

## SEC EMPLOYEE NEWS

July/August 1978

### FERRARA NAMED G.C.; SAMPSON CHIEF ACCOUNTANT

By Mary Teel

Office of Public Affairs

Two key Commission staff changes were made early this month when Chairman Harold M. Williams appointed Ralph C. Ferrara to be General Counsel and A. Clarence Sampson to be Chief Accountant. Mr. Ferrara's appointment came shortly after announcement of his predecessor, Harvey L. Pitt, who will enter private law practice in Washington beginning September 1. (See story, page 5). Mr. Pitt has been General Counsel since 1975.

Mr. Sampson has been Acting Chief Accountant since John C. (Sandy) Burton resigned as Chief Accountant in September 1976. Previously, he had been Associate Chief Accountant.

Mr. Ferrara is Executive Assistant to the Chairman, a post he also held under former Chairman Roderick M. Hills; he served as Special Counsel to Mr. Hills' predecessor, Ray Garrett. Mr. Ferrara joined the Commission in 1971 as a trial attorney in the former Division of Trading and Markets and served in progressively more responsible positions in that Division and the successor Division of Enforcement. A graduate of the University of Cincinnati School of Law, he received his LL.M. from the George Washington University Law Center, where he served as a teaching fellow. He has written extensively in the area of corporate and securities practice and has served as an adjunct professor to the faculty of the Antioch School of Law.

While acknowledging some apprehension about the new responsibility, Mr. Ferrara said he was thrilled at the prospect of becoming General Counsel. "The entire Commission and I personally should acknowledge the enormously successful tenure of Harvey Pitt in that job," he said. "He has made the job of his successor a much easier task."

One thing Messrs. Pitt and Ferrara have in common are new trim profiles. Together they have succeeded in losing over 150 pounds in the past few years. "It's comforting to know that, even with Harvey leaving, between the two of us there is a third person we have spawned who will remain to help," Mr. Ferrara chuckled.

Growing serious, Mr. Ferrara expressed his view that "the Office of the General Counsel is one in which the Commission can take a considerable degree of pride—it has an unparalleled depth of legal talent and a clerical staff of extraordinary quality who are professionals in their own right." "It's really a first-class operation on both the professional and support side," he added.

Mr. Ferrara sees the General Counsel as having somewhat different functions than those of a Division Director with specific program responsibilities. "I expect that one of the more difficult tasks will be identifying who the client is," Mr. Ferrara said, pointing out that the General Counsel's client varies from case to case. With respect to the Office's advisory responsibilities, for example, "usually the client is the Commission as a body, but often can be the Chairman or an individual Commissioner, or perhaps a Division." "The General Counsel," Mr. Ferrara said, "must sort through all that and make sure that his office can provide support for the many client interests it must serve and still have an identity and perspective of its own on the legal—as opposed to regulatory or policy—questions emanating out of each Division and Office."

Among the matters that will demand Mr. Ferrara's attention when he takes over the post of General Counsel is how the Commission relates with the private bar. "The way we interact with the private bar will be affected, in part, by the way we react to developments in the courts, and how we define the limits of our authority." In addition, he pointed out that the Commission's Office of General Counsel must maintain close contact with like offices in other independent agencies on "common denominator issues."

### Nineteen Years With Commission

For Mr. Sampson, the appointment as Chief Accountant culminates 19 years with the Commission, a career which began in the Accounting Branch of the Division of Corporation Finance. From there Mr. Sampson worked his way up to Branch Chief and then transferred to the Chief Accountant's Office, where he served as Associate Chief Accountant for eight years.

Anticipating that the Commission's accounting office will remain as active as it has during the past 22 months, Mr. Sampson confided, "It is satisfying to know that the Chairman is confident that I can do the job."

A native of the Washington area, Mr. Sampson is a University of Maryland graduate and a CPA in the state of Maryland. Prior to joining the Commission, he served two years in the Air Force and worked for two years each with Arthur Young & Co. and with a Division of Litton Industries. Although the demands of his office have cut down on his leisure time activities such as gardening and bowling, Mr. Sampson maintains his trim physique by walking from the garage to his eighth floor office every morning.

### PEOPLE

#### SEC IS "RUNNING STRONG"

By Lew Mendelson

Division of Enforcement

At about six a.m. any weekday morning, Marty Aussenberg is getting into his jogging shorts and heading for the Annandale High School track. Irwin Borowski is lacing up his jogging shoes and setting out for Sligo Creek Park. Ted Levine is finishing a six mile run along the C&O Canal and heading home. These three are not unique. Jogging has become a regular part of the lifestyle of a large number of the men and women of the SEC. Listening for a few minutes to the leisure-time chatter around the halls and offices of the Commission, one hears testimonials to "Adidas," "Nikes," and "Ponys" (running shoes). Intense discussions of racing conditions, running times and exercise and training programs have become as common as references to 10b-5, corporate governance or the latest Supreme Court decision or stock exchange rule revision. In short, the Commission is running strong.

Six foot two inch, Aussenberg, 30, an attorney in the Division of Enforcement who has lost sixty pounds and taken six inches off his waist since he started jogging in January 1978, is again wearing the suits he wore six years ago. "At first I couldn't run 55 yards without getting winded," he explains. He now logs about 25 miles per week—3 miles per day on weekdays and 5 miles on weekends—and averages 9 minutes per mile. "I've never felt better," he glows.

Aussenberg credits his wife and Irwin Borowski as his inspirations. Borowski, 43, an Associate Director in the Division of Enforcement, runs about 5 miles a day, 5 days a week at about 10 minutes per mile. He has lost 70 pounds and taken 10 inches off his waist since he took up

jogging in August 1997. Through jogging, Borowski has gained new vigor, a trim physique and a stylish new wardrobe.

Levine, 33, an Associate Director in the Division of Enforcement, puts in between 30 and 40 miles per week and has been clocked at under 7 minutes per mile for a 10-mile race. The record for the best time and the longest distance on the staff belongs to Bob Shapiro, 28, an attorney in the Division of Investment Management. Shapiro, a real "marathon man," has raced in full 26-mile marathons and averages 6 minutes per mile for a 10-mile race. Among distance runners who put in over 30 miles per week and run in a variety of 6- or 10-mile races are Doug Scarf, an Assistant Director in the Division of Market Regulation; Greg Glynn, Bob Romano and Larry Willey of the Division of Enforcement's Trial Unit; Bob Dorsey of the Division of Investment Management and Frank Ormsten, Assistant Director in the New York Regional Office. Bill Martin of the Division of Enforcement and Mark Goldfus of the Office of Commissioner Karmel run over 20 miles per week and Jonathan Eisenberg of the Division of Enforcement just under 15 miles per week.

Many of the SEC's regular joggers are very pleased to be able to put in a less strenuous pace. One and one-half or two miles, 3 to 5 days per week, keeps them fit and happy. Others, like Joyce Kramer, Anne Flannery, Bob Anderson and Dan Harris have found a level at which they are comfortable and are maintaining.

Advocates of jogging tend, like Aussenberg, to become evangelical and euphoric on the subject. They want to talk about running because they feel they will be doing others a favor by getting them into it. "Anybody who says he loves running must be out of his mind," says Aussenberg. "It's the effects of running; the way you feel afterwards and the way you feel about yourself.

The jogging books claim you can achieve almost anything you ever wanted through jogging. Benefits to the heart and lungs, strengthening muscles and helping to reduce weight are attributed to jogging. Says Irwin Borowski, "After jogging 5 miles in the morning, nothing bothers me. I feel almost as if a bomb could go off next to me and I wouldn't react."

Others are less enthusiastic. They cite the agony of running, its dullness compared to competitive sports and various possibilities for accidents. Certainly, there are risks associated with jogging. Tripping or stepping on rocks or roots can cause serious injuries. Joggers have been chased by dogs or have stepped in what dogs leave behind. Running on hard surfaces can cause painful shin splints and traffic accidents are not unknown, especially for those who run at dusk or in semi-darkness. In addition, there are those who are out of condition and overtax themselves by trying to do too much too soon instead of building up gradually at a rate that's right for them.

For the most part, the staff has taken enthusiastically to jogging. The Office of Compliance and Regulation claims 13 regular joggers out of 15 professionals. Few sections are without their complement of runners. In fact, so much interest has been generated that several staff members have asked whether the Commission could install showers so that they could jog to work or run during their lunch hours. Bob Lowry, President of the SEC Recreation and Welfare Association, has indicated that it will look into the feasibility of obtaining space.

Those staff members who feel that a jogging program is too ambitious for them might bear in mind a quotation from Confucius which President John F. Kennedy was fond of using: "A journey of a thousand miles begins with but a single step."

## Jogging Humor

I have a friend who is very enthusiastic about jogging. He is so enthusiastic that he hired a guy to jog for him.

But it didn't work out well. My friend wanted to pay him by the mile and the guy wanted to be paid by the hour...

--Overheard on line at the telephone

## FOCUS

### OFFICE SERVICES SECTION; OAS

The Office Services Section of the Office of Administrative Services is responsible for providing a wide range of services to Commission staff members at headquarters, for maintaining the SEC's inventory of furniture, supplies, and equipment, and for supervising certain functions which are performed by outside contractors.

Among the major services provided by Office Services are operating the imprest fund, running the shuttles and other motor vehicles, staffing the manned copying centers on G-1 in the main building and on the second floor at 1100 L Street, servicing all copying machines at the three headquarters buildings, providing ID's and Government drivers licenses, performing small inter-office moves (and scheduling for larger moves, and supervising the contractors hired to do them), serving as a central point for reporting thefts of Government and personal property from SEC-occupied space, and arranging for the regular maintenance or emergency repair of office equipment and telephones.

In addition, Office Services orders, stores, and distributes a wide range of office supplies, furniture, and equipment, maintains an inventory of current equipment, and arranges for the disposal of surplus property. Even an agency as small as the SEC must maintain a mind-boggling array of supplies and equipment, and in a technological age such as ours, available products are constantly changing. So it's frequently not enough simply to order what you've had before—it may no longer be available or, more likely, it may have been superceded in usefulness, price or efficiency by a better product from the same, or another source. Personnel in the Office Services Section must thus keep track of new developments in the office supply and equipment fields.

A number of service functions at headquarters are not performed by SEC staff members, and Office Services serves as liaison with the contractors who do the work. The engineers, the building maintenance crews, and the guards are the three major groups involved here on a regular basis. Office Services also oversees large interoffice moves performed by commercial movers.

The Chief of the Office Services Section is James Willis, and the Assistant Chief is Charles Francis. These men have been at their jobs for a total of 14 years, and together they supervise 17 people. Please let them know if there's anything they can do to help you. You'll find them in Room B-40 on G-1 level, at 500 North Capitol Street, and their phone number is 755-1275.

Supplies can be ordered from Office Services at any time, and will usually be delivered within three days of receipt of the order. Emergency orders for small quantities of easily portable supplies are filled daily between 10 a.m. and 12 noon and between 2 p.m. and 4 p.m. Such

orders must be personally picked up in B-40. The imprest fund is also open only during those hours.

## CORRECTION

In the June issue 1978 of Employee News, the FOCUS article was on the Office of the Secretary. That article should have stated that the Office of the Secretary (including the Library) is made up of 22 persons, and that Margaret M. Glorius is in charge of the material going to the Federal Register (not Margaret Condon). In addition, not included in the group picture of the employees in the Office were: Margaret M. Glorius, Thomasine E. Parker and Adrian A. Quander.

## MAGISTRATE RULES: BIKE SPEEDER BEATS RAP

On April 14<sup>th</sup> Charles Evans, attorney in the Division of Corporate Finance, was ticketed by Security Police for speeding in Arlington Cemetery. He may be the first person to be charged with travelling 30 miles per hour in a 20-mile zone—on a bicycle.

Although the ticket did not involve points or affect his operator's permit, Chuck thought a warning ticket would have been more appropriate and decided to take his case to court. At a preliminary hearing held May 24<sup>th</sup>, the Federal magistrate in Alexandria dismissed the suit because the officer who issued the ticket had incorrectly referred to the Virginia Traffic Code. This was an understandable mistake for although Federal law prevails in the Cemetery, in the case of traffic tickets, it generally assimilates the Virginia Code. However, there is one exception—speeding violations. In the case of speeding, a traffic citation should refer to the appropriate title and section of the Code of Federal Regulations.

Chuck, the prosecutor and the Federal magistrate were all pleased with the outcome—that a pesky matter was settled and presumably that justice was served without taking up the Court's time.

## COMMISSIONER KARMEL NAMED AS WOMAN OF THE YEAR BY MAGAZINE

Commissioner Roberta Karmel has been named one of 10 "Women of the Year 1978" by Ladies Home Journal magazine.

"I was pleased and honored to receive the award," Commissioner Karmel said in response to a question. "In addition to the recognition which was given to me, it also was a recognition of the Commission's excellence. Selecting me as a 'business leader' reflects the importance of the work of the Commission to the business community."

The contest, now in its sixth year, honors women of achievement. The 10 recipients are first narrowed down by Journal readers who vote on a list of candidates submitted by many sources. Final selection is made by a panel of 12 women leaders.

The theme of the contest this year was "New Frontiers of Achievement" and other recipients include First Lady Rosalynn Carter and Secretary of Commerce Juanita Kreps. Commissioner Karmel was named winner in the "Business Leadership" category.

The Journal said of Commissioner Karmel: "Mrs. Karmel is working proof of women's ability to be movers and shakers in an area of decision-making and control that has historically been closed to them."

Commissioner Karmel said she and her staff were amused by the "movers and shakers" part of the quote, but she does feel that becoming the first woman Commissioner at the SEC has been an important step in terms of the advancement of women in law and the securities industry. "There are many talented young women in these fields now, whereas it was not as common to find women in the financial world in the past," Mrs. Karmel said. "I hope that my Commission appointment and my receipt of this award will inspire these young women, at the SEC and in the private sector, and demonstrate that women can succeed in the financial community. I definitely believe that there will be more women in high places in business and in government in the near future."

Commissioner Karmel received her award on June 13<sup>th</sup> at the Loews L'Enfant Plaza Hotel in Washington, D.C. Each recipient received a pin in the shape of a "W" with a diamond in one corner, which was designed by Cartier for the Journal. Recipients were each introduced by a woman who had received the award in the past. Commissioner Karmel was introduced by syndicated columnist Sylvia Porter. "I was very pleased that Sylvia Porter was chosen to introduce me," said Commissioner Karmel. "She is one of the few women in the financial community who has made her voice heard. I believe, however, that we will soon be hearing the voices of many more women in all fields which influence the business world."

#### EZRA WEISS, SEC ATTORNEY, WRITER AND TEACHER, DIES

On Friday, June 23<sup>rd</sup>, Ezra Weiss, former SEC attorney, died of cancer in a Sarasota, Florida, hospital. He had served as chief counsel of the Division of Trading and Markets and then senior legal adviser in the Division of Market Regulation before retiring in 1972.

Mr. Weiss began his Commission career in 1942 when the headquarters office was located in Philadelphia. Some two years later he moved to the New York Regional Office where he became the only Regional Counsel in a regional office. An expert in market regulation and on Regulation A, he was also an accomplished writer who made law clear to attorney and layman alike. Registration and Regulation of Brokers and Dealers written by Mr. Weiss has become a standard text in its field and was described by Bernie Wexler, former Director of the Office of Opinions and Review, as "one of the finest pieces of legal writing... (written) so that the non-initiate could understand it." Mr. Weiss also contributed numerous articles to law journals and is acknowledged to be the author of the Commission's 1971 "Study of Unsafe and Unsound Practices of Brokers and Dealers." Shelly Rappaport, Deputy Director of the Division of Market Regulation, recalls that after the Commission had received glowing reports about this Study, a high SEC official asked Ezra what he could do for him. Ezra's reply typified his generosity: "Reward the secretaries who worked so hard on it." Always one to share his knowledge, during his years in the New York Regional Office, he taught law at New York Law School and City College of New York.

Bill Moran, New York Regional Administrator, who knew him for 40 years, said, "Ezra Weiss, in my opinion, was one of the most outstanding lawyers the Commission has had in its total history. He was a great man and a scholar, a great husband and a great father, and I loved him dearly."

After retiring from the Commission in November 1972, Mr. Weiss remained active, contributing a monthly column, "SEC Perspective" to the New York Law Journal and working as a consultant for the Federal Reserve Board.

Mr. Weiss commanded respect and admiration and had friendships throughout the Commission. His long time secretary, Mary Jo Horn, now secretary to Market Regulation's Deputy Director Rappaport, considers Mr. Weiss the greatest guy she has ever worked for. "I respected him more than anyone I've known in all my days with the Commission," she said. "He was a perfect gentleman and would do anything for anyone." And Shelly Rappaport, who served with him in the then Division of Trading and Markets, reflected: "Ezra's friends were among the nicest persons in the Commission—he was that kind of man."

Moshe Simon, Assistant Director of the Office of Opinions and Review, a nephew of Ezra Weiss, found in his uncle an example of excellence: "From the time I was a small child, my uncle represented a standard of excellence and integrity toward which I continually strive. From whomever his name is mentioned has come nothing but the highest praise for his ability, his dedication, composure, and above all, sincere desire to assist in reaching a fair and correct understanding of an issue."

And Commissioner Irving Pollack, who was Associate Director of the Division of Trading and Markets when Ezra Weiss served in that Division, paid this tribute: "Ezra served the SEC with great dedication and skill for almost three decades. He was a lawyer of superb talents and an outstanding expert in securities law. He possessed the rare and unique ability of articulating simply and succinctly the most complicated and arcane matters. Above all else, he was a gentle person and a loyal associate, whose many years of friendship I shall always treasure."

Mr. Weiss is survived by his wife, Gertrude H. of their home in Sarasota, and a son, Daniel M. of Arlington.

## PITT RESIGNS AS GC

After ten years with the Commission, Harvey Pitt, General Counsel since 1975, is resigning to become a partner at the Washington offices of the law firm Fried, Frank Harris, Shriver & Kampelman, which has offices in New York and London as well.

Mr. Pitt "made a unique contribution to the Commission and established an outstanding record of legal and public interest accomplishments," Chairman Williams said. "We will miss his wisdom and counsel."

Joining the Commission in 1968 as a staff attorney in the Office of General Counsel, Mr. Pitt subsequently served as Legal Assistant to then Commissioner Francis M. Wheat, Editor of the Institutional Investor Study, Special Counsel in the Office of General Counsel, the first Chief Counsel in the Division of Market Regulation and Executive Assistant to Chairman Ray Garrett. He was named General Counsel in 1975.

During his years as General Counsel, he supervised nearly 20 Commission cases in the Supreme Court and personally argued two of them. Asked how it felt to appear before the highest Court of the land, Mr. Pitt said that the anticipation of arguing before the Supreme Court is far more awe-inspiring and pressure-filled than before other courts, partly because one knows its decisions are final. "Once the argument starts and you get on your feet, however, you become composed

knowing you need to make the best argument you are capable of making—and in that respect it's like arguing before any court. The only difference is appearing before nine judges instead of three in an Appeals Court or one in a District Court." Noting that the decisions in both cases he argued were unanimous (one in favor of the Commission; one against), Mr. Pitt reflected that he must have "a capacity to unite the Court."

His first experience before the Supreme Court brought to mind a "hairy" incident. "I wanted one of the lawyers—a woman—who had worked on the case and was not a member of the Supreme Court Bar to sit at Counsel's table during the argument before the Supreme Court. I consulted the Clerk of the Court, who asked, 'Does this lawyer have a beard?' 'I hope that's not a problem,' I responded, 'because it may deprive me of my opportunity to argue before the Court.'" He was not deprived of the opportunity, beard notwithstanding.

During his years at the Commission, Mr. Pitt has taught a course on the Regulation of the Securities Market at George Washington University's National Law Center, and a course on Fraud and Fiduciary Duties at Georgetown University Law Center, usually in alternating semesters, although during 1977-78 he taught both courses in the same semester. In addition, he has frequently authored articles and outlines on various securities issues. One article that he vividly remembers he authored shortly after joining the Commission's staff. In that review, he argued that the Commission could use its power to improve corporate disclosure about environment activities. The article formed the basis of a lawsuit against the Commission by a group of environmentalists. "And, for the past seven years," he lamented, "I have had to defend the Commission against the views I expressed in my own article."

Mr. Pitt sees his contribution to the Commission not in the form of any one particular achievement, but rather as "working hard and trying to put forth the best work I was capable of and trying to meet the desires and requests of the Commission as best I could."

With respect to new areas of jurisdiction, Mr. Pitt confessed to being a broad constructionist. "While I do not think the Commission should undertake the tasks assigned to other agencies, the securities laws were intended to protect a wide spectrum of investment activities and the broad, remedial approach has always distinguished the Commission from other agencies."

While taking pride in the Commission's outstanding reputation, Mr. Pitt thought the SEC could nevertheless improve. "I start with the assumption that things can always improve," he said. "I think we can provide greater guidance to those subject to our jurisdiction and, in the regulatory area, we can improve the speed with which we accomplish regulatory projects."

## NURSE COSTAGLIOLA MOVES TO COURT OF CLAIMS

Agnes Costagliola, R.N., has transferred from the Commission's Health Unit to the Health Unit at the U.S. Court of Claims. Mrs. Costagliola came to the SEC in 1973 following some 30 years of nursing experience which included stints as a Navy nurse at Pearl Harbor and later as a NASA nurse. Mrs. Costagliola is a graduate of New England Hospital in Boston and has done post-graduate work at Johns Hopkins. She combined her nursing profession with an active home life, raising four daughters, now aged 16 to 24.

At a brief ceremony on July 7<sup>th</sup>, her last day with the Commission, Executive Director Ben Milk presented Mrs. Costagliola with a scroll signed by Chairman Williams, the four other Commissioners and more than 100 staff members—all whose names could be squeezed on—

commemorating her devoted service to the SEC. The Executive Director's staff and representatives of the Office of Personnel who had worked with Mrs. Costagliola attended. Phil Savage, Al Fontes, Betty Lear and nearly all of the other staff members who were present recounted stories of how the Commission nurse has, time and time again, saved the day.

Mrs. Maureen Hall, a contract registered nurse from the Department of Federal Employee Health (DFEH) of HEW, has been hired as a temporary replacement for Mrs. Costagliola. DFEH, which employs the nurse who mans the SEC health unit, expects to make a permanent assignment in September.

## PERSONNEL OFFICE SHOP TALK

### Reorganization in the Office of Personnel

The Office of Personnel has recently been reorganized. The concepts underlying the realignment are enhanced responsiveness to Division/Office/Region personnel needs, maximum utilization of staff and increased emphasis upon employee development and employee relations.

To enhance responsiveness to personnel needs, the Personnel Management Specialists Branch has been restructured along team lines. Each division, office and region will now have a single team serving as the primary point of contact on the full range of personnel issues. The team, comprised of a specialist and an assistant, will directly handle such matters as the recruitment and filling of positions, reassignments, promotions, and counseling supervisors and employees. They will also serve as the initial point of reference on such issues as employee development, classification and employee relations, making referrals to other office personnel when more specialized service in these areas is required. The team approach will drastically reduce the number of individual contacts required to effect personnel actions and will facilitate more continuous coverage by providing for backup support by the assistants during absences of the specialists.

An important feature of the reorganization is the new Employee Development and Employee Relations Branch. The new Branch is being established in recognition of the need to enhance developmental opportunities for all Commission personnel and to provide accurate and responsive advice and guidance to employees on such matters as employees benefits, incentive awards, and alcohol and drug abuse problems. The Branch is structured along team lines. One team will primarily be responsible for employee development matters such as upward mobility, executive developments, training and careers development counseling. Another team will handle employee relations such as retirement, health benefits, insurance, injury compensation, and alcohol and drug abuse counseling. The new unit will not serve as a second source of information on general personnel matters, but as a source of specialized advice and counsel on the issue enumerated above.

The reorganization will contribute greatly to a more responsive and efficient personnel operation at the SEC. The "new" Office of personnel looks forward to meeting all your personnel needs fully and effectively.

Standard Form 171 (Personnel Qualifications Statement) is being revised. The revision will make the application form easier to read and complete. The revised form should be available by late summer, and will be mandatory after November 1, 1978.

### \$370 MILLION OVERGRADING COST

Results of the Civil Service Commission's "One Percent Study" of full-time permanent, white-collar jobs in the General Service indicates that overgrading is costing an estimated \$279 million per year in pay plus \$90 million in benefits. The study indicated that while classification error rates were highest at the GS-7, 8, 10 and 15 grade levels, errors in positions at the GS-13 and GS-15 levels accounted for almost 55 percent of the total cost.

Two primary causes of the overgrading were cited. Managerial considerations—administrative allocations, management pressure, and other factors—contributed to more than 50 percent of the overgrades. Error in judgment by position classifiers accounted for 27 percent.

The Commission stated that the study should lead to greater awareness among managers about their responsibilities for both assuming proper classification and avoiding unwarranted costs. In addition to initiating corrective actions to resolve the problem, the Commission is planning further studies to analyze special classification problems.

### MANDATORY RETIREMENT ELIMINATED

The Age Discrimination in Employment Act (ADEA) Amendments of 1978, signed by President Carter on April 6, will take effect on September 30, 1978. The impact of these amendments will be to remove the requirement for mandatory separation of Federal employees who attain age 70 with 15 years of creditable Federal service. The amendments will also retain the minimum age limit of 40 for ADEA protection against age discrimination, remove the upper age limit for ADEA protection (presently age 70 for employees and under 65 for applicants) and repeal statutory prohibitions against permanent appointments for persons age 70 or more.

Federal employees attaining the age of 70 on or after September 30, 1978 will be exempt from mandatory separation requirements. Until then, however, employees remain subject to mandatory separation at the end of the month in which the employee attains age 70 with at least 15 years of Federal service or at the end of the first month after that age when service totals 15 years. The Civil Service Commission will continue to entertain agency requests for exemption from mandatory separation where it is indicated that retention of an employee is in the public interest. An exemption, when approved by the Commission, is granted for a period not to exceed one year beyond the required separation date or until the work for which the exemption was granted is completed. Any employees granted an exemption up to or beyond September 30, 1978 and who are not separated by an agency for completion of their assigned work prior to September 30, will be permanently exempt from mandatory separation.

The ADEA Amendments of 1978 apply to most Federal employees. Certain employee groups are still subject to mandatory separation at ages lower than 70 upon meeting the requirement for

their particular positions. These groups include law enforcement officers, firefighters and air traffic controllers.

MERIT PROMOTION PROGRAM SELECTIONS  
3<sup>RD</sup> QUARTER FISCAL YEAR 1978

The following selections were made during the last quarter for jobs filled competitively under the SEC Merit Promotion Program.

<u>Vacancy Announcement Number</u>	<u>Job Title</u>	<u>Office</u>	<u>Selectee</u>	<u>Office Came From</u>
4-77	Sec. Comp. Ass't.	DRO	Geraldine Pierce	DRO
4-77	Sec. Comp. Ass't.	NYRO	Joyce Snellen	NYRO
4-77	Financial Ass't.	CF	Sarah Cunningham	CF
4-77	Sec. Comp. Examiner	CRO	Doris Richard	CRO
184-77	Applications Examiner	ORIS	Delores Taylor	Outside
7-78	Computer Programmer	ODP	Doris Hopkins	ORIS
7-78	Computer Programmer	ODP	Pamela Johnson	EPR
9-78	Clerical Assistant(s)	ENF	Jane Farmer	GC
15-78	Investment Services Specialist	ORIS	Dorothy Monroe	Outside
16-78	Computer Programmer	ODP	Joyce Campbell	ODP
16-78	Computer Programmer	ODP	Reginald McKinley	ODP
17-78	Computer Programmer	ODP	William Blodgett	Outside
17-78	Computer Programmer	ODP	Hunton Oliver	Outside
18-78	Bindery Leader	AS	Michael Bowlding	AS
19-78	Gen. Litho Worker	AS	Victor Hendricks	AS
26-78	Investigator (Training)	SRO	Patricia Percy	SRO
29-78	Legal Technician (T)	ENF	Corliss Primavera	ENF
34-78	Personnel Management Specialist	PD	Craig Kellerman	Outside
35-78	Staff Accountant	CRO	Robert Paul	CRO

36-78	Space Management Specialist	AS	Bruce Blackstone	CR
37-78	Position Classification Specialist	PD	Deavie Lewis	Outside
39-78	Clerical Assistant(s)	ENF	Barbara Ronan	ENF
40-78	Clerical Assistant	CF	Dorothy Surratt	AS
41-78	Applications Examiner (T)	ORIS	Douglas Yates	Outside
42-78	Secretary (S)	CRO	Cathy Chudy	CRO
44-78	Staffing Clerk (7)	PD	Melinda Robinson	PD
46-78	Reports & Information Services Officer	ORIS	Joseph Olivo	Outside
48-78	Secretary (S)	ES	Barbara Hopkins	ENF
49-78	Litigation Clerk	NYRO	Wilfred Lopez	NYRO
50-78	Clerical Assistant (Training)	CF	Valsamo Townsend	CF
51-78	Sec. Comp. Examiner	ARO	Kenneth Newman	ARO
52-78	Clerk-DMT	IM	Michele Bruce	Outside
53-78	Secretary (S)	WRO	Jeannie F. Lynn	WRO
55-78	Clerk-Typist	IM	Elisabeth Walden	Outside
56-78	Secretary (S)	SRO	Sandra Latimer	SRO
57-78	Applications Examiner	ORIS	Maudese King	ORIS
58-78	Applications Examiner	ORIS	Frank Henderson	ORIS
59-78	Sup. Data Trans.	ODP	Mary Brawner	ODP
64-78	Secretary (DMT)	GC	Celeste Riopel	GC
65-78	Printing Officer	AS	Lawrence Fallon	Outside
66-78	Misc. Documents Examiner	ORIS	Mary Anderson	ORIS
68-78	Secretary (T)	CF	Phyllis Brown	CF
69-78	Office Services Clerk	AS	Jennie Smith	AS
70-78	Secretary (S)	ENF	Carol Patterson	Outside
71-78	Sec. Comp. Examiner	ARO	Lillian Wilcox	Outside
72-78	Sup. Misc. Doc. Examiner	ORIS	June McCullogh	Outside
73-78	Secretary (S)	CRO	Nancy Przybylski	CRO
74-78	Secretary (T)	CRO	Susan Bicich	CRO
78-78	Clerical Ass't. (s)	CRO	Susan Wiczorik	CRO
79-78	Clerical Ass't. (Training)	CF	Dale Satchell	AS

81-78	Information Systems Specialist	ORIS	David Morf	ORIS
82-78	Secretary (S)	ENF	Patty Arnett	Outside
83-78	Administrative Officer	ARO	Charles Hemperley	ARO
85-78	Investigator (Sec. Inv.)	ARO	Nicholas Anastopoulos	ARO
87-78	Administrative Clerk (T)	GC	Cynthia Haspel	GC
92-78	Secretary (s)	NYRO	Irene Glick	NYRO

## VINCENT RESIGNS

Francis T. Vincent, Jr. resigned on Friday, July 20, as head of the Commission's Disclosure Compliance Program to assume the position of President of Columbia Pictures Industries, Inc. Mr. Vincent had become Associate Director of the Division of Corporation Finance just four months earlier after leaving the private practice of law in Washington. "I respect the SEC and its programs and treasure my experience at the Commission," Mr. Vincent said... "Dissemination of material information is vitally important, and I'm anxious to think about improvements...as I did at the SEC."

Columbia Pictures, which has corporate headquarters in New York City, has interests in the television, movie, pin ball and a variety of non-movie entertainment businesses. Its movie operations are in California. As its president, Mr. Vincent will earn \$260,000 per year.

Mr. Vincent, a graduate of Williams College and Yale Law School, is an experienced securities lawyer, but has had little or no experience in business. Acknowledging his lack of business experience, he said he hopes to "learn and grow in the job."

While acknowledging that his job as president of a major company will affect the family life he shares with his wife and three children, Mr. Vincent said he nevertheless hopes to "remain balanced" about the new situation and expects to advantage of the many opportunities found in New York. He thinks it likely he and his family will return to his native Connecticut to live.

## OLIVO NAMED ORIS DIRECTOR

Chairman Harold M. Williams announced the appointment of Joseph Frank Olivo, Jr. as Director of the Commission's Office of Reports and Information Services.

Mr. Olivo earned a BS degree in engineering from the U.S. Coast Guard Academy in 1964 and an MBA from the George Washington University in 1974. Mr. Olivo was on active duty with the U.S. Coast Guard from 1964 until May 1977 when he resigned as a Lt. Commander. Since that time, he has served as a Supervisory Accountant and Assistant Chief of the Personnel Support Division, Office of the Comptroller, U.S. Coast Guard.

The Office of Reports and Information Services is responsible for, among other things, receiving and maintaining all filings and reports submitted to the Commission, for substantively examining certain applications and reports and for determining all initial requests filed with the Commission under the Freedom of Information Act and the Privacy Act. A major undertaking within the Office is the micrographics project, which is the conversion of the Commission's paper files to microfilm.

#### SPENCER NAMED ACT'G EPR DIR.

Roger W. Spencer has been named Acting Director of the Directorate of Economic and Policy Research. Dr. Spencer joined the Commission in July 1976 as Deputy Director of the Directorate, serving as the Chief Administrative Officer and overall project coordinator. Prior to his arrival at the Commission, he was employed as Senior Economist in the Federal Reserve System. Dr. Spencer has also taught both graduate and undergraduate courses at several universities. He received his Bachelor's degree from Virginia Military Institute and his Ph.D. in Economics from the University of Virginia.

#### WHAT'S HAPPENING

By Robert Lowry, President  
Recreation and Welfare Association

#### Co-Ed Softball

The SEC's TEAM, as it is affectionately known to its opponents, has compiled a 13-3 record to date. Highlights of the season (on and off the field) include: grandiose victories over the nasty NASD, the doleful DOE, and the awesome Aussies; a 12-5 victory over the "Outhouse Gang" (former President Ford's White House Staff) ending their 33 game winning streak; an after-the-game footrace on Pennsylvania Avenue in which "Reggie" Greenspoon whipped "Hurtin" Hartigan by 10 yards and 22 years; bottom-of-the-seventh stellar substitutions by manager "Lucky" Lowry; amazing pick-ups in left field by "Sly" Silber; smashing pitches by "put an arc on it, Fran" Sienkiewicz; and a top of the seventh grand slam by "Dazzlin" Turner which gave the team the division title.

Of course, the team's greatest triumphs, which occurred at the 21<sup>st</sup> Amendment, cannot be reported in this publication.

#### Men's Softball

The SEC's Men's Softball team, sweeping to a 10-1 record, won its first league championship in recent years. By winning the league title, the team entered the city-wide tournament. After an initial round victory in the single elimination phase, the team was eliminated in the second round. Despite this defeat, the season was a huge success and marked the farthest advance of any SEC team.

Among the many heroes during the season, Wilson Butler and Keven O'Reilly lead the sluggers. Rich Brodsky performed the pitching chores and was the winningest pitcher in the history of

SEC softball competition. The team posted a .500+ batting average and was superb on defense turning in a number of crucial double plays.

The final league game provided the most suspense of the year. Trailing by one run in the bottom of the seventh inning, Dave Hicks delivered a game-winning pinch-hit homer. During the second elimination tournament game, Burt Wiand pitched four innings of shut-out ball in relief, giving up only two hits.

The team was managed by wily old Ben Greenspoon, aided by player-coach Bob Lowry.

#### EARLINE WILKINS BYRD, ECONOMIST ACTIVE AS EEO COUNSELOR

Earline Wilkins Byrd, 56, Financial Economist in the Directorate of Economic and Policy Research, died of cancer on July 23, following a long illness.

A native of Tuscumbia, Alabama, Mrs. Byrd spent most of her working career in the Federal Government. After 15 years Federal service, including a long stint at the Department of Labor, she joined the Commission as a Statistical Assistant in 1964. At night she attended Federal City College to complete the requirements for a Bachelor of Science degree in Economics and was in that institution's first graduating class. The degree provided one of the prerequisites for advancement. Hard work and perseverance provided the others, and she rose from a GS-4 Statistical Assistant through the ranks to GS-13 Financial Economist six months before her death.

In addition to her duties in the field of economic research, Mrs. Byrd served for many years as one of the Commission's counselors on equal employment opportunity and is one of the five counselors whose photos adorn the EEO posters displayed throughout the Commission. "When I came to the Commission young and inexperienced, Earline was like a second mother to me" is the fond memory of Pamela Johnson, Federal Women's Program Co-ordinator. "She taught me how to carry myself and a type of discipline."

Personnel Director Jim Foster remembers Earline in her role as an EEO Counselor. "I remember her best for the fact that she was always under control, never losing her temper and very mature. She was quiet, reasonable and genuinely concerned about her clients and at the same time she understood the duties and concerns of managers."

In a letter of condolence to her husband, Booker T., EEO Director Phillip H. Savage recognized Mrs. Byrd's deep commitment to "equal opportunity and equal rights for all." Savage added: "I will sorely miss her trusted advice and persistent efforts in behalf of her fellow human beings. You lost a wife and the world lost a friend."

"She was one of the most courageous people I ever met," said Roger Spencer, Director of the Directorate of Economic and Policy Research. "I worked very closely with her and knew a lot about her personal problems and her professional ones as well, and she was not one to give up. She kept coming back to work and didn't indulge in a lot of self-pity. She was cheerful right up to the end—and that's not an easy thing to do."

Mrs. Byrd is survived by her husband and three children, Kristal, Robin and Michael; her parents, Mr. and Mrs. Wilkins; three brothers and two sisters. An Earline Byrd Fund has been set

up by the SEC Recreation and Welfare Association for the benefit of her two minor children; contributions to the Fund are tax deductible.

## SEC LIBRARY

New Career Aids for Women:

Have you Considered Finance?  
Opportunities for Women.  
Catalyst, New York, 1976.

Resume Preparation manual.  
A Step-by-Step Guide for  
Women. Catalyst, New York,  
1976.

## JOHN SMITH AND MARY POLLARD SCORE FOR PRINT PLANT PROMOTIONS

John Smith, a Press Operator, and Mary Pollard, a Bindery Helper, have been selected to fill two Bindery Worker job openings in the Printing Plant.

Procedures for these openings were devised in such a way as to give all Printing Plant employees an opportunity to be considered on the basis of qualifications and job potential.

Because the overall capability of the printing plant is dependent upon an understanding and knowledge of varied machinery and equipment, a "hands-on demonstration" was devised to compare the abilities of the applicants in the use of the bindery machinery. All seven applicants were given an opportunity to observe the operation of the machinery. A rating panel composed of a diversified cross-section of SEC personnel conducted oral interviews with the candidates. Following the oral interview, each candidate was asked if they would voluntarily demonstrate their skills on the machines before the rating panel.

Mr. Smith received an outstanding score. The rating panel was especially impressed with his innate understanding of the operation of the machinery. Despite a physical handicap, Ms. Pollard received the second highest score and was selected for the other bindery operator opening.

## STEWART NAMED ADMINISTRATOR AT FWRO

Chairman Harold M. Williams announced the appointment of Michael J. Stewart as Administrator of the Commission's Fort Worth Regional Office.

Mr. Stewart, who has served as Administrator of the Commission's Boston Regional Office since July, 1977, will remain in that position to assist in the transition until succeeded. He will also begin to assume his new responsibilities immediately and will, for a short period, divide his time between the two offices.

A native of Charleston, South Carolina, Mr. Stewart is a graduate of the Georgetown University College of Arts and Sciences and of the Georgetown Law Center. He joined the staff of the Commission in 1963 and served in various positions of increasing responsibility in the Washington Regional Office until 1972, at which time he was designated as the Associate Regional Administrator of the Commission's Atlanta Regional Office in charge of the Miami Branch Office, where he remained until March of 1975. He was then appointed Assistant General Counsel in the Office of the General Counsel in Washington, D.C., and served in that capacity until May, 1976, when he was placed in charge of the Commission's San Francisco Branch Office. Mr. Stewart then left the Commission to become Deputy Director of the Division of Enforcement at the Commodities Futures Trading Commission. He returned to the Commission as Administrator of the Boston Regional Office in July, 1977.

### PHOTO CONTEST MONTHLY WINNERS

Rules for the monthly contest are as follows:

1. The contest is open to all SEC employees, retirees and members of their immediate families.
2. Each competitor may submit no more than two entries per month.
3. All entries must be prints, either black-and-white or color. The size may range from "snapshot" to 8x10; sorry, no slides.
4. Entries must be submitted no later than the 15<sup>th</sup> of each month to: SEC Employee News, Rm. 181 (500 N. Capitol) or Rm.2115 (1100 L). Each entry should be accompanied by the name of the competitor; office and extension; and information as to when and where the picture was taken and the circumstances (titles are optional). Every effort will be made to return entries as soon as possible.
5. Each month a winning picture will be selected by a panel of judges, and will be printed in this space in the Employee News, along with information about the photographer. In addition, each winning photographer will receive a certificate from the Recreation and Welfare Association. Runners-up will also be printed in the Employee News, as appropriate.

### CREATIVE CORNER

We would like to invite all interested employees to submit poems or essays which they have written, to be included in this new column, "Creative Corner." We hope to offer an opportunity for talented Commission employees to see their work in print.

The material submitted may be no longer than three typewritten pages (double spaced) or 600 words. We do reserve the right to choose which material will be printed.

The Editors

*RECIPE*

*By Kathleen C.H. Griffin  
Public Reference Room  
New York Regional Office*

*If an infusion of my confidence  
Could be prepared, as an herbal tea  
Mixed with old simples, essence  
Of sweet roots, bark of elder tree,  
I would mix for you love and  
Sympathy,  
Knowledge of worth, belief in  
Excellence,  
Listening heart, with true humility  
To see yourself without any pretence.  
Denying your own merit is a lie  
Of subtle cast, temptation without  
Sense.  
My medicine would purge you finally  
To be yourself, free in innocence,  
It is the reverse of alchemy you've tried,  
To render gold to lead, and hide*

IT SEEMS LIKE YESTERDAY...

The Editors of EMPLOYEE NEWS are proud to take note of the fact that we have completed one year of publication. We wish to take this opportunity to thank everyone who has helped to make this first, and most difficult year, a success. But, in order to keep improving the paper, we will need expanded employee interest and participation. If you have any views, ideas, suggestions, criticisms or contributions to make, please contact us.

SEC EMPLOYEE NEWS

The SEC Employee News is published monthly by the Office of Public Affairs, U.S. Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549. Articles on subjects of interest to SEC employees are welcome, and should be sent to Editor, SEC Employee News, Room 181. Letters to the editor are also welcome but should be kept short, and must be signed.

Mary E. Teel, Co-Editor  
Roxanne P. Fischetti, Co-Editor  
Don Kovener, Design and Art Editor  
Andrew L. Rothman, Director of Public Affairs