

The Institute for Advanced Study

Minutes

Joint Meeting of the Executive and Finance Committees

January 31, 1980

Present: Messrs. Houghton (Chairman), Dilworth, Hansmann, Straus, and Woolf; Mrs. Whitehead. Also, Mr. Hunt (Secretary).

Absent: Mrs. Delmas; Messrs. Petersen, Segal, Simon, Wolfensohn.

Presiding Officer: Mr. Houghton opened the meeting at 1:00 pm and asked Mr. Hansmann to present his views on the future management of the Institute's investment portfolio.

Mr. Hansmann recommended that Rockefeller Family and Associates assume the management of the equity portion of the portfolio and that the fixed income portion remain with the Fidelity Bank.

Mr. Dilworth stated that Rockefeller Family and Associates was now incorporated in New York and had filed with the S.E.C. He added that it was the opinion of counsel that, pending formal recognition, one or two additional accounts could be handled by the Rockefeller group. He stated further that should the Rockefeller group be selected

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to manage the Institute's portfolio, there would be no charge for services until the new status of Rockefeller Family and Associates is formalized.

After discussion, the Trustees voted unanimously (Mr. Dilworth abstaining) in favor of Rockefeller Family and Associates as the new managers of the Institute's investment portfolio.

It was agreed that the Rockefeller group would be asked to contact Mr. Hansmann and that Mr. Hansmann would work with the Rockefeller group during the forthcoming period of transition.

It was further agreed that a description of Rockefeller Family and Associates along with a description of the precise nature of the arrangement would be presented at the April meeting of the Board.

After a brief discussion, the Trustees confirmed the recommendation of the ad hoc Committee on Investment Management to retain the Fidelity Bank as the manager of the fixed income portion of the portfolio.

Mr. Houghton then proposed that Mr. Hansmann be designated Chairman of the Finance Committee. The motion was passed unanimously, with the understanding that Mr. Houghton would continue to be a member of the Finance Committee.

The Director then described the creation of an endowed Oswald Veblen Professorship in the School of Mathematics which would involve the amalgamation of two separate sums of \$250,000 each for this purpose. One of these sums would be taken from a bequest received during fiscal year 1979 from the estate of Mr. William Axer Graham. In accordance with the present proposal, this portion of the bequest would be allocated to the Veblen Professorship. The other

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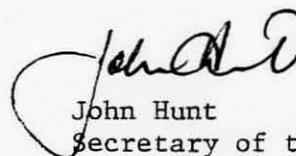
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\$250,000 increment would come from the Oswald Veblen Fund, established many years ago by a bequest from Veblen himself. The Director reported that he had discussed the proposal with the School of Mathematics and that the School agreed with the proposal as described. There was general agreement that the proposal was satisfactory in every respect and that the Director should proceed to implement it so that he could bring before the Trustees at the April Board meeting the School's nominee for the Oswald Veblen Professorship.

The Director then made an interim report to the Board on the current candidate for the Faculty of the School of Social Science and stated that he would make a full report to the Board in April on the status of pending appointments in the School of Historical Studies and the School of Mathematics as well as the School of Social Science.

The Director then concluded his remarks by noting the receipt of a generous grant from the Exxon Education Foundation for the School of Social Science and describing the proposed purchase of a computer to be used primarily for projects relating to classical studies.

There being no further business, the meeting was adjourned at 2:00 pm.



John Hunt
Secretary of the Corporation