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THE ORIGIN AND EVOLUTION

of the

MAYO FOUNDATION BOARD OF TRUSTEES

by

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FOREWORD

The two Mayo brothers, Dr. William James Mayo and Dr. Charles Horace Mayo, were truly remarkable men. While their careers and contributions have been reviewed in many papers, articles and books, one accomplishment of fundamental significance merits more attention than it usually receives. That accomplishment was the creation, in 1919, of the non-stock, non-profit, charitable corporation now known as Mayo Foundation.

To this entity was transferred the ownership of all Mayo buildings, equipment and records, and the Mayo Clinic name. It was to (and has) receive all future earnings of Mayo Clinic. In addition, the brothers and their wives executed a deed of gift contributing most of their personal savings and investments as an initial Mayo Foundation endowment fund. All monies were to be judiciously expended to promote medical education and research.

Concurrent with establishment of Mayo Foundation was dissolution of the partnership that had been the Mayo Clinic and a decision that henceforth, staff members would be compensated through salary. This was essential to the concept of transferring earnings each year to Mayo Foundation to be held in trust for support of education and research. The policy of compensation through annual salary has been important in the evolution of the coordinated, group practice of medicine that is the Mayo Clinic today.

From the beginning the Mayo Foundation functioned under the direction of a board of trustees (originally "Board of Members"). For those concerned with the history of Mayo, the evolution of the board is of interest.

Hence, this paper, originally prepared as an "in-house" presentation to the Mayo Board of Trustees.

FOR THE FUTURE

In the second decade of this century, the Mayo Clinic practice was booming along. The first building designed specifically for ambulatory patients of the Mayo group practice of medicine had opened in 1914. Patients came in such rapidly increasing numbers that by 1919, this new building was overcrowded and planning for additional space began.

There were also increasing numbers of patients needing surgery or hospitalization for other conditions. Frequent expansion of hospital facilities was essential, and considerable resourcefulness was demonstrated in providing more beds.

Education programs for young physicians had been formalized through the affiliation with the University of Minnesota Graduate School in 1915. The beginnings of the excellent work in graduate medical education were in place and the number of students increased each year. The Mayos recognized the essentiality of continuing medical education for all physicians, and supported such efforts in Rochester and elsewhere.

Early research efforts had begun with Dr. Louis B. Wilson doing experiments in his barn. Some research laboratories were provided in the new "1914 Building," and plans were made for an Institute of Experimental Medicine three miles southwest of Rochester.

The Mayo brothers at this time were men of middle age, vigorously healthy, at the height of their careers, with every reasonable expectation of remaining professionally active for years. They chose this period to plan for the future, when they would no longer be directing the institution. They felt the need for an organizational structure, perhaps some sort of trusteeship, that might assure that the Mayo Clinic group would effectively serve mankind indefinitely. What form of governance would provide the best chance for continuance of the Clinic beyond the Mayos' lifetimes?

In what has become the typical Mayo response to such questions, the Mayos appointed a committee to consider the matter. The members were Judge George W. Granger (a highly respected person who was legal advisor to the Mayos), Burt W. Eaton (financial advisor to the Mayos), and Harry J. Harwick (the business manager of Mayo Clinic). The committee consulted with Pierce Butler of St. Paul, who was later an Associate Justice of the U. S. Supreme Court, and with Fred B. Snyder, a Minneapolis attorney and long-time Chairman of the Board of Regents, University of Minnesota. It was two Winona Minnesota attorneys, however, who became the chief advisors, working with the committee, and with the Mayos, in creating a legal concept and structure not previously applied to an organization of physicians. The Winona lawyers were Leslie L.

Brown, called "the legal father of Mayo Foundation" and his partner, Stephen H. Somsen, who did most of the document drafting.

The organization they created was a two part structure. The first was Mayo Foundation, an eleemosynary corporation to own buildings, equipment, etc., and to hold in trust funds for the support of medical education and research. The second was Mayo Clinic, an association of physicians, to conduct the group practice of medicine under an elected Board of Governors. The Mayo Clinic was to lease facilities from Mayo Foundation, with the annual rental being funds remaining after Clinic expenses were paid. The rental was to pass irrevocably to Mayo Foundation, where neither assets nor income could "ever inure to the benefit of any..... private individual."

In 1919, when Mayo Foundation was founded, the Federal income tax had existed for only a few years, and was very modest. While the new legal entity proved to be advantageous as a tax shelter, it is highly unlikely that tax considerations affected the debate over what organization might best support Mayo service to humanity.

EVOLUTION OF THE BOARD OF TRUSTEES

The membership of the board has changed over the years. What follows is a review of the Board at specific points of change, of interest because of the individuals involved, or because of the changing structure.

When the Board was first appointed, it was called the Board of Members, and was a combination of medical members, public members, and one administrative member. From the beginning that concept of physician, public and administrative members has continued. The 1919 Board was as follows:

Dr. W. J. Mayo, Chairman

Dr. C. H. Mayo, Vice Chairman

Dr. H. S. Plummer

Dr. D. C. Balfour

Dr. E. S. Judd

Judge G. W. Granger

Judge B. W. Eaton

Mr. L. L. Brown

Mr. H. J. Harwick, Secretary/Treasurer

Dr. Donald C. Balfour, a surgeon on the staff was married to Doctor Will's oldest daughter, Carrie. Dr. Henry S. Plummer and Doctor Judd were married to Berkman girls, Daisy Berkman Plummer and Helen Berkman Judd. The Berkman girls were nieces of Doctor Will and Doctor Charlie. Mr. H. J. Harwick, the administrative member, was married to

Margaret Graham, a niece of Dr. Charlie's wife. This meant that all of the "inside" members were related in some way. When you think about it, that was not illogical. The partners were giving away the Institution, in a sense, and they were doing it in an evolutionary style. The three public members were the lawyers, Granger, Eaton and Brown.

There was an important member of the family, however, who did not agree with the foundation concept. That was Dr. Christopher Graham, a partner of the Mayos, and a brother of Edith Graham Mayo, Dr. Charlie's wife. Christopher Graham disagreed so strongly with the concept of a non-profit charitable corporation and an association that he resigned from the practice. Doctor Graham pursued other interests for the rest of his life including the careful breeding of Holstein cattle. This was a natural interest since he was a veterinarian before he became a physician; his Holstein herds were well known for high qualities.

At the end of 1919, Mr. L. L. Brown resigned from the Board. Perhaps it was difficult to come to Rochester from Winona; roads were not good in those days. There was no change in the medical members in 1920, but there was an interesting new public member. The 1920 Board of Members was:

Dr. W. J. Mayo, Chairman

Dr. C. H. Mayo, Vice Chairman

Dr. D. C. Balfour

Dr. E. S. Judd

Dr. H. S. Plummer

Judge B. W. Eaton

Judge G. W. Granger

Mr. C. W. Mayo

Mr. H. J. Harwick, Secretary/Treasurer

Mr. C. W. Mayo is Chuck Mayo, Doctor Charlie's son, who was at that time age 21, and in the junior class at Princeton. Considering Chuck as a public member, there were still three public trustees, but the family ties were even stronger than before. Mr. Harwick continued as administrative member.

By 1927, there had been another change; still only nine members, but Judge Eaton had resigned to be replaced by Dr. Waltman Walters of the surgical staff. The 1927 Board of Members was:

Dr. W. J. Mayo, Chairman

Dr. C. H. Mayo, Vice Chairman

Dr. D. C. Balfour

Dr. E. S. Judd

Dr. H. S. Plummer

Dr. Waltman Walters

Judge G. W. Granger

Dr. C. W. Mayo

Mr. H. J. Harwick, Secretary/Treasurer

Since Mrs. Walters was the younger daughter of Doctor Will and Mrs. Mayo, all of the medical members of the Board were still part of the family, one way or another. Judge Granger and Chuck Mayo continued as public members. Chuck Mayo in 1927 was a physician but he was in Sayre, Pennsylvania as an intern and not yet on the Mayo staff, so he was properly considered a public member. Mr. Harwick still was the one administrative member.

The 1936 Board membership reflected some change; the members were:

Dr. W. J. Mayo Chairman

Dr. C. H. Mayo, Vice Chairman

Dr. H. S. Plummer, Vice Chairman

Dr. D. C. Balfour, Vice Chairman

Dr. D. M. Berkman

Dr. C. W. Mayo

Dr. Waltman Walters

Judge G. W. Granger, Assistant Secretary

Mr. H. J. Harwick, Secretary/Treasurer

Dr. E. Starr Judd, whose son Edward was later a member of the Mayo staff in surgery, died in 1935, and was replaced by Dr. David Mayo Berkman. And, of course, Doctor Berkman was a brother of Mrs. Plummer and Mrs. Judd and a nephew of Doctor Will and Doctor Charlie, so we still have a family tie. Also Chuck Mayo was by then Dr. Charles William Mayo of the surgical staff, so it was all family except for Judge Granger as the one public member. It is obvious that the Mayos were

not concerned about ill effects of nepotism. The success of the institution suggests that such a practice may be more beneficial than most believe! Judge Granger was listed as Assistant Secretary and Mr. Harwick continued as Secretary/Treasurer. The 1936 Board had three vice chairmen, a practice first established in 1934, and continued to the present.

The 1939 Board membership reflected considerable change:

Dr. W. J. Mayo, Chairman (until 7/18/39)
Dr. C. H. Mayo, Vice Chairman (until 5/26/39)
Dr. D. C. Balfour, Vice Chairman
Dr. C. W. Mayo, Vice Chairman
Dr. Waltman Walters, Vice Chairman (after 7/18/39)
Dr. M. S. Henderson
Dr. R. D. Mussey (after 7/18/39)
Dr. J. deJ. Pemberton (after 10/18/39)
Dr. D. M. Berkman, Assistant Secretary
Judge G. W. Granger, Assistant Secretary
Mr. H. J. Harwick, Chairman (after 7/18/39)
Mr. A. J. Lobb, Secretary/Treasurer (after 7/18/39)

Dr. Charles H. Mayo died in May, 1939, and he was replaced on the Board by Dr. Robert D. Mussey. Doctor Mussey was Head of the Section of Obstetrics and Gyneology and was Chairman of the Mayo Clinic Board of Governors for ten years. Dr. William J. Mayo died in July, and was replaced as a

medical trustee by Dr. John deJ. Pemberton. Neither Doctor Mussey nor Doctor Pemberton were related to the family in any way; they were members of the Mayo staff elected to the Board of Members by their peers on the Board. Doctor Will was replaced as Chairman of the Board by Mr. Harwick; it is interesting to note that about two months before he died, Doctor Will made the motion to elect Mr. Harwick as chairman. Judge Granger died also in 1939; he was replaced by Mr. Albert J. Lobb who became Secretary/Treasurer of the Board after Mr. Harwick became Chairman. Mr. Lobb had come to Mayo in 1925 as the first in-house legal counsel, with degrees in law from both the Universities of Minnesota and Wisconsin. He had been Controller and Secretary of the Board of Regents of the University of Minnesota. Mr. Lobb was the first new administrative Board member in 20 years. By the end of 1939, there were seven medical members, two administrative members, and no public members. The three Vice Chairmen were Dr. C. W. Mayo, Doctor Balfour and Doctor Walters, so that the family still had prominent positions.

In 1940, The Board had no change in the seven medical members and no change in administrative members. There were no public members. The members were :

Dr. D. C. Balfour, Vice chairman
Dr. C. W. Mayo, Vice Chairman
Dr. Waltman Walters, Vice Chairman
Dr. D. M. Berkman

Dr. M. S. Hendereson

Dr. R. D. Mussey

Dr. J. deJ. Pemberton

Mr. H. J. Harwick, Chairman

Mr. A. J. Lobb, Secretary/Treasurer

Mr. G. S. Schuster, Assistant Secretary

Mr. J. W. Harwick, Assistant Treasurer

Two names appear on the listing for the first time as Officers of the Board, but not as full members. These two administrators were G. Slade Schuster and J. William Harwick. Slade Schuster had been in Mayo Clinic administration for over ten years, having joined the staff after receiving a master's degree in business administration from Harvard. Bill Harwick had worked with the Kahler Corporation hospitals for a time after graduating from Dartmouth College. Dr. W. J. Mayo made the decision to add Bill to the Clinic administrative group in 1937. Both Mr. Schuster and Mr. Harwick served the Board with distinction for many years.

By 1951, several changes had been made, one of which was readoption of the original concept of medical, public and administrative members. The Board expanded in that year to twelve members; six medical, three public and three administrative. The 1951 Board members were:

Dr. C. W. Mayo, Vice Chairman

Dr. Waltman Walters, Vice Chairman

Dr. A. R. Barnes, Vice Chairman

Dr. Samuel F. Haines
Dr. John deJ. Pemberton
Dr. James T. Priestley
Mr. Edmund Fitzgerald
Mr. Henry S. Kingman
Dr. Dwight L. Wilbur
Mr. H. J. Harwick, Chairman
Mr. G. S. Schuster, Secretary/Treasurer
Mr. J. W. Harwick, Assistant Secretary/Treasurer

Mr. E. H. Weld, Second Assistant Secretary/Treasurer

Dr. Arlie R. Barnes was a new Vice Chairman of the Board; Doctor Barnes, a cardiologist, had been Chairman of the Board of Governors since 1947. The practice of having the Chairman of the Board of Governors as a Vice Chairman of the Board of Members was begun in 1951 and has been continued to the present. In addition to Doctor Barnes, new members were Dr. Samuel F. Haines, an endocrinologist and Vice Chairman of the Board of Governors, and Dr. James T. Priestley, a general surgeon and member of the Board of Governors.

With the concept of public members reaffirmed, three public members were recruited in 1951; Mr. Edmund Fitzgerald, Chief Executive Officer of Northwestern Mutual Life Insurance Co., Milwaukee; Mr. Henry Kingman, President of Farmers and Mechanic Savings Bank of Minneapolis; and Dr. Dwight L. Wilbur, a gastroenterologist on the faculty of Stanford, formerly a resident and staff member at Mayo.

Doctor Wilbur was a very distinguished physician, subsequently President of the AMA, President of the American College of Physicians and active in the American Board of Internal Medicine, and a host of other medical organizations. The 1951 Board included three administrative members: H. J. Harwick, G. S. Schuster, and J. W. Harwick. A fourth administrator listed as an officer was Edward H. Weld. Mr. Weld had served in a variety of administrative posts since joining the Mayo business office staff in the late 1930s.

The 1953 Board had two new medical members. Dr. James W. Kernohan, a pathologist, replaced Doctor Pemberton, who had retired. Dr. Lawrence M. Randall, an obstretician/gynecologist replaced Dr. A. R. Barnes, who also retired.

The Board members were:

Dr. C. W. Mayo, Chairman

Dr. Waltman Walters, Vice Chairman

Dr. Samuel F. Haines, Vice Chairman

Dr. J. W. Kernohan

Dr. James T. Priestley

Dr. L. M. Randall

Mr. Edmund Fitzgerald

Mr. Henry S. Kingman

Dr. Dwight L. Wilbur

Mr. G. S. Schuster, Vice Chairman

Mr. Harry A. Blackmun, Secretary/Treasurer

Mr. J. W. Harwick, Assistant Secretary/Treasurer

Mr. E. H. Weld, Second Assistant Secretary/Treasurer

In the 1950s and 1960s, the medical members of the Board of Members were not necessarily members of the Board of Governors. The three public members continued, but a new administrative member, Mr. Harry Blackmun, was elected to the position made vacant by the retirement of H. J. Harwick. Dr. Charles W. Mayo was elected Chairman succeeding Mr. Harwick. Mr. G. S. Schuster was elected a Vice Chairman replacing Doctor Barnes in that officer position. Since 1939, the Board has had a senior administrator of Mayo Clinic as Chairman or as a Vice Chairman.

Harry Blackmun came to Mayo Clinic as senior legal counsel in 1950. He resigned from the Mayo Clinic staff when appointed to the U.S. Circuit Court of Appeals in St. Louis. He maintained his chambers in Rochester until he was later appointed Associate Justice of the U.S. Supreme Court.

The 1959 Board included a new public trustee, Judge Warren E. Burger, from the U. S. Court of Appeals in Washington, D.C.. Judge Burger was originally from Minnesota, and served in the U. S. Department of Justice on appointment from President Eisenhower. Later, he was named Chief Justice of the United States.

Dr. Hugh R. Butt had joined the Board in 1958; Doctor Butt, a well known gastroenterologist, was Vice Chairman of the Board of Governors.

Members of the 1959 Board were:

Dr. C. W. Mayo, Chairman

Dr. Waltman Walters, Vice Chairman

Dr. James T. Priestley, Vice Chairman

Dr. H. R. Butt

Dr. J. W. Kernohan

Dr. L. M. Randall

Judge Warren E. Burger

Mr. Edmund Fitzgerald

Dr. Dwight L. Wilbur

Mr. G. S. Schuster, Vice Chairman/Treasurer

Mr. Harry A. Blackmun

Mr J. W. Harwick, Assistant Secretary/Treasurer

Several new medical trustees had been added by 1964; Dr. J. Minott Stickney, an internist and hematologist, who served a whole host of responsibilities in Mayo; Dr. Edward S. Judd, a general surgeon, whose father was one of the original trustees; Dr. Arthur M. Olsen, consultant in thoracic diseases; and Dr. L. Emmerson Ward, a young internist and rheumatologist. Doctors Stickney and Ward were also members of the Board of Governors. Doctor Ward was elected Chairman of the Board of Governors in 1964, and subsequently became a Vice Chairman of the Board of Members. The 1964 Board of Members was:

Dr. James T. Priestley, Vice Chairman

Dr. H. R. Butt, Vice Chairman

Dr. J. M. Stickney, Vice Chairman

Dr. E. S. Judd

Dr. A. M. Olsen

Dr. L. Emmerson Ward

Mr. Atherton Bean

Judge Warren E. Burger

Dr. Dwight L. Wilbur

Mr. G. S. Schuster, Chairman

Mr. J. W. Harwick, Secretary

Mr. R. P. Kingsbury, Treasurer

Mr. K. J. Ladner, Assistant Secretary/Treasurer

Mr. Schuster was elected Chairman of the Board in 1964, succeeding Dr. Charles W. Mayo, who had retired at the end of 1963. Edmund Fitzgerald from Northwestern Mutual Life retired from the Board after 12 years of service. Mr. Atherton Bean was elected to this public member position. Mr. Bean did tremendous service to Mayo Foundation, including seven years of service as chairman. He also was a major factor in recruiting outstanding people to serve as public trustees.

Mr. R. Putnam Kingsbury, Treasurer of Mayo Foundation, in 1964 was elected to the position vacated by Harry Blackmun's appointment to the bench. Mr. Kingsbury had joined Mayo in 1947 and was controller for many years. Also in 1964, Mr. Karl J. Ladner was elected an officer of the Board; Mr. Ladner had joined Mayo administration in the Section of Systems and Procedures in 1949.

By 1967, the public trustee group numbered five, including now Samuel C. Johnson from S. C. Johnson and Co.,

Racine, Wisconsin, and Dr. Clark Wescoe from the University of Kansas. The 1967 Board members were:

Dr. J. T. Priestley, Vice Chairman

Dr. J. M. Stickney, Vice Chairman

Dr. L. Emmerson Ward, Vice Chairman

Dr. O. H. Beahrs

Dr. J. W. DuShane

Dr. A. M. Olsen

Mr. Atherton Bean

Judge Warren E. Burger

Mr. Samuel C. Johnson

Dr. W. Clarke Wescoe

Dr. Dwight L. Wilbur

Mr. G. S. Schuster, Chairman

Mr. J. W. Harwick, Secretary

Mr. R. P. Kingsbury, Treasurer

Mr. K. J. Ladner, Assistant Secretary/Treasurer

Two years later, in 1969, the Board was a total of fifteen, with six public, six medical and three administrative members. The Honorable Lyndon B. Johnson, having just left the Presidency of the United States, joined the Board in February. President Johnson and his wife had been patients of Mayo Clinic for thirty years, and were close personal friends of Dr. and Mrs. James Cain of Rochester. Mr. Johnson was particularly interested in medicine and education, and expressed his interest in Mayo to his physician, Doctor Cain. He was a serious trustee who did his "homework" and contributed to the Board discussions. Dr. William G. Sauer, head

of a section of gastroenterology, and Dr. John T. Shepherd, Chairman of Physiology, also joined the Board; both were members of the Board of Governors. Mr. Bean succeeded Mr. Schuster as Chairman of the Board, with the latter becoming a Vice Chairman. Mr. Robert C. Roesler, in administration since 1946 and a member of the Board of Governors, became an administrative member and assistant secretary.

Members of the Board of Members in 1969 were:

Mr. Atherton Bean, Chairman

Judge Warren E. Burger

The Honorable Lyndon B. Johnson

Mr. Samuel C. Johnson

Dr. W. Clarke Wescoe

Dr. Dwight L. Wilbur

Dr. O. H. Beahrs

Dr. J. W. DuShane

Dr. W. G. Sauer

Dr. J. T. Shepherd

Dr. J. W. Stickney, Vice Chairman

Dr. L. Emmerson Ward, Vice Chairman

Mr. G. S. Schuster, Vice Chairman

Mr. J. W. Harwick, Secretary

Mr. R. C. Roesler, Assistant Secretary

Mr. R. P. Kingsbury, Treasurer

Mr. K. J. Ladner, Assistant Secretary

The 1970 Board reflects the reorganization of Mayo Clinic and Mayo Foundation that took place early that year.

The association of physicians was eliminated and all functions of Mayo became part of a single legal entity, Mayo Foundation. With this change, all of the members of the Board of Governors became members of the Board of Trustees by virtue of election to the Board of Governors. Provision was made for an additional two "internal trustees" whose terms would be only one year, rather than the four year terms of the other trustees. Since the maximum size of the Board was set at thirty, there were positions for up to sixteen public trustees, a majority of the Board.

The 1970 Board included the ten medical members from the Board of Governors, four of whom were new trustees. These were Dr. Edward D. Henderson, an orthopedist, Dr. Charles A. Owen, Jr., a pathologist and investigator, Dr. Richard Reitemeier, an internist and gastroenterologist, and Dr. Robert B. Wallace, a cardiovascular surgeon. The 1970 Board of Trustees included:

Mr. Atherton Bean, Chairman

Mr. Edward N. Cole

Mr. Hugh D. Galusha, Jr.

(11/10/70 to death 1/1/71)

The Honorable Lyndon B. Johnson

Mr. Samuel C. Johnson

Mr. William McChesney Martin

Mr. Gerard Piel

Dr. W. Clarke Wescoe

Dr. Dwight L. Wilbur

Dr. J. M. Stickney, Vice Chairman
Dr. L. Emmerson Ward, Vice Chairman
Dr. O. H. Beahrs
Dr. J. W. DuShane
Dr. E. D. Henderson
Dr. C. A. Owen, Jr.
Dr. R. J. Reitemeier
Dr. W. G. Sauer
Dr. J. T. Shepherd
Dr. R. B. Wallace
Mr. G. S. Schuster, Vice Chairman
Mr. J. W. Harwick, Secretary
Mr. R. C. Roesler Assistant Secretary

Mr. R. P. Kingsbury, Treasurer
Mr. K. J. Ladner, Assistant Treasurer

New public trustees on the 1970 Board were Edward N. Cole, later the President of General Motors Corporation, William McChesney Martin, long-time Chairman of the Federal Reserve Board, Gerard Piel, editor and publisher of Scientific American, and Hugh D. Galusha, Jr., President of the Ninth District Federal Reserve Bank. Mr. Galusha served very briefly, because of his tragic death in an accident in Yellowstone National Park. Mr. Cole was also lost to the Board because of an accident after eight years of service. Mr. Martin was a strong contributor to the Board serving nine years until reaching the age of 72. Mr. Piel, also an excellent trustee, served the maximum of three, four-year terms.

The administrative trustees were Mr. Schuster, a Vice Chairman of the Board, Mr. Harwick, Secretary and Mr. Roesler, Assistant Secretary. Mr. Kingsbury and Mr. Ladner continued as additional officers of the Board.

The next year, 1971, three new public trustees joined the Board. They were Bert S. Cross, Chief Executive Officer of 3M Company, Stephen F. Keating, President of Honeywell Corporation, and Dr. Philip R. Lee of California, an alumnus of Mayo Graduate School, and at one time Under Secretary for Health in the U. S. Department of Health, Education and Welfare. Mr. Cross and Doctor Lee each served one term, while Mr. Keating served three terms of four years and was Chairman of the Board the last seven of those years. Dr. W. Eugene Mayberry became a medical trustee, having succeeded Doctor Owen as a member of the Board of Governors. Mr. Ladner in 1971 became an administrative trustee as well as an officer of the Board. Members of the 1971 Board were:

Mr. Atherton Bean, Chairman
Mr. Edward N. Cole
Mr. Bert S. Cross
The Honorable Lyndon B. Johnson
Mr. Samuel C. Johnson
Mr. Stephen F. Keating
Dr. Phillip R. Lee
Mr. William McChesney Martin
Mr. Gerard L. Piel
Dr. W. Clarke Wescoe
Dr. Dwight L. Wilbur, Emeritus

Dr. J. M. Stickney, Vice Chairman
Dr. L. Emmerson Ward, Vice Chariman
Dr. O. H. Beahrs
Dr. J. W. DuShane
Dr. W. E. Mayberry
Dr. C. A. Owen
Dr. R. J. Reitemeier
Dr. W. G. Sauer
Dr. J. T. Shepherd
Dr. R. B. Wallace
Mr. G. S. Schuster, Vice Chairman
Mr. J. W. Harwick, Secretary
Mr. R. C. Roesler, Assistant Secrtary
Mr. K. J. Ladner, Assistant Treasurer

Mr. R. P. Kingsbury, Treasurer

The concept of emeritus public trustee was adopted in 1971, and Dr. Dwight Wilbur was elected to the first such position. An emeritus trustee was to be invited to attend meetings and participate in discussion, but would not be eligible to vote.

The 1973 Board had three new public trustees: Joan Ganz Cooney of the Children's Television Workshop, New York City; George Dillon, Chief Executive Officer of Butler Manufacturing Company, Kansas City; and Newton N. Minow, of the legal firm of Sidley and Austin, Chicago. Mr. Minow had served a term as Chairman of the Federal Communications Commission. With those additions the active public trustees

numbered eleven. The 1973 Board included:

Mr. Atherton Bean, Chairman
Mr. Edward N. Cole
Mrs. Joan G. Cooney
Mr. Bert S. Cross
Mr. George C. Dillon
Mr. Samuel C. Johnson
Mr. Stephen F. Keating
Dr. Phillip R. Lee
Mr. William McChesney Martin
Mr. Newton N. Minow
Mr. Gerard L. Piel
Dr. Dwight L. Wilbur, Emeritus
Dr. L. Emmerson Ward, Vice Chairman
Dr. W. G. Sauer, Vice Chairman
Dr. E. D. Henderson
Dr. J. R. Hodgson
Dr. W. E. Mayberry
Dr. D. C. McGoon
Dr. R. J. Reitemeier
Dr. J. T. Shepherd
Dr. R. G. Siekert
Dr. R. B. Wallace
Mr. J. W. Harwick, Vice Chairman
Mr. R. C. Roesler, Secretary
Mr. K. J. Ladner, Treasurer

Mr. Gregg Orwoll, Assistant Secretary

There were three new medical trustees: Dr. John R. Hodgson, a radiologist; Dr. Dwight C. McGoon, a cardiovascular surgeon; and Dr. Robert Siekert, a neurologist. Mr. Schuster had retired, leaving three administrative trustees, but Mr. Gregg Orwoll, Mayo legal counsel, became an officer of the Board.

By 1975, there were thirteen public trustees with the following as new members: Dr. Hanna H. Gray of Northwestern University, later Provost at Yale and then President, University of Chicago; Willis A. Strauss, Chief Executive Officer of Northern Natural Gas Company, now InterNorth, Omaha; Dr. Thomas D. Throckmorton, a surgical alumnus of Mayo from Des Moines, Iowa; and Thomas J. Watson, Chief Executive Officer of IBM, New York City. Members of the 1975 Board were:

Mr. Atherton Bean, Chairman
Mr. S. F. Keating, Vice Chairman
Mr. Edward N. Cole
Mrs. Joan G. Cooney
Mr. George C. Dillon
Dr. Hanna H. Gray
Mr. Samuel C. Johnson
Mr. William McChesney Martin
Mr. Newton N. Minow
Mr. Gerard Piel
Mr. Willis A. Strauss
Dr. Thomas D. Throckmorton

Mr. Thomas J. Watson, Jr.
Dr. Dwight L. Wilbur, Emeritus
Chief Justice W. E. Burger, Emeritus
Dr. L. Emmerson Ward, Vice Chairman
Dr. W. E. Mayberry, Vice Chairman
Dr. A. J. Bianco, Jr.
Dr. L. F. Black
Dr. R. W. Hill
Dr. J. R. Hodgson
Dr. D. C. McGoon
Dr. J. T. Shepherd
Dr. R. G. Siekert
Dr. R. B. Wallace
Mr. J. W. Harwick, Vice Chairman
Mr. R. W. Fleming
Mr. R. C. Roesler, Secretary
Mr. K. J. Ladner, Treasurer

Mr. Gregg Orwoll, Assistant Secretary
Mr. D. A. Barnes, Assistant Secretary

Three new members of the Board of Governors became medical trustees: Dr. Anthony J. Bianco, Jr., an orthopedist; Dr. Leo F. Black, thoracic diseases and internal medicine; and Dr. Richard W. Hill, hematology and internal medicine. Mr. Robert W. Fleming, a part of Mayo administration since 1950, was elected an administrative trustee. Mr. David A. Barnes, at Mayo since 1951, and son of a former Board member, was elected an officer of the Board.

The Honorable Warren E. Burger, Chief Justice of the United States, accepted election as an Emeritus Trustee, joining Dr. Dwight Wilbur in that category.

COMMITTEES OF THE BOARD OF TRUSTEES

Just as the size and composition of the Board of Trustees has become more complex over 60 years of evolution, so has the committee structure become more complicated.

The 1919 Board had only one three-man committee, a Finance Committee, which, significantly, included a public trustee. The committee met infrequently and irregularly.

In 1932, a second committee, the Investment Committee, was created, and the Finance Committee was renamed the Fiscal Committee. It is interesting to note that the by-laws specified that a duty of the Fiscal Committee was to set salaries for all personnel, including physicians and governors.

The Executive Committee of the Board came into existence in 1951, and originally was composed of the officers of the corporation. Later it was expanded, and included a public trustee.

The Development Committee was first named in 1965, with Dr. Dwight Wilbur as chairman. The following year a nominating Committee was appointed under the chairmanship of Dr. A. M. Olsen.

In 1969, an Advisory Committee on Plans and Programs was established, obviously to give more attention to the planning functions within the Board itself. A planning committee within Mayo Clinic had worked intensively from 1963 to 1966.

Also in 1969, the Honorable Lyndon B. Johnson, Mr. Atherton Bean and Mr. S. C. Johnson were designated a Committee on Compensation of Medical and Administrative Trustees. Since that time any salary change for an "internal" Mayo trustee must be first approved by this committee of three public trustees.

Discussions of the affiliation of Mayo Medical School with the University of Minnesota suggested the potential usefulness of a liaison committee representing the University Board of Regents and the Mayo Board of Trustees to deal with any issues that might require resolution in such a body. This Liaison Committee was appointed in 1971, but happily found that very few meetings were required.

The audit function received more emphasis through appointment in 1973 of an Audit Committee of public trustees only. This committee has private access at any time to the outside auditors and vice versa.

In 1977, an Investment Policy Advisory Committee was created as a means for utilization of public trustee knowledge and experience in regard to policies which guide the management of Mayo funds.

SUMMARY

The original concept of a board of medical, public and administrative trustees has survived from 1919 to the present. Although the public trustee membership declined in the 1940s, the concept was reestablished in 1951. Since 1970, the by-laws provide for a majority of public trustees on the Board.

The number of committees of the Board, and the number of members on each have grown as new responsibilities have been assumed by the Board.

The present practice of a Chairman and three Vice-Chairmen was adopted very early. Since 1939, one of the Vice-Chairmen has been the Chairman of the Board of Governors, and either the Chairman or one of the Vice-Chairmen has been a senior Mayo administrator.