The University of Chicago
FOUNDED BY JOHN D. ROCKEFELLER

Office of the Auditor

Chicago, June 11, 1915.

My dear President Judson:-

With respect to the retiring allowance of Professor Charles Chandler, his appointment commenced from October 1, 1892, and normally the twenty-three year service would be completed on September 30, 1915. As our records stand after allowing him credit for the quarters in which he offered courses and did not have students there is due him after the payment for June has been made in full $208.32. In other words, he lacks about two months' credit having completed fully twenty-three years service. His full term of service, therefore, is twenty-two years and ten months. This would entitle him to a retiring allowance of 55 2/3% of $3500., equalling $1948.33.

If his period of service were counted a full twenty-three years, the retiring allowance would be $1960. per annum. If he were retired on and after July 1, 1915, there would be due him from the University $208.32 to balance up his teaching account after which he would get one-twelfth of his retiring allowance monthly.

Yours truly,

Trevor Arnett

President Harry Pratt Judson.

The University of Chicago

Office of the President

Will Mr. Arnett please give the President a memorandum on this subject?

June 7th.

6/11/15

Miss Lapham -

This should have come over with a letter to the President which Mr. Arnett brought over this a.m.

Miss Ransom

Secretary to Mr. Arnett

4/30/15

10/6/15
To date from
Jan. 1. 16

To the President:—

My dear Mr. Judson,

I shall send you a formal request for retirement as soon as I hear from you as to the proper date to be set for the same. I expected to be in residence this Summer and to take the Autumn Quarter off, as I have done for many years. That would make the twenty-third year of my service end Jan. 1, 1916; for in addition to regular vacations I have had one Quarter's leave of absence without salary (in 1893), so that my last year's service would end three months later than the first began. I fear that I failed to mention this fact in my note of a year ago. I was surprised when the Summer announcement appeared with no courses assigned to me, for I had assumed that my retirement would be placed at the end of an

4/23/15

10/6/15
Dates from
Jan. 1. 16

To the President:-

My Dear Mr. Judson,

I shall send you a formal request for retirement as soon as I hear from you as to the proper date to ask for the same. I expected to be in residence this Summer and to take the Autumn Quarter [illegible], as I have done for many years. That would make the twenty third year of my service end Jan. 1, 1916; for in addition to regular vacations I have had one Quarter's leave of absence without salary (in 1893), so that my last year's service would end three months later than the first began. I fear that I failed to mention this fact in my note of a year ago. I was surprised when the Summer announcement appeared with no courses assigned to me, for I had assumed that my retirement would be placed at the end of an ever year.

I should have answered earlier your note of the 23rd, but by an odd accident it did not really reach me until yesterday.

I shall ever retain a deep sense of your unfailing frankness, courtesy, and kindness; and I shall ever have a heartfelt interest and pride in the work of this marvellous institution to whose headship you have shown yourself to have been divinely appointed.

Yours very truly
Chas. Chandler.

27-4-'15.
Tuesday Evening.

The University of Chicago
FOUNDED BY JOHN D. ROCKEFELLER
Office of the Auditor

Chicago, June 4, 1915.

My dear President Judson:-

Mr. Charles Chandler was appointed Professor in the Department of Latin at a salary of $3000. per year from October 1, 1892. He was given leave of absence in the Spring Quarter of 1893 without salary at his own request. On October 1, 1908, his salary was increased to $3500. per year. According to the records of the Dean it appears that he offered courses in the Winter Quarter of 1912 and in the Spring Quarter of 1914 but had no students. His salary was paid regularly for these quarters in amount $2333.32. The present Spring Quarter he was announced for two courses, but there were no students in one and only one in the other. If no charge is made for the quarters in which he offered courses but did not have students, there would be a credit of $208.32 due him on July 1, 1915. But if he is charged with the amount paid for those quarters he would, of course, be considerably in arrears. Mr. Chandler reached the age of sixty-five on January 15, 1915.

Yours truly,

Trevor Arnett

President Harry Pratt Judson.

XII

To the President:-

My dear Dr. Judson,

I have long been expecting to ask to be retired in 1916, by which time we have hoped to be able to adjust our expenses to our smaller income. I have waited for an official notice from the University inquiring about my plans in the matter; and perhaps I should have mentioned them to you when I had an opportunity at our last interview. I assure you that I have appreciated the courtesy and considerateness you have shown in the case, and I shall ever remember it with gratitude.

I recognize the changed situation in the Latin Department, and that I should naturally be the first to retire; but it would work a great hardship for me to do so before the time above-mentioned. However, I shall try to submit cheerfully to whatever action you shall recommend to the Board.

To put into writing any details of my financial difficulties since I came to Chicago would be painful to me and tedious to you. I may say, however, that for many years the support of my family cost more than my income, that we ate up all the property we had left in Ohio and elsewhere, and that not until July 1911 were we able to pay the debts incurred 1891-97, - after dropping more than half my life-insurance. I am conscious that these personal affairs can not weigh much, - ought not to weigh much, - as against the general interest and policy of the University; but I am constrained to refer to them as some excuse for my desire for delay. We had

2

hoped also to keep up a home here until my son, now giving all his time to French, should have had another year of study in Paris and a year of graduate work in the Romance Department, where with his new appreciation of the value of the work and of the advantages offered here, we feel assured he will make a good record. He has quite recovered from his foolish youthful indifference to grades, and is anxious to retrieve himself. He always did good solid work, but his grades did not often show it.

Whatever action is taken by the Board, and whether I am retired sooner or later, I shall never cease to pray for the blessing of God on the University and for the continuance of your own great success as its President.

Yours very truly,

Chas. Chandler.

16-3-'14.

+150

The University of Chicago
FOUNDED BY JOHN D. ROCKEFELLER
Office of the Auditor

Chicago, October 16, 1916.

My dear President Judson:

Under the Statutes of the University Mrs. Franklin Johnson is entitled to one-half the retiring allowance which was being paid to her husband at the time of his death. The amount paid to him was $1800.; therefore, the amount of Mrs. Johnson's retiring allowance would be $900. Should this be paid to Mrs. Johnson automatically or should action of the Board be had in the matter? At the meeting of the Board held June 26, 1912, you recommended to the Board that the following action be taken with regard to payments to Mrs. Belfield:

> "That one-half the retiring allowance of Henry Holmes Belfield, deceased, be paid to his widow, under the conditions of the University plan for widows' allowances, after July 1, 1912.

The Board approved the recommendation.

Yours truly,

Trevor Arnett

President Harry Pratt Judson.

Chicago, October 18, 1916

Dear Mr. Arnett:

In answer to yours of the 16th inst. I beg to say, while Mrs. Franklin Johnson may be entitled to one-half of the retiring allowance which was being paid to her husband at the time of his death, at the same time I think it probably involves an action of the Board of Trustees. It seems to me that this matter should properly come from the Auditor in the form of a definite report of the financial facts concerned to the Board, to be acted on at the next meeting.

Very truly yours,

H.P.J. - L.

Mr. Trevor Arnett
The University of Chicago

Chicago, October 18, 1916

Dear Mr. Arnett:

In answer to yours of the 16th inst. I beg to say, while Mrs. Franklin Johnson may be entitled to one-half of the retiring allowance which was being paid to her husband at the time of his death, at the same time I think it probably involves an action of the Board of Trustees. It seems to me that this matter should properly come from the Auditor in the form of a definite report of the financial facts concerned to the Board, to be acted on at the next meeting.

Very truly yours,

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Mr. Trevor Arnett
The University of Chicago

PATENTS AND TRADEMARKS

CABLE ADDRESS ELECTRIFY

Law Offices of
Parker & Carter
Suite 1410, Marquette Building
Chicago

FRANCIS W. PARKER
DONALD M. CARTER
FRANCIS W. PARKER, JR.

Retirement of President

February 13, 1919.

Dr. Harry Pratt Judson,

University of Chicago,

Chicago, Illinois.

My dear Dr. Judson:-

I am enclosing herewith a copy of a memorandum for the sub-committee which explains itself. It seems to me that it might be well for you to have some one list those University undertakings which are in the midst, so-to-speak, and with respect to which you are so especially familiar.

I think, also, that at some time or in some way you ought to suggest what your own view is on the matter as to the proposed action.

If you are in any degree interested in the suggestion as to changing the presidential office, it seems to me that it would be very well to have a memorandum from you suggesting the lines of demarkation, so-to-speak, between the two positions or the suggestions as to what might be taken from the presidential office and what title might be used to designate the office to which such duties heretofore performed by the President shall be assigned.

Of course, when the committee is ready to meet, we shall expect to have you sit with us and my thought is that we can prior to such meeting have the matter pretty well worked out. I shall be very glad, indeed, to have your suggestions. I am writing Mr. Ryerson about the matter simply to keep him informed. My feeling is that it would be well if you can do so to have some statement or statements on some or all of the points above referred to of which you can send me duplicates so that I can send them to Mr. Rosenwald, Judge Baldwin and Mr. Ryerson with the idea that we may all of us have the whole subject matter thoroughly in mind when the committee meets.

Trusting this will be satisfactory, and with great regard, I am

Very sincerely yours,

Francis W. Parker,

FWP:I
enc.

PATENTS AND TRADEMARKS

CABLE ADDRESS ELECTRIFY

Law Offices of
Parker & Carter
Suite 1410, Marquette Building
Chicago

FRANCIS W. PARKER
DONALD M. CARTER
FRANCIS W. PARKER, JR.

February 24, 1919.

Dr. Harry Pratt Judson,

University of Chicago,

Chicago, Illinois.

P e r s o n a L.

My dear Dr. Judson:-

I enclose herewith a copy of a letter just received from Mr. Ryerson which explanis itself and should be added to the other papers in the matter of the sub-committee on presidency, etc.

Very truly yours,

F. W. Parker

FWP:I

Martin A. Ryerson.

Chandler, Arixona, February 18th, 1919.

Mr. Francis W. Parker,
Marquette Building, suite 1410,
Chicago.

My dear Mr. Parker:

The receipt of your letter of the 13th was somewhat delayed by the storm in Kansas. I have given some thought to the questions you set forth concerning the presidency of the University and President Judson has spoken to me about his near approach to the age fixed by the statutes for retirement, but I have not discussed the matter with him enough at length to know what his wishes are. Therefore what I have to say should be taken as subject to modification in the light of the information your committee may derive from Dr. Judson and from other sources. With that reservation, taking your questions seriatim, I should answer them as follows:

1. We should make an exception in the retiring age as to Dr. Judson.

2. By suspending the operation of the statute in its application to the presidency, for a period of five years.

3. My preference is for a definite period as stated above.

4. I believe it to be of the greatest importance that we have the advice and active cooperation of Dr. Judson in the organization of the Medical School. He can also render valuable assistance in the preparation of the plans of the Chapel.

5. I have also considered the possibility of a division of the duties of the presidential office but have not satisfied myself that it is feasible except by delegation of authority to subordinate officers and that would have to be largely a personal matter. I think, however, that Dr. Judson might give up the headship of his department and limit his teaching to any extent that may be necessary to facilitate his administrative work.

I shall be glad to hear what suggestions are made on these subjects.

With kindest regards, very sincerely yours,

Martin A. Ryerson.

Martin A. Ryerson.

Chandler, Arizona, February 18th, 1919.

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Marquette Building, suite 1410,
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I shall be glad to hear what suggestions are made on these subjects.

With kindest regards, very sincerely yours,

Martin A. Ryerson.

The University of Chicago
FOUNDED BY JOHN D. ROCKEFELLER

The Board of Trustees

OFFICE OF THE SECRETARY
ELLIS AVENUE AND FIFTY-EIGHTH STREET

File re Retirement President Judson

March 12, 1919

President Harry Pratt Judson,
Harper Memorial Library,
Faculty Exchange.

Dear President Judson:

At the meeting of the Board of Trustees held March 11, 1919, the following resolution was adopted:

"Resolved, that it is expedient at this time to consider whether it is wise and timely to have suitable changes made in our by-laws, etc., so as to provide for an additional officer of the University, under some suitable title, and

"Resolved, further, that as a preliminary thereto, the subject matter of this resolution be referred to the gentlemen comprising the Committee heretofore appointed to consider the matter of age limit as applied to said officers of the University; and that there be added as members Mr. Harold H. Swift and Mr. Robert L. Scott, who, with the President of the Board of Trustees and the President of the University, shall constitute this Committee, which shall report at the regular meeting of the Board to be held either in April or in May, as may suit the convenience of the Committee."

You will notice, therefore, that you are added to the committee appointed at the meeting held February 11, 1919, to consider the statute relating to the retirement of the President of the University, the other members of the original committee being Mr. Parker, Chairman, and Messrs. Baldwin and Rosenwald.

Very truly yours,

J S Dickerson

Secretary

Memoranda On Retirement Provision
of the University Statutes.

In view of the University statute which provides for the retirement at a certain age of the President as well as of professors, and in view of the fact that Dr. Judson is approaching that age, it has become necessary to take into consideration action under the statute which permits special exemption from the operation of the rule. At the last meeting of the Trustees of the University a committee consisting of Francis W. Parker, Jesse Baldwin and Julius Rosenwald was appointed to consider the situation and report their recommendation to the trustees at the next meeting. Before this committee meets, it seemed desirable that they shall have before them a statement of the large unfinished undertakings of the University with which Dr. Judson has special familiarity as well as some statement or communication from him on the subject with respect to what he is willing to undertake.

Moreover, the suggestion has been made by someone, that the duties heretofore assigned to the President under the practice which has prevailed, might be divided or the presidential office itself be relieved of some of the work hitherto assigned to it. The suggestion is probably made with the idea that we might thereby make the task of securing presidents for the University in the future less difficult. If any consideration is to be given to this suggestion, now is probably the appropriate time for if it should be looked upon with favor, Dr. Judson would be the one best qualified to work out the details and put them more or

less in operation during his presidency. This situation ought therefore to be kept in mind while considering the proposed action under the statute above referred to. A meeting of the committee of three above refered to will be called at no very distant date but before that time it is hoped that further information along the lines above referred to may be laid before the members of the committee and that they shall have thoroughly considered the entire situation.

Compliments of
Berkshire Life Ins. Co.

EXPLANATION OF TABLE

The table shows two sets of accumulations for each of the various ages at issue,-one, sub-columns (a), maturing for a Pure Endowment of $18,439 to a single life when that life shall have attained age 65 and the other, sub-columns (b), maturing for a Joint Pure Endowment of $3,696 to two lives when those lives shall have attained ages 65 and 60.

The object of securing $18,439 for a single life at age 65 is to regard this amount as the purchase price of a annuity of $2,000, the first annuity payment then due. That is, $18,439 is the necessary fund that should have been accumulated to provide a yearly pension of $2,000 to a college professor to begin at age 65. Likewise, $3,696, at the joint ages 65 and 60, is the amount necessary to provide a yearly pension of $1,000 to the wife, age 60, for each year that she may survive the professor who is 65. (The wife, in each case, is assumed to be five years younger than the professor.)

The age heading of each double column in the table represents the age at issue,- the age of the professor when the pure endowment contract was issued,- presumably his age when he joins the faculty. For an illustration, take 35 as the age at issue. Column (a), under age 35, is thereafter always considered for the professor's individual case, while column (b), applicable to the wife's benefit, will be that column under age 35 if he is married at 35 or earlier; if married later, column (b) under his age at marriage should apply. To further illustrate the various conditions of the case, ten years after the professor joins the faculty, when he is 45:

1. If unmarried, the value of his Pure Endowment benefit,- the funds that should have been accumulated in anticipation of his $2,000 pension at age 65,- should be $3,067 (column (a), age 35, 10th year.)
2. If married when he joins the faculty there should then be accumulated in anticipation of the wife's pension the additional sum of $487,- $3,554 in total (column (b), age 35, 10th year.)
3. Again, if married five years after joining the faculty, the additional amount of credit for the wife's pension should be $303,- total $3,370 (column (a), age 35, 10th year and column (b), age 40, 5th year.)

The annual premiums, at the beginning of each sub-column, may be contributed by the professor or by the college. In either case, from the nature of pure endowments, the accumulations should revert to the general fund in event of death. In event of voluntary withdrawal from the college, the accumulated pure endowment reserves should be returned to the professor or to the college, whichever contributed the premiums.

In applying the total, many variations may be assumed and, if the college is the only contributer, many adjustments, more or less arbitrary may be made. For instance, if the professor marries after joining the faculty, the college may immediately place to the credit of his wife the amount which would have been thus credited if married when he joined the faculty. Again, when contemplating such a proposition, suppose the college desires to distribute for such a purpose, say, more than $350,000. Suppose there are ten professors in each of four groups, aged respectively 35, 45, 55, and 65, each professor having been with the college ten years. There should then be credited

To the first group,	$ 19,720	(10th year under age 25)
" " second "	35,540	(" " " " 35)
" " third "	73,720	(" " " " 45)
" " fourth "	221,350	(" " " " 55)
Total,	$ 350,330	

Columns (a) are based upon the American Experience Table of Mortality while, for convenience of calculation, columns (b) are based upon the Makehamized Table which varies slightly from the original table. Throughout the interest earnings are assumed at 3 1/2 %. These mortality tables are safe for insurances but not quite adequate for annuities. However, the additional funds earned from surplus interest will tend to offset the loss due to mortality,- mortality unfavorable from the annuity viewpoint.

NET ANNUAL PREMIUMS and TERMINAL RESERVES

(a) to secure a Pure Endowment of $18,439 to a nominee upon attaining age 65, also

(b) to secure a Joint Pure Endowment of $3,696 to same nominee and to another nominee five years younger upon attaining the joint ages 65 and 60.

Am. Exp. 3½%

	Age 25		Age 26		Age 27		Age 28		Age 29		Age 30	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Premiums	$134.77	$ 18.86	$142.19	$ 20.04	$150.12	$21.30	$158.59	$22.66	$167.66	$24.13	$177.38	$25.70
Years					Reserves							
1	141	20	148	21	157	22	166	24	175	25	185	27
2	287	41	303	43	320	46	338	49	358	52	378	56
3	441	63	465	67	491	71	519	75	548	80	580	86
4	600	86	634	91	669	97	707	103	748	110	791	117
5	767	110	810	117	855	124	904	132	956	141	1011	150
6	942	136	994	144	1049	153	1109	163	1173	174	1241	185
7	1124	163	1186	173	1252	184	1324	196	1400	208	1482	222
8	1314	191	1387	203	1465	216	1548	230	1637	245	1733	261
9	1512	221	1596	235	1686	250	1783	266	1886	284	1996	303
10	1720	252	1816	268	1918	286	2028	304	2145	324	2272	346
11	1937	286	2045	304	2161	324	2284	345	2417	367	2560	392
12	2164	321	2285	341	2414	363	2553	387	2702	413	2862	441
13	2401	358	2536	381	2680	406	2834	432	3000	461	3178	493
14	2650	397	2799	423	2958	450	3129	480	3312	512	3510	547
15	2910	439	3074	467	3249	498	3438	531	3640	567	3858	606
16	3182	483	3362	514	3555	548	3762	585	3984	624	4223	668
17	3468	529	3665	564	3876	601	4102	642	4346	686	4608	734
18	3767	578	3982	616	4212	658	4460	703	4726	751	5013	804
19	4082	631	4315	673	4566	718	4836	767	5126	821	5440	880
20	4412	687	4666	733	4938	782	5232	837	5549	896	5892	961
21	4759	746	5034	796	5330	851	5650	911	5995	976	6369	1048
22	5124	809	5423	865	5744	925	6091	990	6467	1062	6876	1141
23	5509	877	5833	938	6182	1004	6559	1076	6969	1155	7414	1243
24	5915	950	6266	1015	6645	1089	7055	1168	7502	1256	7987	1353
25	6345	1028	6725	1101	7137	1180	7583	1268	8069	1365	8600	1472
26	6800	1112	7213	1192	7660	1280	8146	1376	8676	1484	9257	1603
27	7284	1202	7731	1290	8217	1387	8747	1494	9327	1613	9962	1746
28	7798	1300	8284	1397	8814	1504	9392	1623	10026	1756	10723	1904
29	8347	1406	8876	1514	9453	1633	10085	1765	10780	1912	11547	2078
30	8934	1522	9510	1641	10141	1773	10834	1921	11597	2086	12442	2273
31	9564	1649	10193	1781	10883	1928	11644	2093	12485	2279	13420	2491
32	10242	1788	10930	1935	11688	2100	12525	2286	13455	2496	14491	2735
33	10974	1942	11729	2106	12563	2292	13488	2501	14519	2740	15673	3014
34	11767	2112	12598	2297	13519	2506	14544	2744	15691	3017	16981	3331
35	12631	2302	13548	2511	14568	2748	15709	3019	16991	3333	18439	3696
36	13575	2515	14590	2751	15725	3022	17000	3334	18439	3696		
37	14611	2755	15741	3024	17008	3336	18439	3696				
38	15755	3027	17016	3337	18439	3696						
39	17024	3338	18439	3696								
40	18439	3696										

Am. Exp. 3½%

	Age 55		Age 56		Age 57		Age 58		Age 59		Age 60	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Premiums	$1275.06	$226.27	$1461.60	$261.96	$1697.05	$307.26	$2002.52	$366.33	$2413.26	$446.17	$2992.76	$559.31
Years					Reserves							
1	1345	242	1543	281	1795	330	2121	395	2561	482	3183	606
2	2766	502	3178	583	3699	687	4376	822	5290	1006	6581	1267
3	4274	783	4915	911	5726	1074	6783	1288	8210	1578	10230	1993
4	5878	1087	6767	1267	7894	1496	9364	1798	11350	2210	14166	2798
5	7591	1419	8550	1656	10222	1961	12144	2362	14745	2911	18439	3696
6	9428	1782	10883	2085	12735	2475	15156	2991	18439	3696		
7	11407	2184	13190	2562	15462	3050	18439	3696				
8	13550	2630	15697	3095	18439	3696						
9	15884	3131	18439	3696								
10	18439	3696										

NET ANNUAL PREMIUMS AND TERMINAL RESERVES

(a) to secure a Pure Endowment of $18,439 to a nominee upon attaining age 65, also

(b) to secure a Joint Pure Endowment of $3,696 to same nominee and to another nominee five years younger upon attaining the joint ages 65 and 60.

Am. Exp. 3½%

	Age 31		Age 32		Age 33		Age 34		Age 35		Age 36	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Premiums	$187.80	$27.41	$199.01	$29.25	$211.08	$31.25	$224.10	$33.42	$238.17	$35.77	$253.41	$38.34
Years	Reserves											
1	196	29	208	31	220	33	234	35	249	38	265	40
2	401	59	425	63	451	68	478	72	509	77	541	83
3	614	91	651	97	691	104	734	111	780	119	830	128
4	838	125	888	133	942	142	1001	152	1064	163	1132	175
5	1071	160	1135	171	1205	183	1280	196	1361	210	1449	225
6	1315	198	1394	211	1479	226	1571	242	1671	259	1779	278
7	1570	237	1664	254	1767	271	1877	290	1996	311	2126	334
8	1836	279	1947	298	2067	319	2196	342	2336	366	2489	393
9	2115	323	2243	345	2382	369	2531	396	2693	425	2869	456
10	2407	370	2554	395	2711	423	2882	453	3067	487	3268	523
11	2713	419	2878	448	3057	480	3250	514	3460	553	3687	594
12	3033	471	3219	504	3419	540	3636	579	3872	622	4128	670
13	3369	527	3576	564	3800	604	4042	648	4306	697	4593	750
14	3722	586	3952	627	4200	672	4469	722	4762	777	5082	837
15	4092	648	4346	695	4621	745	4919	801	5244	862	5599	930
16	4482	715	4761	767	5064	823	5394	885	5754	954	6147	1029
17	4892	786	5199	844	5533	906	5896	976	6293	1052	6728	1137
18	5324	862	5661	926	6028	996	6428	1073	6865	1158	7346	1253
19	5780	944	6150	1015	6553	1092	6992	1178	7474	1273	8004	1379
20	6263	1032	6668	1110	7110	1196	7593	1292	8124	1398	8709	1517
21	6776	1126	7219	1213	7703	1309	8234	1415	8818	1534	9464	1668
22	7320	1228	7805	1325	8336	1431	8920	1550	9564	1684	10277	1833
23	7899	1339	8431	1446	9014	1565	9656	1698	10366	1847	11154	2016
24	8518	1460	9101	1579	9741	1712	10449	1860	11233	2029	12106	2219
25	9181	1591	9820	1724	10525	1873	11306	2040	12174	2230	13143	2446
26	9894	1735	10596	1884	11373	2051	12236	2240	13199	2455	14278	2701
27	10662	1894	11435	2061	12293	2249	13250	2463	14321	2708	15526	2989
28	11493	2070	12347	2258	13297	2471	14360	2714	15555	2994	16905	3319
29	12396	2266	13341	2478	14397	2720	15582	2999	16920	3321	18439	3696
30	13382	2485	14431	2726	15607	3003	16934	3323	18439	3696		
31	14462	2731	15631	3007	16947	3326	18439	3696				
32	15652	3010	16960	3328	18439	3696						
33	16971	3329	18439	3696								
34	18439	3696										
35												

	Age 49		Age 50		Age 51		Age 52		Age 53		Age 54	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Premiums	$665.29	$111.67	$730.83	$123.76	$806.61	$137.83	$895.03	$154.35	$999.34	$173.96	$1123.95	$197.52
Years	Reserves											
1	698	118	767	131	847	147	941	164	1052	185	1184	211
2	1430	244	1573	271	1738	303	1932	340	2160	384	2434	437
3	2201	379	2422	421	2678	470	2977	528	3332	597	3757	680
4	3013	522	3317	581	3670	649	4084	730	4574	827	5162	943
5	3870	676	4264	752	4721	842	5258	948	5894	1075	6659	1229
6	4777	841	5267	937	5837	1051	6507	1185	7302	1346	8259	1541
7	5740	1020	6334	1138	7026	1277	7841	1442	8810	1641	9978	1884
8	6764	1213	7472	1356	8297	1524	9271	1725	10431	1967	11832	2253
9	7857	1423	8689	1594	9662	1795	10810	2036	12132	2328	13843	2685
10	9027	1653	9996	1855	11132	2095	12475	2382	14083	2730	16035	3159
11	10286	1907	11407	2144	12724	2427	14285	2768	16159	3183	18439	3696
12	11645	2187	12936	2466	14456	2799	16264	3203	18439	3696		
13	13121	2499	14603	2826	16352	3219	18439	3696				
14	14729	2849	16428	3233	18439	3696						
15	16493	3245	18439	3696								
16	18439	3696										

NET ANNUAL PREMIUMS and TERMINAL RESERVES

(a) to secure a Pure Endowment of $18,439 to a nominee upon attaining age 65, also

(b) to secure a Joint Pure Endowment of $3,696 to same nominee and to another nominee five years younger upon attaining the joint ages 65 and 60.

Am. Exp. 3½%

	Age 37		Age 38		Age 39		Age 40		Age 41		Age 42	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Premiums	$269.94	$ 41.14	$287.93	$ 44.21	$307.54	$ 47.59	$329.00	$ 51.29	$352.53	$ 55.39	$378.42	$59.93
Years					Reserves							
1	282	43	301	47	321	50	344	54	369	58	396	63
2	577	89	615	96	657	103	703	111	754	120	810	130
3	885	137	944	148	1009	159	1080	172	1157	185	1243	201
4	1207	188	1288	202	1377	218	1473	235	1580	255	1697	276
5	1544	242	1648	260	1762	281	1886	303	2023	328	2174	355
6	1897	299	2025	322	2165	347	2318	375	2487	405	2673	440
7	2266	359	2420	387	2588	417	2772	451	2975	488	3199	530
8	2654	423	2834	456	3032	492	3249	532	3487	576	3751	625
9	3060	491	3269	529	3498	571	3750	618	4027	670	4334	728
10	3487	563	3727	607	3989	656	4278	710	4596	770	4949	838
11	3936	640	4208	690	4506	746	4834	809	5198	878	5600	956
12	4408	722	4715	779	5051	843	5423	914	5834	994	6291	1083
13	4906	809	5250	875	5628	947	6046	1028	6509	1119	7025	1221
14	5432	903	5816	977	6240	1059	6708	1151	7228	1254	7808	1370
15	5989	1004	6417	1088	6889	1180	7412	1284	7994	1401	8644	1534
16	6579	1113	7055	1207	7580	1311	8164	1429	8814	1562	9542	1712
17	7206	1231	7734	1336	8318	1454	8968	1587	9694	1738	10509	1909
18	7875	1359	8460	1477	9109	1610	9833	1761	10642	1932	11554	2127
19	8589	1498	9238	1631	9959	1781	10764	1952	11668	2146	12689	2370
20	9355	1650	10074	1800	10875	1970	11772	2164	12783	2386	13927	2642
21	10179	1817	10976	1987	11867	2180	12868	2400	13999	2654	15284	2948
22	11069	2002	11954	2194	12946	2413	14065	2665	15334	2957	16780	3297
23	12033	2207	13018	2425	14126	2675	15379	2965	16806	3301	18439	3696
24	13083	2436	14181	2635	15421	2972	16830	3306	18439	3696		
25	14231	2693	15459	2978	16851	3309	18439	3696				
26	15494	2984	16871	3313	18439	3696						
27	16889	3316	18439	3696								
28	18439	3696										

	Age 43		Age 44		Age 45		Age 46		Age 47		Age 48	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Premiums	$407.02	$ 64.97	$438.72	$ 70.60	$474.02	$ 76.90	$513.50	$ 84.01	$557.91	$ 92.04	$608.12	$101.19
Years					Reserves							
1	426	69	459	75	496	81	538	89	584	97	637	107
2	871	141	940	154	1016	167	1101	183	1197	201	1306	221
3	1338	218	1443	237	1561	259	1692	283	1841	311	2009	342
4	1827	299	1972	326	2133	356	2313	389	2517	428	2749	472
5	2341	386	2526	420	2734	459	2967	503	3230	553	3529	610
6	2880	478	3110	521	3366	569	3655	625	3982	687	4353	758
7	3447	576	3724	628	4034	687	4382	754	4776	830	5225	918
8	4045	681	4372	743	4738	814	5151	894	5619	985	6152	1091
9	4675	793	5057	866	5484	949	5967	1044	6514	1153	7139	1278
10	5343	914	5782	999	6276	1096	6834	1207	7468	1335	8192	1482
11	6050	1043	6553	1143	7118	1255	7759	1384	8488	1533	9322	1705
12	6801	1184	7373	1298	8018	1428	8748	1578	9582	1751	10539	1951
13	7601	1336	8249	1468	8980	1617	9811	1790	10761	1990	11853	2224
14	8457	1502	9188	1653	10015	1825	10957	2024	12036	2256	13281	2528
15	9374	1684	10197	1856	11131	2055	12197	2285	13422	2553	14840	2869
16	10361	1884	11287	2082	12341	2310	13547	2575	14937	2887	16550	3256
17	11428	2106	12469	2332	13658	2595	15023	2902	16601	3265	18439	3696
18	12585	2352	13757	2612	15099	2916	16645	3273	18439	3696		
19	13846	2628	15167	2928	16685	3280	18439	3696				
20	15229	2939	16720	3286	18439	3696						
21	16752	3292	18439	3696								
22	18439	3696										

(over)

The following supplementary table applies after the pensions are in force.

Age of Prof.	Value of $2,000 Annuity 1st pmt. immediate (A)	Age of Wife	Value of $1,000 Rev'y Annuity to wife, 1st pmt. at death of prof. (B)
65	$18,439	60	$3,696
66	17,725	61	3,653
67	17,019	62	3,604
68	16,323	63	3,550
69	15,637	64	3,490
70	14,964	65	3,425
71	14,305	66	3,355
72	13,660	67	3,280
73	13,028	68	3,199
74	12,409	69	3,114
75	11,800	70	3,024
76	11,200	71	2,931
77	10,608	72	2,834
78	10,022	73	2,733
79	9,444	74	2,629
80	8,874	75	2,524
81	8,315	76	2,416
82	7,769	77	2,307
83	7,231	78	2,197
84	6,697	79	2,087
85	6,164	80	1,977

In event of the death of the professor, the wife's benefit then becomes a regular annuity for $1,000, the valuation of which is one-half of the respective amounts indicated in column (A). Should the wife predecease, the fund credited to her benefit, column (B), reverts to the general fund.

H. P. Judson

STUDY OF ANNUITIES AND INSURANCE

FOR STAFF OF

THE UNIVERSITY OF CHICAGO

The University of Chicago

Office of the Auditor

June 2, 1919.

My dear President Judson:

After a study of the question of annuities and insurance for the University staff, I beg to submit the following suggestions and statistics bearing on the subject. I am giving the suggestions first and following them with statistics and charts as to persons on the staff, their ages, length of service, cost of annuities, group insurance, and other data pertinent to the matter.

Yours very truly,

Trevor Arnett

President Harry Pratt Judson,

Harper Library.

S U G G E S T I O N S

Suggestion I

Provide group insurance for members of the Faculty who are now eligible, or who eventually would become eligible for the benefits of the present Retiring Allowance plan. The average cost for $3000. of such insurance for each person now on the Faculty of the rank of assistant professor and over is about $15.00 per thousand. If all "Instructors" were included the rate would be lower. Since the system of retiring allowance in force does not cost the beneficiary anything, the Faculty should pay as much of the cost of this insurance as the company's regulations allow. Every person should be required to participate in this insurance so as to provide against eventualities before the age of 65 is reached.

Suggestion II

Provide group insurance for all other persons on the payroll of the University not covered in Suggestion I. The amount for any person should not be less than $600., commencing after one year of service, and increasing $100. per year of service until a maximum of a year's salary, or $3000. is reached. The cost of providing this insurance on the basis of the present staff is about $6000. per annum. The University might pay all, or the greater part of this cost since at present there is no other provision for this group as to pensions or insurance. More than 600 persons would be included, and the benefits are obvious.

Suggestion III

Consider as a substitute for the present retiring allowance plan the advisability of adopting the contributory annuity plan as outlined by the Teachers' Annuity and Insurance Association for all members of the Faculty and officers of admin-

istration not now eligible under the present retiring allowance plan, and for all of every rank hereafter to be appointed. This plan requires a joint contribution, usually of 5 per cent each of the annual salary, by the beneficiary and the University. The amount so paid is put into a fund and accumulated at 4 per cent compound interest for the benefit of the insured. In case of death or disability the sum accumulated is available for his family, and helps to cover the period before the age of retirement, for which period the present plan of the University of Chicago makes no provision. This plan would not cost the University so much as the present system eventually will, and would be of wider application.

Suggestion IV

Consider the advisability of adopting the contributory annuity plan as mentioned in Suggestion III for the employes of the University not included in the class therein mentioned who might wish to join, and who have been in the employ of the University for ten years, and are not over 45 years of age. At present there are 32 men and 27 women in this class who would qualify.

S T A T I S T I C S

DATA WITH RESPECT TO THOSE ELIGIBLE TO UNIVERSITY RETIRING ALLOWANCE PLAN NOW IN FORCE: There are assistant professors and those of superior rank now on the Faculty - (See Chart I)

Persons on active Faculty Eligible

177 Men	11 Women	Total 188	Average Age	Years 47.8

Total Annual Salary $639,918.

		Men	Women	Total
Over 45 Years of Age	$406,018.	98	9	107
Under 45 " " "	$233,900.	79	2	81
Over 15 Years of Service		65	3	68
Under 15 " " "		112	8	120

All on this list, with one exception, will have served 15 years or more when they attain the age of 65 (one will have served 14 years).

Of those who have served 4 years or less (36 men and 1 woman) all except two are under 46 years of age = 20 per cent.

Of those who have served 10 years or less (86 men and 7 women) all except one are under 56 years of age = 50 per cent.

For the purpose of testing the adequacy of the present Retiring Allowance Fund the following calculations are made:

Cost of Present Retiring Allowance Plan

The cost of an annuity of $2500. per year during life, with right of widow to one-half - $1250. - for her life, should she survive her husband, at 3½ per cent, at the following ages, assuming that the wife is 5 years younger than the husband, is

At 65 years	- Cost of Annuity - - -	$27,669.
68 "	" " " - - -	$24,841.
70 "	" " " - - -	$22,987.

These figures are from calculations kindly furnished by A. C. Washburne, Actuary of the Berkshire Life Insurance Company,

which company does not write annuities.

All members of the faculties of the rank of assistant professor and above, with one exception, are 30 years of age or over, up to 68 years old, - an average of 4.8 persons at each age, - a period of 39 years between the ages of the oldest and those at 30 years. Let us assume that every person on the list will reach the age of retirement, and will elect to retire at 68 years of age, that each one is married and his wife is 5 years younger than he, and that the average retiring allowance is $2500. per year per man. The University then would have to provide under such conditions for 4.8 annuities yearly at a cost, if purchased outright, of $24,841. each @ 3½ per cent = $119,236. This would require in round numbers a capital of $3,000,000. at 4 per cent. However, it may safely be assumed that

1) All would not reach the retiring age;

2) The retiring age would be nearer 70 years than 68;

3) A greater rate of interest than 3½ per cent may be calculated on the annuity fund;

4) All annuitants will not be married men with wives 5 years younger; some will be women, some bachelors, some widowers, and some with wives less than 5 years younger.

5) The rate of interest on the principal sum may be more than 4 per cent.

All these factors would tend to reduce the annual sum needed so that $2,500,000. may be regarded as sufficient.

Present Retiring Allowance Fund and Income

The principal of the Retiring Allowance Fund at present is		$2,027,988.58
and will be on June 30, 1919		$2,050,000.00
The annual income 1918-19 is (on interest rate of about 5%)		$100,000.00

The previous calculations have not taken into account the present charges against the Retiring Allowance Income. They are estimated for 1919-20 at $35,948.00

Amount Needed for those on present Retired List

Considering the people on the present retired list alone, the yearly amount required will decrease and eventually disappear altogether. Probably in ten years 75 per cent will have died, and in 15 years practically all of the remainder. There would probably be required on the average a principal of $500,000. for the next 15 years to provide for these allowances. At the end of the period the principal would remain intact.

From a study of the active Faculty list, (See Chart I), however, it appears there are 51 persons, ages 54 to 68, an average of 3.4 persons per year, for whom, if they all reach 68 years and retire at that age, there will be required a sum of 3.4 x $24,841. = $84,459.40 per year, instead of $119,236. per year during those years, under the former supposition as to the average rate of retirement as previously estimated. The difference in cost for the next 15 years would result in a saving of $521,655 over the average expenditure needed for 4.8 persons, which, with compound interest, would amount to a considerable sum, and would reduce the amount of principal needed if provided in one amount at this time. Of course a greater amount than $119,236. would be needed yearly in the subsequent years if the average of 4.8 persons retiring each year were maintained.

It would thus appear that a fund of $3,000,000. would be fully adequate to provide annuities for a Faculty of the present size for all time to come, and with great probability that a smaller sum would be sufficient. At the close of 39 years a sufficient income to purchase annuities for all on the present

list would have been provided, and the principal of the Fund would still be intact.

The amount of principal needed to carry on the present Retiring Allowance Plan may be also tested by the following calculations:

The principal of the Fund on June 30, 1919, as already stated, is estimated at	$2,050,000.
Annual Income	$100,000.
Estimated charges for annuitants in year 1919-20	$35,948.

The following persons on the active Faculty would attain the age of 70 in the following years if they survive, and would be entitled to retiring allowances if they do as follows:

1921-22	Coulter, J. M.	$3,000.
1922-23	Michelson, A. A.	3,000.
1923-24	Reynolds, Myra	2,100.
	Butler, Nathaniel	2,520.
1924-25	Small, A. W.	3,000.
1926-27	Burton, E. D.	3,000.
	Castle, C. F.	2,100.
	Price, I. M.	2,400.
	Tolman, A. H.	2,100.
1927-28	Barnard, E. E.	2,100.
	Shorey, Paul	3,000.
	Terry, B. S.	2,400.
		$30,720.

It is not likely that any person would be added to the University Faculty within ten years of the age of his retirement. Therefore, it may be safely assumed that the list just mentioned will be inclusive.

Let it be assumed -

1) That the income of the present fund will continue at $100,000. per year.

2) That for the next nine years the additions to the retired list will be as just specified.

3) That in the same period there will be no reduction in the charge of $35,948. for those at present on the retired list.

The charges to the fund and the remainder of the income for the period would then be as follows:

Year	Added to List	Total Charge for the Year	Annual Income from Fund	Remainder of Income to be Added to Fund
1919-20	$	$35,948.	$100,000.	$64,052.
1920-21		35,948.	100,000.	64,052.
1921-22	3,000.	38,948.	100,000.	61,052.
1922-23	3,000.	41,948.	100,000.	58,052.
1923-24	4,620.	46,568.	100,000.	53,432.
1924-25	3,000.	49,568.	100,000.	50,432.
1925-26		49,568.	100,000.	50,432.
1926-27	9,600.	59,168.	100,000.	40,832.
1927-28	7,500.	66,668.	100,000.	33,332.
	$30,720.	$424,332.	$900,000.	$475,668.

Estimated Increase in Fund Next Nine Years

There would thus be available $475,668. for additions to the Fund. If this were added each year as it became available, and were invested at 4 per cent, the interest on the additions during the period would amount to $93,739.
a total additional to the fund of $569,407.
making the fund on July 1, 1928 $2,619,407.

It is quite probable that some who are on the present retired list will die within the next nine years, thus reducing the charge and adding to the amount to be added to the principal of the fund. On the other hand, some may elect to retire before 70 years of age and the rate of interest on the investments may not remain as high as it is at present, which would tend to diminish the amount of income. It may be fair to assume, however, that the Fund would be about $2,600,000. on July 1, 1928, which would produce an income at 5 per cent of $130,000., which would probably be twice as much as was needed at that time if the Faculty continued

at the present size, and would allow for an increase in the Faculty of Medicine, etc.

However, if $300,000. were added to the Retiring Allowance Fund as of July 1, 1919, it, with accumulations at 4 per cent, would increase the Fund to over $3,000,000. on July 1, 1928. This sum at 4 per cent would be much more than was needed at that time to care for the annual charge on the present basis, and would leave a remainder for many years, which, as added, would constantly increase the Fund unless a change were made in the method.

If it were decided to pay for the Group Insurance for the employes from this Fund, or to extend the present scope of the retiring allowances, the balance of income available would not be so great.

It is quite probable that a principal of $3,000,000. on July 1, 1928, would carry the charges under the present plan of Retiring Allowances and the changes under a contributory plan for those qualifying under such a plan.

Contributory Annuity Plan

If for any reason the University should go into a contributory annuity arrangement, such as that of the (Carnegie) Teachers Insurance and Annuity Association of America, such a plan would probably require that all the present Instructors should be included, and also all "Instructors", as well as those of higher ranks thereafter joining the University. If the University's contribution (one-half) was 5 per cent of the annual salary, it would be on the present basis 5 per cent of the salary of 73 Instructors at an average salary of $1400. = $102,200. = $5,110. As members of the Faculty of higher rank were admitted the annual sum would increase until on the basis of the present payroll for the Faculty of "Instructors" and those

of higher rank, it would amount to 5 per cent of $714,118. = $35,706. The adoption of this plan would be a gradual process, and when fully in force would require the income on a principal sum of less than $1,000,000. unless the University decided to pay as its share of the cost of the annuities more than 5 per cent of the annual salary, on the understanding that the beneficiary paid not less than 5 per cent.

The total payroll for instruction in 1917-18 was $1,030,240.94, which included salaries of the Correspondence Study Department, University College, Lecture Study Department, Fourth Quarter payments, both to our own and outside instructors, and also the salaries of assistants, associates, and helpers, which salaries would not be classed as regular salaries.

Teachers Insurance & Annuity Association Plan

The deferred annuity contract, teachers' retirement plan of the Teachers Insurance and Annuity Association, according to its prospectus, provides a non-forfeitable pension from the time the first premium is paid, the teacher becoming the owner of a policy or contract which neither the employer nor the Association can modify adversely to his interests, and no change of employment or failure to continue the payment of premiums can deprive him of the full benefit purchased by the premiums already paid. He is assured that every cent of premium which he pays, or which is paid by his college for him, with compound interest at 4 per cent, will either be applied to provide the retiring allowance, or if he dies before the allowance becomes payable, will be returned to his dependents.

Under the Association plan it is not necessary to determine the form of annuity which the teacher may desire until the time of his retirement arrives. Then four options are provided, any one of which he may select, depending upon the circumstances in which

he finds himself. Whichever he does select, the accumulations of the premiums paid, with compound interest at 4 per cent, purchase the annuity. Under option I it may be an annuity on his own life; under option II it may be an annuity on his own life plus an annuity of one-half the amount to his wife, should she survive him; under another option, the annuity selected may be paid to the annuitant for life, but if he dies before the total annuity payments equal the total accumulated premiums applied to the purchase of the annuity, payments will be continued to his estate until the annuity payments have equaled the amount of the accumulated premiums.

There are two other features of the Teachers Association policy deserving special mention:

1) A person may arrange to retire at an earlier age than that originally selected, and may purchase an annuity to begin at any time. The amount of the annuity in such case will depend upon the amount of the accumulated premiums and the age at which the annuity begins;

2) The Association will keep individual accounts of the policies on this plan, and furnish the policy holder with statements.

Illustrations of the settlements available under the various options will be furnished upon request.

Examples of the amounts of annuities beginning at 65 a premium of $120. per year will purchase are shown at the following ages:

Age	Amount of Annuity beginning at 65	
	For a Man	For a Woman
30	$1,021.00	$895.00
35	777.00	682.00
40	578.00	506.00
45	413.00	362.00
50	277.00	243.00
55	165.00	145.00
60	75.00	66.00

The above amounts are based on a premium of $120. per year, or ten per cent of a salary of $1200. These amounts are the product of monthly rates given by the Teachers Association and might vary a few cents to allow for the difference in interest from the monthly plan. As the salaries are increased, the ten per cent would furnish a larger premium, which would buy a larger annuity.

From the above tabulations it will be observed that a contributory plan, if it is to be effective and not become too expensive for the individual, must be begun not later than at the age of 45. For example, a person whose salary is $3600. at 45 years of age could buy an annuity of $1239. to commence at the age of 65, with an annual premium of $360. - 10 per cent of his salary.

To illustrate the matter in another form: If a person at the age of 30, with a salary of $1800. per year, decided to join the Association and pay 5 per cent of his salary as a premium, the college or university paying the other 5 per cent, and also agreed that as his salary increased he would devote the same percentage for the purchase of an annuity, the university doing likewise, and assuming that his salary was increased to $2400. at the age of 35, $3000. at the age of 45, $3600. at the age of 55, the amount available for the purchase of an annuity at the age of 65 would be $19,541.00. This would provide the annuitant with an annuity of $1770.36, payable monthly, and an income of half that amount to his wife during her life, should she survive him. Or it would provide him alone with an annuity for the remainder of his life of $2210.28 per year, payable monthly.

If the contributory plan were put into effect in the University it might be possible and advisable to include within

its scope the teachers in the High School, the Elementary School, and the officers of administration in addition to the members of the Faculty of higher rank. The amount of premium payable by the University on a five per cent basis would not exceed $75,000. per annum.

If the Faculty were on the Teachers contributory plan, each individual would get a policy, and in case of death before the age of 65 years the amount of accumulations, with interest at 4 per cent at the time of his death, would be payable to his estate, and would help to cover the gap which now exists before he qualifies for retirement.

O T H E R   E M P L O Y E S

Employes of the University, including High School and Elementary School teachers, in March of the present year numbered 726, of whom 354 were men and 372 were women. (See Chart III). Their total yearly salary is $748,692. - an average salary of $1,031.; an average salary for men of $1,225., and for women $840. Of these 726, 135 men and 144 women, a total of 279, have been in the employ of the University one year or less, or practically 40 per cent; 194 men and 226 women, a total of 420, have been in the employ of the University three years or less, or practically 60 per cent; 301 men and 336 women, a total of 637, have been in the employ of the University ten years or less, or approximately 90 per cent.

Of the men, 12 are 65 years of age or over, of whom one has been in the employ of the University twelve years, one for eleven years, two for eight years, one for seven years, one for two years, and six for one year and less. Of the women of the age of 60 and upwards there are eight; one who has been in the em-

ploy of the University twenty-four, one for twenty-three, one for eighteen, one for sixteen, one for two years, and three for one year or less.

Of the men who have been in the employ of the University fifteen years or more there are thirty. The oldest is 64 years of age and the youngest is 30 years of age.

Twenty-four women have been in the employ of the University 15 years or more, the oldest of whom is 72 years and the youngest 33 years.

It would appear from these facts that there is a great turnover in the employes of the University - a great majority remaining not more than three years, or not more than five at the most.

At the present time there is no provision for pension or any reward for service for the group covered by this class other than the monthly salary. I have had estimates of cost made covering group insurance for this class on the following basis:

> $600 life insurance for each employe on completion of one year's service; increasing $100. for each additional year of service completed, to a maximum of the annual salary, or $3,000. if the annual salary is greater.

Cost of Group Insurance

The Aetna Life Insurance Company estimates that the number of employes to be insured under this plan would be 624; the total amount of insurance $533,389., and the annual premium $5,920.77. This policy does not require medical examination, provides for renewals from year to year, and guarantees the rates for five years. It gives the employe the right to continue the insurance on the termination of employment, without medical examination, upon the life or endowment plan. The

policy also provides for benefits in case of permanent disability before the age of sixty. The full face of the policy is then paid in one instalment, or in a number of instalments, with interest on the deferred payments, according to the option selected. Individual certificates are given to the persons insured.

The Equitable Life Insurance Company, from the same data, estimates that the annual amount of insurance would be $633,900., and that the premium per annum would be $9,172.20, part of which, I understand, is returnable at the end of the year if the experience permits.

The Travelers Insurance Company calculates that there would be 615 employes who have been in the service for one year or more on the plan of starting at $600., after one year of service increasing $100. annually to the amount of yearly salary, or a maximum of $3000.; that the yearly premium would be $5,855.87; that the total amount of insurance involved would be $525,349.; average amount of insurance per individual $854.; average premium per individual $9.52; average premium per $1,000. of insurance $11.15.

The average cost of the insurance furnished by the Aetna Life Insurance Company is $11.10 per $1,000., and by the Equitable Life Insurance Company $14.47 for the same group.

GROUP INSURANCE FOR FACULTY

The Travelers Life Insurance Company makes a proposal for insuring each member of the Faculty of the rank of assistant professor and upwards in a fixed amount of $3000. per person from the list submitted for a yearly premium of $8,408.79, an average premium per individual of $44.97; an average premium per $1000. of insurance of $14.99. It also states that by law it is re-

quired to collect at least a part of the premium from the employer. The amount of insurance must be based upon some general plan, and at least seventy-five per cent of those eligible must take the insurance. It has compared this group proposition for the Faculty members with individual life insurance, and gives the following data regarding Travelers rates per year per $1000.:

	Age 30	Age 35	Age 40	Age 45
5 Year Renewable Term	$ 9.12	$10.07	$11.52	$14.23
Ordinary Life	17.65	20.67	24.94	30.72
20 Payment Life	25.19	28.22	32.03	37.40

It will be noted that the five year term rates are considerably below the average of $14.99 per $1000. As the older members the Faculty who are eligible to the Retiring Fund, or are soon to become eligible, would not be very likely to take out the insurance, the average cost probably would be considerably less than $14.99.

On the other hand, the very lowness of the average cost for a man over 55 might act as quite a powerful incentive to induce the older men to take the insurance. The need for the insurance might not be so great, but the temptation of getting a bargain might overcome this difference in need.

It might be advisable to average the premium for certain periods rather than for the entire range of ages. For example, the average charge made to those between 30 and 50 might be put at one figure, the average charge for those between 50 and 60 at another, and the average for those over 60 at still another, instead of an average of $14.99 for all. The averages might be figured at $10.00, $12.50, and $15.00.

I would suggest that "Instructors" also be required to

take group insurance at the same rates and on the same terms as Assistant Professors and those of higher rank. If they did, the average rate would be somewhat reduced.

Assistant Professors and higher — Chart I

Years of Service	No.	Ages — March 1919 — Men & Women 68	7	6	65	4	3	2	1	60	9	8	7	6	55	4	3	2	1	50	9	8	7	6	45	4	3	2	1	40	9	8	7	6	35	4	3	2	1	30	9	28
27	15+W		1		1		3	2	4+W				3				1																									
26	1						1																																			
25	4								1					2						1																						
24	5							1							1	1	1		1																							
23	2	1																			1																					
22	2+W			W												1		1																								
21	3															2	1																									
20	1																		1																							
19	8			1							1	1			2						2				1																	
18	7+W									1		1	W	1	1		1	1	1																							
17	7								1				1				1		1	1	1	1																				
16	3												1								1	1																				
15	7													1					1	1					1	3																
14	4+W									1						W				1		1			1																	
13	2											1								1																						
12	8													1			1		1	1	1				1		1			1												
11	12								1		1						1		1	1			2	1	1	1	1	1														
10	8+3W																W		1	W	2			1+W	1	1	1				1											
9	10														1							1		2		1	1	1		1	2											
8	10															1			1				1			1	2		1	1		1	1									
7	8											1										1	2	1							2	1										
6	7+W																		1								3+W		1	1	1											
5	6+W														1		W					1										1		2			1					
4	13																									1	1	1			1	2	3		3		1					
3	7																							1	2					1					1			2				
2	9+W																	W							1		1			1	1				2		1	1	1			
1	8+W																													1		1		1	1		2		W	1		1
Totals	177+11W	1	1	1+W	1	0	4	3	7+W	2	2	4	5+W	5	6	5+W	7+2W	2+W	10	7+W	8	6	5	6+W	9	8	11+W	3	2	7	8	6	3	2	7	0	5	3	1+W	1	0	1

Chart II.

Instructors at different ages.

Age	No. of Men	No. of Women
56	0	1
53	0	2
52	0	1
48	0	1
46	1	0
45	3	0
44	1	2
43	0	1
42	1	2
40	2	0
39	5	1
38	2	0
37	2	0
36	2	0
35	2	2
34	3	0
33	6	1
32	1	2
31	2	2
30	7	1
29	2	1
28	2	0
27	2	1
26	2	0
25	1	1
24	0	1
23	0	0
22	0	0
21	1	0
Totals	50	23

—Chart III.

Employees including high and secondary school teachers, but *not* including Faculty Members.

Ages – March 1919 – Men

Years of Service	No. of Persons	76	75	4	3	2	1	70	9	8	7	6	65	4	3	2	1	60	9	8	7	6
27	5														1		1			1		
26	1																					
25	3																					
24	0																					
23	0																					
22	0																					
21	0																					
20	1																					
19	1													1								
18	2																					1
17	6														1	1						
16	7																					1
15	4																		1			
14	2																					
13	13																	1				
12	5							1													1	
11	3						1															
10	12																					1
9	8																				1	1
8	16								1			1		1			1					
7	18	1												1					1			
6	11																					
5	22															1			1		2	
4	20															1		2				
3	21															3				1		1
2	38												1		1		1			1	1	
1	69							2					3	1	1	1		2		2	1	2
Less than 1	66					1								2	1	1	2	1	1			1
Totals	354	1				1	1	3	1			1	4	6	5	8	5	6	4	5	6	8

Years of Service	55	4	3	2	1	50	9	8	7	6	45	4	3	2	1	40	9	8	7	6
27	1			1																
26					1															
25					1		1							1						
24																				
23																				
22																				
21																				
20	1																			
19																				
18							1													
17				1		1							1			1				
16			1			1			1									1		
15																1		1		
14											1						1			
13	1						2	1	1				2		1		2	2		
12													1							
11										1								1		
10		1											1		1		1			1
9	1					1	1			1							1			
8	1		1			1		1								2			1	
7			2	1			1	1	2	1	2		1					2		
6				1				1	1	1			1			1				1
5							1	2	1			1							2	2
4	1			2	1	1						1	1					1	1	1
3			2		1		2						1				3		1	
2	1	2	1	3	1			2			1	1				3				
1	4			2		1	1	2	2	1	1		1	1	2		1	3	2	2
Less than 1		1			3	2	2	3	3	3	2		1	1	1	2	2	3	1	3
Totals	11	4	7	11	8	8	12	13	11	8	7	3	11	3	5	10	11	14	8	10

Years of Service	35	4	3	2	1	30	9	8	7	6	25	4	3	2	1	20	9	8	7	6	15	14
27																						
26																						
25																						
24																						
23																						
22																						
21																						
20																						
19																						
18																						
17																						
16	1					1																
15		1																				
14																						
13																						
12	1	1																				
11																						
10	1	1	1			1				1	1											
9									1													
8	1		2		1								1									
7		1		1																		
6	1	1			1	1																
5	1	3						1	1	1					1	1						
4		1			1	1	1	1						1		1						
3		1	1							1		1				1		1				
2	1			1		1		2			1	3	1	2		1		3	1	1		
1		1	3	1	1	1			1	1		1	1		1	2	2	1	3	4	4	
Less than 1	1	2	1	3		1	1	1		1	2	2	1		2		2	2				1
Totals	8	13	8	6	4	7	2	5	3	5	4	7	4	3	4	6	4	7	4	5	4	1

Ages – March 1919 – Women

Years of Service	No. of Persons	76	75	4	3	2	1	70	9	8	7	6	65	4	3	2	1	60	9	8	7	6
27	0																					
26	1																					
25	1																					
24	2					1																
23	2						1															
22	0																					
21	1																					
20	0																					
19	2																		2			
18	4																	1		1		
17	4																			1		
16	6															1						
15	1																					
14	0																					
13	5																					
12	2																					
11	5																					
10	8																					
9	17																					
8	11																					
7	6																					
6	27																					
5	23																		1			
4	18																					
3	33																					
2	49													1					1			1
1	106											1						1	2			
Less than 1	38																	1				
Totals	372					1	1					1		1		1		3	6	2		1

Years of Service	55	4	3	2	1	50	9	8	7	6	45	4	3	2	1	40	9	8	7	6
27																				
26				1																
25		1																		
24	1																			
23							1													
22																				
21															1					
20																				
19																				
18									1	1										
17	1												1					1		
16												1					1		1	
15																				1
14																				
13						1						1				2				
12												1								
11																				
10								1									1		1	
9									1	1		1					2	1	1	
8		1								1	1					1	1			
7																		1		
6								1	1	1				2				2		1
5											1				2	2	1	1		
4							1						1	1		1				1
3								1								1			1	1
2				2						2			1	1	1	1				1
1		1	2						1		1		1			1			1	1
Less than 1								1	1	1	1				1					1
Totals	2	3	2	3		1	2	4	5	7	4	4	4	4	5	9	6	6	5	7

Years of Service	35	4	3	2	1	30	9	8	7	6	25	4	3	2	1	20	9	8	7	6	15	14
27																						
26																						
25																						
24																						
23																						
22																						
21																						
20																						
19																						
18																						
17																						
16	1		1																			
15																						
14																						
13		1																				
12								1														
11		1	1			1				1	1											
10			1		1	1	1		1													
9		3	1		1	2	1	1		1												
8		1		1		2		1		1												
7	1				1		1		1			1										
6	1	2		2		4		2	1	1	2	2	2									
5	1	1		1	1				1	1	2	5			2							
4	1	1	1				1		1		1		3	4								
3	1	2	3	1			2	2	5	3	1	2	1		2	3		1				
2	1				2	1	3	2	5	3	1	4	4	4	1	3	1	1	1			
1	2	2	5	4		5	3	3	7	4	7	9	6	4	5	7	7	5	5	2		1
Less than 1	2		1		1	2	2	1	2	4	1	2		1	2	3	3	1		2		1
Totals	11	14	14	9	7	18	14	13	24	19	16	25	16	13	12	16	11	8	6	4		2

Chart IV

Chart of employees including high and secondary school teachers, but not including faculty members, as to number of persons by ages.

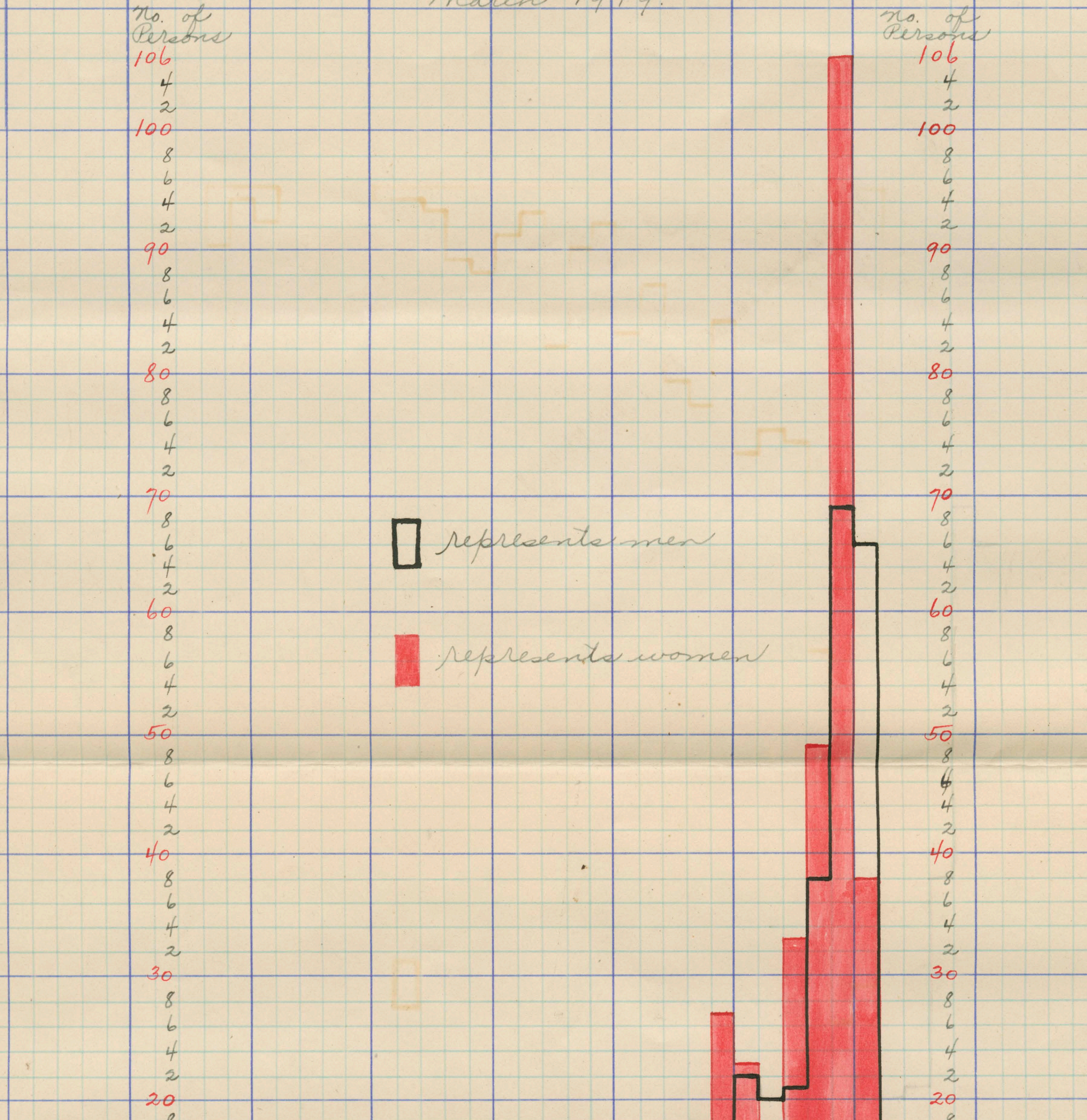
March 1919

Number of persons ranges from 1 to 25
Ages range from 14 to 76

Chart V

Chart of employees including high and secondary school teachers, but not including faculty members, as to number of persons by years of service.

March 1919.



Number of persons ranges from 1 to 106
Years of service ranges from less than 1 to 27