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MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
WISCONSIN ALUMNI RESEARCH FOUNDATION

Foundation Offices

Madison, Wisconsin

March 1, 1958

Present: T. E. Brittingham, Jr.
Charles L. Byron
Armin Elmendorf
W. A. Frautschi
Ralph B. Johnson
W. R. Kellett
M. W. Krueger
B. Mautz
W. B. Murphy
D. C. Slichter
President E. B. Fred (Part of Meeting)
Dean C. A. Elvehjem (" " ")
W. G. Hendrickson
Ward Ross
E. O. Rosten

APPROVAL OF THE MINUTES
OF THE MEETING HELD ON
JANUARY 11, 1958

It was moved and carried that the minutes of the meeting of the Board of Trustees held on January 11, 1958, at the Foundation Offices in Madison, Wisconsin, be approved.

CHANGES IN THE INVESTMENT
PORTFOLIO APPROVED

The investment portfolio changes made during the period January 11, 1958, to February 28, 1958, were approved. (See list of portfolio changes distributed at the meeting.)

Mr. Johnson, Chairman of the Investment Committee, then reported on the actions taken at a meeting of the Investment Committee which was held Friday afternoon, February 28, 1958. It was moved and carried that this report be approved.

tion's Dells properties. It was also suggested that the proposal be reviewed by an outside consulting firm with no vested interests in the area.

CONSIDERATION OF SPECIAL TRUSTEES' REPORT NO. 352 AND RECONFORMATION OF CERTAIN PRESENT POLICIES

On February 17, 1958, a report entitled, "Special Trustees' Report No. 352 - A Review of U. W. -WARF Relationships" was mailed to each Trustee. President Fred and President-Elect C. A. Elvehjem joined the Trustees for a discussion of this report and related matters.

The relationships between the University and WARF were reviewed in some detail by President Fred and thereafter by President-Elect C. A. Elvehjem. Both expressed the opinion that the existing procedures, from the University standpoint, had proven extremely effective and had produced many direct benefits to the University as well as indirect benefits by inducing grants from other sources. It was their opinion that the arrangements between the University and WARF were unique, that they should be continued unchanged, and that the Foundation's standing with the University faculty and administration is excellent.

President Fred quoted pertinent portions from letters received by the Foundation from three different faculty members; namely, Professors K. P. Link of the Biochemistry Department, Stanley G. Knight of the Bacteriology Department, and William S. Johnson of the Chemistry Department. Copies of the letters from Professors Link and Knight were attached to Trustees' Report No. 353, as, respectively, Appendices A and B. The letter from Professor Johnson, dated February 25, 1958, was reproduced and copies distributed to the Trustees at this meeting.

President-Elect Elvehjem noted that only three letters from faculty members had been obtained. He pointed out, however, that had 300 faculty members instead of 3 been requested to express their views on this matter in letters, 299 of those letters would have been along the same lines and to the same effect as the 3 obtained.

Upon the basis of Special Trustees' Report No. 352, the full discussion of that report, the views of the University faculty as expressed by President Fred and President-Elect Elvehjem and the three written opinions from Professors Link, Knight and Johnson, it was moved and carried that the following guiding policies heretofore followed by WARF be continued in the future:

General

WARF will continue its long established policy of "not crossing the campus line" - i. e. interfering with or attempting to influence administrative or other internal affairs of the University of Wisconsin.

With Respect to WARF Grants to the University of Wisconsin

A. WARF will continue its long established policy of making grants to the University of Wisconsin without "strings attached". The expenditure of WARF research grants remains solely in the discretion of the University administration within the established broad policies and WARF charter requirements.

With Respect to Inventions

A. Assignment of inventions to WARF by faculty members and students of the University of Wisconsin shall continue to be purely on a voluntary basis (at the option of the inventor), and such individuals shall be under no compulsion to assign inventions to WARF.

- B. WARF will at all times conduct its operations so as not to interfere with the freedom of action of University faculty and students.
- C. WARF will not solicit inventions made by University faculty members or students.
- D. WARF will continue to stand on its performance record in the field of patent management as the sole inducement to faculty members and students of the University to assign their inventions to WARF.

PENSION PLAN

It was reported that the Foundation's Pension Plan, which previously had been approved by the Board of Trustees, had been submitted to the Internal Revenue Service for approval as a "Qualified Pension Plan". Under this arrangement, a part of the Foundation's pension costs will be deductible for Federal Income Tax purposes.

Certain minor changes were required by the Internal Revenue Service and were presented to the Trustees at this meeting. It was brought to the attention of the Trustees that the vested rights of certain of the Foundation employees under the previous pension plans would be materially reduced under the terms of the qualified Pension Plan in event that the qualified Pension Plan was terminated within ten years of adoption. After a discussion of this matter, in lieu of further amendments to the Pension Plan, it was moved and carried that the President be directed to write those employees who were so affected advising them that in event the qualified Plan be terminated within ten years from date of adoption, the Foundation will undertake to pay such employees on the appropriate pension dates the difference between the amounts payable to such employees on termination, as outlined in the qualified Plan effective