28th June 1934.

Dr. R. Lambert, The Rockefeller Foundation, 49 West 49th Street, New York City.

Dear Dr. Lambert,

Pursuant to our conversation over the telephone this morning may I explain to you in detail the dilemma in which we find ourselves with regard to the budget of the Department of Neurology and Neurosurgery at McGill. It was only on the receipt of the Comptroller, Mr. Beal's, letter yesterday that we had any suspicion that support from the Foundation for the past year of scientific work might not be forthcoming.

The very generous gift of \$50,000.00 from the Foundation for the year June 1st 1932 to 1933 enabled us to carry on the scientific work of the Department in the present laboratories in a satisfactory way and also to provide training elsewhere for certain men whom we had in mind to add to our staff. It had not occurred to us that the unfortunate delay in the commencement of building operations, which I will explain below, would mean that the scientific work would have to stop.

Consequently we continued the scientific work through the year 1933-34 and I have made certain promises to men who have come on the staff in the belief that an equal sum was forthcoming from the Foundation for that year.

When we first approached the Foundation we did not make any definite request for the \$50,000.00 for the year 1932-33. In fact it was because of Dr. Gregg's knowledge that the research funds at my disposal would be exhausted by the proposed work during the year, that he suggested this grant for that year. If I may quote from my own personal record of the interview which I had with Dr. Gregg on April 8th 1932 it will best express my understanding then.

"Dr. Gregg pointed out that he had explained to members of his Executive Committee that at the present time certain funds under my control were being used to defray the expenses of the research department, and he felt that these monies should be reserved for some other purpose if possible. He therefore intended to recommend that the contribution to the budget be started in June 1932 with the expectation that this would make it possible for me to carry on the activities of the department and to devote any other money to such purpose as I thought fit." Later on in our conversation we discussed the feasibility of using those funds which would be thus spared for the establishment of annual Neurological Lectureships at McGill.

Quring the year 1933-34 we have enlarged our staff to that which we shall need in the Neurological Institute. We are this week beginning the move into the laboratories of the Institute and we do so without any increase of either technical or professional personelle, and during the year we have carried out research to the best of our ability.

The money which was being used for research, previous to the time when the Foundation came to our assistance, had come to me through the relatives of a few grateful patients. It was being expended for this purpose without regard to how long it would last because of my belief that if research is good enough it is likely to attract support.

Of this so-called Penfield Research Fund there now remains \$27,712.00 thanks to your pronution. If necessary this money can now be used to help meet the present difficulty. But I fear the University is not in a position to have a larger debt imposed upon it as the deficit for the general budget this year is a very large one.

The unfortunate delay in the commencement of building operations was due to the following facts. The Mayor of Montreal in 1932 definitely promised to the late Sir Arthur Currie and to Dr. Martin that the city would make an appropriation equivalent to \$300,000,00 toward the Neurological We were assured that this would be carried through Institute. at the earliest possible moment. That Council, however, delayed in taking action until the City election took place. But a change of Mayor had meanwhile occurred. For this reason the Governors of the University felt that they must have a definite assurance from the new Mayor and the City Council that they would live up to the contract which the former mayor had incurred. This contract was only received in May 1933. Consequently ground was broken for the building on May 17th 1933.

I am enclosing an outline of the expenditures of the department of 1933-34. You will see that the University has turned over the \$5,000.00 to the department and that, with the expectation of the \$50,000.00 from the Rockefeller Foundation, we have expended the sum of \$52,934.25 for the year. You can well understand the plight in which we find ourselves. What we would do if the expected sum is not available I do not know. I fear it might mean wiping out the Penfield Research Fund and then very seriously curtailing all our scientific activities during the first year or years following the inauguration of the Neurological Institute until the balance was made up.

We have begun the transfer of our laboratory personelle to the Institute. We expect to move patients into the building the 1st of September and we expect to have the formal opening exercises on the 27th of September 1934. As I told you over the telephone, Dr. Martin is sailing for Paris on Saturday and may see Dr. Gregg there before he returns. In the mean time if anything is to be gained by my coming to New York to interview you or going to call on Dr. Mason, I am more than anxious to do so as I do not feel justified in carrying on with my plans for the men in this department for the coming year until this unfortunate misunderstanding is adjusted. For this reason and because of our fear that the University may be plunged into still more serious debt through our misconception of the general policy of the Foundation with regard to the Institute, we sincerely hope that you will come to our rescue.

Yours sincerely,

WGP/HL encls.