

report and its presentation to the Regents. The Board approved and authorized the following recommendations of the Vice-President in charge of business and finance and the Investment Officer:

- A. An intermediate objective for the diversification of the investments of the major endowment funds that would over a two- to three-year period place them in the following position. This actually is a reaffirmation of the presently approved policy. It is expected that when this objective is reached, the next objective can be established in more detail.

	PER CENT
Bonds	50
Mortgages and real estate	10
Preferred stocks	5
Common stocks	35
	100

- B. That the common stocks set forth in the list on pages 5 and 6 of this review constitute an approved list of issues that may be purchased for endowment funds provided there is agreement between the National Bank of Detroit and the University officers on the advisability of the investment.
- C. That additions to or deletions from the approved list be submitted to the Board for approval.
- D. That the existing authorizations covering bond purchases be extended to cover the following:
 1. Purchase of all public utility, industrial, railroad equipment and railroad terminal bonds bearing a rating of "A" or better by Moody's Investor's Service.
 2. Purchase of the short and medium term obligations of Yellow Manufacturing Acceptance Corporation, Associates Investment Company, and General Electric Credit Corporation in addition to the finance company obligations previously approved.
 3. Removal of the existing restrictions as to the dollar amount of total holdings of certain types of bonds.

Section 3.13 of the *Bylaws* was amended to read as follows:

Sec. 3.13. Purchase and Sale of University Property. All transactions involving the purchase, sale, or other disposition of property of the University shall be first approved and authorized by the Board of Regents, except as follows:

Bylaw: Purchase and Sale of Property

(1) The investment or reinvestment of gift, trust, agency, and deposit funds, and the purchase and sale of personal property, acquired in connection with the investment or reinvestment of such funds may be made by two officers, one of whom shall be either the President or the Vice-President and Dean of Faculties; and the other of whom shall be either the Vice-President, in charge of business and finance, or the Investment Officer. **All such transactions shall be reported to the Board.**

(2) Said officers are hereby authorized and empowered to execute and deliver the documents necessary to complete the sale of any stocks, bonds, evidences of indebtedness, or other securities, including rights or options to acquire or sell the same, owned or held by The Regents of the University of Michigan. The transfer of any such securities by the officers herein authorized shall be sufficient to convey title to the transferee. **All such transactions shall be reported to the Board of Regents at its next succeeding meeting.**

The President presented a written report on the program of the University of Michigan's Development Program, the operating agency of which will retain the name The Development Council of the University of Michigan. The Board adopted the report in principle, subject to a modification of language used in the delegation of authority and such other changes as may seem appropriate (p. 48).

Development Council

On recommendation of the Committee on University Relations, the President was instructed to refer back, to the student organizations that presented them, four communications which did not appear on the regular agenda and which had not been presented to the Board through the proper channels.

Student Organizations Communications