IN MEMORIAM: JAMES CLAY DOLLEY

Few members of The University community, past or present, have served this institution with great distinction in the breadth of important roles that Dr. James C. Dolley did during his almost fifty years at U.T. Austin. Dr. Dolley, Professor Emeritus of Finance for six years prior to his death here on July 28, 1977, was a widely recognized teacher and scholar in the fields of banking and finance who also made important administrative contributions to U.T. Austin and The University of Texas System as University Vice President (1945-52), Vice President for Fiscal Affairs (1955-1960), Acting President of The University (1952-53), and Vice Chancellor for Fiscal Affairs of The University System (1960-66). During a portion of his career, he served as Chairman of the U.T. Athletics Council and in 1943-44 was elected President of the Southwest Conference. Professor Dolley was highly regarded in the banking world and during the 1930's and early 40's worked diligently to build bridges between the academic pursuits of the College of Business Administration at The University and the developments and activities of the banking world, especially in Texas and the Southwest generally. During World War II he contributed his services to mobilization of the nation's central banking system for wartime activities; on leave from The University, he served as Economic Adviser and subsequently Vice President and Director of Research of the Federal Reserve Bank of Dallas. His ability to apply the intellectual resources of an academic career to the business realm of banking and finance was also impressively demonstrated by his service as President of the Austin National Bank.
(1953-54) and his long service (1945-76) as a director of this same
institute, the largest commercial bank in Austin. He also served as an
advisory director of the bank's parent company, Austin Bancshares, Inc.,
from the time of its formation in the early 1970's.

Professor Dolley, whose research was published in the leading
academic journals in his field, occupied a significant role in the early
attainment of national stature at The University's College of Business
Administration. His publications in national journals in the banking,
corporate finance, and investments disciplines began to appear soon
after his arrival to assume an Assistant Professorship at The University
in 1928. Besides the very substantial number and variety of journal
articles which he produced over a timespan of more than forty-five years,
he authored a highly regarded textbook, Principles of Investment,
published in 1940.

The list of his professional memberships and officerships was
impressive. It included membership in Beta Gamma Sigma, the leading
university honorary fraternity in business administration, and in the
Royal Economic Society of England. Among the officerships were
those of Vice President of the American Finance Association in 1940-41
and of Financial Analysts Federation in 1966-67. He was one of the
founders of the Austin-San Antonio Society of Financial Analysts as
well as its first president.

Though Professor Dolley was not a native Texan, he frequently
observed, with characteristic conviction, that his early decision to
develop his career and spend most of his adult life here was one of
the "most sensible decisions" he ever made. A native of Illinois,
Dr. Dolley was born in Lebanon in the southern part of the state, on September 29, 1900. He obtained his A. B. degree from McKendree College, in Lebanon, in 1919, then taught at the high school level in Illinois before proceeding to the University of Illinois for his master's degree in economics, which he received in 1923. After returning briefly to high school teaching, he began doctoral studies in economics at the University of California at Berkeley. Within two years, he had completed his Ph. D. at Berkeley, and in the same year—1928—accepted the appointment at The University of Texas that launched his career in university teaching, research, and administration.

While there were many milestones in Professor Dolley's distinguished career in academics and in administrative service both at The University and in the business world, among his most important contributions were undoubtedly his services as the chief fiscal officer of The University from 1955 till 1960 and of the overall University System from 1960-66. He was widely recognized for his astute management of the institution's endowment and investment programs and for his driving influence in initiating a proposal for change in the Texas Constitution that permitted a broadened investment policy (one which includes stock and corporate bond investments) for the Permanent University Fund. By the time of his retirement as Vice Chancellor for Fiscal Affairs of the University System in 1966, the broadened investment policy which Dr. Dolley had led in evolving had already produced many millions of extra dollars for The University of Texas and Texas A & M University (which share the income of the Permanent Fund on a two-thirds, one-third
basis). The growth of the Permanent University Fund during the eleven-and-a-half years of Dr. Dolley’s tenure as chief fiscal officer and the remarkable increase in the annual income from it are revealed by the following figures. The Permanent Fund more than doubled, to $479 million, while the annual income from it more than tripled, to over $18 million. During that same period the trust and special funds of the University System’s endowment resources increased by more than threefold, and the total investment in the U. T. System’s physical plant rose from slightly over $100 million to almost $270 million.

Upon returning to full-time teaching in 1966, Dr. Dolley concentrated on satisfying the large and ever-growing demand for his Investment Analysis course, long one of the most popular in the business school curriculum. His authoritative treatment of the subject matter, his ability to combine the most worthy elements of an academic approach to investments with rich practical knowledge, and his kindly manner in addressing and counselling students had already won him the coveted Jack G. Taylor Teaching Excellence Award in the College of Business Administration (he received the $1,000 annual award in 1965). Dr. Dolley remained the major investments professor in both the College of Business Administration and the Graduate School of Business until he reached mandatory retirement age in 1971. In that role, he provided the instruction, direction, and inspiration for yet another generation of future investment officers for the institutions and business organizations of the Southwest and, indeed, much of the nation, thus continuing a tradition of exceptional academic preparation for future careers in
the investments field which he had begun long before the Second World War.

Another dimension of Professor Dolley's services to students, and thus to the University community, was his long tenure as Chairman of the Franklin Lindsay Student Aid Fund (1961-1976), a multi-million-dollar student loan fund administered by a committee consisting of both academic and business representatives. In the related vein of civic affairs, Professor Dolley contributed to the Austin community in a variety of ways, including that of serving as president of the United Fund of Austin in 1954-55.

Throughout much of his life, Dr. Dolley maintained an active and enthusiastic association with athletics, particularly collegiate athletics. While pursuing his own college and university education in Illinois shortly after World War I he was an active participant in basketball, football, javelin-throwing, and other sports and served briefly as a high school athletic coach. From the beginning of his association with The University of Texas he was well known as a supporter of collegiate and intercollegiate athletics, but assumed an important role in the administrative aspects of athletics at The University shortly after he became a full professor in 1935. He was appointed to the University Athletic Council in that year and for the next eight years served as Chairman of the Council. Among other things, Dr. Dolley was instrumental in hiring Dana X. Bible as the University's head football coach. During 1937-41 Dr. Dolley also held the position of Vice President of the Sixth District section of the National Collegiate Athletic Association. As mentioned previously, he was elected President
of the Southwestern Athletic Conference in 1943. During his tenure, the
Conference saw two major administrative achievements: establishment
of a code of eligibility rules for athletes and establishment of the
Commissioner's office; Dr. Dolley wrote the eligibility code himself.

His enduring enthusiasm for athletics was but one indication that
even though he enjoyed a long, full, and diversified professional life,
Dr. Dolley was ever mindful of the importance of the pursuit of one's
personal interests and values to a satisfying and truly rewarding life-
style. For close to fifty years he and his wife, Lois, fully enjoyed
the privileges and pleasures of being residents of Austin. (Mrs. Dolley
continues to make her home here.) And here they reared and took pride
in the accomplishments of their daughter, Norma; in later years they
realized great pleasure from the enjoyment that their three grandchildren
obtained from their visits to Austin and their grandparents' home.

Indeed, for virtually a half century James Clay Dolley obtained
from his life in Austin and contributed to the lives of others whom he
encountered here personal and professional values of the worthiest order.

Prepared by a special Memorial Resolution Committee consisting of:

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May 1, 1978
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