

# SEC Employee News

August 1977 no. 2

## Memories Of Manny Cohen

*From Interviews  
Compiled by Mary Teel*

Manny Cohen, fifteenth chairman of the SEC, was known and respected throughout the securities community. Rising through the ranks as attorney, Division Director, Commissioner and Chairman, he worked tirelessly to assure that the Commission lived up to its regulatory responsibilities. Hobart Rowen in his June 18th account in the Washington Post observed, "Mr. Cohen, flamboyant and tough and a man of enormous energy, had a bigger impact on Wall Street and the brokers who run the stock markets than anyone before or since. Prodded and harassed by Mr. Cohen, the exchanges and the mutual fund industry were forced into changes designed to protect and make more secure the posi-

tion of the average shareholder."

Mr. Cohen died the evening of June 16th following a heart attack suffered that day at his desk. This issue of SEC EMPLOYEE NEWS is dedicated to his memory in the belief that all those who knew him and worked with him would want to share in these memories of him. Those who did not know him will almost certainly be inspired by his example.

"Nothing could be more fitting than to dedicate this issue to Manny Cohen," said Hamer H. Budge, fellow Commissioner, successor as chairman and now chairman of Investors Group of Companies. "To me he symbolized the SEC. He knew not only the law, but the lore of the Commission and was a great teacher of both."

The American Bar Association has formed an ad hoc committee to decide upon an appropriate memorial to Mr. Cohen. One suggestion has been the sponsorship of an annual lectureship. Other suggestions are being sought and will be considered.

### The Eulogists

All the many friends and colleagues of Mr. Cohen who share their memories here generously gave of their time to honor him. Milton Freeman, law partner with Arnold & Porter and former general counsel of the Commission, although contacted the day before leaving for vacation and faced with the last minute rush of business, avowed, "I will write

## Commission submits Bank Study Report to Congress

On June 30, the Commission submitted its Final Report on Bank Securities to Congress. Submission of this third and final report to Congress marks the completion of the Commission's Bank Study.

The study was undertaken as a result of the Securities Acts Amendments of 1975, which authorized and directed the Commission to study the extent of certain bank securities activities and whether banks offering these services should be subject to broker-dealer regulation under the Securities Exchange Act.

As a part of the Study, the Commission collected information on bank securities activities through a Bank Study Questionnaire sent to a statistical sample of 261 banks and trust companies and through staff interviews with banks that are most active in these areas. These data served as the basis for the Commission's detailed factual and statistical descriptions of bank securities activities and for its conclusions and legislative recommendations.

In its Final Report, the Commission stated that it does not recommend that the exclusions of banks in the definitions of "broker" and "dealer" be eliminated, since imposition of



MANUEL F. COHEN  
SEC - 1968

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See BANK STUDY, pg. 12

# Some thoughts on the Passing of Manny Cohen

*It is impossible adequately to pay proper tribute, respect and recognition to our friend, Manny Cohen. People who knew him frequently noted with admiration the cyclopedic depth of his knowledge, his ingenuity, his professional skills, his dedication and devotion to serve, whether it was client or government, friend or family.*

*Manny could never say "NO." whether it was to a lawyer unfamiliar with SEC practice, confronted by what appeared to him to be an insoluble problem and knowing by reputation that only Manny would be able to solve it; or a friend or associate who needed his skillful assistance in a critical situation, he was always there eager to help.*

*I recall on one occasion after his return to the office from a brief illness, he asked me to take care of a problem someone had called him on while he was at home. When I showed some anger at the thought that the person had bothered him while he was ill, Manny's quick response was, "But he is a friend." That was the fact. The attorney in the hinterlands or on Wall Street, the securities industry official, the government official or staff member, the scholastic or media representative, the former or present associate, all were his friends, provided they were seeking his assistance in making our system work better.*

*If Justice Brandeis, who was so critical many years ago of the legal profession's performance, were here today he would be pointing to Manny as the epitome of the lawyer who best fulfilled Justice Brandeis' standards of professional responsibility.*

*The SEC, where Manny served for more than a quarter of a century, has been from time to time referred to as the Independent Government Agency at its best. If we took a poll today as to which person exemplified the SEC family at its best—there is no question that Manny would be that person.*

*Justice Frankfurter, Benjamin Cohen and Tommy Corcoran may have been the architects of the SEC basic statutes, but Manny was the master builder and operator. He was the architect of many of the now accepted, but at the time widely debated, novel, SEC substantive and procedural regulations which filled out the general statutory framework and made it work so effectively. When he was a staff member, the Commission frequently would direct the staff to "Clear it with Manny." For if it was OK with him, that was the test of excellence. He was, in short, Mr. SEC.*

*As advocate, teacher or public servant, there are few anywhere who could match Manny's talents, his accomplishments or his spontaneous call to action on behalf of the public interest.*

*It is said no one is irreplaceable, but Manny is the exception. He is irreplaceable for those of us who knew him and who worked with him and who observed his tremendous drive, ingenuity and overriding integrity and dedication to what was right.*

*I am reminded of his receipt of a Rockefeller Award in 1956 for his outstanding government service. It permitted him to spend a year in western Europe studying the capital markets. Until this day, when visitors from abroad, who got to know Manny during that period, visit the SEC, one of the first questions they ask, with a delight in their voices, is, "Do you know Manny Cohen." Not Mr. Cohen—but Manny Cohen. "Please remember me to him," they say, reflecting the warm respect he left with them.*

*I know, too, that the Honorary Degree of Doctor of Laws he received in 1962 from Brooklyn Law School, his Alma Mater, was a recognition that he deeply treasured, for those depression years when he attended law school at night were not easy years for him and his family.*

*Manny was deeply devoted to his family, his wife, Pauline, and his children, Susan and Jonathan. He would never miss the opportunity to relate an incident which would show the depth of his feeling for Pauline and his pride in her accom-*

# Cohen Panel Points Way to Audit Changes

by Gary Zell

The Commission on Auditors' Responsibilities ("Cohen Commission") was established in October 1974 by the American Institute of Certified Public Accountants to study the role and responsibilities of independent auditors. This "Blue Ribbon" committee was chaired by the late Manuel F. Cohen, a former Chairman and employee of the Securities and Exchange Commission for 27 years. After two and a half years of study, research, analysis and deliberation, the "Cohen Commission" published its report of tentative conclusions in April 1977. This document of almost 200 pages examined the past, present and future of auditing and enumerated their conclusions and recommendations. Its orientation is directed toward improvements in the future auditing environment.

The Cohen Commission concluded that a gap exists between the performance of auditors and the expectations of the users of financial statements; that the users' expectations are reasonable; and that the burden of narrowing the gap falls primarily on the auditors. Their report of tentative conclusions has some 40 recommendations for narrowing this gap.

Public hearings on their recommendations were held June 21 and 22, 1977, in Washington, D.C., the week after the untimely death of Mr. Cohen. The Commission on Auditors Responsibilities will continue with the present organizational structure with Les J. Seidler, Professor of Accounting at the New York University, presiding as Deputy Chairman. Thus, the Commission will continue to be known as the "Cohen Commission."

See ZELL, pg. 12

## MANNY *Continued from pg. 1*

something today about Manny, for there is nothing of more consequence." The following remarks are drawn from his eulogy:

*For thirty-five years I have enjoyed, respected, admired and loved Manny Cohen. It was easy and pleasant to do without question and without analysis....*

*When he was in the government, people with problems gravitated naturally to Manny's desk whether they were in the Commission or outside....*

*...active in many professional organizations...(Manny) almost always was chairman. Manny loved being chairman and everybody loved having him as chairman because they knew that Manny had such respect for them and their ideas that, with him in the chair, they would always be given more than a fair opportunity to participate.*

Eulogies at services for Mr. Cohen were also offered by Commissioner Irving Pollack and Director of Enforcement Stanley Sporkin. In a separate article in this issue, Commissioner Pollack has shared his thoughts with us. And in a moving tribute to Mr. Cohen, circulated among the staff and published in the New York Law Journal on June 20, Mr. Sporkin referred to the period when Manny served as chairman as "the Golden Age of the Commission."

His humanity as well as his achievement were remembered in the eulogy of Milton Kroll, law partner of Freedman, Levy, Kroll and Simonds: "His real name was Manuel Frederick Cohen, but no one called him anything but Manny," Mr. Kroll said, quoting the opening line of Hobart Rowen's recent column. "I repeated this line," he said, "because it captured the spirit of the man and because, although he was a man of renown, there was never any pretense about him...."

One of the characteristics that John Pickering, partner in law with Mr. Cohen at Wilmer, Cutler & Pickering, noted in his eulogy was his generosity and support to the younger lawyers. He recalled that typically

the day he died Mr. Cohen, speaking at a luncheon, as he often did, aimed his remarks especially at the summer associates (law students). "In vivid personal terms," Mr. Pickering recalled, "Manny conveyed to them the excitement of private practice and the opportunity and responsibility it gives to improve the moral climate of our troubled times....It was almost as if he knew that he would soon be handing on the torch...."

### CONGRESSIONAL RECORD

Manny Cohen represented all that is good about America. Born in Brooklyn, the son of a milk-truck driver, Manny reached the very pinnacle of a world that is usually reserved for those with a more luxurious upbringing. After going to law school at night, Manny joined the staff of the Securities and Exchange Commission in 1944, and rose through the ranks to become its chairman under President Johnson—the only person ever to accomplish this feat. As chairman, Manny had a profound impact on the board rooms and counting houses of our country. That impact was always directed at protecting the little guy from the abuses of those who were more powerful.

Thus Congressman John Moss opened his commemorative remarks the Floor of the House of Representatives June 21st.

### THE COMMISSIONERS

Protector of the little guy. That was one side of Mr. Cohen. Teacher, taskmaster, friend—these were qualities seen by the men who sat on the Commission with him. These are the recollections of the men who served on the Commission when he was Chairman:

#### HUGH F. OWENS CHAIRMAN, SIPC

*...when I was named by the President to the Commission....I got a wire from Manny the same day congratulating me and welcoming me to the Commission. So when I came to the Commission, I felt I had a friend....when I heard of his death I felt I lost not only an associate but a real good friend.*

#### RICHARD B. SMITH, ESQ. DAVIS, POLK & WARDWELL

*Manny thoroughly enjoyed arguing legal and policy points with me as with others. At his farewell party from the Commission, I said when I had been in private practice Manny made my life difficult, when I joined him on the Commission he made it just as difficult and now that he was going into private practice, I expected he would find a way to continue to do so. Manny knew that was said affectionately and with admiring respect for a hard taskmaster who demanded the best from his colleagues whether he or they were in or out of government.*

#### FRANCIS M. WHEAT, ESQ. GIBSON, DUNN & CRUTCHER

*To me he was always the happy warrior, ready to tangle with any problem no matter how complex and afraid of nothing, but never consumed by the demons of anger or frustration or fear, a man who pours everything he has into life and gets the most there is to get out of it—that is the way I remember him.*

#### BYRON D. WOODSIDE RETIRED ATTORNEY

*For 25 years we worked together....In that time there were few consequential developments of a legal nature at the Commission in which Manny did not have some participation. The great proxy fights of the fifties, the frequent exercises with the Congress on legislative matters, the endless rule-making and interpretative work and landmark administrative and court cases, all felt the impact of his experiences and judgment....*

And Commissioner Phillip A. Loomis, Jr., general counsel for Chairman Cohen and longtime friend and associate, had this to say:

*(When) I first came to the Commission as a temporary consultant, ... (Manny) immediately took me under his wing and taught me how the Commission worked and what the securities laws were really all about....Honors came Manny's way because he so clearly earned them. It was a privilege to know so wise a man....*

See MANNY, pg. 10

## Letters to the Editor

Dear Editor:

I found the article on the SEC graphic improvement program informative and agree with its aims. Comparing the "SEC Employee News" with "Personnel Shop Talk" gives an excellent example of the improvement which can be made. However, I do not feel that any of the five proposed logos is any improvement over the Commission's seal presently in use. I would prefer using the seal rather than a logo. Why does the SEC need two symbols? The seal is authoritative, distinctive, appropriate and traditional. It has style suited to the Commission's work.

I recently read an article in which the author noted that the older government agencies were referred to as State, Defense, Treasury, Geological Survey, etc., while newer ones were referred to by the alphabet soup such as HEW, NASA, OSHA, FEA, etc. The Department of Interior in 1968 decided it needed a modern seal to improve its image from the traditional buffalo seal. A modern graphic arts seal was designed and used for about one year at which time the buffalo seal was reinstated; it would be useful to ask the Department why.

These examples suggest tradition has a place and change for the sake of being modern is not necessarily good. Keep the present SEC seal, use it as a logo, and improve upon the content, layout, and printing of everything following the seal on the page.

Very truly yours,

David M. Abbott, Jr.  
Denver Regional Office

Dear Editor:

With regard to the proposed new SEC logo, may I suggest an intra-agency contest permitting each employee the opportunity of submitting his/her own design.

I think our logo should be spelled out in the greek letters, Sigma Epsilon Chi or ΣΕΧ. The rationale being this logo is quite persuasive. It is attention catching, distinctive, and has that elusive quality commonly described as "class". Moreover, being greek it has a great deal in common with much Commission generated literature, which, while ostensibly propounded in english, might as well be greek.

Very truly yours

Jake Graber  
New York Regional  
Office

## Spanish Speaking Program Planned

Want to know more about the Commission's Spanish Speaking Program?

This September you will be able to participate in a special program about Spanish-Speaking persons and their employment concerns sponsored by the Spanish-Speaking Program Coordinators' Committee.

The Commission's Spanish-Speaking Coordinator, Chris Gonzales, and his committee members, Carlos Chavez and Linda Griggs, are in the process of developing the September program. Their preliminary plans include presentations by knowledgeable hispanic individuals, such as Carlos F. Esparza, Director, Office of the Spanish-Speaking Program, U.S. Civil Service Commission, who can talk about current employment efforts being made for, and by, hispanic persons.

If you would like to join Mr. Gonzales' committee, please call him (755-7140). He would also welcome any suggestions for the planned September program.

## Notes

Elliot Pinta, an attorney in the Division of Corporate Regulation, married Harriet Gonson, a cousin of Paul Gonson, in Cincinnati, Ohio, on June 26.

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Another SEC romance has ended happily ever after. Rod Wenner and Jennifer Sullivan were married on July 7 in Massachusetts.

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The editors have been asked to inform you, our readers, that Rosanne F. Greene and Susan W. Parisi are no longer serving as Federal Women's Program Coordinators.

BUY  
U.S. SAVINGS BONDS



## SEC Employee News

The SEC Employee News is published monthly by the Office of Public Affairs, U.S. Securities and Exchange Commission, 600 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. Teal, Co-Editor  
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# Management Matters

by Benjamin Milk  
Acting Executive Director

"Federal regulation touches almost every aspect of our lives. What we eat, wear, and ride in ...." begins the advertisement promoting a new magazine. Its title: Regulation. The cover story in the July issue of Government Executive features a former congressman who "heads a new association set up to fight back against a mass of present and threatened government regulations ...." The subject of government regulation seems also to come up at every social gathering in Washington, and as Federal employees we are particularly vulnerable.

At a recent dinner a securities broker charged me with personal responsibility for abolishing fixed brokerage rates, depressed trading volumes, and underpriced membership on the stock exchanges, as well as the general malaise of the securities industry. (This came as no surprise - when I worked in the in-house consulting group at the Port Authority of New York & New Jersey I was blamed for tie-ups at Kennedy Airport and the Lincoln Tunnel, and when I worked in the public & employee relations department at Western Union people I met held me personally responsible for every late and misdirected telegram they had ever sent.) We are living in an age in which guilt by organization has evidently become the preeminent form of guilt by association.

I have always been amused by brokers protesting such SEC over-regulation as abolishing fixed commission rates - as classic an example of deregulation as I have ever seen. But while I was prepared for an exaggerated assault on my exaggerated influence, an acquaintance from EPA was caught off guard when charged with singlehandedly depressing the nation's economy. The accusation was founded on var-

ious industrial output restrictions related to clean air and clean water legislation administered by EPA - as well as safety regulations promulgated by OSHA and trade limitations which never were precisely identified but are clearly not attributable to a single mid-level attorney.

The most serious charges of the evening, however, were leveled by one guest who claimed that Federal agencies either co-opted or impeded virtually every normal managerial prerogative in his organization of 2,000 employees. In addition to regulation of product lines and revenues, this individual charged government interference in personnel decisions, in procurement matters, in leasing, in financial management, in systems development, and in record keeping, among others. The guest deplored the Federal Government's deepening reach inside his organization and expressed wonderment, not that progress was measured in years, but that progress was attained at all.

Before going further, full disclosure requires that I tell you that the guest referred to in the preceding paragraph was me, and the highly regulated 2,000 person organization mentioned is the SEC.

No industry in America exists in a web of regulation more complex than that which surrounds Federal agencies. The Civil Service Commission dictates how we go about recruiting, promoting and compensating employees; the General Services Administration tells us how (and sometimes what) to procure in carrying out our responsibilities; GSA also, as we are acutely aware, not only acquires space for agencies, but selects the space and decides when it can be occupied. House and Senate oversight committees put a ceiling on what we can spend; House and Senate appropriation committees then put in a drop ceiling on our spending and staffing; and OMB parcels out slots and dollars at a level which is ordinarily below that established by the Congressional committees. With respect to systems and records, Congress (FOIA, privacy, budgets), GSA (records retention and computer procurement authority) and OMB (procurement policy and program funding) present a triple threat obstacle course which is all but impossible to navigate. In addition, every agency expense must be in confor-

mance with spending policies contained in 55 volumes of Comptroller General decisions, and every printed page must conform to regulations of the Joint Committee on Printing and/or the Government Printing Office. I have no reservations at all when I say that we are part of the most highly regulated industry in the nation.

Fortunately, it did not take President Carter very long to reach a similar conclusion. In recognition of this problem, he has directed the Reorganization Project staff at OMB to undertake a comprehensive review of the management of administrative services within the Federal government. Separate study groups will assess the provision of services related to property, automated data processing, telecommunications and records management; another will examine personnel policies, processes and organization. The President has called for assistance in resolving problems in these areas, and, as an agency consumer, it may be possible for the SEC to help. The Office of the Executive Director, which has already commented on the management of Federal data processing activity, will serve as a clearing house for your suggestions and forward your comments to the appropriate project personnel.

While recognizing the problem is the first step in resolving it, we can not realistically expect dramatic changes overnight. The Commission can look forward to its share of denials, delays and defeats in requesting additional personnel, funds, space, and super-grades; and the Personnel Office is still subject to the Classification Act of 1949, the Comptroller is still subject to the decisions of the Comptroller General, and we are all still sheltered by GSA. It is worth keeping those kinds of constraints in mind, for example, when asking the Personnel Director to help get someone promoted after only three months in grade, to hire someone as a consultant because he is not on any Civil Service register, or to disregard an employee's lack of independence so as to justify an extra grade. To gain credibility with the regulators, we must first regulate ourselves judiciously.

See *MANAGEMENT*, pg. 12

# Personnel Office Shop Talk

compiled by Carol Lander  
Office of Personnel

## Fall Semester Reminder

The academic fall semester will begin in late August for many schools. Please remember that any request for training should be received by the training officer (Jim Gorman) at least 21 days before registration. Failure to meet this administrative deadline will jeopardize your training opportunity.

Please check registration dates, course dates, tuition rates, etc. before completing your training request (OF 170). Any questions regarding training to be sponsored by the SEC can be addressed to your administrative officer, training representative or the Commission's training officer.

## Headquarters Overtime Roster

The Headquarters Overtime Roster is no longer current due to a number of recent promotions, reassignments and separations. To update the roster, we are asking that employees who are available to work overtime in other divisions and offices contact the Office of Personnel (Debra Meade) and submit the following information:

- Name and telephone extension
- Skill(s), e.g., typing, stenography dictaphone transcription, operation of MTST or Lexitron
- Days normally available to work overtime
- Amount of advance notice needed

Employees who are currently on the roster and wish to remain on it should advise Ms. Meade by calling her on 755-1840.

## Merit Promotion Program Selection

3rd Quarter - FY 1977

The following selections were made during the last quarter for jobs filled competitively under the SEC Merit Promotion Program. Announcement numbers which are omitted are those for which no selections were reported.

Vacancy Ann. No.	Job Title	Office	Person Selected	Office they Came From
138-76	Investor Services	CRO	Lillian McAlpin	CRO
160-76	Market Reg. Asst.	MR	Ellen Kerrigan	MR
1-77	Supervisory Sec. Comp. Examiner	WRO	Sheldon Sandler	WRO
2-77	Asst. Chief Accountant	CF	Charles Oglebay Clarence Staubs	CF CF
3-77	Asst. Chief Enforcement Accountant	ENF	Murray Garson Merwyn Schulman	ENF ENF
5-77	Space Mgt. Analyst	OAS	Nancy Spencer	OAS
6-77	Public Ref. Clerk	CRO	Verna Bailey	CR
7-77	Chief Enf. Accountant	ENF	Morris Lafferman	ENF
8-77	Secretary (Steno)	MR	Veronica Robbins	
9-77	Clerk/Typist	CR	Cancelled	
10-77	Info. Systems Spec.	ORIS	James Stewart	ORIS
12-77	Secretary	MR	Elizabeth Pal	MR
13-77	Staff Accountant	ENF	Ed Noakes	ENF
14-77	Clerical Asst.	ENF	Antoinette Leach	ENF
15-77	Clerk/Typist	CR	Gloria Proctor	
16-77	Securities Compliance Examiner (Inv. Adv.)	CRO	Vincent Marvic	CRO
18-77	Secretary (Typing)	ENF	Sally Hamrick	ENF
19-77	Clerk/Typist	IM	Dora Drumgold	MR
20-77	Securities Compliance	DRO	Everett Smith	DRO
21-77	Clerical Asst.	IM	Pat McAbee	IM
22-77	Clerical Asst.	NYRO	Donald Jennings	NYRO
24-77	Secretary (Steno)	SFBO	Barbara Pratt	SFBO
25-77	Investor Service Spec.	LARO	June Zaloumis	LARO
26-77	Computer Systems Anal.	ODP	Curtis Guckert	ODP
27-77	Computer Operator	ODP	Eugene Walp	Outside Candidate
28-77	Financial Analyst	CR	Robert Wason	CR
29-77	Administrative Aide	OAS	Diane Hawthorne	ORIS
31-77	Admin. Officer	ODP	Carol Transou	ORIS
32-77	Clerical Asst.	ENF	Sharon Chapman	CR
33-77	E & L Clerk	ORIS	Brenda Smith	ORIS

34-77	Mail Supv.	ORIS	Charley Harris	ORIS
36-77	Sunshine Act Asst.	Secy	Cheryl Curry	DEPR
39-77	Secretary (Steno)	ALJ	Frances West	CF
40-77	Clerk/Typlst	ORIS	Debra Gee	ORIS
41-77	Clerk-DMT	ARO	Martha Perkins	ARO
42-77	Lead Misc. Documents Clerk	ORIS	Mable Thomas	ORIS
43-77	Delinquency Asst.	ORIS	Brenda Warrick	ORIS
44-77	Secretary (DMT)	GC	Estelle Ware	Outside Candidate
45-77	Securities Compliance Examiner	CRO	Michael O'Rourke	CRO
46-77	Sec. Comp. Examiner	FWRO	Robert Pike	FWRO
47-77	Lead File Clerk	ORIS	James Brodie	ORIS
48-77	Supv. Systems Accounting Specialist	OC	Herbert Silbert	Outside Candidate
49-77	Clerical Asst. (Steno)	ENF	Elaine Normand	ENF
50-77	Misc. Documents Exam.	ORIS	Sandra Summers	ORIS
51-77	Disclosure Policy & Review Officer	IM	Melville Cox	IM
54-77	Clerical Asst.	LARO	Faye Gaines	LARO
55-77	Clerk-DMT	ENF	Corliss Primavera	ENF
56-77	Research Asst.	ORIS	Cecilia Hillman	ORIS
59-77	Secretary (Typing)	ES	Chrys. Miller	MR
60-77	File Clerk	LARO	Cesar Rucker	Outside Candidate
61-77	Clerk (Typing)	LARO	Lisa Folsom	"
63-77	Clerical Asst.	CR	Julie Morgan	CR
64-77	Secretary (Steno)	OCA	Catherine Horner	MR
66-77	Clerical Asst.	ORIS	Judy Fitzgerald	Outside Candidate
67-77	Clerical Asst. (Typing)	ORIS	Gloria Bowles	ORIS
69-77	Misc. Documents Exam.	ORIS	Marsha Reynolds	ORIS
70-77	Secretary (Steno)	GC	Dorothy Pepper	GC
71-77	Industry Classif. Spec.	ORIS	Constance Jones	ORIS
72-77	Asst. Payroll Supv.	OC	Colether Foushee	OC

## Translators Needed

From time to time the Office of Personnel is asked to identify employees who have speaking or reading fluency in another language. Requests generally involved translation of brief letters asking the Commission for information or documents obtained in the preparation of enforcement actions.

While there is a question on language proficiency on the application each employee completes at the time of his/her appointment, many times an employee checks "fair" when his/her skill level is actually rather rusty. We are, therefore, asking that employees fluent enough in another language to translate correspondence or who would be willing to serve as an interpreter for a foreign visitor contact Carol Lander on 755-1113.

## Check-Cashing Procedures for Employees in TDY

Employees on TDY in Washington, D.C., frequently run into problems in cashing checks because the D.C. banks are prevented from charging over 12% interest and so cannot cash checks against bank cards.

The American Security Bank, which has a branch close to 500 North Capitol Street has suggested a solution to the problem. An employee coming to D.C. on TDY has his/her bank wire funds here two work days before he/she will want the money. The employee then presents his/her SEC ID card plus a major (national) credit card or a drivers license for identification and can withdraw the funds in a lump sum. An employee who will be here for more than a day or two and would like to withdraw money in several installments simply opens a temporary checking account and cashes checks on that account at his/her convenience. (The bank cannot hold the funds transferred beyond

See *POST*, pg. 8

# ... To the Mountain Top

by Phillip H. Savage,  
Director of Equal Employment  
Opportunity

The gentlemen who kept a fresh rose on his desk retired from his national leadership position this week (June 27-July 1, 1977) in St. Louis.

For over 45 years, he effectively served his organization -- the National Association for the Advancement of Colored People (NAACP) -- in various capacities. Yet, he is best known for his leadership as executive director of the NAACP, a post he held since 1955.

Understandably. For, Mr. Roy Wilkins astutely guided his organization and its thousands of members (along with millions of Americans, black and white) during this century's most perilous domestic period for America.

During the 1950's and early 1960's, white America's racial prerogatives came under constant attack through court suits, sit-ins, boycotts, freedom rides, marches and mass demonstrations led by black people and participated in by persons from both races. Ugly, violent responses to these attacks arose from segments of the white community. Americans were at war with each other, at times during this period over such mundane issues as drinking fountains, toilet facilities, and entrances and exits of building, buses, homes and kindred locations.

Mr. Roy Wilkins knew what this traumatic period meant: a permanent fracturing of racism and of racially discriminatory practices and policies in America. Mr. Wilkins was, also, aware that the black struggle against those evils was to be a long one -- contrary to the rhetoric of many other black and white "leaders" on the scene at the time.

Importantly, Mr. Wilkins recog-

nized that the fruits of this struggle would strengthen, rather than weaken, America -- by combatting the more virulent form of discrimination existing then which stabbed at most black Americans' dignity and self-respect. Segregation, in those days, was the rule, not the exception, in most affairs of life for black Americans.

"It wasn't any one melodramatic thing," Mr. Wilkins said. "It was a slow accumulation of humiliations and grievances. In Kansas City in those days (where he worked as the managing editor of a black newspaper, the Kansas City Call), I was constantly exposed to Jim Crow in the schools, movies, downtown hotels and restaurants. This is no mere intellectual exercise for me or for black people."

Fortunately, Mr. Wilkins let his reasoning prevail during this period of the 1950's and early 1960's when emotionalism was awash. He understood that every mile along the road to full freedom could not be won in the streets. Eventually, the three branches of government must act -- preceded or followed by concessions made by economic, social, political, and educational leaders -- to help end America's racial segregation and discrimination. Mr. Wilkins was proved right.

The middle 1960's and the early 1970's witnessed a host of changes in ways blacks and whites treated each other, changes wrought by new laws (and without the force of law) demanding and protecting black rights. For many of those changes, Americans can thank Mr. Roy Wilkins: his leadership helped chart a mostly peaceful course for America's half-completed racial redemption.

I know of Mr. Wilkins' contributions because for 13 years (1960-72), I served under Mr. Wilkins as one of the NAACP's national officials.

A capable successor, Benjamin Hooks, Esquire, who served as a commissioner of the Federal Communications Commission (FCC), will assume Mr. Wilkins' position as executive director of the NAACP. We wish Mr. Hooks much success.

With Mr. Wilkins' departure, a rose may never be placed daily on that desk at the NAACP again.

However, Mr. Roy Wilkins' spirit will forever linger over the NAACP -- and the nation. You cannot stifle this

honorable man's ideals by replacing him.

His ideals, like the deeds of Mr. Wilkins, the man, are forever endurable.

Many of us will always remember and miss his rose.



Mr. Roy Wilkins and his rose

## POST *Continued from pg. 7*

two days -- the funds must be released to the employee, applied to an account or returned to the issuing bank.)

Funds for employees on TDY should be wired to: American Security Bank, 15th and Pennsylvania Ave., N.W., Washington, D.C. 20001 Attn: C Street Office (Mrs. Watson).

Employees can obtain their funds or open a temporary checking account by going to Mrs. Watson, Mrs. Copeland or Mrs. Johnson at the bank branch office at 120 C Street, N.W.

# Safety in numbers.



Take stock in America.  
Buy U.S. Savings Bonds.



## Tidbits From OAS

by Richard Kanyan, Director  
Office of Administrative Services

### Recycling Programs

The Commission will begin its program to recycle high-grade office paper in the near future, and will need the cooperation of all employees to make the program successful. The program is similar to recycling programs at other federal agencies, and the success of all the combined programs could have a marked effect on conservation of the nation's natural resources. An additional benefit would be the economic return to the Government from the sale of the recyclable paper.

On April 23, 1976, the Environmental Protection Agency issued guidelines for the recovery of high-grade office paper from federal facilities with over 100 employees. Because both Commission's headquarters locations are in buildings operated by GSA, GSA will be responsible for negotiation of the contract for the sale of the waste paper, and for the selection of a contractor to collect the waste paper. The buyers of office waste paper are only interested in high-grade, white paper, and it is the individual agency's responsibility to separate the recyclable paper from other waste products. Every employee assigned a work station will be given a small desk-top container to hold waste paper, and these containers can be emptied into larger containers located at central locations on each floor. The desk top containers are intended to make the separation of the waste paper easier, and to keep contaminants out of the recyclable paper. The most frequent contaminants include colored paper, newspaper, magazines, reports with glue binding, envelopes, carbon paper, and paper clips. The term "high-grade office paper" includes any type of white paper, white computer printout sheets, and white tab cards (staples are not considered contaminants).

The Federal Government generates a great deal of waste paper, and if this paper can be recovered and recycled, the nation's natural resources will be preserved, and as an additional benefit, the Government could receive a potentially large economic return. The success of the program depends on the effort of all federal employees involved, and I hope that all Commission employees will cooperate to insure that our program is successful.

## McGrath Named Associate GC

Kathryn B. McGrath has been named as an Associate General Counsel. In her new position, Mrs. McGrath's duties will include, among other things, overall supervision of the Office's functions relating to the regulatory and disclosure policy responsibilities of the Commission, as well as related rulemaking, legislation, and litigation. The appointment is subject to the usual Civil Service Commission clearance.

Mrs. McGrath joined the Office of the General Counsel in 1970 as a staff attorney. Since that time, she has served in positions of increasing responsibility on the Commission's staff, including as Legal Assistant to Commissioner Philip A. Loomis, Jr., Special Counsel and Executive Assistant to former Chairmen Garrett and Hills, and as an Assistant Director in the Division of Corporation Finance. Most recently, Mrs. McGrath has been an Assistant General Counsel.

Mrs. McGrath is a 1966 graduate of Mount Holyoke College and received her J.D. degree from the Georgetown University Law Center in 1969. She is a member of the District of Columbia Bar. Mrs. McGrath is married and has a two-year-old son, Ian Michael.

### SIGN UP FOR A BLOOD SUGAR SCREENING

Come by or call the Health Unit,  
Room 325, 755-1380, on Wed-  
nesdays or Fridays to sign up for  
your test.

## Regions

by James A. Clarkson, III  
of Regional Office Operations

Michael Stewart has been appointed as the Administrator of the SEC's Boston Regional Office. The appointment will become effective following necessary concurrence by Civil Service.

Mr. Stewart, a native of Charleston, South Carolina, is a graduate of the Georgetown University 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, when he was designated as the Associate Regional Administrator of the Atlanta Regional Office in charge of the Miami Branch Office. In March, 1975, he was appointed as Assistant General Counsel in the Office of the General Counsel. In May, 1976, Mr. Stewart was given a mobility assignment and placed in charge of the San Francisco Branch Office, following which he left the Commission to become Deputy Director of the Division of Enforcement at the Commodities Futures Trading Commission.

Mr. Stewart will succeed Floyd Gilbert, the present Boston Regional Administrator, who will initially remain in the Boston Office to advise Mr. Stewart and to assist in the transition. Mr. Gilbert will then be assuming a position with the Commission's Headquarters Office in Washington, D.C. \* \* \*

Arthur C. Underwood, Staff Accountant-Student Assistant, Finance, has returned to the Denver Regional Office for a second summer in the Summer Intern Program. Mr. Underwood, a CPA who worked two years with the accounting firm of Peat, Marwick, Mitchell & Co., first came to the DRO following his initial year of studies at the University of Colorado School of Law. He subsequently obtained a Masters degree in Business

THE STAFF

No tribute would be complete without a few words from some of the members of the staff who worked with Mr. Cohen during his years at the Commission.

Leonard Leiman, partner with the New York law firm of Reavis & McGrath, recalled those days in this way:

*Working for Manny Cohen was one of the most terrific jobs I ever had... And it was a demanding job for Manny expected from those who worked with him—and usually got—the same kind of devotion to the SEC that he himself always gave. Only once did he come close to expecting too much: to emphasize his full support for the blood donation program he volunteered me as the first donor. But then he was the kind of boss who could demand blood and get it. Like so many others, I continued to learn from him long after I left the Commission's staff, and our friendship grew even stronger. I miss him more than I can say.*

Mollie Zion, confidential assistant to Chairman Cohen (now retired), found working with him "a rewarding, albeit a trying, pulling, rushing, pushing experience in which we both learned and shared as he stepped up the ladder...It was fascinating to watch and to listen to the working of a brilliant mind."

Cornell University Law Professor David Ratner remembered his years as executive assistant to Chairman Cohen as a "stimulating, although difficult, time...since he had recently recovered from his first heart attack and was determined to crowd four years of accomplishment into a two-year time span. My dominant impressions were of his tremendous vitality and his rare combination of intellectual and political skills. He could understand fully all of the conceptual and analytical aspects of an issue, and at the same time know which of them



Newsmaking events during the years of the Cohen Commission — 1961 — 1969.

were relevant and useful in the real-life situation at hand.

Some reflections on Mr. Cohen by Jeffrey Bauman, law professor at Georgetown University, who served as legal assistant to him.

*...constant vitality of the man. The electric atmosphere of the Office and the Commission. The insistence on the highest standards whatever the cost...And finally a feeling which only comes in retrospect: the recognition that he was the spark for many bright young professionals whose talents he recognized, encouraged and developed and whose continuing respect and affection for each other all trace back to him.*

And Personnel Director Al Fontes had these comments:

*Every great institution has its legendary figures who come to mind because their contributions to the organization are monumental. To me, Manny Cohen represented "Mr. Full Disclosure" especially in the decades of the fifties and sixties...*

The closing words of Milton Freeman's eulogy are a fitting close to this memory as well:

*Manny was nobody's rival. He was everybody's colleague. He was a warm, kindly and generous friend... Wherever he was there was activity, life, drama, gaiety. It was a pleasure to be with him...And because he made our lives brighter, happier and richer, it is fitting now to say "Thank you, Manny Cohen."*

MANUEL F. COHEN	
1912	Born in Brooklyn, N.Y.
1933	Twentieth Century Fund Research Associate
1934	B.S. in Social Science Brooklyn College
1936	LLB Cum Laude Brooklyn Law School St. Lawrence Univ.
1937	Private Practice — N.Y.
1942	Joined SEC as attorney
1953	Chief Counsel — Corp. Fin.
1958	Prof. Lecturer in Law — GWU
1959	Advisor to Commission
1960	Director — Corp. Fin.
1961	Commissioner
1964	Chairman — SEC
1969	Partner — Wilmer, Cutler & Pickering

# POLLACK

Continued from pg. 2

ishments as a teacher, in daughter Susan's skill as a prosecutor and now as a judge, in Jonathan's expertise as a photographer and now as an architect. To them we extend our deepest sympathy.

Whether it was driving a taxicab to make ends meet during his law school days, or directing a division or agency during his days at the SEC, or driving a client's case through litigious channels in private practice—Manny did it with the ardor and zeal of a youngster. And no one could do it better or more effectively than he did.

After his departure from the Commission in 1969, though he represented many public corporate clients with the same fervor and vigor that he had represented his government, he never lost sight of the basic principle that one serves such clients best if he always recognizes his and his client's responsibilities to society.

At the time of his death, as one of a number of public undertakings, he was chairing a Commission on Auditing which had just completed a monumental study. The 'Cohen Commission Report' represents one of the most intensive and comprehensive reviews of auditing practices ever undertaken and its recommendations will have a far-reaching impact.

Why was Manny so busy, so active and why could he never heed the call of his associates and friends to slow down? It was because he could not resist the call to service, no matter from what sector it came. He always would be there when you needed him. And when you wanted the best, who else but Manny could you call upon. Those who had the privilege of working and associating with this good and remarkable man will always treasure his memory.



The top five singles on the tennis ladder are: Seated, left to right — Rich Brodsky, Dick Kraut; Standing, left to right — Stan Whitten, Rich Morvillo, Dennis Shea.

## Whats Happening

by Robert Lowry, President  
Recreation and Welfare Association

### SOFTBALL

The men's softball team lost its first game of the season on June 25 to Four Guys Market 29-25, but rebounded to take a 9-7 win from FEA three weeks later. Tony Djinis and Pete Romeo played key roles in the latter victory. The team's record is 6-1 with three games outstanding before the playoffs.

The co-ed softball team's record has fallen to 6-3 but, with its July 19 victory over the Supreme Court Police, made the playoffs for the first time. While it has been successful on the field, the greatest accomplishments have occurred at the 21st Amendment, Chadwicks and Manny's.

### ASHTRAYS AVAILABLE

The Recreation and Welfare Association still has an ample supply of ashtrays with the Commission's seal. The price for these ashtrays, which make outstanding departing gifts, is \$6.50 plus tax. Any interested person should contact Hugh Miller in Room 572.

### TENNIS

by Stan Whitten

The singles tennis ladder entered its fourth month with Enforcement personnel continuing to dominate the top five spots. In first place is Dennis Shea, followed by Stan Whitten, Rich Brodsky, Dick Kraut and Rich Morvillo. New members are still welcome. Call Stan Whitten for details.

Another tennis activity underway is the SEC Doubles Tournaments. Twelve teams were entered as of the July 14 Cut-off date. Results of this elimination tournament will be reported in the next issue of SEC Employee News.

## BANK STUDY

*Continued from pg. 1*

broker-dealer regulation upon banks by the Commission would result in duplicative and unduly burdensome regulation in some respects. However, the Final Report also stated that some changes should be made in the regulatory structure to ensure adequate investor protection.

Among other things, the Final Report recommended that the three Federal banking agencies should be mandated to enact and enforce specific rules and regulations governing the conduct of banks in effecting securities transactions for the account of others and should be directed to consult regularly with the Commission and with each other regarding those regulations. The Report also recommended that the Federal banking agencies be required to adopt specific examination procedures for bank securities activities, that bank examiners be specifically trained in the requirements of securities laws and the practices of the securities markets, and that the banking agencies be required to furnish the Commission with the applicable portions of their bank examination reports and related data upon request. Finally, in the Final Report the Commission recommended that Federal banking agencies should be required by law to advise the Commission of any actual or potential violations of the Federal securities laws and that those agencies should be specifically mandated to act for the protection of investors, in addition to their existing statutory obligations.

As the result of the Bank Study, the Senate Committee on Banking, Housing and Urban Affairs has requested the Commission to draft legislation to implement the recommendations of its Final Report.

The work of the Bank Study was conducted by a core group of persons devoting full time to the Study, with substantial assistance from staff members throughout the Commission. The work of the Study was subject to the overall responsibility of Anne Jones, Director of the Division of Investment Management, and was under the gen-

eral direction of Lee Spencer, Chief Counsel of that Division. The legal staff for the Study was under the direction of Jack Murphy, Special Counsel, and Sam Jones, Special Counsel, served as a senior member of the legal staff. Attorneys Tom Lauerman and Mark Goldfus of the Division of Investment Management and Eric Thompson of the Division of Market Regulation devoted substantial time in the preparation of the Second and Final Reports, and Bill Van Valkenberg, formerly an attorney with the Division of Investment Management, participated in the preparation of the Initial Report.

Economic aspects of the Study were subject to the overall responsibility of Jack Zecher, Director of Economic and Policy Research, and Roger Spencer, Deputy Director. The economic staff for the Study was comprised of Branch Chief Rich Keyser and economists Bill Atkinson and Buzz Lupien.

Substantial assistance in preparing the reviewing drafts of the Second and Final Reports was received from various staff members of the Commission's Division of Market Regulation. Statistical data generated by the Study were processed by members of the Commission's Office of Data Processing, including Branch Chief Dick Redfern and Rich Hooper.

Special recognition is due to the secretarial staff of the Study, Jan Krahulec and Denise Dishman, who "put the Study together" and without whose skill and dedication the Study could not have been completed.

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## ZELL *Continued from pg. 2*

Although many of the recommendations of the "Cohen Commission" are controversial and would result in significant extensions of the auditors' role and responsibility, it appears that their report will serve as the framework for the changes to be considered in the accounting profession for several years to come.

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## REGIONS *from pg. 9*

Administration from the University of Wyoming while teaching a sophomore level class in Principles of Ac-

counting. Mr. Underwood plans to continue his law studies at the University of Denver School of Law upon completion of this summer's internship.

\* \* \*

The sometimes annual SEC/DRO tennis tournament is being held this summer (and fall and possibly winter). The tournament is double elimination so the beginners get two chances. A senior member of the staff and former champion, John Wassberg, is the favorite. Best dressed player is expected to be Keith "Fast" Galitz in his powder blue tennis outfit.

\* \* \*

The Atlanta Regional Office received a valuable addition to its staff when James Angelos came aboard June 20, 1977. Jim came to us from District 7 of the National Association of Securities Dealers, Inc. in Atlanta and while with the NASD served in progressively responsible positions as an examiner, a member of the NASD Task Force, and supervisor. He will work primarily in Investment Company and Investment Advisor examinations.

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## MANAGEMENT

*Continued from pg. 5*

Having said all that, and hoping you will exercise moderation in your requests, I should also add that I have asked our administrative staff offices to be more responsive to their constituents -- either other SEC personnel or members of the public. I have asked that as a general rule, all requests be answered within one week. If your request cannot be completely accommodated within that time, an acknowledgment should be given with an indication of when a more complete response will be forthcoming.

Responsiveness, however, does not necessarily require accedence; in fact, it may involve nothing more than turning down a request and explaining why. If the decision is adverse, it is usually a simple matter to appeal it on the merits. Sometimes you will come out with everything you requested; other times you will come away with less than you wanted; and on some occasions you'll come out with only horror stories for future social gatherings. In the meantime, I have ordered a new sign for my desk; it reads "THE BUCK STOPS HERE. SOMETIMES."