It was, on motion,

RESOLVED that the sum of One hundred sixty-eight thousand dollars ($168,000), or as much thereof as may be necessary, be, and it is hereby, appropriated to the UNIVERSITY OF CHICAGO towards the establishment and maintenance over a period of three years beginning July 1, 1935, of a sub-department of PSYCHIATRY, the amount available each year not to exceed the following:

- 1935-1936 ............ $63,000
- 1936-1937 ............ $52,500
- 1937-1938 ............ $52,500

The following were the considerations presented:

Relation to Program: Medical Sciences: The project is clearly within the program in psychiatry. It is not to be inferred, however, that grants to initiate and maintain departments of psychiatry in medical schools are likely to be presented in the future; there are very few important medical schools except Chicago which possess no established department of psychiatry, and none of the regional significance of the University of Chicago which is without a service in psychiatry.

Previous Action: None. Two of the proposed staff have had fellowships from the Foundation.

Finances: The University estimates the annual cost of a modest beginning as follows:

Salaries ....................... $32,700
Maintenance of 12 beds ....... 19,800 $52,500
Building alterations and equipment (first year only) .......... 10,500 $63,000

Since the University faces a deficit in operation for the coming year, it is not prepared to undertake any financial responsibility directly for the establishment of a department. The present income from the Sprague Memorial is approximately $46,000, of which at least $10,000 is immediately available for psychiatric research. The balance of the fund now being used for other purposes will be gradually diverted to psychiatry and related fundamental biological
The University further points to activities in anatomy, physiology, pediatrics, neurology and neurosurgery, psychology, education, social sciences, and the student health service, providing effective contributions or facilities for work in psychiatry and reaching budget proportions of $80,000 annually.

**Future Implications:** There is no evidence at present that the project should be started now unless the possibility of capitalization to produce part or all of the projected budget be acknowledged as a probable eventual desirability. Circumstances will determine whether annual support might best be renewed at the same level for another three- or five-year period and then be capitalized contingent upon capital support from other sources, or whether capitalization will be desirable in full or in part at an earlier date.

**General Description and Comment:** One of the greatest defects in the organization of the Medical School of the Division of the Biological Sciences of the University of Chicago is the lack of provision for instruction and research in the field of psychiatry. Plans have been under consideration for a long time and in 1921 an agreement was entered into with the Otho S. A. Sprague Memorial Institute which contemplated the establishment of psychiatry on an adequate basis with a hospital of about fifty beds. This plan has not been realized; but a part of the income of the Sprague Institute, in recent years an increasing amount, has been continuously devoted to studies in fundamental neurological and psychological fields at the University of Chicago, in anticipation of the beginning of work in psychiatry there.

In essence the proposed service in psychiatry will be a small unit closely affiliated with the other clinical and laboratory and teaching activities at the University. It will possess a somewhat wider range of contact throughout the University than is usual. It will not be remote or unwieldy. It will be more closely related to internal medicine and neurology than is usually the case. It will not at the outset have direct command of or responsibility for large numbers of patients. Effective liaison with large numbers of patients is possible but not in force at the outset, but capitalization would not be advocated until effective and stable relationships are established with institutions housing the grave and chronic forms of mental disease.