of courses, which will hold together the Chicago program and yet permit a considerable amount of diversity. This is where such matters ought to be discussed. The program will require considerable support from the faculty as a whole and from the administration of the University.

This is both a pressing and fortunate period in which to reexamine undergraduate education. There has been an enormous growth in knowledge. Many high school programs have been greatly improved. The percentage of Chicago College students going on to do professional or graduate work has changed in the last thirty years from less than twenty percent to something on the order of seventy to eighty percent. From these facts there is no reason to conclude that the liberal arts college should be pinched out of existence; rather its opportunities are greater and different. In a community where everyone is on his way to becoming a specialist, including, for example, a specialist in the new profession of business, the need to understand the interrelationships among fields of knowledge and to appreciate the competition among and limitations upon the disciplines is all the more important, and in part so that one's own discipline may be understood. In a world of specialization, universities must work with the materials at hand, both at the undergraduate and graduate levels, to reveal the general and the
basic. In a world of separate professions, universities through their colleges must aid in the development of citizens of wisdom, capable of leadership. Chicago with its high proportion of students who not only will lead research and the professions, but who will do so much to determine the shape of undergraduate teaching in other institutions has a particularly heavy responsibility.

Edward H. Levi
I. Establishment of the Ad Hoc Committee and the Delineation of its Charge

In a meeting on January 16, 1964, the Policy Advisory Board of the Argonne National Laboratory recommended that President Beadle of the University of Chicago cooperate with Associated Midwestern Universities (AMU) and Midwest Universities Research Association (MURA) in the establishment of a high-level committee composed as follows: three representatives from MURA, two representatives from AMU, one representative from the University of Chicago and one representative from the Argonne National Laboratory.

The committee was specifically charged with the responsibility of studying procedures for advancing the high energy physics program in the Nation and in particular in the Midwest area. The committee's attention was especially directed to the immediate problem of increasing the capabilities of the Zero Gradient Synchrotron (ZGS) at the Argonne National Laboratory and its availability to users, and to the long-range problem of assuring the continued growth and development of high energy physics in the Midwest. In a press release dated January 20, 1964, the Atomic Energy Commission stated that it was, "looking forward toward future improvements of the Zero Gradient Synchrotron recently completed at Argonne. Also, leaders of MURA, AMU, Argonne and the University of Chicago are exploring ways whereby Midwest universities would be able to participate more directly in the use and management of the ZGS. It is anticipated that these actions would increase further the usefulness of this accelerator to the scientific community."

The Board of Directors of AMU in consultation with Dr. Albert V. Crewe, the Director of the Argonne National Laboratory, accepted responsibility for initiating the activities of the ad hoc committee. The Board stated, "the Board of Directors of AMU agrees in principle with the organization of an ad hoc committee with three representatives from MURA, two from AMU, one from the University of Chicago and one from the Argonne National Laboratory to study and make recommendations for the best possible program to promote a high energy physics program in the Midwest."
At its meeting of January 27, 1964, the Board of Directors of MURA issued a statement in which it expressed its strong desire to cooperate with the ad hoc committee in achieving a unification of the groups working in high energy physics in the Midwest. "It is hoped that through such action the retention, in the Midwest of the talented MURA group can be effected."

In a letter dated January 16, 1964 from President Johnson to Senator Humphrey it was stated-- "I would hope and expect that the fine staff of MURA will be able to continue to serve the Midwest through the universities and at Argonne, and I have asked Glenn Seaborg to use his good offices in that direction. I have also asked him to take all possible steps to make possible an increase in the participation of the academic institutions of the Midwest in the work of the Argonne Laboratory. He has outlined for me a concrete proposal to accomplish this. I share fully your strong desire to support the development of centers of scientific strength in the Midwest and I feel certain that with the right cooperation between the government and the universities we can do a great deal to build at Argonne the nucleus of one of the finest research centers in the world."

Finally, in a letter from Senator Humphrey to President Elvis Stahr of Indiana University he quoted from a memorandum prepared following his meeting with Dr. Seaborg (Chairman, AEC), Dr. Wiesner (President's Science Advisor), and Dr. Seitz (President of the National Academy of Sciences). "Senator Humphrey placed great emphasis, we believe correctly, on the necessity of taking all practical steps to get the Midwest universities behind the Argonne Laboratory and find ways to give them a greater voice in the program for management at the Argonne Laboratory."

In implementing all of these recommendations a seven-man ad hoc committee was established. The chairman of the committee is Professor John H. Williams of the University of Minnesota, representing AMU. Other members and their affiliations are: Dr. A. V. Crewe (Argonne); Professor E. L. Goldwasser (AMU); President Frederick L. Hovde (MURA), (President Elvis Stahr acting as alternate); Dr. Warren Johnson (University of Chicago); Mr. A. W. Peterson (MURA); Dr. Bernard Waldman (MURA). Finally, Professor Frederick Seitz, President of the National Academy of Sciences, was asked to serve as a consultant to the committee insofar as he could make his time available.
II. Operation of the Committee

The initial meeting of the ad hoc committee was held on January 24, 1964, in New York City. Altogether the committee has devoted more than a dozen meeting days to its work. It has interviewed more than thirty of the interested parties from the MURA organization, the University of Chicago, the outside "user" universities, and the Argonne National Laboratory. The committee has found that its work could be divided into two separate major categories.

The first has to do with the development of facilities and physical plant at the Argonne National Laboratory. In each of the various charges made to the committee it was recognized that the failure to obtain authorization for construction of the proposed MURA FFAG accelerator jeopardized the well-being of the high energy physics program in the Midwest. In order to secure the strength of this program, which plays a key role in all university physics research, the committee deems it to be necessary to strengthen the high energy research program at the Argonne National Laboratory.

The second focus of the committee's deliberations has been on the organizational problems surrounding the operation of the Argonne National Laboratory. MURA has played an important role in the cooperative plans of the Midwestern universities in the field of high energy physics research. With the potential dissolution of MURA, the security of their programs in this key field of research appeared to be jeopardized. There was a general consensus that in order to establish the strongest possible program in high energy physics research throughout the Midwest, the interested universities in that region should have a strong voice in the management of the research program at the Argonne National Laboratory.

The results of the committee's deliberations of these two general classes of problems are presented below:

A. Strengthening of Facilities at the Argonne National Laboratory

The committee discussed the development of the high energy physics program with users, with MURA staff members and with Argonne Laboratory personnel. It developed that there was essentially complete agreement on the kind of program that would be necessary in order to establish the Argonne National Laboratory as a first-class center of high energy physics research.
For many years the users group and the Argonne National Laboratory has proposed an expansion of the experimental areas around the ZGS. This expansion would take the form of the construction of a second proton area. Such a construction project was envisioned in the early considerations of the design of the machine. The demand for experimental time on the ZGS has long since been established at a level which requires such an expansion of experimental facilities.

Furthermore, proposals have repeatedly been made for the construction of a large liquid hydrogen bubble chamber. Such a bubble chamber was originally to be of the type already in operation at the Lawrence Radiation Laboratory and at the Brookhaven National Laboratory. These chambers have a length of about six feet. In the past year, the techniques for construction and operation of large liquid hydrogen chambers have improved to the point where it is possible to consider a chamber of much larger dimensions. It is appropriate at this time to skip the intermediate step of a six foot chamber at Argonne and to go ahead with the construction of a very large chamber which will be useful not only for a more effective research program concerning the strong interactions, but also for a study of the weak interactions.

The third item in the improvement program is the construction of a new injector to replace the original 50 MeV linear accelerator which was constructed for and is now operating with the ZGS. The new injector would provide protons of about 200 MeV energy and would boost the intensity of the ZGS by a factor of about 4 or 5. One of the arguments used in turning down authorization of the MURA high intensity machine was that intensities approaching that of the MURA machine could be achieved with the ZGS if an appropriate injector were used. The design for such an injector has now been completed, and a proposal has been submitted to the AEC.

It is the unanimous opinion of the members of the ad hoc committee that this three-pronged improvement program at the ZGS be strongly supported at the earliest opportunity.

B. Organization and Management of the Argonne National Laboratory

During its interviews with user physicists from the University of Chicago, the Argonne National Laboratory and the surrounding universities of the Midwest the committee found an almost unanimous opinion that the universities of the Midwest should have a much stronger voice in the policy
formulation and control of the high energy physics program at Argonne. The committee therefore spent considerable time discussing the feasibility of splitting the high energy physics section of the Laboratory away from the rest of the Laboratory so that it could be handled under a separate contract. The committee unanimously agreed that such a plan would pose great difficulties and should be undertaken only as a last resort.

The committee therefore turned its attention toward discussion of the advantages and disadvantages inherent in a broader base of responsibility for the contract for operating the entire Argonne National Laboratory. It was unanimously agreed that the research program at Argonne and the strength of the universities of the Midwest would both benefit from a greater degree of participation by Midwest university scientists in programs at Argonne and from a greater degree of participation in policy formulation by the community of universities in the Midwest. It was further agreed that this could best be effected by the formation of a not-for-profit corporation composed of a group of Midwestern universities, each of which shall be required to commit itself:

a. to guarantee whatever nominal financial support is deemed essential to the security of the new corporation ($25,000 per institution is suggested),

b. to provide a level of local university staffing which will permit active senior staff participants in Laboratory programs to spend extended periods in residence at the Laboratory, and

c. to provide that the Board of Directors of the new corporation be composed of responsible representatives of the institutions, the scientific community, and the industrial community.

The following recommendations of this committee should be included in a founder's agreement executed by the members of the corporation before it is incorporated. This founder's agreement shall be approved by the Atomic Energy Commission.

III. Recommendations of the Committee

The committee makes the following recommendations for changes in the management structure of Argonne National Laboratory. These recommendations have the unanimous
agreement of the members of the committee, the alternates and their advisors.

1. The committee recommends that the prime contract for the operation and management of the Argonne National Laboratory for the Atomic Energy Commission be changed to a tripartite agreement, the parties to be the ABC, a not-for-profit corporation to be organized by a group of Midwestern universities, and the University of Chicago. The activities of the parties pursuant to this plan shall at all times be subject to the provisions of the tripartite contract.

2. The function of the new not-for-profit corporation of Midwestern universities shall be to formulate, approve and review Laboratory policies and programs.

3. The function of the University of Chicago shall be to operate the Argonne National Laboratory in a manner responsive to the policies established and approved by the new corporation.

4. The terms and conditions of the new tripartite contract shall be such as to assure the new not-for-profit corporation of Midwestern universities that their decisions shall be carried out, and that policies approved by the corporation shall be put into effect.

5. The terms and conditions of the new tripartite contract shall be such as to assure the University of Chicago that it will be able effectively to operate the Laboratory in a manner responsive to the policies established by the new corporation.

6. The committee recommends further that the parties recognize (a) that they share a mutual responsibility for promoting the maximum scientific progress and engineering development made possible by the funds and facilities provided by the Government, (b) that they must cooperate in order to stimulate scientific and technological advancement in the Midwest community and the nation, and (c) that these purposes can be attained only by continued emphasis on recruiting and retaining on the staff of the Laboratory the most competent and creative scientists and engineers available and by affording them full support.
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Appendixes

A. Biographies of the President and other key administrative officers, including deans.

B. List of the Board of Trustees.

C. List of distinguished faculty.

D. List of distinguished alumni.
Pursuant to notice, a regular meeting of the Board of Trustees was held in the Board Room, 38 South Dearborn Street, Chicago, Illinois, on Thursday, November 12, 1964.

There were present: Mr. Cone in the chair; Messrs. Aldis, Axelson, Beadle, Bell, Bensinger, E. M. Blair, Block, Coggeshall, Donnelley, Douglas, Field, Gunness, Ingersoll, Jarvis, Kramer, McDougal, McNair, Nuveen, Percy, Ranney, Ryerson, Smith, Stern, Sulzberger, Ward, and Woods; also Messrs. E. H. Levi, Ritterskamp, Harrell, O'Brien, Daly, J. P. Hall, Lincicome, and Leen.

The Chairman announced that 22 of the 40 Trustees and 5 of the 17 Honorary Trustees were in attendance at the meeting and declared a quorum to be present.

Prayer was offered by Mr. Axelson.

The Chairman referred to the Luncheon Meeting of the Board which had been held that day at the Mid-Day Club, and which had been chaired by Mr. Marshall Field Jr., and noted that Mr. Morris Janowitz, Professor of Sociology, had talked to the Trustees on the subject of school problems.
The Chairman noted that the term of Class 1 members (Mr. Robert P. Gwinn and the other Class 1 membership having been unfilled since Mr. Ranney assumed the second Vice Chairmanship of the Board of Trustees and the Budget Committee) of the Committee on Budget will expire on December 31, 1964, and that the By-Laws require the Board at its November meeting to appoint their successors. Thereupon the Chairman nominated the following Trustees for membership on the Committee on Budget as Class 1 members for the term beginning January 1, 1965 and expiring with the annual meeting of the Board in June 1966:

Ben W. Heineman

J. Harris Ward

On motion duly made and seconded,

It was voted by the unanimous vote of all Trustees present at the meeting to appoint the Trustees named above to membership on the Committee on Budget in the Class and for the term indicated above.

Mr. Cone expressed his appreciation to Mr. Robert P. Gwinn, the retiring member of the Budget Committee for his service on the Committee.
The Chairman welcomed Mr. Percy back from his campaign as the Republican candidate for Governor of Illinois, and also welcomed Mr. Charles Daly, newly appointed Vice President for Public Affairs.

Mr. Aldis reported on behalf of the Committee on the Trustees' Dinner that because facilities are not available for the evening before the Trustees' meeting in January, the dinner will be held on January 14, 1965, the same day as the Trustees' meeting. He further remarked that reminder notices should be sent out shortly.

The Chairman announced that he did not yet have replies from the persons he had asked to serve on the Budget Committee and therefore could not announce the new membership as yet.

The President briefly reported upon the situation in regard to Argonne National Laboratory and the negotiations which are now moving forward towards the establishment of a multi-university corporation and the revision of the contract with the Atomic Energy Commission. He commented further that other laboratories around the country have indicated interest in the new pattern of organization which is being created for Argonne.

The President commented upon his report presented recently to the Senate of the Faculty on the State of the University, and mentioned in connection therewith that during the last year or since the last report to the Faculty, there have been 99 new faculty members either appointed or
arrived on campus, and that of these, 28 are visiting professors and 17 are full professors. He announced in addition that there have been 87 promotions in or to the tenure rank, about half from Assistant Professor to Associate Professor and about half from Associate Professor to full Professor. The President stated that the total faculty is roughly 945 at the present time, and he congratulated the Provost on the spectacular job he has done in conjunction with the academic departments in looking for and appointing the outstanding persons to the faculty.

The President reported upon the status of the City Ordinance pertaining to South Campus, and stated in connection therewith that it has thus far passed Ordinance the Committee and there is every expectation that it will pass the full Council as no opposition has been articulated and the Woodlawn Community, as far as it is possible to judge, appears to be completely satisfied.

The Provost commented upon the preparation of the materials for the Ford Foundation and stated that because this report is still in a confidential status, the President did not discuss the matter in his State of the University Address. The Provost's comments XLorem XLorem in connection with the report may be summarized as follows:

The preparation of the Report has required that the Administrative officers working thereon examine the past 10 years of development of the University, the significant victories and defeats during that time, and project 10 years ahead by preparing a detailed budget for each area and for the whole University, thereby
examining the level of expected growth and the direction of growth, and the probable sources of support.

The Provost remarked further that the ten-year projection has required detailed planning of new facilities, their location and relationship to the total University. He commented that one example of the future projections and detailed planning is the proposed program for the College which, if accepted by the College faculty, would indicate five area collegiate division buildings might well be included in the plans.

The Provost commented that whereas the projections for the next 10 years may appear overly sanguine, when the heroic struggle of the University for the past 10 years is viewed in retrospect, and when the fact is taken into account that the University not only survived when it could well have gone out of existence, and moreover has begun to improve to an extent as evidenced by the shift to 5th place in the American Council of Education ratings, -- the stated expectation of growth is not unrealistic. He stated that it is his feeling with wise management and money the University can restore itself to greatness.

The President commented upon the rate of growth over the past 10 years and stated that the total expenditures of the University have increased threefold over the past ten years to $168 million annually, including all Government Grants. The Government contracts and grants have increased four-fold, and if subtracted from total expenditures, leave a net two-fold increase. If the hospitals and clinics and students dormitories, etc., are subtracted, there is a two and a half fold increase shown.
The President also commented specifically upon the increase in corporate support in a single year, 1963-64, as being up 54% over the previous year.

The Provost commented further upon the report and stated that this report being prepared for the Ford Foundation will likely be presented to the Trustees in January, and that when the report is completed the Development Committee will be able to be divided up into sections each with specific objectives, and will be able to talk in much more specific terms than it is able to do at present.

Mr. O'Brien commented in regard to the Ford Foundation report, that although the Foundation has required that the planning must not include anything the Foundation might do, that the campaign must not be based upon the assumption of a grant, nevertheless it is felt that the request for the extensive report indicates that the Foundation intends to do something, although perhaps not until the campaign is well under way.
The Provost presented the following report and recommendation and commented thereon:

It is recommended that Thomas H. Fields be appointed Director of the High Energy Physics Division, Argonne National Laboratory, at an annual salary of $25,200 per year.

At the present time, Mr. Fields holds an appointment as Professor of Physics at Northwestern University. He received the Ph.D. degree in Physics from the Carnegie Institute of Technology in 1955, and was an Associate Professor at that institution from 1955 to 1960. He held an appointment as an Associate Physicist at Argonne National Laboratory from September 1960 to September 1962, when he was appointed Professor at Northwestern. Since February 1962, he has held a joint appointment at Northwestern and the Laboratory.

He will continue to hold a Professorship at Northwestern under the proposed arrangement and will spend one day per week at that institution during the regular academic year, with an appropriate allocation of salary between Northwestern and the Laboratory.

Under our Contract with the Atomic Energy Commission, all appointments at the Argonne National Laboratory with a salary of $25,000 or more per year require approval of the Trustees of the University.

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.
The Vice President for Administration presented the following report and recommendation and commented thereon:

**RE: ROBIE HOUSE RESTORATION**

$54,042 in contributions have been received thus far and there is the possibility of a matching gift for the same amount.

Total restoration costs have been estimated to be $250,000. The contractor, at the request of the Restoration Committee has prepared a "first stage" estimate of $108,000 that would bring the building into useable condition other than the kitchen and second floor. It would not make the building habitable however.

The Committee has suggested we proceed to expend the money we now have available to do as much of the first stage work as possible. This would include the matching gift if it is received. We recommend this action provided we find that all applicable City Code safety requirements can be met to allow the building to be open to the public.

Suggested action: that the officers be authorized to execute construction contracts for the restoration of Robie House up to the funds now on hand plus whatever will be received in the future.

Upon motion duly made and seconded,

**It was voted to approve the recommendation as set forth in the foregoing report.**

The Vice President for Administration presented the following report and recommendation and commented thereon:
Re: Housing & Home Finance Agency Loan for Chicago Arms Apartment Hotel

Background Statement

At its meetings of August 1, 1963 and October 31, 1963, the Business Administration Committee approved in principle the filing of an application with the Housing and Home Finance Agency for a loan under the College Housing Program, in the amount of $330,000, for the purpose of assisting the University in financing the cost of renovation, remodeling and alteration of this seven-story and ground floor apartment hotel into family type apartments for married student housing. The Budget Committee approved the proposed budget for the project, including the HHFA loan, at its meeting on March 3, 1964. It was reported at the April 9th, 1964 meeting of the Board that HHFA had formally approved the loan and had submitted a Loan Agreement to the University. The Board at that meeting authorized the Vice President for Administration to execute and deliver the Agreement on behalf of the University and thereafter it was executed by the University and the HHFA.

In furtherance of the Loan Agreement, Chapman and Cutler, the University's bond counsel, prepared a Trust Indenture, dated as of December 1, 1963, which secures general obligation mortgage bonds in the aggregate principal amount of $330,000, to be issued by the University, and designates Chicago Title and Trust Company as the Trustee. The Trust Indenture has been reviewed and approved by the administrative officers of the University.

Action Requested

In order to comply with HHFA requirements and to permit the administrative officers to complete the loan arrangements, it is necessary for the Board to adopt three resolutions. These resolutions were prepared by our bond counsel and provide in substance as follows:

Resolution No.

1. Authorizes and directs the Chairman or a Vice-Chairman of the Board to execute the Trust Indenture and bonds on behalf of the University in substantially the form before this meeting and with such variations and changes as the executing officer shall approve.
Resolution No.

2 Authorizes the Secretary of the Board of Trustees to cause the publication of a Notice in a financial newspaper inviting bids for the purchase of the bonds to be issued by the University.

3 Adopts certain rules and minimum rental rates applicable to the operation of the facility.

It is recommended that the three resolutions referred to above be adopted.

The three resolutions referred to in the foregoing report are as follows:

I. BOND RESOLUTION

WHEREAS there is before this meeting of the Board of Trustees of The University of Chicago a form of Trust Indenture from The University of Chicago to Chicago Title and Trust Company, as Trustee, to be dated as of December 1, 1963, which has been prepared in conformance with the Loan Agreement between The University of Chicago and the United States of America, dated as of March 1, 1964, relative to The University of Chicago Married Students Apartments Bonds of 1963; and

WHEREAS it is deemed desirable and for the best interests of The University of Chicago that bonds in the form set forth in said Trust Indenture be executed by it and that the Trust Indenture be executed, acknowledged and delivered by it or in its behalf and that it take all other action provided for in said Loan Agreement and in said Trust Indenture and incidental to the financing provided for in said Loan Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of The University of Chicago as follows:

1. That the form of Trust Indenture from The University of Chicago to Chicago Title and Trust Company, Trustee, dated as of December 1, 1963, which is before this meeting including the waiver of the right of redemption from sale on foreclosure set forth therein, be and it is hereby approved, and the Chairman or any Vice Chairman of this Board of Trustees of The University of Chicago be and he is hereby authorized, empowered and directed for and in the name and in behalf
of and under the corporate seal of the University, attested by the Secretary of this Board of Trustees, to make, execute and acknowledge a Trust Indenture in substantially the form of Trust Indenture which is before this meeting, to deliver the same to, and to cause the same to be executed and acknowledged by the Chicago Title and Trust Company, as Trustee, all with such variations and changes in the form of said Trust Indenture as said Chairman or Vice-Chairman and Secretary may approve, as evidenced by their execution thereof.

2. That the form of Trust Indenture considered and approved at this meeting be retained as a part of the record of this meeting and of the records of the Board of Trustees of The University of Chicago.

3. That after the said Trust Indenture shall have been executed and delivered, as hereinabove authorized, the proper officers of the Board of Trustees of The University of Chicago are hereby authorized and directed to cause said Trust Indenture to be filed for record and recorded as a real estate mortgage in the office of the Recorder of Deeds of Cook County, Illinois, and to file a financing statement with respect thereto as required by the Uniform Commercial Code and in that connection to pay all federal stamp taxes and filing, recording and other fees that may be necessary and thereafter to take such action as may be necessary, from time to time, to continue the lien of said Trust Indenture in effect as a real estate mortgage and as a financing statement under the Uniform Commercial Code.

4. That after the Trust Indenture shall have been executed and delivered on behalf of The University of Chicago, as hereinabove authorized, the Chairman or any Vice Chairman of this Board of Trustees is hereby authorized and directed at such time or times as he shall see fit and in conformance with the best interests of the University to execute for and in the name of The University of Chicago and on its behalf, as provided in said Trust Indenture, the University of Chicago Married Students Apartments Bonds of 1963 to be dated as of December 1, 1963, to mature as therein provided, in the aggregate principal amount of $330,000 under the corporate seal of the University, attested by the Secretary of the Board of Trustees, said bonds to be in such form and terms and having such characteristics as are authorized by said Trust Indenture, and that such officers shall cause said bonds to be authenticated by the Trustee, as in said Trust Indenture provided, and thereafter to sell and deliver said bonds as contemplated in the said Loan Agreement.
5. That the Chairman, Vice Chairman, Secretary and Assistant Secretary of the Board of Trustees and all other officers of The University of Chicago be and each of them is hereby authorized and directed to take all steps and to do and perform all things, at all times, to execute and deliver such documents and to make all such payments as may be necessary or by him deemed desirable for the purpose of rendering such bonds when and after so issued pursuant to the terms of said Trust Indenture the valid, legal and binding general obligations of The University of Chicago and the said Trust Indenture a valid, legal and binding Trust Indenture for the securing of said bonds according to the terms and provisions thereof.

6. That the officers from time to time of The University of Chicago be and they are hereby authorized and directed on behalf of the University to carry out and perform all of the agreements and covenants of the University as set forth in said Trust Indenture.

II.

PUBLICATION AND SALE RESOLUTION

WHEREAS The University of Chicago has heretofore entered into a Loan Agreement with the United States of America, dated as of March 1, 1964, referred to as "Project No. CH-Ill.-166(D), The University of Chicago, Contract No. H(402)-1881"; and

WHEREAS Section 3 of said Loan Agreement requires that the bonds which are the subject of said Loan Agreement shall be sold at public sale; and

WHEREAS the Housing and Home Finance Agency requires that the bonds be advertised for sale for not less than one insertion in "The Bond Buyer" or other financial newspaper of national circulation;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of The University of Chicago that the Secretary or in the event of his absence an Assistant Secretary of the Board of Trustees of The University of Chicago be and he is hereby authorized and directed to cause a notice to be published at least once in "The Bond Buyer" that sealed bids will be received and considered by the Board of Trustees of The University of Chicago at the office of the Secretary of the Board of Trustees in Chicago, Illinois, on such date as shall hereafter be determined by the Secretary or Assistant Secretary of the Board of Trustees in consultation with bond counsel, for the purchase of The University of Chicago Married Students Apartments Bonds of 1963, in the aggregate principal amount of $330,000. Such notice shall be published at least fifteen (15) days prior to the date fixed as aforesaid for the receipt and consideration of bids.
Said notice shall be in substantially the following form:

NOTICE OF SALE

$330,000

THE UNIVERSITY OF CHICAGO
MARRIED STUDENTS APARTMENTS BONDS OF 1963

Sealed bids will be received by the Board of Trustees of The University of Chicago at the office of the Secretary of the Board of Trustees of the University, 5801 Ellis Avenue, Chicago, Illinois, 60637, up to 10:00 A. M., Central Standard Time, on ____________, 196_, for the purchase of all or any of the hereinafter designated blocks of The University of Chicago Married Students Apartments Bonds of 1963.

The bonds will be dated December 1, 1963, will mature serially in various amounts on December 1 in the years 1965 through 2002 and will bear interest at such rate or rates averaging not greater than three and five-eighths per cent (3-5/8%) per annum as are specified in the successful bid. Interest is payable June 1, 1964 and semiannually thereafter.

The bonds will be general obligations of The University of Chicago, secured by:

(1) A first mortgage on the existing 7-story apartment hotel at 5125 Kenwood Avenue, Chicago, Illinois, as renovated, remodeled and repaired with the proceeds of the sale of the bonds and other funds, to provide housing and appurtenant facilities for approximately 51 student families and a janitor (herein called the "Pledged Facility") and the site thereof; and

(2) A first lien on and pledged of the net revenues derived from the operation and/or ownership of the Pledged Facility.

Bids will be considered on the following basis:

For (1) all maturities in the years 1965 through 1972
(2) all maturities in the years 1973 through 1977
(3) all maturities in the years 1978 through 1982
(4) all maturities in the years 1983 through 1987
(5) all maturities in the years 1988 through 1992
(6) all maturities in the years 1993 through 2002
and
(7) the entire issue.
Bids for the entire bond issue will be accorded preference over bids for individual blocks, except where the sum of the bids for all of the individual and/or combined blocks results in a lower net interest cost for the entire issue. Bids for combined blocks less than the entire issue will be accorded preference over bids for individual blocks, except where the sum of such individual blocks results in a lower net interest cost for the maximum number of maturities.

For the purpose of determining the lowest bidder, calculations of net interest cost will exclude the bid of the Housing and Home Finance Agency.

The Housing and Home Finance Agency has entered into a Loan Agreement with The University of Chicago pursuant to which it proposes to buy these bonds at par plus accrued interest at a three and five-eighths per cent (3-5/8%) interest rate, providing no other equally favorable bids are submitted.

The successful bidder will be furnished, without cost, the approving opinion of Chapman and Cutler, of Chicago, Illinois.

A copy of the official Notice of Sale and Statement of Essential Facts for the issue may be obtained from Walter V. Leen, Secretary of the Board of Trustees and Legal Counsel, The University of Chicago, 5801 Ellis Avenue, Chicago, Illinois, 60637.

THE UNIVERSITY OF CHICAGO

By

- Secretary of its Board of Trustees

with such revisions as may be required by bond counsel.

IT IS FURTHER RESOLVED that the Secretary of the Board of Trustees or in his absence an Assistant Secretary of the Board of Trustees be and he is hereby authorized and directed to conduct the sale provided for in said notice, award the bonds to the bidder or bidders which bid for said bonds at the lowest interest cost consistent with the above notice and to do and perform on behalf of the University all such acts and things as he may in his discretion deem advisable or necessary to carry out the purpose and intent of this resolution.
III.

PARIETAL RULES AND RENTAL RATES RESOLUTION

WHEREAS Section 6.10 of Part Two of the Trust Indenture between The University of Chicago and Chicago Title and Trust Company, Trustee, dated as of December 1, 1963 to secure The University of Chicago Married Students Apartments Bonds of 1963 (hereinafter called "Indenture") provides that the Borrower shall establish and maintain such parietal rules, rental rates and charges for the use of the Pledged Facility (the seven-story apartment hotel located at 5125 Kenwood Avenue, Chicago, Illinois, providing accommodations for approximately 51 student families and a janitor, hereinafter referred to as the "Pledged Facility") as may be necessary to (1) assure maximum occupancy and use of the Project and (2) to provide, together with any other funds therein pledged, (a) the operating and maintenance expenses of said facilities, (b) the debt service on the bonds secured thereby (c) the reserve account to be known as the 1963 Bond and Interest Sinking Fund Account provided for in the Indenture and (d) the 1963 Repair and Replacement Reserve Account provided for in the Indenture; and

WHEREAS this Board of Trustees of The University of Chicago desires to adopt certain parietal rules and to provide for rental rates as the rules and rental rates applicable to the operation of the said Pledged Facility consistent however with like provisions in the eight indentures from The University of Chicago to Chicago Title and Trust Company, as Trustee, dated as of June 1, 1956, January 1, 1957, June 1, 1958, December 1, 1961 (the last pertaining to The University of Chicago Center for Continuing Education Building Bond, Series 1961), December 1, 1961 (pertaining to The University of Chicago Apartments Bonds, Series A of 1961), December 1, 1961 (pertaining to The University of Chicago Apartments Bonds, Series B of 1961), December 1, 1962 (pertaining to The University of Chicago Apartments Bonds, Series of 1962) and December 1, 1962 (pertaining to The University of Chicago Married Students Apartment Bonds of 1962), respectively;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of The University of Chicago that the officers and management of the University be and they are hereby authorized and directed in the operation of the Pledged Facility to carry out the following rules:

RULE 1. That this Board hereby establishes and covenants to enforce so long as any of the Bonds are outstanding or unpaid such parietal rules and regulations as will assure maximum occupancy and use of the facilities afforded by the Pledged Facility, referred to in the preamble hereof.
RULE 2. That in the event other similar space or facilities should become available for married student apartment purposes than are required by married students applying for such space or facilities, the officers of The University of Chicago are hereby directed to give preference and priority to the use of the Pledged Facility resulting to the extent practicable in the occupancy and use of all the space in said Pledged Facility even if such preference results in the non-use of all or a part of any other similar space or facilities available at The University of Chicago which may be suitable or usable for married student apartment purposes.

RULE 3. That to the extent any surplus space or facilities shall ever become available in the said Pledged Facility while any of the Bonds remain outstanding and unpaid, it shall be the duty of the officers of The University of Chicago to enforce a rule requiring occupancy and use, to the extent practicable, of the Pledged Facility by students with families attending The University of Chicago and this provision shall be considered as a rule for guidance of said officers.

RULE 4. That the officers of The University of Chicago are hereby directed to utilize and to cause the utilization of the Pledged Facility in such manner that it will yield the maximum revenues of which it is reasonably capable, to the end that the Bonds may be adequately serviced.

RULE 5. That commencing with the date of delivery of the Bonds the following shall be the minimum Rates and Charges to be made for the use of the Pledged Facility:

1 2-bedroom apartment on ground floor $107.50 per month
1 2-bedroom apartment on ground floor $105.00 per month
1 1-bedroom apartment on ground floor $87.50 per month
1 Janitor's apartment on ground floor $0 per month
30 1-bedroom apartments on upper floor $97.50 per month
6 2-bedroom apartments on upper floor $117.50 per month
12 2-bedroom apartments on upper floor $120.00 per month
Such rates and charges shall be subject to increase in the discretion of the Vice President for Administration of the University in accordance with existing procedure.

Provided however that in the event of any conflict between the above rules and any rules established by this Board pursuant to the provisions of paragraph (h) of Section 16 of the two Indentures from The University of Chicago to Chicago Title and Trust Company, Trustee, dated as of June 1, 1956 and January 1, 1957, respectively, and of Section 6.10 of Part Two of the six Indentures from The University of Chicago to Chicago Title and Trust Company, Trustee, dated as of June 1, 1958, December 1, 1961 (the last pertaining to The University of Chicago Center for Continuing Education Building Bond, Series 1961), December 1, 1961 (pertaining to The University of Chicago Apartments Bonds, Series A of 1961), December 1, 1961 (pertaining to The University of Chicago Apartments Bonds, Series B of 1961), December 1, 1962 (pertaining to The University of Chicago Apartments Bonds, Series of 1962), and December 1, 1962 (pertaining to The University of Chicago Married Students Apartment Bonds of 1962), respectively, precedence shall be given to the provisions in said Indentures in the order listed above.

The foregoing rules may be amended from time to time so as to meet changing conditions, better to assure the fulfillment of this pledge.

The Vice President for Administration of the University is hereby authorized and directed from time to time to report to this Board the rates which are established for the operation of the facilities and the results of the same, including evidence of compliance with the rules and directives set forth above.
Upon motion duly made and seconded,

It was voted by the unanimous vote of all Trustees present at the meeting to adopt each of the three resolutions as set forth above.

The Vice President for Administration reported that the University is applying for a grant from the United States Government under the new Higher Education Facilities Act passed by the last Congress for purposes of construction and alterations on Cobb Hall, and commented in connection therewith that the total amount that may be received under this program is 1/3 of the cost or around $300,000; that the University is competing with all other institutions in the State of Illinois as funds are assigned by states; that the State Board of Higher Education will judge the relative standing and merit of each application; and that one of the great factors taken into consideration is the potential increase in enrollment in numerical terms which places a private institution at a disadvantage in relation to public institutions. Mr. Ritterskamp further commented that the presentation is being made that the University is prepared to go ahead with the project using the funds on hand, the pledges and the state grants, with the difference to be made up from general University funds.

The Vice President for Planning and Development presented the Report of Gifts, Grants and Bequests for October 1964, and commented thereon.
[A copy of the report is attached to the official copy of these minutes.]

Mr. O'Brien commented thereon briefly in regard to various of the gifts received, and particularly mentioned a new program which has been initiated of a Library Commemorative Fund whereby gifts may be made to the University in celebration of an anniversary or in lieu of flowers, etc. A mailing of 60,000 was sent out in this connection to alumni, the response was good, and particularly encouraging was the fact that people have written in asking for additional envelopes to use in the future.

Upon motion duly made and seconded,

It was voted to accept the various gifts, pledges, grants and bequests as set forth in the above described report.
The Vice President for Planning and Development reported briefly upon certain individual projects, as follows:

Cobb Hall: This campaign, being one of the most important in that Cobb Hall will be vacated within two weeks, has raised $590,000 of the required $1,500,000, and it is now necessary to find additional gift funds so that remodeling can begin.

Chemistry Building: The University has raised $2,600,000 towards the necessary $4,150,000. There are some proposals pending before corporations but as yet no promises of gifts.

Music Center: This campaign has not as yet gotten underway. It is a $1,250,000 project which has at present the initial $150,000 from the Rockefeller Foundation.

Cardiology Department remodeling: This $500,000 project is just getting under way.

The Treasurer presented the following report and recommendation and commented thereon:
At the request of the Vice President for Administration, it is proposed that two bank accounts for the new HHFA loan for the Chicago Arms Project be opened at the Harris Trust and Savings Bank and that the following resolution be adopted relating thereto:

RESOLVED that the Treasurer of the University be and he is hereby authorized to open two new accounts at the Harris Trust and Savings Bank of Chicago, to be known as

The University of Chicago - Chicago Arms Construction Account No. 76

The University of Chicago - Chicago Arms Revenue Account No. 56

BE IT FURTHER RESOLVED that checks, drafts and orders drawn against said accounts shall be signed by the Vice President for Administration, by the Treasurer, by an Assistant Treasurer, or by alternates authorized by the Board of Trustees, and countersigned by the Comptroller, an Assistant Comptroller, or by alternates authorized by the Board of Trustees.

BE IT FURTHER RESOLVED that said alternates above mentioned shall be A. Wayne Gieseman and W. L. Krogman, to sign, and W. R. Rossman, to countersign, checks, drafts and orders drawn against said accounts.

BE IT FURTHER RESOLVED that said Harris Trust and Savings Bank is hereby authorized and directed to honor and pay any checks, drafts or orders so drawn, whether such checks, drafts or orders be payable to the order of any officer signing or countersigning said checks, drafts or orders, or any of such persons in their individual capacities or not.

THIS RESOLUTION shall continue in force and said bank may consider the facts concerning the holders of said offices, respectively, and their signatures, to be and continue as set forth in the certificate of the Secretary or Assistant Secretary, accompanying a copy of this resolution when delivered to said bank in any similar subsequent certificate, until written notice to the contrary is duly served on said bank accompanied by a certificate of the Secretary or Assistant Secretary of the Board of Trustees of The University of Chicago.
Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The Treasurer presented the following report and recommendation and commented thereon:

Re: State of Israel Bonds

The University holds a State of Israel Bond amounting to $5,000 received as a gift for construction purposes and registered to permit liquidation when the designated construction funds are expended.

To complete the formalities of liquidation it is requested that the following resolutions be adopted:

RESOLVED, that the following State of Israel Bond:

SECOND DEVELOPMENT ISSUE --
15 Yr. 4% Dollar Coupon Bond $5,000 Issue Amount:
Numbered VA 11 C/H

now registered in the name and on behalf of this Corporation, be transferred to:

and that:

A. C. Svoboda, Assistant Secretary of the Board of Trustees

Hortense Friedman, Assistant Treasurer

of this Corporation be and they thereby are authorized and empowered to do all acts necessary or proper to carry out the purposes of this Resolution, including without limitation the execution of a Corporate Assignment Separate from Bond.
Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The meeting adjourned at 2:30 P.M.

WALTER V. LEEN
Secretary
Pursuant to notice, a regular meeting of the Board of Trustees was held in the Board Room of the University of Chicago, 38 South Dearborn Street, Chicago, Illinois, on Thursday, January 14, 1965, at 1:30 P.M.

There were present: Mr. Downs in the Chair; Messrs. Aldis, Axelson, Beadle, Bell, Benton, Coggeshall, Donnelley, Douglas, Eaton, Goodman, Gunness, Heineman, Ingersoll, Jarvis, Lloyd, Ludgin, Livingston, Merriam, Nuveen, Patterson, Percy, Pick, Poole, Ryerson, Sherer, Smith, Stern, Sulzberger, Tenney, Ward, Woods and Yntema; also Messrs. E. H. Levi, Ritterskamp, Harrell, Johnson, O'Brien, Daly, J. P. Hall, Lincicome and Leen.

Mr. Downs stated that because of the inability of Mr. Cone to be present due to illness, he was acting as chairman of the meeting.

Mr. Sherer gave the invocation.
The Chairman of the Committee on Nominations, Mr. Smith, reported
upon action taken during the Executive Session immediately preceding
the regular meeting, and stated that the resignation of Mr. David
and B. McDougall had been accepted, the Trustees thereupon elected Mr.
McDougall an Honorary Trustee of the University.

Mr. Smith reported for the Trustee Committee on Encyclopaedia
Britannica and commented upon the agreement by the Britannica
Committee and the Budget Committee to extend the maturity of the
Britannica notes for one year; a similar agreement to extend the
royalty payments due the University; and the actual and estimated
royalty payments 1960 through 1966, in which connection he referred
to the following table:

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Britannica Notes (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept.</td>
<td>346</td>
</tr>
<tr>
<td>Dec.</td>
<td>187</td>
</tr>
<tr>
<td>March</td>
<td>544</td>
</tr>
<tr>
<td>June</td>
<td>661</td>
</tr>
<tr>
<td>Total</td>
<td>2030</td>
</tr>
</tbody>
</table>

After all adjustments.

At the request of Mr. Smith, Mr. Keating commented upon the Britannica
Board meeting of the day before where the financial status of Britannica
sites and affiliated companies had been explained. In this connection
Mr. Keating stated that the main reason for the tight financial
situation presently was conditions in some of the foreign operations
in particular difficulties with collection of installment credits, the
two large purchases of the Delmon Company and the Martin Motor
Company requiring large installment payments he stated that in general
BELOW are set forth actual royalty payments to the University for past years, together with estimates for the current fiscal year and the next fiscal year. Payments for 1959-60, the first year of the present royalty agreement, aggregated $1,472,000, and are omitted because of lack of space.

<table>
<thead>
<tr>
<th>University Fiscal Years (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Actual Payments</strong></td>
</tr>
<tr>
<td>Sept. 30</td>
</tr>
<tr>
<td>Dec. 31</td>
</tr>
<tr>
<td>March 31</td>
</tr>
<tr>
<td>June 30</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

* After all adjustments.

(a) To be received in debentures.

(b) By Paul Armstrong, Britannica Treasurer.

Note: All figures take into account deduction of advisors' fees paid to the University, which may not exceed 5% of gross.

At the request of Mr. Smith, Mr. Benton commented upon the Britannica Board meeting of the day before where the financial status of Britannica and affiliated companies had been explained. In this connection Mr. Benton stated that the major reasons for the tight financial situation presently were conditions in some of the foreign operations in particular difficulties with collection of instalment credit; the two large purchases of the Compton Company and the Merrian Webster Company requiring large amortization payments; He stated that in general...
prospects look optimistic for the next and succeeding years, and in particular he commented upon the Film company, now separate, which has become extraordinarily prosperous.

The President reported upon the progress of the organization of a multi-university corporation which will be one party to the new Argonne contract, and in this connection stated that approximately thirty-five institutions of the Midwest are being invited to consider membership in the corporation; that all member institutions of the Associated Midwest Universities are being invited; and that as of the present time organization seems to be proceeding without undue difficulties. The President commented further that the University believes that the tri-partite arrangement will create a device whereby policy decisions can be spread widely, while at the same time responsibility for operation can be properly concentrated, in this case, in the University of Chicago as operator-manager of the Argonne Laboratory. In reply to a question regarding the status of the new contract, the President stated that contract negotiation will follow the creation of the new corporation, and that if prior experiences are an indication the negotiations with the A.E.C. will likely be fairly long and complicated.

The President reported and commented upon some awards which had been given recently to certain of the Trustees, namely, the Public Relations Award for Community Service and the American Marketing Association award as marketing man of the year to David Kennedy; and the George Pullman Award to Lowell T. Coggeshall.
The Provost reported upon the Law School and the College. In connection with the Law School and its competitive status in relation to the other major law schools, he stated that the student body at Chicago is comparable to the student body at Harvard and Yale and that an extraordinary group of students is currently being attracted at Chicago. He stated that the faculty is extremely strong now, and that the addition of Grant Gilmore from Yale, to take effect next year is an especially fortunate appointment.

The Provost commented upon the appointment of Wayne Booth as the new Dean of the College as an extremely good appointment. He commented additionally upon plans to reorganize the College into five areas and stated that the proposal has been accepted by the College faculty numbering 300 with one dissenting vote. He stated further that the Divisions, except for Physical Science have taken no action endorsing the plan, however, and that the plan is to come before the Council of the University at its next meeting, but that no opposition is anticipated.

In connection with these proposed changes in the College, the Provost stated that (1) the University will be committed to look directly at specialized education in the context of Liberal Arts Education; and (2) the University will be committed to a close faculty-student relationship in the College so the students will not feel homeless and aimless within a great University.
The Provost commented that he felt it would be desirable in about another month to present the 10-year retrospective study and the 10-year projection of growth being prepared for the Ford Foundation to the Trustees in an all-day session.

The Vice President for Planning and Development presented the Gift Reports for November and December, 1964, and commented thereon.

[Copies of the aforementioned reports are attached to the official copy of these minutes.]

The Vice President for Planning and Development reported the receipt of $100,000 pledge from Mr. Arthur Keating of Equitable Products Company for the Social Service Administration Building, and commented in this connection that this gift together with some incidental costs which will be covered by one of the Trustees, will essentially complete the financing of the SSA Building.

Upon motion duly made and seconded,

It was voted that the various gifts, grants, bequests and pledges as described above be accepted.
The Vice President for Planning and Development reported briefly upon the accomplishments of selected projects during the past six months. His remarks may be summarized as follows:

**Cobb Hall.** The goal for Cobb Hall restoration is $1,500,000 and possibly higher. There is in hand at the present time $625,000 with a reasonable expectation of at least another $75,000. Bids are being sent out this week. The project has been proceeding well with smaller gifts, but it is obvious that one or two large gifts are going to be necessary.

**Music Center.** The goal for this project is $1,400,000. There is a grant of $150,000 from the Rockefeller Foundation which can be used for buildings initially although it will have to be restored later for the fellowship program. There is a verbal pledge from Mr. Albert P. Stefan (?) and agreement by Mr. Stefan to personally contact several prospects in an attempt to raise the additional funds necessary. Should Mr. Stefan be successful, a major campaign for this project would not be necessary.

**The Library.** The present plan is not to have a separate public campaign for the Library but to make it one of the core elements in the major campaign.

**Chemistry Building.** It is estimated that this building will cost around $4,137,000, of which the University has $2,686,000 including
a recent pledge from the DuPont Company of $100,000. It will be necessary to begin construction of the Chemistry building soon if the University is to meet its commitment to the National Science Foundation.

Mr. O'Brien stated that the President's Suspense Fund is a fund Cardiology Center. This is a $500,000 project, a remodeling job in the hospital, to provide for laboratory and patient care space, and is just getting under way. Mr. Reed (?) is chairman of this project and expects to be able to raise the required funds from a few prospects. This project is to be one of the components of the campaign, but Dr. Hans Hecht has been appointed Professor in the Department and the space is needed now, and therefore completion thereof is required as rapidly as possible.

Mr. O'Brien commented upon the annual giving program of the Alumni and stated that the total amount is up slightly although the number of donors is down, due no doubt to the heavier concentration on the larger gift donors. In connection therewith he referred to a new fund which has been designated the "President's Fund."

At the request of the President, Mr. O'Brien clarified the distinction between the President's Fund and the President's Suspense Fund. He explained that in an attempt to provide the additional underwriting required by next year's budget, an increased target of $150,000 in the annual Alumni giving program was established, to be established as the "President's Fund" and to be sought from a relatively small number of people who could contribute a thousand dollars in addition to the amounts they had been giving. He commented further that the approach has been
to tell people the facts, that there is a budget deficit and ask them if they want to help out. It is intended that this fund will be used by the President and the Provost as they must to meet the budget deficit.

Mr. O'Brien stated that the President's Suspense Fund is a fund primarily provided by the Trustees, and is available to the President and the Provost for the strengthening of the faculty, but not necessarily to be expended in the annual budget unless opportunities arise whereby it could suitably be expended.

The Vice President for Planning and Development presented the following report and recommendation and commented thereon:

1. The income from the Kreager Fund could be used to pay the fourth quarter salary for Professor Burris.

2. Although the Foundation indicated that the original grant, if made, would be for a five-year period, there would be an opportunity to ask for a five-year renewal at the end of the initial grant, thus allowing more time for the Kreager Fund to grow.

Julius Kreager received two degrees from the University of Chicago: B.A., 1911; M.A., 1912. He died March 7, 1941.
Conditional approval is recommended for the acceptance of a gift of $250,000 from Mrs. Arthur Wolf of Highland Park, Illinois to establish a professorship at the School of Law honoring the memory of her late husband, Julius Kreeger. Final terms of the gift are yet to be arranged with Mrs. Wolf, who has indicated that she now favors making the gift if a named professorship can be established.

The Law School is about to launch a Center for Studies in Criminal Justice which will represent perhaps the most important modern commitment undertaken by any American law school to criminal law and criminological research. Norval Ramson Morris, who was appointed to the faculty recently, would be director of the center and presumably the first holder of the proposed Julius Kreeger Professorship.

The Law School has received encouragement from the Ford Foundation to apply for a major grant in support of the proposed center. The grant would provide $125,000 over a five-year period to pay the salary of the director of the center.

The strong possibility of the grant from the Ford Foundation would allow several alternatives with respect to the use of the proposed gift from Mrs. Wolf:

1. Income from the Kreeger Fund could be accumulated and added to principal during the five-year period of the Ford grant.

2. The Ford Foundation could be asked later to allow the University to add the $125,000 from the Foundation to the gift of $250,000, thus creating a larger endowment at the end of the five-year period. (Professor Morris' appointment is currently covered in the budget by general funds.)

3. The income from the Kreeger Fund could be used to pay the fourth quarter salary for Professor Morris.

4. Although the Foundation has indicated that the original grant, if made would be for a five-year period, there would be an opportunity to ask for a five-year renewal at the end of the initial grant, thus allowing more time for the Kreeger Fund to grow.

Julius Kreeger received two degrees from the University of Chicago: PhB, 1917; JD, 1920. He died March 7, 1961.
Upon motion duly made and seconded,

The Vice President for Planning and Development presented the following report and recommendation and commented thereon:

It was voted to approve the recommendation as set forth in the foregoing report.

The Vice President for Administration presented the following report and recommendation and commented thereon:

Nomination for Membership: Council on the Graduate School of Business

At the suggestion of Mr. David M. Kennedy, Chairman of the Council on the Graduate School of Business, and with the concurrence of Dean George P. Shultz, it is recommended that Irving B. Harris be nominated by the Chairman for membership in the Council on the Graduate School of Business and that his appointment to that committee be approved.

Mr. Harris is President of Standard Shares, Inc. and Resident Partner in Robert J. Levy & Co. He has been a member of the Citizens Board of the University and the Council on Medical and Biological Research since 1950.

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.
The Vice President for Planning and Development presented the following report and recommendation and commented thereon:

**Recommendation for Membership: Women's Board**

Upon the recommendation of the Steering Committee of the Women's Board, in meeting September 11, 1964, approval is requested for the nomination to membership on the Women's Board of the following:

Mrs. Walter Lowe  
4950 Greenwood Avenue  
Chicago, Illinois 60615

Mrs. William Covington  
Melody Road  
Libertyville, Illinois

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The Vice President for Planning and Development presented the following report and recommendation and commented thereon:
RE: Approval of Plaque for New S.S.A. BUILDING

Upon recommendation of Mr. Philip D. Block, Jr., and with the concurrence of the Committee on Memorials and Portraits, it is requested that the Trustees approve the installation in the new S.S.A. Building of the following plaque in acknowledgment of the gift by the Arthur Keating Family:

This Room Provided
by the
Arthur Keating Family

The above described plaque has been reviewed with and approved by the Donor.

Upon motion duly made and seconded,

It was voted to approve the recommendation as set forth in the foregoing report.

The Vice President for Planning and Development reported, for the information of the Trustees, that Paul W. Goodrich had been elected Chairman of the Citizens Board.

The foregoing announcement was duly noted by the Chairman, for the record.
The Vice President for Public Affairs presented the following report and commented thereon:

**Re: New Director of Alumni Affairs, and Changes in Alumni Association's Constitution**

Budget Committee approval has been secured for appointment of Mr. Ranlet Lincoln as Director of Alumni Affairs and Assistant to the Vice President for Public Affairs, effective July 1, 1965, at an annual salary of $17,000, provided that the Cabinet of the Alumni Association amends its Constitution and By-laws to allow the Director to be recognized as a University employee.

The Executive Director of the Alumni Association has traditionally been employed by and responsible to the President and the Executive Committee of the Alumni Association. In recent years, he was also considered a University employee, primarily so that he could participate in University-sponsored staff benefit programs.

It is expected that the Cabinet will amend its Constitution and By-laws on January 20, 1965, to provide that the Director of Alumni Affairs become a University employee but "responsive to the policy guidance of the Association officers and Executive Committee."

If the Cabinet acts as anticipated, the President of the Alumni Association proposes to publish the attached letter in the February issue of The University of Chicago Magazine. It provides additional background about this recommended change and a second recommended change designed to give local alumni a greater voice in the selection of the Association's Cabinet. Further, it includes additional biographical data on Mr. Lincoln.

Another recommended change in the Alumni Association's Constitution would place the editor of the magazine under the Director of Alumni Affairs, thus bringing this publication within the overall responsibilities of the University's administration.

The foregoing report was received and ordered placed on file.
The Vice President for Public Affairs presented the following report and commented thereon:

Re: Crusade of Mercy

The University's contribution to the Crusade of Mercy was the largest made by an educational institution in Chicago this year. Here are some figures comparing faculty and staff donations in this and earlier years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Contributed</th>
<th>Number of Contributors</th>
<th>Average Gift</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>$58,029</td>
<td>2,503</td>
<td>$26.28</td>
</tr>
<tr>
<td>1963</td>
<td>$52,204</td>
<td>2,059</td>
<td>$25.35</td>
</tr>
<tr>
<td>1962</td>
<td>$43,329</td>
<td>1,323</td>
<td>$22.53</td>
</tr>
</tbody>
</table>

The foregoing report was received and ordered placed on file.

The Assistant Comptroller, Mr. Lincicome, presented the following reports and recommendations and commented thereon: