

MINUTES OF A REGULAR MEETING
BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA
THURSDAY, JUNE 3, 1954 - 10:00 A.M.

The regular June meeting of the Board of Regents of the University of Oklahoma was held in the office of the President of the University, Norman, on Thursday, June 3, 1954, at 10:00 a.m. instead of June 10, following a conference with the President of the Board and by agreement over the telephone with other members.

The following members were present: Regent George Short, President, presiding; Regents Morgan, Little, Grisso, McBride. Absent: Regents Benedum and Foster.

The minutes of the regular meeting held on May 13 were approved.

President Cross called to the attention of the Regents a letter from Dr. Andre B. Carney of Tulsa in which he made inquiry concerning Dr. Howard Eaton, Professor of Philosophy, and Dr. Paul A. Brinker, Associate Professor of Economics, and requesting copies of lectures to students over a period of the last year by these teachers. President Cross stated he had not heard of any charges of subversive teaching on either of these men, and that teachers do not usually prepare lectures in written form. President Cross requested instructions on the matter from the Regents.

It was agreed that President Cross write to Dr. Carney informing him it would be impossible to send copies of lectures, that this is the first time any suggestions of subversive teaching had been made, and that the matter would be thoroughly investigated.

The Chair asked that President Cross report on the conference with the Legislative Council with reference to the budget situation in the University Hospitals. He stated he did not know the source of the rumors that unless additional funds become available for the Hospitals there would be clinical facilities for sixty students and that forty medical students would have to be dropped. This rumor had come to the attention of the Legislative Council. He stated he and Mr. Short met with the Council and informed the group that the Hospitals were indeed short of funds, but no action had been taken by the Regents to reduce the number of medical students.

Following the conference the Legislative Council adopted a motion requesting the Twenty-Fifth Legislature to make a supplementary appropriation in the amount of \$227,000 for the Hospitals.

President Cross stated he could not approve a budget for the University Hospitals in excess of funds available. He recommended that the budget be approved for the University Hospitals for the 1954-1955 fiscal year on a quarterly basis, that the Hospitals continue to operate on the present basis so long as funds are available, and if the Legislature does

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not provide additional funds during the last quarter, then it would be necessary to close the Hospitals. He read the motions unanimously adopted by the Appropriations and Budgets Committee of the State Legislative Council.

Regent McBride offered the following motion as a substitute for President Cross' recommendation:

"Moved, that on the basis of encouragement tendered by the Legislative Council by the adoption of the following motions, May 21 and May 26, respectively, and other officials connected with the State Regents for Higher Education and the Regents of the University of Oklahoma, the President of the University of Oklahoma is hereby authorized to prepare the budget for the University Hospitals on a full-year basis, that it is understood the budget for the full year is contingent upon sufficient funds being available, also contingent upon a review of the budget every ninety days."

Following are copies of the motions adopted on May 21 and May 26 as per a communication from Jack W. Strain, Assistant Director of the State Legislative Council under date of June 2, 1954:

"1. Motion adopted May 21, 1954: Representative Glen Ham moved: 'That the Appropriations and Budgets Committee of the State Legislative Council recommend to the Twenty-Fifth Legislature that a supplemental appropriation for the University Hospitals, sufficient to retain present operations on an economical basis, but not in excess of \$227,000, be enacted at an early date to assure retention of University Medical School students and program.' Seconded by Representative Jeff Davis, adopted by the Committee.

"2. Motion reiterating content of motion adopted at the regular meeting May 21, 1954. May 26 special meeting motion:

"Representative Glen Ham moved: 'That the Appropriations and Budgets Committee of the State Legislative Council recommend that the State Regents for Higher Education and the Oklahoma University Regents be appraised that the Committee desires that the present program at the University Medical School and University Hospitals be continued with economical operation. For this service the Committee will recommend a supplemental appropriation in 1955 when the Twenty-Fifth Legislature meets.' Seconded by Representative Shackley Shoemaker. Adopted by the Committee."

A vote was called for on the McBride motion. The following voted AYE: McBride, Grisso, Morgan. Voting NO: Little, Short. Motion carried.

PERSONNEL

FACULTY

LEAVES OF ABSENCE:

Sabbatical Leaves of Absence

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Frank A. Melton, Professor of Geology, September 1, 1954 to January 15, 1955. For the purpose of writing, travel, and study.

Gilbert C. Fite, Associate Professor of History, September 1, 1954 to September 1, 1955. For studying and doing independent work in the field of economics. Ford Foundation Fellowship.

Leave of Absence without Pay

Walter L. Haderer, Assistant Professor of Music Education, leave extended to September 1, 1955 instead of June 1, 1955 as previously reported.

GRADUATE ASSISTANTS

APPOINTMENTS:

Ingeborg Halbeck Davis, Department of Chemistry, \$1,500 for 9 months, September 1, 1954.

Ronald D. Galli, Department of Chemistry, \$1,200 for 9 months, September 1, 1954.

Hugh Thomas Harrison, Department of Chemistry, \$1,200 for 9 months, September 1, 1954.

Frank A. Iddings, Department of Chemistry, \$1,200 for 9 months, September 1, 1954.

Inez Elizabeth McFall, Department of Chemistry, \$1,500 for 9 months, September 1, 1954.

Clifford Leroy Meints, Department of Chemistry, \$1,500 for 9 months, September 1, 1954.

Kent Rollmann, Department of Chemistry, \$1,200 for 9 months, September 1, 1954.

John Edmond Stuckey, Department of Chemistry, \$1,500 for 9 months, September 1, 1954.

Ernest Sturch, Jr., Department of Chemistry, \$1,500 for 9 months, September 1, 1954.

Wesley V. Taylor, Jr., Department of Chemistry, \$1,200 for 9 months, September 1, 1954.

William James Cody, Jr., Department of Mathematics and Astronomy, \$1,200 for 9 months, September 1, 1954.

Donald Leroy Patten, Department of Mathematics and Astronomy, \$1,500 for 9 months, September 1, 1954.

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Donald Glenn Russell, Department of Mathematics and Astronomy, \$1,200 for 9 months, September 1, 1954.

Monte Gene Smith, Department of Mathematics and Astronomy, \$1,200 for 9 months, September 1, 1954.

Lester Everett Wood, Jr., Department of Mathematics and Astronomy, \$1,200 for 9 months, September 1, 1954.

James Dial Currin, Department of Physics, \$1,200 for 9 months, September 1, 1954.

Beverly Lenore Cox, Department of Zoology, \$1,200 for 9 months, September 1, 1954.

Russell Conklin Faulkner, Jr., Department of Zoology, \$1,500 for 9 months, September 1, 1954.

Jean Weber Graber, Department of Zoology, \$1,200 for 9 months, September 1, 1954.

John Christopher Johnson, Department of Zoology, \$1,500 for 9 months, September 1, 1954.

David Freeland Parmelee, Department of Zoology, \$1,500 for 9 months, September 1, 1954.

Lorraine C. Peissner, Department of Zoology, \$1,200 for 9 months, September 1, 1954.

Edward Needham Smith, Jr., Department of Zoology, \$1,200 for 9 months, September 1, 1954.

SUMMER SCHOOL

APPOINTMENTS:

Charles Okerbloom, Jr., Visiting Professor of Art, \$600 for July, 1954.

Harry H. Hill, Jr., Assistant Professor of Mechanics and Engineering Metallurgy, \$450 for June and July, 1954, 1/2 time.

Jerry P. Simpson, Instructor in Finance, \$250 for June and July, 1954, part time.

CHANGES:

Donald R. Childress, Associate Professor of Finance, changed from 3/4 time at \$450 per month to full time at \$600 per month, June and July, 1954.

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DECLINED TO ACCEPT APPOINTMENT:

James M. Murphy, Assistant Professor of Finance.

SCHOLARSHIP:

Fallis A. Beall, Socory-Vacuum Oil Co., Inc., Scholarship in Petroleum Engineering, \$750 for 9 months, September 1, 1954.

RESEARCH ASSISTANTS:

Reagan H. Bradford, Eli Lilly Grant Fellowship in Chemistry, \$133.33 per month for June 1, 1954 to August 1, 1954.

Mark E. Gutzke, F. G. Cottrell Grant (Wender) in Chemistry, \$166.66 per month for June 1, 1954 to August 1, 1954.

NON-ACADEMIC

LEAVE OF ABSENCE:

Liv Lundenvall Smith, Librarian PI, Cataloger, University Libraries, leave of absence without pay September 1, 1954 to September 1, 1955.

APPOINTMENT:

Marilyn Files, Editorial Assistant, University Press, \$125 per month for 12 months, June 1, 1954.

CHANGE:

Irene A. Tomberlin, changed from Librarian PII (Art Librarian) to Librarian PII (Assistant Reference Librarian), University Libraries, at salary rate of \$3,600 for 12 months, June 16, 1954.

RESIGNATIONS:

J. Kelly Mudd, Extension Specialist II, Business and Industrial Services, June 1, 1954. To take job as State Supervisor of Trade and Industrial Education.

Carroll Swickey, Extension Specialist, Short Courses and Conferences, June 15, 1954. To accept better paying position.

SCHOOL OF MEDICINE AND UNIVERSITY HOSPITALS

APPOINTMENTS:

Lilah B. Heck, Librarian, given additional title of Assistant Professor of Medical Library Science, February 23, 1954.

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William Clark Galegar, Instructor in Preventive Medicine and Public Health, clinical rates, April 1, 1954.

William A. Miller, M.D., Clinical Assistant, Orthopedic Surgery and Fractures, clinical rates, January 1, 1954.

Gerbert Charles Rebell, Research Associate in Dermatology and Syphilology, clinical rates, February 12, 1954.

RESIGNATION:

Melvin R. Davis, M.D., Assistant Professor of Preventive Medicine and Public Health, June 1, 1954. Transferred to Seattle, Washington.

The above personnel items were approved on motion by Regent Little.

Regent Grisso, Chairman of the Regents' Investment Committee, discussed investments and the investment policy of the Will Rogers Memorial Scholarship Fund. He called attention to the original Trust Agreement, and acceptance of the funds from the Will Rogers Memorial Commission by the Regents. When the Trust Agreement was executed on January 6, 1939 and formal acceptance made by resolution of the Board of Regents on Wednesday, May 24, 1939, and modified on October 18, 1944, it was provided that "The administration of said fund is herewith entrusted to a board of five members called the Board of Control of the Will Rogers Memorial Scholarship Fund. *****"

"It shall be the duty of said board to invest this trust fund in accordance with the provisions of said trust agreement; and the income therefrom shall be used for the purposes set forth in said trust agreement. *****"

Regent Grisso suggested that the duties of the Board of Control in the administration of the fund shall not include the selection of investments of the funds, that the function of advising the Regents, who are the Trustees under the Trust Agreement, be transferred to the University Investment Committee.

The matter did not come to a vote and no action was taken. Regent Grisso stated he had thirteen motions which he would bring to the attention of the Regents.

Regent Morgan stated he would like to have some time to study Regent Grisso's report.

Regent McBride asked that all of the motions be read.

Regent Grisso read from a letter from the Chase National Bank in which Item No. 8 of the Investment Policy approved by the Regents on January 14, 1954 (see p. 4773) was endorsed. (Item No. 8 - January 14, 1954 - p. 4773 is as follows: "That consideration be given to the investment of some money, if other requirements are met, in Oklahoma enterprises.") President Cross stated he subscribed wholeheartedly to Item No. 8 in response to Regent Grisso's question.

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Regent Grisso read the motions referred to above and they are as follows:

1. I move the Secretary of the Board be instructed to prepare a resolution commending the present membership of the Board of Control for their long and faithful service in two fields:

1. The investment of the Funds;
2. The administration of the Funds.

Over the signature of the present President of the Board, a suitable copy of this resolution should go to each member of the Board of Control.

2. I move that the University Investment Committee be instructed to review the annual report in time for it to be placed on the agenda for the July meeting.
3. I move the Comptroller be instructed to prepare quarterly reports and that regularly, the quarterly and annual reports be handed to the Regents and each member of the University Investment Committee.
4. I move the Regents reaffirm their January 14th adoption of Recommendation Number 8 and that the minutes so show.
5. I move that the Investment Committee be instructed to classify for their purposes, Investment Trust Certificates, as common stocks.
6. I move that Paragraph 4 of the Investment Policy adopted January 14th be modified as follows: Strike the words following invested one-half IN BONDS, and insert therein, IN FIXED INCOME SECURITIES.
7. I move that the Investment Policy that was adopted at the January meeting be regarded as a general outline of the policy and neither the list of principles nor the suggested diversifications be rigidly adhered to and periodically the University Investment Committee review the entire policy and advise or propose any changes if regarded by them as desired.
8. I move that Item #1 on Exhibit "B" of the Investment Policy adopted January 14th be modified by adding the words "AND LIFE INSURANCE" and that the item of Petroleum and Natural Gas be modified by adding the words, "AND NATURAL GAS TRANSMISSION".
9. I move that the Secretary of the Board or the proper officer be instructed to sell at the market three hundred shares of E. I. du Pont de Nemours, on Tuesday, June 1st.
10. I move that the Secretary of the Board or the proper officer be instructed to sell 200 shares of General Electric at the market on Tuesday, June 1st.

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11. I move that the Secretary of the Board or the proper officer be instructed to sell at the market, three hundred shares of all investment trust shares, which includes INCORPORATED INVESTORS and MASSACHUSETTS INVESTORS TRUST.
12. I move that the Secretary of the Board or other proper officer be instructed to sell at the market on Tuesday, June 1st, one hundred shares of R.J. Reynolds Tobacco Company.
13. This was not presented in the form of a motion but Regent Grisso suggested that consideration be given to investments in Oklahoma owned and operated companies whose securities may meet the other requirements of safety, yield, etc.

This suggestion was made in connection with Item No. 8 of the Investment Policy adopted at the January meeting.

Recess for lunch, 12:30 to 1:20 p.m.

Following the luncheon, Regent Grisso moved that a vote be had on the above motions collectively.

On the vote on the motion the following voted AYE: Grisso, Short.

Voting NO: Morgan, Little, McBride. The motion failed.

Regent Grisso then stated he would request action on the above motions individually, and the following were presented:

Motion No. 1 was withdrawn by Regent Grisso.

Motion No. 4. Reaffirmation of recommendation No. 8 of the Investment Policy adopted at the January meeting (invest in Oklahoma enterprises). Approved.

Motion No. 7. Approved after Regent Grisso suggested amending this motion to strike the words "and periodically the University Investment Committee review the entire policy and advise or propose any changes if regarded by them as desired", and place a period (.) after the word "to".

Motion No. 8. Approved.

Motion No. 3. Approved.

Motion No. 2. Approved.

Motion No. 6. Approved.

Motion No. 5. Failed.

Motion No. 9. Failed.

Motion No. 10. Failed.

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Motion No. 11. Failed.

Motion No. 12. Failed.

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Regent Grisso requested that the Regents authorize a request to the Board of Control to consider the advisability on the sale of the following or a portion thereof:

- a. Investment Trusts
- b. E. I. du Pont de Nemours stock
- c. General Electric stock
- d. Reynolds Tobacco stock

There was no objection to this request by Regent Grisso.

President Cross presented for action items appearing on the agenda as follows:

He reported receipt of a communication dated May 18, 1954, from The National Collegiate Athletic Association to "The Presidents, Member Universities and Colleges of The National Collegiate Athletic Association:"

"Our purpose in writing is to implement a recommendation of the 1953 NCAA Membership Committee, which was endorsed by the Council of the Association and unanimously approved by the 48th Convention. We quote the following:

"Secondly, our Committee has recommended -- and the Council of the Association has endorsed -- a proposal whereby the chief executive administrator of each member institution of this organization shall be required to certify that, to the best of his knowledge, his institution and its staff members are in full compliance with the rules and regulations of the Association. We do not suggest a continuing or annual certification. However, we feel it appropriate at this time to request the chief administrator of each institution to carefully review the legislation of our Association with all affected elements of his institution to make certain that his institution is operating in compliance and to so certify it to the NCAA. We cannot help but feel that this would have a wholesome effect."

No action.

President Cross recommended General Improvements Allocations for quarter beginning July 1, 1954 as follows:

Purchase and install additional Greenhouse unit for Plant Sciences, and make minor improvements in present unit	\$28,000
Continue installation of Chemistry laboratory furnishings	3,000

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Begin construction of supersonic wind tunnel in Aeronautical Engineering laboratory	\$ 1,000
Continue installation of traffic controls on Lindsay street	1,400
Minor improvements and equipment	<u>1,600</u>
TOTAL	\$35,000

Approved.

President Cross reported the sum of \$12,337.93 is available in the "Dormitory Refunding Bonds of 1950 Trust Fund", for improvements to the Women's Dormitory System.

This money was derived from surplus funds at the end of a bond year, and was transferred to the trust account to be used for improvements to the system. In view of the 1954 refunding, which includes the Women's Dormitory System, it appears that this money is now available for improvements to any part of the system.

One of the most serious needs is to continue the work of modernizing the Wilson Center dormitories by installing wardrobe closets and improved lighting in those buildings in which such improvements have not already been made.

RECOMMENDATION:

That the Board of Regents authorize expenditure of approximately \$12,000 from the Dormitory Refunding Bonds of 1950 Trust Fund for the purpose of installing wardrobe closets, improving the lighting system, and related improvements at Irving House.

Approved.

President Cross reported on bids on Yearbook Printing Contract as follows:

The Publication Board in its meeting Wednesday, May 19, received the bids on printing for the 1955, 1956, and 1957 SOONER YEARBOOK and SOONER MEDIC.

The bids on printing the SOONER were based on 3500 copies with 544 pages and were as follows:

The Von-Hoffman Press, Inc., of St. Louis and Jefferson City, Missouri, was high with \$24,250.00 and a charge for extra copies over that specified at \$3.75 per copy. For fewer copies deduct at the rate of \$3.60

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per copy. Extra pages over the number specified to be charged for at the rate of \$325.00 for 8 pages.

The Stafford-Lowden Company, of Ft. Worth, Texas, was second with a bid of \$19,375.00 and a charge for extra copies over that specified of \$3.50 per copy. Extra pages in units of 8 over the number specified to be charged for at the rate of \$23.50 per page. The extra charge for pabbling in 16 page sections was \$60.00.

The Economy Advertising Company, of Iowa City, Iowa, was low with a bid of \$18,440.00, with a charge for extra copies above the number specified at \$3.00 per copy. Extra pages in units of 8 over the number specified to be charged for at the rate of \$23.00 per page.

The bids on printing the SOONER MEDIC were based on 500 copies with 96 pages and were as follows:

The Von-Hoffman Press was high with \$2,900.00 for printing and a charge for extra copies over that specified at \$1.75 per copy. For fewer copies deduct at the rate of \$1.65 per copy. The charge for extra pages over the number specified was \$210.00 for an 8 page section.

The Stafford-Lowden Company was second with a bid of \$1,990.00 and a charge for extra copies above the number specified at the rate of \$1.75 per copy. The charge for extra pages in units of 8 at \$12.50 per page.

The Economy Advertising Company was low with a bid of \$1,775.00 for printing and a charge for extra copies above the number specified at \$1.50 per copy. The charge for extra pages above the number specified in units of 8 was \$12.50 per page.

The Publication Board and the Director of Purchasing recommend that the printing contract be given to the low bidder, the Economy Advertising Company of Iowa City, Iowa, on both the SOONER YEARBOOK and the SOONER MEDIC.

Approved.

President Cross reported for many years the University's Photographic Service, including a motion picture film production unit, has been operated as a department in the Extension Division.

The University Budget Council in its hearings this year made a study of the functions of the Photographic Service. The conclusion was that the production of educational films is properly a part of the extension function, but that the other work of the Photographic Service, consisting largely of the making of photographs for the Yearbook, student organizations, the Athletic Department, and other University departments and agencies, is not primarily an extension function.

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It was further decided that the Photographic Service, except for the film unit, constitutes a type of service which should be self-supporting; that is, the work done by this unit should be charged to the ordering departments on a cost basis.

RECOMMENDATION:

That effective July 1, the film production unit of the Photographic Service be made a part of the Educational Materials Department of the Extension Division, and that the University Photographic Service be made a self-supporting service unit under the administration of the manager of the University Book Exchange; with the understanding that the Photographic Service retain its present name and that the director of the Photographic Service continue with the same title he now has.

Approved.

President Cross recommended the following action on tenure:

<u>Department</u>	<u>Rank</u>	<u>Recommendation</u>
<u>Art</u>		
Emilio Amaro	Professor	Continue on year-to-year basis (not citizen)
<u>Business Communication</u>		
Jodie C. Smith	Assistant Professor	Not eligible (teaching is incidental)
<u>Education</u>		
Merle T. Strom	Associate Professor	Not eligible (teaching is incidental)
<u>Geology</u>		
Kaspar Arbenz	Associate Professor	Defer until citizenship acquired
Arthur J. Myers	Assistant Professor	Defer
<u>Marketing</u>		
Robert O. Law	Assistant Professor	Defer
<u>Modern Languages</u>		
John W. Alley	Assistant Professor	Defer

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<u>Department</u>	<u>Rank</u>	<u>Recommendation</u>
<u>Music</u>		
Robert Gerle	Associate Professor	Defer until citizenship acquired
Gabriel Magyar	Assistant Professor	Defer until citizenship acquired
J. Thomas Matthews	Assistant Professor	Defer
<u>Pharmacy</u>		
Vivia Jean Brown	Assistant Professor	Not eligible (Relative of faculty member)
<u>Psychology</u>		
Musafer Sherif	Professor	Defer until citizenship acquired
Harold W. Cepcock	Assistant Professor	Deny
<u>Social Work</u>		
Elizabeth Fenner	Assistant Professor	Defer
<u>Speech (Speech and Hearing Clinic)</u>		
John L. Boland	Assistant Professor	Defer
<u>Zoology</u>		
Roberta D. Ortenburger	Assistant Professor	Not eligible (Wife of faculty member)

Approved.

President Cross recommended appointment of Distinguished Professorships as follows:

Dr. Victor Elvert Monnett as a David Ross Boyd Professor of Geology;

Dr. Richard Lee Huntington as a Research Professor of Chemical Engineering.

Approved.

President Cross reported that Dr. Lewis Edgar Winfrey, Professor of French and German was recommended to the Budget Council for a David Ross Boyd Professorship. In view of the fact that Dr. Winfrey received only three votes on the first two ballots of the Budget Council, he did not recommend appointment to a David Ross Boyd Professorship.

No action.

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President Cross recommended salary adjustments for the following:

Dr. William Edmund Livesey, Dean, College of Arts and Sciences, Professor of History; increase from \$8,800 to \$9,300, effective July 1, 1954.

William H. Carson, Dean, College of Engineering, Professor of Mechanical Engineering, Professor of Petroleum Engineering; increase from \$9,100 to \$9,300, effective July 1, 1954.

Approved.

PURCHASING AUTHORITY, MEDICAL CENTER

Present regulations of the Board of Regents provide that in the absence of the purchasing agent for the School of Medicine and University Hospitals, the Dean or Acting Dean of the School of Medicine is authorized to sign purchase orders.

Experience has indicated that the Administrator of University Hospitals, who also serves as business officer for the School of Medicine, is the logical person to sign purchase orders in the absence of the purchasing agent.

RECOMMENDATION:

That the Board of Regents authorize the Administrator of University Hospitals to sign purchase orders for the University Hospitals and School of Medicine in the absence of the purchasing agent.

Approved.

President Cross presented the salaries budget for Auxiliary Enterprises, including the following:

Athletic Department
Celebrity Series
Building Repair Service
University Press, Printing
University Press, Sales Division
Book Exchange
Student Health Service
Sooner City Nursery
Westheimer Field Sales and Services
Sooner City Laundry
Publication Board
Journalism Press
Oklahoma Daily
Sooner Yearbook
Housing

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President Cross recommended approval of the salary budgets as shown.

Approved.

There being no further business the meeting was adjourned at 2:20 p.m.

Eril R. Kraettli, Secretary

WILL ROGERS MEMORIAL SCHOLARSHIP FUND

At the Regents' meeting on June 3, Mr. Grisso, Chairman of the Investment Committee of the Board, made several motions concerning the Investment policy as it affects the Will Rogers Memorial Foundation. I am sending you herewith the Statement of Policy with the changes as approved by the Regents:

- No. 1 No change, and it reads as follows: That the Investment Committee of the University promptly submit to the Regents a form for periodic reports, the report to have sufficient information to enable the Regents to make an intelligent appraisal from the information set in it; and select a suitable time or times for the report to be made and reviewed.
- No. 2 No change, and it reads as follows: That the Board of Regents adopt as an investment policy for the Will Rogers Fund the list of principles set out in Exhibit "A".

Exhibit "A" is as follows:

1. Diversification: To reduce the risk of loss a good working rule would be not to invest more than twenty percent of funds in any one industry, nor more than five percent of funds in any one company.
2. Dispersion: No one class or type of security is relied upon.
3. Balance: A definite ratio between stocks and bonds should be maintained. At present this ratio should be fifty percent in each.
4. Continuous Investment: The assets are invested at all times, except for a small cash fund suitable for taking up additional bond or stock subscriptions.
5. High Quality in Securities: In common stocks this means ratings of BB, or its equivalent, in the industries commonly known as "defensive" or "growth" situations. In bonds it means securities rated A or better, and Baa or better for convertible issues. In the case of preferred stocks it would mean a rating of BB or better.

- No. 3 That the diversification by industries set out in Exhibit "B" be adopted.

Exhibit "B" is as follows with changes made June 3, 1954 underlined:

SUGGESTED DIVERSIFICATION FOR INVESTMENTS IN STOCKS
COMMON OR PREFERRED

PERCENT OF
PORTFOLIO

INDUSTRY

20

Fire and Casualty AND LIFE INSURANCE

10

Banking

<u>PERCENT OF PORTFOLIO</u>	<u>INDUSTRY</u>
15	Electric Power and Light
5	Rails
20	<u>Petroleum and Natural Gas AND NATURAL GAS TRANSMISSION</u>
5	Chemical
5	Ethical Drugs
10	Consumer Finance
8	Retail Merchandise
<u>2</u>	Cash Reserve
100	

- No. 4 Changed to read as follows: That the investment policy of the Board of Regents with regard to the Will Rogers Fund be that a cash reserve of two percent be maintained, that 98% of the funds be invested one-half IN FIXED INCOME SECURITIES and one-half in common or preferred stocks and that when by price changes or otherwise there is a departure from this balance of ten percent, it be corrected by sales and purchases.
- No. 5 No change. That from the capital gains now and to be realized, a sufficient sum not to exceed \$1000.00 be treated as income, if necessary, for the Board of Control to carry out its present program for the current year. Other capital gains should be added to the principal of the fund.
- No. 6 No change. That the Board of Control be instructed to make the sales and purchases to cause the fund to conform to the investment policy within a reasonable time and it is suggested that four months should be enough time.
- No. 7 No change. That in the selection of bonds, consideration be given also to the time of maturity in order that maturities may be staggered.
- No. 8 Reaffirmed by Regents. That consideration be given to the investment of some money, if other requirements are met, in Oklahoma enterprises.

Other motions which affect operation of the fund are as follows:

"That the University Investment Committee be instructed to review the annual report in time for it to be placed on the agenda for the July meeting."

"That the Comptroller be instructed to prepare quarterly reports and that regularly, the quarterly and annual reports be handed to the Regents and each member of the University Investment Committee."

Mr. Grisso made a motion which was later amended by him, and the motion as amended was approved. The motion voted on and approved is as follows:

"That the Investment Policy that was adopted at the January meeting be regarded as a general outline of the policy and neither the list of principles nor the suggested diversifications be rigidly adhered to."

Emil R. Kraettli, Secretary.