

WHEREAS, the University of Chicago is already conducting, and has for some years conducted, a medical school on its quadrangles on the south side of the City of Chicago; and,

WHEREAS, the University intends, from its present resources and out of the moneys obtained from said subscriptions and gifts, or from other sources, to develop a medical and surgical school near its quadrangles situated on the south side of the City of Chicago, and in connection therewith to construct and equip a hospital containing approximately two hundred (200) beds, and to make all necessary and proper provisions for the operation and maintenance of said medical and surgical school and hospital; and,

2 WHEREAS, the University has also been intending to establish and maintain a school for medical and surgical education and research on the west side of the City of Chicago and near the present site of the College, and, in connection therewith, to construct and equip a new laboratory building, costing with its equipment not less than Four Hundred Thousand Dollars (\$400,000), to be occupied and used for the purposes of said school; and,

WHEREAS, the College now owns the real estate situate at the Northeast corner of South Wood and West Harrison Streets in the City of Chicago, having a frontage of approximately 147 feet on said West Harrison Street and of approximately 100 feet on said South Wood Street, said property being described as follows, to-wit:

Lots 10 to 16 inclusive in McKay's Re-subdivision of Block 11 of Ashland's Addition to Chicago of the East Half, Section Eighteen (18), Township Thirty-nine (39) North, Range Fourteen (14), East of the Third (3d) Principal Meridian; and,

WHEREAS, the College heretofore and about the year A.D. 1875, constructed a building and improvements on the

WHEREAS, the University of Chicago is already conduct-

ing, and has for some years conducted, a medical school on its

premises on the south side of the City of Chicago; and,

WHEREAS, the University intends, from its present re-

sources and out of the moneys obtained from said subscriptions

and gifts, or from other sources, to develop a medical and

surgical school near its premises situated on the south side

of the City of Chicago, and in connection therewith to construct

and equip a hospital containing approximately two hundred (200)

beds, and to make all necessary and proper provisions for the

operation and maintenance of said medical and surgical school

and hospital; and,

WHEREAS, the University has also been intending to

establish and maintain a school for medical and surgical education

and research on the west side of the City of Chicago and near

the present site of the College, and, in connection therewith,

to construct and equip a new laboratory building, costing with

its equipment not less than Four Hundred Thousand Dollars

(\$400,000), to be occupied and used for the purposes of said

school; and,

WHEREAS, the College now owns the real estate situated at

the Northeast corner of South Wood and West Harrison Streets in

the City of Chicago, having a frontage of approximately 147 feet

on said West Harrison Street and of approximately 100 feet on said

South Wood Street, said property being described as follows, to-wit:

Lots 10 to 18 inclusive in McKay's Re-subdivision of

Block 11 of Ashland's Addition to Chicago of the East Half,

Section Eighteen (18), Township Thirty-nine (39) North, Range

Fourteen (14), East of the Third (3d) Principal Meridian; and,

WHEREAS, the College heretofore and about the year

A.D. 1875, constructed a building and improvements on the

western portion of said last described real estate and has equipped the same as a medical and surgical school (the total original cost of said building being, approximately, \$54,500) (which said building is sometimes known as the Clinical Building) and has occupied and used the same for said purposes for a period of more than forty years past, and is now occupying and using the same for said purposes; and,

WHEREAS, on or about the 30th day of October, A.D.1900, Dr. Nicholas Senn, of Chicago, Illinois, proposed to the College that he would donate to it the sum of Fifty Thousand Dollars (\$50,000) to be paid in December, 1900, in cash or in securities, to be applied to the erection of an east wing of the College, upon the following conditions: (1) That the building should be known as "Nicholas Senn Hall"; (2) that the College should become the Medical Department of the University of Chicago as soon as it might be deemed advisable, and (3) that the College should agree to pay Dr. Nicholas Senn the sum of Twelve Hundred and Fifty Dollars (\$1250) on the first day of July, 1901, and a like sum on the first days of January and July thereafter during his lifetime; and,

WHEREAS, the College accepted said proposition of said Dr. Nicholas Senn and entered upon plans for carrying the same into effect and thereafter said Dr. Nicholas Senn paid the College said sum of Fifty Thousand Dollars (\$50,000); and,

WHEREAS, under date of April 19, 1901, a certain agreement in writing was entered into between the College and said Dr. Nicholas Senn wherein and whereby, after reciting the said proposition and the acceptance thereof by the College and the payment to the College of said Fifty Thousand Dollars (\$50,000) by said Dr. Nicholas Senn, the College covenanted and agreed to construct said building to be called "Nicholas

western portion of said last described real estate and has equipped the same as a medical and surgical school (the total original cost of said building being, approximately, \$54,500) (which said building is sometimes known as the Clinical Building) and has occupied and used the same for said purposes for a period of more than forty years past, and is now occupying and using the same for said purposes; and, WHEREAS, on or about the 30th day of October, A.D. 1900,

Dr. Nicholas Senn, of Chicago, Illinois, proposed to the College that he would donate to it the sum of Fifty Thousand Dollars (\$50,000) to be paid in December, 1900, in cash or in securities, to be applied to the erection of an east wing of the College, upon the following conditions: (1) That the building should be known as "Nicholas Senn Hall"; (2) that the College should become the Medical Department of the University of Chicago as soon as it might be deemed advisable; and (3) that the College should agree to pay Dr. Nicholas Senn the sum of Twelve Hundred and Fifty Dollars (\$1250) on the first day of July, 1901, and a like sum on the first days of January and July thereafter during his lifetime; and,

WHEREAS, the College accepted said proposition of said Dr. Nicholas Senn and entered upon plans for carrying the same into effect and thereafter said Dr. Nicholas Senn paid the College said sum of Fifty Thousand Dollars (\$50,000); and,

WHEREAS, under date of April 19, 1901, a certain agreement in writing was entered into between the College and said Dr. Nicholas Senn wherein and whereby, after reciting the said proposition and the acceptance thereof by the College and the payment to the College of said Fifty Thousand Dollars (\$50,000) by said Dr. Nicholas Senn, the College covenanted and agreed to construct said building to be called "Nicholas

Senn Hall", and to take suitable steps to constitute said College the Medical Department of the University of Chicago as soon as and whenever it might be deemed advisable and feasible so to do, and further covenanted and agreed to make the payments to said Dr. Nicholas Senn set forth in his said proposition; and,

WHEREAS, further donations in aid of the construction of said Nicholas Senn Hall, aggregating approximately Thirty-five Thousand Dollars (\$35,000), were thereafter made by other persons;and,

WHEREAS, the total cost of said Nicholas Senn building and the equipment thereof was approximately One Hundred and Twenty-eight Thousand Dollars (\$128,000), and said total cost exceeded the amount so contributed by said Dr. Nicholas Senn and other donors by approximately the sum of Forty-three Thousand Dollars (\$43,000) and said excess was paid by the College out of its own moneys; and,

WHEREAS, the value of said parcel of real estate so owned by the College, as aforesaid, on which its medical and surgical school and said Nicholas Senn Hall were constructed, as aforesaid, does not exceed Thirty Thousand Dollars (\$30,000);and,

WHEREAS, the College also now owns the following described real estate, to-wit:

Lots 3 to 7 inclusive in Re-subdivision of Block 4 of Assessors Division of the East due half of the South East Quarter of Section Eighteen, Township Thirty-nine North, Range Fourteen, East of the Third Principal Meridian; which said described tract of land is situate opposite the parcel of land on which, as aforesaid, the medical and surgical school of the College has been constructed, as aforesaid; on which said lots 3 to 7 inclusive in said Re-subdivision of said Block 4 of said Assessors Division, buildings and improvements have been

Senn Hall", and to take suitable steps to constitute said College the Medical Department of the University of Chicago as soon as and whenever it might be deemed advisable and feasible so to do, and further covenanted and agreed to make the payments to said Dr. Nicholas Senn set forth in his said proposition; and,

WHEREAS, further donations in aid of the construction of said Nicholas Senn Hall, aggregating approximately thirty-five thousand dollars (\$35,000), were thereafter made by other persons; and, WHEREAS, the total cost of said Nicholas Senn building

and the equipment thereof was approximately one hundred and twenty-eight thousand dollars (\$128,000), and said total cost exceeded the amount so contributed by said Dr. Nicholas Senn and other donors by approximately the sum of forty-three thousand dollars (\$43,000) and said excess was paid by the College out of its own moneys; and,

WHEREAS, the value of said parcel of real estate so owned by the College, as aforesaid, on which its medical and surgical school and said Nicholas Senn Hall were constructed, as aforesaid, does not exceed thirty thousand dollars (\$30,000); and, WHEREAS, the College also now owns the following

described real estate, to-wit:

lots 3 to 7 inclusive in Re-subdivision of Block 4 of Assessors Division of the East one half of the South East Quarter of Section Eighteen, Township Thirty-nine North, Range Fourteen, East of the Third Principal Meridian; which said described tract of land is situate opposite the parcel of land on which, as aforesaid, the medical and surgical school of the College has been constructed, as aforesaid; on which said lots 3 to 7 inclusive in said Re-subdivision of said Block 4 of said Assessors Division, buildings and improvements have been

heretofore constructed by the College, consisting of a Laboratory Building constructed in the year A.D.1893, the cost of such original construction being approximately \$83,000, and the value of the real estate upon which said Laboratory Building was so constructed being approximately \$20,000; and,

WHEREAS, the College also now owns certain personal property consisting of books, charts, pictures, surgical equipment, laboratory supplies and accessories, pathological specimens and other educational equipment and accessories; and,

WHEREAS, the College has a right of re-entry in case there has been or may be hereafter a breach under the provisions of a certain deed bearing date January 2, 1884, and heretofore recorded in the Recorder's Office of Cook County, Illinois, executed by the College, as Grantor, to the Presbyterian Hospital, as Grantee; and,

WHEREAS, the College is also the owner of lot 109 in Division Two of Block A in Oakwood Cemetery in Cook County, Illinois;

NOW, THEREFORE, it is mutually covenanted and agreed between the parties as follows:

1. The College hereby covenants and agrees that upon the execution of this agreement, it will convey, assign, and transfer to the University all the property, real and personal, of which the College is the owner, as aforesaid, including said Nicholas Senn Hall (excepting the trust funds referred to in Paragraph 6, infra, of this agreement); and the University hereby covenants and agrees that it will use all said property (or its proceeds in case of a sale) to promote the general interests of medical education and to qualify young men to engage usefully and honorably in the professions of medicine and surgery.

heretofore constructed by the College, consisting of a Laboratory Building constructed in the year A.D. 1893, the cost of such original construction being approximately \$83,000, and the value of the real estate upon which said Laboratory Building was so constructed being approximately \$20,000; and,

WHEREAS, the College also now owns certain personal property consisting of books, charts, pictures, surgical equipment, laboratory supplies and accessories, pathological specimens and other educational equipment and accessories; and,

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WHEREAS, the College is also the owner of lot 108 in Division Two of Block A in Oakwood Cemetery in Cook County, Illinois;

NOW, THEREFORE, it is mutually covenanted and agreed between the parties as follows:

1. The College hereby covenants and agrees that upon the execution of this agreement, it will convey, assign, and transfer to the University all the property, real and personal, of which the College is the owner, as aforesaid, including said Nicholas Senn Hall (excepting the trust funds referred to in Paragraph 6, infra, of this agreement); and the University hereby covenants and agrees that it will use all said property (or its proceeds in case of a sale) to promote the general interests of medical education and to qualify young men to engage usefully and honorably in the professions of medicine and surgery.

2. The University hereby covenants and agrees that, upon the execution of this agreement, it will proceed to develop its said medical and surgical school near its said quadrangles on the south side of the City of Chicago, and, for use in connection therewith, will construct, equip and maintain there, or at some other place in the City of Chicago suitable for that purpose, a hospital, containing approximately two hundred (200) beds, and will complete said hospital and put it in operation, with all convenient speed, and, in any event, within ten (10) years from the date hereof.

3. The University hereby covenants and agrees that, upon the execution of this agreement, it will proceed, at its own expense, to tear down said medical and surgical school building of the College, sometimes known as the Clinical Building, and on the tract of land on which it now stands, construct and equip a new laboratory building, capable of occupancy and use as a school for medical education and research, said building with its equipment to cost not less than Four Hundred Thousand Dollars (\$400,000) - said building and equipment to be in accordance with modern methods for the construction and equipment of laboratories for medical and surgical education and research, and will let the contracts for such construction within one (1) year from the date hereof, said building to be completed with all convenient speed and, in any event, within five (5) years from the date hereof; and the University further covenants and agrees that it will operate said new laboratory building and equipment and pay all the expenses of any and every kind and nature whatsoever of such operation.

4. The College hereby covenants and agrees to, and hereby does, assign and transfer to the University, subject to the consent of the other parties to said contracts, all

2. The University hereby covenants and agrees that, upon the execution of this agreement, it will proceed to develop its said medical and surgical school near its said quadrangles on the south side of the City of Chicago, and, for use in connection therewith, will construct, equip and maintain there, or at some other place in the City of Chicago suitable for that purpose, a hospital, containing approximately two hundred (200) beds, and will complete said hospital and put it in operation, with all convenient speed, and, in any event, within ten (10) years from the date hereof.

3. The University hereby covenants and agrees that, upon the execution of this agreement, it will proceed, at its own expense, to tear down said medical and surgical school building of the College, sometimes known as the Clinical Building, and on the tract of land on which it now stands, construct and equip a new laboratory building, capable of occupancy and use as a school for medical education and research, said building with its equipment to cost not less than Four Hundred Thousand Dollars (\$400,000) - said building and equipment to be in accordance with modern methods for the construction and equipment of laboratories for medical and surgical education and research, and will let the contracts for such construction within one (1) year from the date hereof, said building to be completed with all convenient speed and, in any event, within five (5) years from the date hereof; and the University further covenants and agrees that it will operate said new laboratory building and equipment and pay all the expenses of any and every kind and nature whatsoever of such operation.

4. The College hereby covenants and agrees to, and hereby does, assign and transfer to the University, subject to the consent of the other parties to said contracts, all

existing contracts between the College and the Presbyterian Hospital, Otho S.A. Sprague Memorial Institute, Home for Destitute Crippled Children, Children's Memorial Hospital and Central Free Dispensary, and other institutions (if any,) and the University hereby assumes, and agrees to perform, each and all of the covenants of the College contained in each and all of the ^{existing} said contracts and to indemnify and save harmless the College from any and all liability under the same.

5. The College hereby grants to the University the exclusive right to use, in connection with its work of medical and surgical education, the designation "Rush Medical School of the University of Chicago", or any other designation it may desire containing the word "Rush", until such time as the College shall desire to use, and shall begin to use, in connection with its work in medical or surgical education, some designation containing the word "Rush", and the University hereby covenants and agrees to use such designation, containing the word "Rush", as a designation for its own post-graduate medical or surgical work, until the College itself desires, as aforesaid, to use and begins to use the same.

It is expressly understood and agreed that the obligation hereunder of the University to use the name "Rush" shall cease and determine, in case said name (either by itself or in ^{corporation,} combination with other words) is adopted or used by any other institution, or person, or association of persons, in connection with any medical or surgical education or work in the State of Illinois, and such adoption or use is adjudged permissible by the judgment or decree of any court of competent jurisdiction in the State of Illinois.

6. It is expressly understood and agreed that all trust funds now held by the College shall, notwithstanding this

existing contracts between the College and the Presbyterian Hospital, Otto S.A. Sprague Memorial Institute, Home for Destitute Crippled Children, Children's Memorial Hospital and Central Free Dispensary, and other institutions (if any), and the University hereby assumes, and agrees to perform, each and all of the covenants of the College contained in each and all of the ^{existing} said contracts and to indemnify and save harmless the College from any and all liability under the same.

5. The College hereby grants to the University the exclusive right to use, in connection with its work of medical and surgical education, the designation "Rush Medical School of the University of Chicago", or any other designation it may desire containing the word "Rush", until such time as the College shall desire to use, and shall begin to use, in connection with its work in medical or surgical education, some designation containing the word "Rush", and the University hereby covenants and agrees to use such designation, containing the word "Rush", as a designation for its own post-graduate medical or surgical work, until the College itself desires, as aforesaid, to use and begin to use the same.

It is expressly understood and agreed that the obligation hereunder of the University to use the name "Rush" shall cease and determine, in case said name (either by itself or in combination with other words) is adopted or used by any other corporation, institution, or person, or association of persons, in connection with any medical or surgical education or work in the State of Illinois, and such adoption or use is adjudged permissible by the judgment or decree of any court of competent jurisdiction in the State of Illinois.

6. It is expressly understood and agreed that all trust funds now held by the College shall, notwithstanding this

agreement, continue to be held in trust by the College upon and subject to the same trusts upon and subject to which they are now held, including the following trust funds: (1) Freer Prize Fund; (2) H.M. Lyman Memorial Prize Fund; (3) Manheimer Library Fund; (4) A.D. Thomson-Bevan Fellowship Fund; (5) Nicholas Senn Fellowship Fund; (6) John Phillips Fund and (7) certain real estate situate in Mitchell County, Iowa, devised to the College by the will of Lillian G. Swale, of Mason City, Iowa, for the endowment of scholarships.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective officers duly thereunto authorized, in accordance with resolutions of their respective Boards of Trustees, and their respective corporate seals to be hereto affixed the day and year first above written.

THE UNIVERSITY OF CHICAGO,

BY _____
President of its Board of
Trustees.

ATTEST:

Secretary.

TRUSTEES OF RUSH MEDICAL COLLEGE,

BY _____
President.

ATTEST:

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Swale, of Mason City, Iowa, for the endowment of scholarships. IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective officers duly thereto authorized, in accordance with resolutions of their respective Boards of Trustees, and their respective corporate seals to be hereto affixed the day and year first above written.

THE UNIVERSITY OF CHICAGO

BY

President of its Board of
Trustees.

ATTEST:

Secretary.

TRUSTEES OF RUSH MEDICAL COLLEGE,

BY

President.

ATTEST:

XXXVI

Sept. 24.
1923.

Wingnut Horace Martin

File

THE UNIVERSITY OF CHICAGO
STATEMENT OF EXPENDITURES IN THE MEDICAL DEPARTMENTS

	<u>Actual</u> <u>1922-23</u>	<u>Estimated</u> <u>1923-24</u>
<u>ANATOMY</u>		
Instruction	\$ 44,925.	\$ 47,792.
Equipment and Expense	<u>13,274.</u>	<u>11,000.</u>
	<u>\$ 58,199.</u>	<u>\$ 58,792.</u>
<u>PHYSIOLOGY</u>		
Instruction	\$24,801.	\$ 33,060.
Equipment and Expense	<u>10,862.</u>	<u>14,000.</u>
	<u>\$35,663.</u>	<u>\$ 47,060.</u>
<u>PHYSIOLOGICAL CHEMISTRY</u>		
Instruction	\$ 18,313.	\$ 18,840.
Equipment and Expense	<u>10,525.</u>	<u>10,800.</u>
	<u>\$ 28,838.</u>	<u>\$ 29,640.</u>
<u>PATHOLOGY</u>		
Instruction	\$ 15,091.	\$ 12,730.
Equipment and Expense	<u>4,245.</u>	<u>4,300.</u>
	<u>\$ 19,336.</u>	<u>\$ 17,030.</u>
<u>BACTERIOLOGY</u>		
Instruction	\$ 22,937.	\$ 30,250.
Equipment and Expense	<u>11,875.</u>	<u>11,400.</u>
	<u>\$ 34,812.</u>	<u>\$ 41,650.</u>
Total	<u><u>\$176,848.</u></u>	<u><u>\$194,172.</u></u>

October 26, 1923.

THE UNIVERSITY OF CHICAGO

STATEMENT OF EXPENDITURES IN THE MEDICAL DEPARTMENTS

Actual 1922-23	Estimated 1923-24	
<u>ANATOMY</u>		
\$ 44,922.	\$ 47,792.	Instruction
13,274.	11,700.	Equipment and Expense
\$ 58,196.	\$ 59,492.	
<u>PHYSIOLOGY</u>		
\$54,821.	\$ 33,060.	Instruction
10,662.	14,000.	Equipment and Expense
\$65,483.	\$ 47,060.	
<u>PHYSIOLOGICAL CHEMISTRY</u>		
\$ 15,713.	\$ 18,240.	Instruction
10,328.	10,800.	Equipment and Expense
\$ 26,041.	\$ 29,040.	
<u>PATHOLOGY</u>		
\$ 15,091.	\$ 12,730.	Instruction
4,242.	4,300.	Equipment and Expense
\$ 19,333.	\$ 17,030.	
<u>BACTERIOLOGY</u>		
\$ 22,937.	\$ 30,320.	Instruction
11,272.	11,400.	Equipment and Expense
\$ 34,209.	\$ 41,720.	
\$178,848.	\$194,142.	Total

October 26, 1923.

M16
Nov. 14 '23

A NEW CONTRACT BETWEEN THE UNIVERSITY OF CHICAGO
and
RUSH MEDICAL COLLEGE

A new contract between the University of Chicago and Rush Medical College having been approved by the Boards of the two institutions, ^{embodied in a bill in chancery} was filed yesterday with Attorney General in The Circuit Court ⁱⁿ Brundage, providing for the close amalgamation of the two institutions which the advance in medical science and education has necessitated. For twenty-five years Rush Medical College and the University of Chicago have been in close cooperation, the premedical work and the first two years of the medical course ^{being done since 1901} being done on the quadrangles of the University, and the two years of clinical work, for which the proximity of great hospitals was essential, being done at the Rush Medical College on the west side. In 1916-1917 ^{the} great advance in medical education led to plans for the closer ^{cooperation} amalgamation of the two institutions and a fund of ^{more \$300} \$5,450,000 was then raised for a larger medical program. The development of that medical program has now reached a point where ^{defining the relation} the formal contract between the two institutions ^{has become necessary} must be drawn up, and it seemed best, because of the magnitude of the funds involved and because of the public interest in the enterprise, to ^{development of a} seek court approval for the contract. ^{leading to an M.D. degree}

The new program includes the School of Medical Sciences on the Quadrangles of the University, and the establishment of facilities for research and the study of clinical problems by graduates in medicine on the west side in connection with the Presbyterian Hospital, the John McCormick Institute for Infectious Diseases, the Anna Durand Children's Memorial Hospital, the Home for Destitute and Grippled Children, and the Central Free Dispensary.

This Institute
Post-Graduate

A NEW CONTRACT BETWEEN THE UNIVERSITY OF CHICAGO
and
RUSH MEDICAL COLLEGE

A new contract between the University of Chicago and
Rush Medical College having been approved by the Boards of the
two institutions, was filed yesterday with Attorney General in the
Prothonotary, providing for the close amalgamation of the two
institutions which the advance in medical science and education
has necessitated. For twenty-five years Rush Medical College
and the University of Chicago have been in close cooperation,
the premedical work and the first two years of the medical course
being done on the quadrangles of the University, and the two
years of clinical work, for which the proximity of Great Hospitals
was essential, being done at the Rush Medical College on the
west side. In 1916-1917 great advance in medical education
led to plans for the close amalgamation of the two institutions
and a fund of \$5,000 was then raised for a larger medical
program. The development of that medical program has now reached
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The new program includes the School of Medical Sciences
on the quadrangles of the University, and the establishment of
facilities for research and the study of clinical problems by
graduates in medicine on the west side in connection with the
Presbyterian Hospital, the John McGormick Institute for Infectious
Diseases, the Anne Dwyer Children's Memorial Hospital, the Home
for Destitute and Orphaned Children, and the Central Free Dispensary.

Nov. 14 '23

~~This~~ institution on the west side ~~will be known as the Rush~~
~~Post-Graduate School of Medicine of the University of Chicago,~~
 and will thus perpetuate the name ^{of Rush} which the Rush Medical College
 has borne so honorably for eighty years.

Plans are already practically completed for the removal
 of the old Rush Medical College building, which has been in use
 for fifty years, and for replacing it by the Rawson Clinical
 Laboratories, for which Mr. and Mrs. Frederick H. Rawson have
 provided \$300,000. The total cost of this building ^{with its equipment} will be
 approximately \$500,000, toward which Dr. and Mrs. Norman Bridge
 have contributed \$100,000. Dr. Bridge was formerly a member of
 the Rush Medical College Faculty and is now a resident of Los
 Angeles.

The University of Chicago and the men developed at it
 and at the Rush Medical College are thoroughly alive to the
 wonderful opportunity, as well as to their responsibility, for
 developing in Chicago ~~as great~~ a center for medical education
^{equal to the best}
~~as there is~~ in the world.

September 28, 1923

EJG:HP

The institution on the west side will be known as the Rush
Post-graduate School of Medicine of the University of Chicago,
and will thus perpetuate the name ^{of Rush} which the Rush Medical College
has borne so honorably for eighty years.

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of the old Rush Medical College building, which has been in use
for fifty years, and for replacing it by the Rawson Clinical
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The University of Chicago and the men developed at it
and at the Rush Medical College are thoroughly alive to the
wonderful opportunity, as well as to their responsibility, for
developing in Chicago as great a center for medical education
as there is in the world.

September 28, 1923
EJG:HP

Harold H. Swift
Union Stock Yards
Chicago

December 3,
1923

M/a

President Ernest D. Burton,
The University of Chicago,
Chicago, Illinois.

Dear Mr. Burton:

Three technical questions of slight mistakes in reference to the Minutes of the Hearing occur to me as follows:

Page 12:

Dr. Billings speaks of Flexner as from the Rockefeller Foundation, which of course should be the General Education Board.

Page 37:

The stenographer quotes you in reference to what I assume should be Physics and Chemistry and he got it Civics instead of Physics.

Page 64:

There is reference to Dr. Fazill, which I assume should be Dr. Favill.

Two other questions of policy occur to me:

- (1) On page 12 where Dr. Billings says that Dr. Harper believed that Mr. Rockefeller had agreed to subscribe a large sum of money to the union provided there was raised in Chicago the sum of \$1,000,000, which was done. I don't know the facts or the understanding in this regard but it raises the question as to whether it is too baldly stated or implies bad faith, which, of course, should be avoided.
- (2) Further, toward the end of the page and especially at the top of page 13, which refers to the recent arrangement of 1916-17 with the two Eastern Boards, which says that subject to our raising \$3,300,000 the two Boards would give \$1,000,000 each and that they would see the plan was carried out. Two points occur to me here --
 - (a) I don't think they accepted the responsibility of seeing that the plan was carried out but rather they agreed to cooperate with us in the project.
 - (b) The important part of their requirement was that we adopt the full time basis for the principal divisions of clinical instruction, which isn't mentioned. Am not clear whether this point should be or not. Perhaps it is not germane to the immediate point under discussion.

You will note that all of these suggestions might require some modification of the testimony. I understood from you that

that was the reason for reading over the document,- to see whether the situation was presented in the best light. If this is correct, you may want to consider these points. Please don't hesitate to disregard them, however, as I mean to be only suggestive.

Yours cordially,

Harold H. Swift

M 1a

Received from the Business Manager's Office the
original contract between The University of Chicago,
The Rockefeller Foundation, and The General Education
Board, dated December 17, 1917.

Ernest R. Burton

December 1, 1923.

M 102

Received from the Business Manager's Office the
original contract between The University of Chicago,
The Rockefeller Foundation, and The General Education
Board, dated December 17, 1931.

George A. ...

December 1, 1933.

C O P Y

THE UNIVERSITY OF CHICAGO
Chicago, Illinois
Office of the President

December 11, 1923.

My dear Dr. Irons:

At a recent meeting of the Committee of the Board of Trustees of the University of Chicago on Medical Affairs the President was authorized to confer with a group of members of the Rush Medical College Faculty with reference to the plans of the University for the conduct of medical work on the West Side, both in the period in which this work will be undergraduate in character, and in the later period when it will be postgraduate in character. I am writing to inquire whether you will be willing to serve on such a committee and whether it would be practicable for you to spend an evening in conference at some date between the 17th and the 25th of December.

When I shall have heard from you and the other members of the Committee I shall be glad to confer with you as to the exact date.

I am writing a similar letter to Drs. Billings, Bevan, Hektoen, Herrick, Lewis, Ormsby, Phemister, and Shambaugh.

Very truly yours,

ERNEST D. BURTON

Dr. E. E. Irons,
122 S. Michigan Ave.,
Chicago, Ill.

EDB-CB

MEMORANDUM OF THE MEETING OF THE COMMITTEE OF THE
FACULTY OF RUSH MEDICAL COLLEGE AND REPRESENTATIVES
OF THE UNIVERSITY OF CHICAGO WITH REFERENCE TO PLANS
OF THE UNIVERSITY FOR THE CONDUCT OF MEDICAL WORK
ON THE WEST SIDE. HELD AT THE UNIVERSITY CLUB 12:30
P. M. DECEMBER 22, 1923.

This meeting was held at the request of the President of
the University for consideration of matters outlined in his
letter of December 11, 1923, copy of which is attached.

Present: President Burton
Doctors Billings
Bevan
Hektoen
Herrick
Lewis

Doctors Ormsby
Phemister
Shambaugh
Post
Irons

PRESIDENT BURTON stated that this committee might properly
discuss problems concerning the conduct of medical work on
the West Side, both in the period in which this work will
be undergraduate in character, and in the later period when
it will be postgraduate in character. President Burton
requested each member present to state in his opinion the
outstanding features of the problem and what is needed for
the improvement of the present situation.

DR. SHAMBAUGH: The problem is one of unification of action
of three institutions on the West Side, - the College, the
Presbyterian Hospital and the Central Free Dispensary. The
proper distribution of hospital facilities (beds) between
the several departments is important.

DR. POST: Any development presupposes financial provisions.
The proper co-ordination of work will require joint boards
of trustees of the four institutions involved. Postgraduate
work should provide for three groups, (1) Recent graduates
who might do half-time work, (2) Older medical men who desire
to spend one to three years in the study of some subject or
group of subjects, (3) Practitioners who can spend but a
short time and for whom short review courses should be pro-
vided.

DR. PHEMISTER: (1) A new building. (2) Clinical beds in
the Presbyterian Hospital. (3) Salaries for younger men,
for full time teachers and for research fellows. The Univer-
sity should take over the Dispensary. Every other large
medical school owns its own dispensary.

DR. LEWIS: More free beds in the hospital.

MEMORANDUM OF THE MEETING OF THE COMMITTEE OF THE
FACULTY OF MEDICAL SCIENCES AND MEDICAL STUDENTS
OF THE UNIVERSITY OF CHICAGO, HELD AT THE UNIVERSITY
OF THE MEDICAL CENTER, CHICAGO, ILL., ON
DECEMBER 22, 1933.

This meeting was held at the request of the President of
the University for consideration of matters outlined in his
letter of December 11, 1933, copy of which is attached.

Present	President Burton
	Professor Williams
	Dean
	McDonough
	Hartshorn
	Lewis
	Post
	Shawbaugh
	Thompson

DR. BURTON stated that this committee plans to properly
discuss problems concerning the conduct of medical work on
the West Side, both in the period in which this work will
be undertaken in character, and in the later period when
it will be more extensive in character. President Burton
requested each member present to state in his opinion the
outstanding features of the problem and what is needed for
the improvement of the present situation.

DR. SHAWBAUGH. The problem is one of utilization of section
of three institutions on the West Side, - the College, the
Presbyterian Hospital and the Central Post Dispensary. The
proper distribution of hospital facilities (beds) between
the several departments is important.

DR. POST. Any development presupposes financial considerations.
The proper co-ordination of work will require joint boards
of trustees of the four institutions involved. Postgraduate
work should provide for three groups: (1) Research students
who might do half-time work; (2) Other medical men who desire
to spend one or more years in the study of some subject or
group of subjects; (3) Postgraduate students who can spend one or
more years and who would receive courses should be pro-
vided.

DR. HARTSHORN. (1) A new building. (2) Clinical beds in
the Presbyterian Hospital. (3) Clinics for summer work.
For full time research and for research fellows. The univer-
sity should take over the dispensary. Every other large
medical school owns its own dispensary.

DR. LUCAS. There are two beds in the hospital.

DR. BEVAN: The good work of the Rush group up to the present time has been due to the spirit of cooperation from the faculty. Undergraduate work: In order to provide for undergraduate work for the next two to three years existing facilities should be improved rather than attempting to revolutionize the whole system of teaching. The need of money for the departments is important. A \$20,000.00 budget for the Surgical Department is desirable. Graduate work: This should be begun at once on a small scale. The Surgical Department has under consideration plans for graduate work in Orthopedics to care for three to four students with similar plans for three to four students in the Genito-Urinary Department.

DR. HERRICK: Undergraduate work: No radical changes are advised at this time. General Measures for the improvement of existing conditions would include an increase in the number of paid teachers among the younger men. Graduate work: The Central Free Dispensary is important as it offers unlimited opportunity for teaching. The Central Free Dispensary is an independent corporation but is virtually controlled by the College. Graduate work has already been begun by Dr. Shambaugh. There is no reason why graduate work should not be developed along similar lines in the other departments. In general, graduate work should correspond in scope and thoroughness to that of University students who are candidates for higher degrees.

DR. HEKTOEN: Two definite things should be done. (1) Reorganize the departments on a University basis. (2) Secure such cooperation from the Presbyterian Hospital as will result in an increase in teaching beds. It is believed that there are several small funds, the use of which should be looked up and perhaps coordinated with other work of the College.

DR. ORMSBY: Outlined a plan for graduate teaching of four students in his department.

DR. BILLINGS: (1) Three institutions are engaged in education, the care of the sick and investigation. For this purpose they should become one unit. (2) The College should assist more in the development of the nurses' school. (3) There is nothing to be gained in changing boards. The statement that one of the institutions has been completely taken over by another might well result in loss of public interest and support. (4) There should be an increase of opportunity for work by the younger men. (5) There should be an increase in hospital teaching beds to two hundred, allocated to the several departments. (6) The financial situation must be considered by a joint committee of the Boards of Trustees and Managers.

DR. IRONS: The Board of Managers of the Presbyterian Hospital should be more fully informed of the plans contemplated by the University and Rush. In addition to increase of teaching beds, more space should be secured for laboratory work. The Laboratory

Building south of Harrison Street should be gone over and this building improved. Improvements in this building should include a passenger elevator. At the present time, available space is by no means completely utilized.

PRESIDENT BURTON then summarized the points brought out in the discussion and appointed the following committees to report at the next meeting of this group.

I. Central Free Dispensary and its relations to Rush Medical College; its holdings of property and any limitations imposed by endowments: Dr. Herrick and Dr. Shambaugh.

II. Cooperation with the Presbyterian Hospital; The distribution of beds: Dr. Phemister and Dr. Billings.

III. The teaching of undergraduates: Dr. Lewis, Chairman, Dr. Ormsby and Dr. Post.

IV. Postgraduate work. Should it be further expanded at the present time? Present and future policies: Dr. Bevan and Dr. Shambaugh.

V. Laboratory service and laboratory buildings: Dr. Hektoen and Dr. Irons.

It is understood that these committees may be enlarged by the addition of others at the discretion of the chairmen.

PRESIDENT BURTON requested this committee to meet again in two weeks and it was agreed that the committee should meet at the University Club at 12:30 P.M., January 5, 1924.

Adjourned.

ERNEST E. IRONS

Secretary.

Building room of laboratory should be none over and
this building approved. Laboratory in this building should
include a necessary kitchen. At the present time, available
space is by no means completely utilized.

President Hutton then summarized the points brought out in
the discussion and appointed the following committee to report
at the next session of this group.

I. Central Free Dispensary and its relation to health
followed the holding of property and any limitations imposed
by endorsement. Dr. Hutton and Dr. Hutton.

II. Laboratory with its equipment and its relation
to health. Dr. Hutton and Dr. Hutton.

III. The problem of underemployment. Dr. Hutton, Chairman.
Dr. Hutton and Dr. Hutton.

IV. Laboratory work. Dr. Hutton and Dr. Hutton.
Dr. Hutton and Dr. Hutton.

V. Laboratory work and laboratory buildings. Dr. Hutton
and Dr. Hutton.

It is understood that these committees may be enlarged by the
addition of others at the discretion of the chairman.

President Hutton presented this committee to meet again in
two weeks and it was agreed that the committee should meet at
the University Club at 12:30 P.M., January 5, 1934.

Adjourned.

WILLIAM H. HUTTON

Secretary

December 14, 1923

My dear Dr. Jordan:

I do not find in your memorandum of the actions taken by the Senate Committee at the meeting at the Quadrangle Club December 4 a specific reference to the appointment of a committee to consider what changes should be made in the bylaws or statutes of the University and in the official announcements of the University to conform to the decision that the Medical School shall be a part of the Ogden Graduate School of Science, and the conditions of admission being the same as those for that school, and to the conditions which will arise when the courts having approved the contract now before them, Rush Medical College becomes not an affiliated school but an integral part of the University. Such committee is in any case necessary, but it occurs to me that the Committee on the Organization and Development of the Medical School might itself take this in hand better perhaps because of the way in which the Ogden Graduate School of Science is involved in the matter, with a special committee, consisting of Dean Gale as chairman, and the members of the Committee on the Organization and Development

M 7

December 14, 1923

My dear Dr. Jordan:

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of the
with
member

of the Medical School should discharge this duty.

With this thought in mind I am writing to the several members of the Committee, including yourself, to this effect.

Very truly yours,

Dr. E. O. Jordan
Faculty Exchange

EDB:HP

of the Medical School should discharge this duty.
 With this thought in mind I am writing to the several
 members of the Committee, including yourself, to this
 effect.

Very truly yours,

Dr. E. O. Jordan
 Faculty Exchange

EDB:HP

M 1

December 19, 1923

My dear Mr. McLean:

It is perhaps none too early to begin to study the question of how the bylaws, statutes and official statements in the Register should be revised to correspond to the new situation now agreed upon in respect to the relation of the medical school to the Ogden School of Science, and that situation which will arise as soon as the court passes on the contract which is now before them. This matter might, perhaps, naturally fall to the Committee on the Organization and Development of the Medical School but in view of the relation of the Ogden School to the question it seems to me desirable to appoint a special committee consisting of Dean Gale as chairman, and the members of the Committee just named. If it is agreeable to you I should like, therefore, to ask that the Committee consist of Mr. Gale, Dr. Lewis, Dr. Jordan and yourself.

December 19, 1923

My dear Mr. McLean:

It is perhaps none too early to begin to study the question of how the by-laws and official statements in the Register should be revised to correspond to the new situation now agreed upon in respect to the relation of the medical school to the Ogden School of Science, and that situation which will arise as soon as the court passes on the contract which is now before them. This matter might, perhaps, naturally fall to the Committee on the Organization and Development of the Medical School but in view of the relation of the Ogden School to the question it seems to me desirable to appoint a special committee consisting of Dean Gale as chairman, and the members of the Committee just named. If it is agreeable to you I should like, therefore, to ask that the Committee consist of Mr. Gale, Dr. Lewis, Dr. Jordan and yourself.

It might properly, I think, present
this report to the Senate Committee on
Medical Affairs from which Committee it
might go either through the Senate or
directly to the President's Office.

Very truly yours,

Dr. Franklin C. McLean
Faculty Exchange

EDB:HP

It might properly, I think, present
this report to the Senate Committee on
Medical Affairs from which Committee it
might go either through the Senate or
directly to the President's Office.

Very truly yours,

Dr. Franklin C. Wolsan
Faculty Exchange

RDB:HP

M7

n December 19, 1923

My dear Dean Gale:

Referring to our telephone conversation on Wednesday, December 12, it occurs to me as wisest, perhaps, that the Committee on Revision of Bylaws, Statutes and Official Statements, of which I spoke, should consist of yourself as chairman, and the rest of the Committee on the Organization and Development of the Medical School. The matter might, indeed, have been referred to this latter Committee but it so involves the Ogden School that it seems to me that you should also be a member of the Committee.

Very truly yours,

Dean Henry G. Gale
Faculty Exchange

EDB:HP

Mf

December 18, 1923

My dear Dean Galt:

Referring to our telephone

conversation on Wednesday, December 12, it
occurs to me as wisest, perhaps, that the
Committee on Revision of Bylaws, Statutes
and Official Statements, of which I spoke,
should consist of yourself as chairman, and
the rest of the Committee on the Organization
and Development of the Medical School. The
matter might, indeed, have been referred to
this latter Committee but it so involves the
Ogden School that it seems to me that you
should also be a member of the Committee.

Very truly yours,

Dean Henry G. Galt
Faculty Exchange

EDB:WP

*Rush Med Coll
2/20/23
Mia
Dec 20, 1923*

ERNEST D. BURTON, recalled as a witness for the Complainant, testified as follows:

DIRECT EXAMINATION BY MR. MARTIN

Q Mr. Burton, the bill of complaint in this case alleges that the University of Chicago has obtained from subscriptions and gifts the sum of \$5,300,000, to be used and applied by it to the work of medical and surgical education. Is that allegation true, and if so, what terms or conditions have been imposed by the donors of that fund regarding its use for those purposes?

A By the terms of those gifts and subscriptions, \$300,000 must be applied to the erection of a laboratory building on the west side of the City of Chicago; \$1,000,000 must be applied to a Hospital to be located on the south side of the City of Chicago; the remaining \$4,000,000 is to be held by the University as a trust fund and the income thereof applied by it to any of its work of medical or surgical education, irrespective of the location in which that work is carried on.

Q Under the terms of those gifts and subscriptions, could any part of the income of the \$4,000,000 be applied to work of medical and surgical education carried on by the University on the real estate which, under the proposed contract between the University and the Trustees of Rush Medical College is to be conveyed to the University?

A Yes, any part of that income could be applied to the work referred to in your question -- such part as the University might decide it was for the best interests of medical and surgical education should be applied for that purpose on that property.

ERNEST D. BURTON, recalled as a witness for the

Complainant, testified as follows:

DIRECT EXAMINATION BY MR. MARTIN

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A Yes, any part of that income could be applied to the work referred to in your question -- such part as the University might decide it was for the best interests of medical and surgical education should be applied for that purpose on that property.

Harold H. Swift
Union Stock Yards
Chicago

*Rush
Pres*

December 24, 1923.

M7

TO THE MEDICAL COMMITTEE

E. D. Burton,
Julius Rosenwald,
Wilber E. Post,
T. E. Donnelley,
M. A. Ryerson (not sent, out of town).

Gentlemen:

It was agreed with the Medical Committee early in December that I should telephone Mr. Simpson, pointing out that the agreement between Rush and the University of Chicago would expire December 10 and suggesting that it might be well for their Board to extend the previous agreement or to take some action pending the decision from the courts on the new agreement.

Mr. Simpson said he would consider the matter and discuss it with his Board. The attached letter just received. Presume in view of this there is nothing further to be done at present.

Am sending this to members of the committee as a matter of information and should be glad to hear from any member if he has other views.

Yours truly,

HAROLD H. SWIFT

HAROLD H. SWIFT

Yours truly,

if he has other views.

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Gentlemen:

M. A. Ryerson (not sent, out of town).
T. E. Donnelly,
Wilber E. Post,
Julius Rosenwald,
E. D. Burton,

TO THE MEDICAL COMMITTEE

December 24, 1923.

Harold H. Swift
Union Stockyards
Chicago

COPY

MARSHALL FIELD & COMPANY
C H I C A G O

James Simpson,
President.

December 21, 1923.

Dear Mr. Swift:

I am enclosing copy of letter received from Mr. Horace H. Martin relative to the subject matter of our telephone conversation.

I discussed your suggestion with Messrs. Glessner and Hamill, and they both concurred with me in the opinion that under all the circumstances it was best to leave the matter as it is rather than to renew the old contract.

If, on further thought, you do not agree with this conclusion, please communicate with me and together we will go further into the subject.

I am With best wishes for the Holiday Season,

Very sincerely yours,

JAMES SIMPSON

Harold H. Swift, Esquire,
Swift & Company,
Chicago, Illinois.

COPY

MARSHALL FIELD & COMPANY
CHICAGO

James Simpson,
President.

December 21, 1923.

Dear Mr. Swift:

I am enclosing copy of letter received from
Mr. Horace H. Martin relative to the subject matter of our
telephone conversation.

I discussed your suggestion with Messrs. Gleason
and Hamill, and they both concurred with me in the opinion
that under all the circumstances it was best to leave the
matter as it is rather than to renew the old contract.

If, on further thought, you do not agree with
this conclusion, please communicate with me and together we
will go further into the subject.

With best wishes for the Holiday Season,

I am

Very sincerely yours,

JAMES SIMPSON

Harold H. Swift, Esquire,
Swift & Company,
Chicago, Illinois.

COPY

December 19, 1923

James Simpson, Esquire.,
Marshall Field & Company,
West Adams Street,
Chicago, Illinois.

RUSH MEDICAL COLLEGE AND
UNIVERSITY OF CHICAGO

Dear Mr. Simpson:

You have informed me that it has been suggested that some action be taken immediately for the extension of the existing contract between the above institutions. As I understand it, the reason for this suggestion is that in case the new arrangement which is contemplated should not be approved by the courts, the old arrangement as so extended would be in force. In my opinion this extension should not be made.

In the first place, as I have heretofore advised you, questions exist as to the legal validity of the old arrangement, and in any view it should not be renewed without further consideration of those questions.

In the second place, Rush has submitted to the court the proposed new arrangement, and has asked the instructions of the court in regard to it, and we expect to have a decree entered within a short time giving those instructions. In this condition it does not seem to me proper for Rush, after having submitted the matter of the new arrangement to the court, to go ahead on its own motion and renew the old arrangement, and the effect of such renewal, if it came to the knowledge of the court, would be prejudicial.

Very truly yours,

(Signed) Horace H. Martin.

COPY

December 19, 1923

James Simpson, Esquire.,
Marshall Field & Company,
West Adams Street,
Chicago, Illinois.

RUSH MEDICAL COLLEGE AND
UNIVERSITY OF CHICAGO

Dear Mr. Simpson:

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Very truly yours,

(Signed) Horace H. Martin.

Memorandum Dec 27, 1923

M 11

Dr Port reports by telephone that he has been attending the Chalmers family professionally & that Mrs C. has insisted on talking with him about their project. It is

It has developed that she is fixed in her determination that the present bldgs & the money which she has raised (perhaps all that she may hereafter raise) shall be used exclusively for the kind of work they have been doing; but that she has no objection to other bldgs being built on ~~the land~~ the land now owned for other types of convalescent work. In other words we can use this plant, land & general management but not the present bldgs or the document which they turn over, for other kinds of convalescent patients.

Dr. Billings is to see them tomorrow

Copy sent to Mr. Felbey 5/16/25

*Copy to Mr. Swift
+ Mr. T. H. Smith
done*

M 5

335984

JOHN J. GLESSNER
4TH FLOOR HARVESTER BUILDING
MICHIGAN AVE. & HARRISON ST
CHICAGO

January 2, 1924.

Ernest D. Burton, President,
University of Chicago,
58th Street and Ellis Avenue, Chicago.

Dear Dr. Burton:-

I am just from my attorneys, who tell me it might be thought discourteous by the Supreme Court, and perhaps indiscreet, for the Rush Medical Trustees to meet officially with your Trustees, while we are asking advice and permission from the Court to consummate just such matters as we should discuss at such meetings. This is before the Court now, as you know. The attorneys have strong reasons to believe that the decision will be what we all desire, but that it is not likely to be made before the March term.

In the meantime, if you wish, and will fix the time, I shall be glad to meet informally with you alone, or your Committee, to confer unofficially on any matters that you desire.

Very sincerely yours,

John J. Glessner

When we can meet officially, I think the Committee of Rush Medical Trustees will be: Mr. James Simpson, Mr. John T. Pirie, and myself.

M 5
335964

Copy
The
Society

JOHN A. GLESSNER
ATTORNEY AT LAW
58th Street and Ellis Avenue
CHICAGO

January 2, 1934.

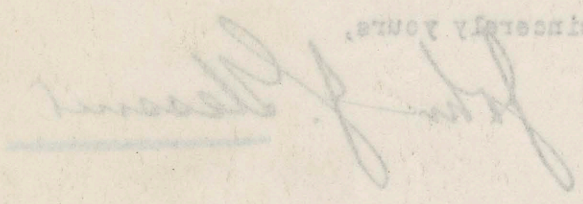
Ernest D. Burton, President,
University of Chicago,
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matters as we should discuss at such meetings. This is before the Court
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unofficially on any matters that you desire.

Very sincerely yours,



When we can meet officially, I think the Committee of Rush
Medical Trustees will be: Mr. James Simpson, Mr. John T. Rife, and
myself.

Copy to Mr. Swift
+ ~~Handwritten~~ done

M5

335984

JOHN J. GLESSNER
4TH FLOOR HARVESTER BUILDING
MICHIGAN AVE. & HARRISON ST
CHICAGO

January 2, 1924.

Ernest D. Burton, President,
University of Chicago,
58th Street and Ellis Avenue, Chicago.

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Very sincerely yours,

John J. Glessner

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335954

JOHN A. GLESSNER
ATTORNEY AT LAW
NORTH AVENUE & MARSHFIELD
CHICAGO

*Copy to
Mr. [unclear]
[unclear]*

January 3, 1934.

Ernest D. Burton, President,

University of Chicago,

58th Street and Ellis Avenue, Chicago.

Dear Dr. Burton:-

I am just from my attorneys, who tell me it might be thought
discountenanced by the Supreme Court, and perhaps inadvisable, for the
Rush Medical Trustees to meet officially with your Trustees, while we
are asking advice and permission from the Court to consummate just such
matters as we should discuss at such meetings. This is before the Court
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Very sincerely yours,

John A. Glessner

When we can meet officially, I think the Committee of Rush
Medical Trustees will be: Mr. James Simpson, Mr. John T. Pritz, and
myself.

N. Answers to possible questions. (Jan. 19, 1924.)

M 11
X
M 2

1. What about the remainder of the fourth million which is not designated for the School at the University?

Billings
Ans: So far as our study has yet shown, this is not designated for either school, and the income from it is therefore available for appropriation by the University for any purpose connected with its medical schools.

2. Does not the whole of this million belong to the West Side School? Was this not implied in the statements which were authorized when the money was raised?

Ans: No. The testimony of those most directly concerned in that effort is that it was then said that one million of the four million might be used for the (Post)graduate school.

3. Would it not be desirable for the Board of Trustees now to exercise its right and set aside the whole of this fourth million?

Ans: That question manifestly calls for consideration. So far we have been concerned to find out just what obligations exist. These, of course, the Board will scrupulously follow. When these are ascertained, the question how the Board shall act in matters in which there is no stipulation by the donor will call for consideration. In general I should say that it would be unwise for the Board to create new obligations for itself. We cannot foresee all the developments of the future. The freer the Board is to act according to the necessities of the case, the better.

4. Does the interest on the designated gifts follow the gifts; i.e., does it go to the school for which the gift itself is designated?

Ans: I should suppose so. We will get legal opinion on that point.

5. Would the accumulated interest be added to the principal?

Ans: I should suppose it might be so added. Perhaps it is more likely to be needed to supplement building funds or for equipment.

6. How much interest has accumulated?

Ans: I do not know - that is being calculated.

Note: These questions and answers were submitted to Dr. Billings who stated that the answers were correct.

1. What about the remainder of the fourth million which is not designated for the School at the University?

Ans: So far as our study has yet shown, this is not designated for either school, and the income from it is therefore available for appropriation by the University for any purpose connected with its medical schools.

2. Does not the whole of this million belong to the West Side School? Was this not implied in the statements which were authorized when the money was raised?

Ans: No. The testimony of those most directly concerned in that effort is that it was then said that one million of the four million might be used for the (Post) graduate school.

3. Would it not be desirable for the Board of Trustees now to exercise its right and set aside the whole of this fourth million?

Ans: That question manifestly calls for consideration. So far we have been concerned to find out just what obligations exist. These, of course, the Board will scrupulously follow. When these are ascertained, the question how the Board shall act in matters in which there is no stipulation by the donor will call for consideration. In general I should say that

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Note: These questions and answers were submitted to Dr. Billings who stated that the answers were correct.

N. Answers to possible questions. (Jan. 19, 1924.)

M 2

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2. Does not the whole of this million belong to the West Side School? Was this not implied in the statements which were authorized when the money was raised?

Ans: No. The testimony of those most directly concerned in that effort is that it was then said that one million of the four million might be used for the (Post)graduate school.

3. Would it not be desirable for the Board of Trustees now to exercise its right and set aside the whole of this fourth million?

Ans: That question manifestly calls for consideration. So far we have been concerned to find out just what obligations exist. These, of course, the Board will scrupulously follow. When these are ascertained, the question how the Board shall act in matters in which there is no stipulation by the donor will call for consideration. In general I should say that it would be unwise for the Board to create new obligations for itself. We cannot foresee all the developments of the future. The freer the Board is to act according to the necessities of the case, the better.

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Was this not implied in the statements which were authorized when the

money was raised?

Ans: No. The testimony of those most directly concerned in that effort

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its right and set aside the whole of this fourth million?

Ans: That question manifestly calls for consideration. So far we have

been concerned to find out just what obligations exist. These, of course,

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it would be unwise for the Board to create new obligations for itself.

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be needed to supplement building funds or for equipment.

6. How much interest has accumulated?

Ans: I do not know - that is being calculated.

Note: These questions and answers were submitted to Dr. Billings who stated

that the answers were correct.

M 11
X
M 2

New York, N.Y.
Jan. 22, 1924.

Mr. Horace Kent Tenney,
801 Home Insurance Bldg.,
137 S. La Salle St.,
Chicago, Ill.

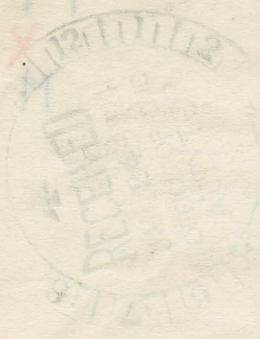
My dear Mr. Tenney:-

I am enclosing herewith statements covering the following matters:

1. An apportionment of the Medical School funds based upon the implication of Dr. Billings' letter of Jan. 11th, 1917 included in the report of the Medical School funds made by Mr. Plimpton to the Board of Trustees under date of Dec. 10th, 1921. This statement of Mr. Plimpton's is included in the documents mentioned under 2-k below.

2. Copies of the following letters and documents bearing upon the question of the purposes for which the various gifts to the University for its medical work may be used.

- a. Letter of Mr. Martin A. Ryerson of Nov. 28th, 1916.
- b. Letter of Mr. Roger H. Williams of May 22nd, 1917.
- c. Letter of Mr. R. T. Crane, Jr. of Feb. 26th, 1917.
- d. Letter of Mr. R. T. Crane, Jr. of May 16th, 1917.
- e. Letter of Mr. F. A. Hardy of April 28th, 1917.
- f. Letter of Mr. Heckman of April 17th, 1917 to the Board of Trustees specifying the use of the Hyde Memorial Fund given by Mr. A. D. Thompson.
- g. Copy of an extract from the last Will of Mr. A. D. Thompson bequeathing to the University the sum of \$50,000 to be expended under the direction and management of Dr. Wilbur E. Post and Dr. Herman L. Kretschmer.



New York, N.Y.
Jan. 28, 1924.

Mr. Horace Kent Tenney,
801 Home Insurance Bldg.,
137 E. La Salle St.,
Chicago, Ill.

My dear Mr. Tenney:-

I am enclosing herewith statements covering the following matters:

1. An apportionment of the Medical School funds based upon the implication of Dr. Billings' letter of Jan. 11th, 1917 included in the report of the Medical School funds made by Mr. Plimpton to the Board of Trustees under date of Dec. 10th, 1921. This statement of Mr. Plimpton's is included in the documents mentioned under A-K below.

2. Copies of the following letters and documents bearing upon the question of the purpose for which the various gifts to the University for its medical work may be used.

- a. Letter of Mr. Martin A. Ryerson of Nov. 28th, 1918.
- b. Letter of Mr. Roger H. Williams of May 22nd, 1917.
- c. Letter of Mr. H. T. Crane, Jr. of Feb. 28th, 1917.
- d. Letter of Mr. H. T. Crane, Jr. of May 18th, 1917.
- e. Letter of Mr. F. A. Hardy of April 25th, 1917.
- f. Letter of Mr. Newman of April 15th, 1917 to the Board of Trustees specifying the use of the Hyde Memorial Fund given by Mr. A. D. Thompson.
- g. Copy of an extract from the last will of Mr. A. D. Thompson bequeathing to the University the sum of \$20,000 to be expended under the direction and management of Dr. Wilbur E. Post and Dr. Horace K. Tenney.

Jan. 22, 1924.

- h. Letters of D. B. Jones and Thomas D. Jones respecting their gifts of \$50,000 each and of John G. Shedd of April 18th, 1917 respecting his gift of \$25,000.
- i. Letter of Dr. Frank Billings in reference to the Jones and Shedd letters above named.
- j. My letter of Jan. 3rd, 1924 to President H. B. Judson.
- k. The enclosures referred to on Page 2 of this letter except item 3 which you already have in your files.
- l. Mr. Judson's reply of Jan. 5th, 1924.
- m. Statement presented by me to the members of the Rush Medical Faculty, Jan. 1924.
- n. Answers to possible questions of Jan. 18th, 1924.

On the basis of these documents I beg leave to raise the following questions already discussed with you orally at the office of the University:

1. Is it clear that the sums referred to in the letters listed under 2-a,w,c,d,e,f are by their donors designated for the School for Graduates in Medicine, which up to about May 1917 was commonly called in the records of the Board of Trustees and in correspondence, the Graduate Medical School and after about that date was designated as the Post Graduate Medical School?

2. For what purposes may the University use the income from these various funds which has accumulated or may accumulate before the work of the so-called Post Graduate School is begun; in particular may the University add this income capital sum and so increase the endowment of that School? May the income be used for current expenses of that School? May it be used for buildings or equipment of that School?

3. Is it clear that the \$44,000 received under the A. D. Thompson bequest of \$50,000 (not included in the list of Page 9 of Mr. Plimpton's statement of Dec. 10th, 1921 but listed in his statement referred to in the first paragraph of this letter) may be used as Dr. Post and Dr. Kretschmer may dictate or have dictated?

Mr. Horace Kent Tenney.....3

Jan. 22, 1924.

4. Is it clear that the income of the \$125,000 referred to in items 2-h and i above may be used by the Board of Trustees for the current expenses of either or any Medical School of the University? [See contract of University with General Education Board and Rockefeller Foundation.] May it be used for building or equipment?

5. If, as I suppose, the remainder of the gifts listed on Page 9 of Mr. Plimpton's statement of Dec. 10th, 1921 were given for the Medical Schools or Medical work of the University of Chicago without designation of the School in which they were to be used, except as implied in the contract with the General Education Board and Rockefeller Foundation and in letter of Dr. Billings of Jan. 11, 1917 (on Page 11 of Mr. Plimpton's statement) for what purposes may the income from these undesignated funds be used?

6. Is the statement presented by me to the Rush Medical Faculty of Jan. 19th, 1924 correct?

7. Are the answers to possible questions dated Jan. 19th, 1924 correct so far as the evidence before you shows?

Very sincerely yours,

Jan. 22, 1924.

Mr. Horace Kent Tenney.....

4. Is it clear that the income of the \$125,000 trust to in items 2-b and 1 above may be used by the Board of Trustees for the current expenses of either or any Medical School of the University? (See contract of University with General Hospital and Rockefeller Foundation.) May it be used for building and equipment?

5. If, as I suppose, the remainder of the gifts listed on Page 9 of Mr. Plimpton's statement of Dec. 1921, 1922 were given for the Medical Schools or Medical work of the University of Chicago without designation of the School in which they were to be used, except as implied in the contract with the General Hospital Board and Rockefeller Foundation and in letter of Dr. Williams of Jan. 11, 1917 (on Page 11 of Mr. Plimpton's statement) for what purpose may the income from these undesignated funds be used?

6. Is the statement presented by me to the Rush Medical Faculty of Jan. 1924 correct?

7. Are the answers to possible questions dated Jan. 1924, 1924 correct so far as the evidence before you shows?

Very sincerely yours,

MII

LAW OFFICES
TENNEY, HARDING, SHERMAN & ROGERS
137 SOUTH LA SALLE STREET
CHICAGO

HORACE KENT TENNEY GEORGE T. ROGERS
CHARLES F. HARDING CHARLES F. HARDING, JR.
ROGER SHERMAN HENRY F. TENNEY
CENTRAL 5383

February 19, 1924

Dr. Ernest D. Burton,
President, University of Chicago,
Chicago, Illinois.

My dear Dr. Burton: In re: Medical Endowment Funds.

I have considered the papers and the questions submitted in your letter of January 22, and my opinion on them is as follows:

As I think it will be convenient for you to have in one document the question and its answer, I include them in that way.

Question 1. Is it clear that the sums referred to in the letters listed under 2-a,b,c,d,e,f are by their donors designated for the School for Graduates in Medicine, which up to about May 1917 was commonly called in the records of the Board of Trustees and in correspondence, the Graduate Medical School and after about that date was designated as the Post Graduate Medical School?

Answer: I think this is the effect of the letters of the several donors, with the limitation expressed below as to the A. D. Thompson bequest.

The language used in the letters by which the different donors described their gifts is not always identical nor always expressed with perfect clearness, but they seem clearly to imply that the gifts are for endowment for the Medical Department of the University, although the words "Medical School", or "Graduate Department" are sometimes used.

The A. D. Thompson bequest is, in general terms, to the Medical Department of the University, with the direction that it is to be expended under the direction and management of Dr. Post and Dr. Kretschner. This gives to these two doctors the right to direct its expenditure in the Medical Department and their direction that it be used for the School for Graduates in Medicine would in effect be, the direction of the donor.

Some of the letters of the donors contain references to the situs of the Medical school. For instance, the letters connected with the gifts from Charles R. and R.T. Crane refer to the "West Side School", or "West Side Graduate Department." The use of the funds in connection with that

part of the Medical Department of the University which is situated on the West Side is, therefore, quite consistent with these expressions. But inasmuch as an actual limitation of the use of the fund to a particular locality would be construed with strictness, I should not consider these expressions as absolutely limiting the right of the University to use the funds in connection with its Medical Department and School for Graduates in Medicine, even if not always situated on the West Side.

There is a limitation upon the use of the gift from Mr. F. A. Hardy, which while the fund is expressly a part of the endowment for Medical Funds of the University, gives a specific direction as to the income. This is directed to be applied "In the maintenance of a residence surgeon in the Presbyterian Hospital". This direction should be observed. The donor evidently regarded the maintenance of such a physician in the Presbyterian Hospital as being consistent with and a part of his gift to the Medical Funds of the University and as indicating that it was to be limited to the Surgical Department and in that Department to be used in the manner which he directs.

In like manner, while the Hyde Memorial Fund is expressed to be part of an endowment for the establishment and maintenance of a Medical Department in the University, it directs that the income be used for research in skin diseases, etc., under the direction of the Head of the Department of Dermatology at the Graduate School. This direction as to the use of the income of his gift should be observed.

Question 2. For what purposes may the University use the income from these various funds which has accumulated or may accumulate before the work of the so-called Post Graduate School is begun; in particular may the University add this income to the capital sum and so increase the endowment of that School? May the income be used for current expenses of that School? May it be used for buildings or equipment of that School?

Answer: All of the gifts involved in this question, except the gift of A.D. Thompson, are specified as being for endowment. The Thompson gift is to be expended under the direction and management of Dr. Post and Dr. Kretschner, and they thus have power to direct that it be made a part of the endowment and to give such other direction as to the special use of the income as they desire.

Endowment implies the preservation of the fund to produce an income and the use of the income for what are ordinarily called expenses of operation. Before the work for which the

part of the Medical Department of the University which is situated on the West Side is, therefore, quite consistent with these expressions. But inasmuch as an actual limitation of the use of the fund to a particular locality would be construed with strictness, I should not consider these expressions as absolutely limiting the right of the University to use the funds in connection with the Medical Department and School for Graduates in Medicine, even if not always situated on the West Side.

There is a limitation upon the use of the gift from Mr. T. A. Hardy, which while the fund is expressly a part of the endowment for Medical Funds of the University, gives a specific direction as to the income. This is directed to be applied "in the maintenance of a residence surgeon in the Presbyterian Hospital". This direction should be observed. The donor evidently regarded the maintenance of such a physician in the Presbyterian Hospital as being consistent with and a part of his gift to the Medical Funds of the University and as indicating that it was to be limited to the Surgical Department and in that Department to be used in the manner which he directs.

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Question 2. For what purposes may the University use the income from these various funds which has accumulated or may accumulate before the work of the so-called Post Graduate School is begun; in particular may the University add this income to the capital sum and so increase the endowment of that School? May the income be used for current expenses of that School? May it be used for buildings or equipment of that School?

Answer: All of the gifts involved in this question, except the gift of A. D. Thompson, are specified as being for endowment. The Thompson gift is to be expended under the direction and management of Dr. Post and Dr. Kretschmer, and they thus have power to direct that it be made a part of the endowment and to give such other direction as to the special use of the income as they desire. Endowment implies the preservation of the fund to produce an income and the use of the income for what are ordinarily called expenses of operation. Before the work for which the

fund is to be used as an endowment is begun, there are no such expenses of operation. The income during this period, therefore, could be accumulated and added to the principal of the endowment and the income from the endowment used for current expenses of the school when the operations which incur such expenses are under way.

It cannot be used for buildings.

As to equipment, this distinction is to be observed: Equipment which is a necessary and permanent part of a building, like plumbing, heating apparatus, etc., is not to be paid for from income. But much of the equipment of a Medical School consists of apparatus, etc., which while expensive and often specially fitted for the particular building, and which may last for years, is yet practically of a temporary character and would properly be classified as an expense and be payable from income. Much of the equipment is, of course, such that it is actually consumed, or soon worn out in use, and plainly constitutes an expense.

Question 3. Is it clear that the \$44,000 received under the A.D. Thompson bequest of \$50,000 (not included in the list on Page 9 of Mr. Plimpton's statement of Dec. 10th, 1921 but listed in his statement referred to in the first paragraph of this letter) may be used as Dr. Post and Dr. Kretschmer may dictate or have dictated?

Answer: The \$44,000 bequeathed by the will of A. D. Thompson may be expended for the Medical Department of the University as Doctors Post and Kretschmer may direct, or have directed. The will uses both the words "direct" and "management" and this seems to imply that these Doctors are expected to give some sort of supervision to see that the money is actually expended as they direct.

Question 4. Is it clear that the income of the \$125,000 referred to in items 2-h and i above may be used by the Board of Trustees for the current expenses of either or any Medical School of the University? (See contract of University with General Education Board and Rockefeller Foundation.) May it be used for building or equipment?

Answer: The income of the \$125,000 referred to in the question, may be used for current expenses of any part of the Medical School. I regard the broadly inclusive expression in Dr. Billings letter of May 10, 1917, directing that the subscriptions of Mr. Shedd and Messrs. David B. and Thomas D. Jones "be placed in the General Endowment Funds of the University for the Medical School" as being practically the same as "Medical Department of the University". The expression "Medical Department" is actually used in the letter of Mr. Thomas D.

Jones and neither donor indicates any other limitation on the gift.

The question whether the income can be used for building or equipment is covered by the answer to Question 2, supra.

Question 5. If, as I suppose, the remainder of the gifts listed on Page 9 of Mr. Plimpton's statement of Dec. 10th, 1921 were given for the Medical Schools or Medical work of the University of Chicago without designation of the School in which they were to be used, except as implied in the contract with the General Education Board and Rockefeller Foundation and in letter of Dr. Billings of Jan. 11, 1917 (on Page 11 of Mr. Plimpton's statement) for what purposes may the income from these undesignated funds be used?

Answer: On the assumption in your question and the assumption that the gifts were for endowment, the income from the undesignated funds can be used for any purpose properly coming within the use of the income from Endowment funds, as I have indicated in answer to Question 2.

Question 6. Is the statement Presented by me to the Rush Medical Faculty of January 19, 1924 correct?

Answer: I think it is.

Question 7. Are the answers to possible questions dated January 19, 1924 correct so far as the evidence before you shows?

Answer: I think they are.

As the matter which was, at least to some extent, under discussion at the meeting of January 19, 1924 which you mentioned, referred to the place at which the different branches of the General Medical Department of the University are, or are to be located, I think I should make this further statement to you:

The plans of the University for its Medical Department were of a very extensive character and quite clearly involved the location of portions of the Department on the West Side and upon the South Side. While this was very definitely the plan, for the development of the Department, it is to be remembered that all such plans are, so far as limiting the exercise of the powers of the Board in the future is concerned, to be regarded as tentative. By this, I mean that changed conditions might make it undesirable to continue at a location actually selected, or perhaps to use that location at all and this might be true even though property at such location was actually purchased. It is contrary to the policy of such an institution to restrict by a present contract or action the power of future boards to do what the good of the institution may in their judgment at that time require. This is of course subject to any absolutely binding conditions or restrictions which a donor of funds may see fit to attach to his gift as to the place in which it is to be expended. But because of this general principle, restrictions of this kind would be construed liberally in favor of the preservation of the power of the Board to do what the good of the institution might require as developed by future conditions.

These facts are presumably, and no doubt actually well known to all who make such gifts and it is not lightly to be assumed to be their intention to subordinate the real interests of the institution in the future to their present view of the desirability of some special location.

As frequently happens, gifts of this kind seem to have been made in letters which are sometimes rather loosely expressed, so far as any restriction is concerned. It seems, however, to have been well understood that the plans of the University contemplated a fairly extensive use and development of the educational facilities conducted on the West Side as a part of the Rush Medical College. This may have created a desire, or perhaps an understanding on the part of some donors, that although not expressed in their gifts, their money would be used in connection with the West Side property. But while the Board is free to use the funds in connection with property on the West Side, if it sees fit to do so, these general or loose expressions or unexpressed expectations of the donors, are in the end reasons why the Board might decide to do so, rather than obligations binding either technically or by the substantial principles of good faith.

The plans of the University for the Medical Department were of a very extensive character and quite clearly involved the location of portions of the Department on the West Side and upon the South Side. While this was very definitely the plan for the development of the Department, it is to be remembered that all such plans are, so far as limiting the exercise of the powers of the Board in the future is concerned, to be regarded as tentative. By this, I mean that changed conditions might make it undesirable to continue at a location actually selected, or perhaps to use that location at all and this might be true even though property at such location was actually purchased. It is contrary to the policy of such an institution to restrict by a present contract or action the power of future boards to do what the good of the institution may in their judgment at that time require. This is of course subject to any absolutely binding conditions or restrictions which a donor of funds may see fit to attach to his gift as to the place in which it is to be expended. But because of this general principle, restrictions of this kind would be construed liberally in favor of the preservation of the power of the Board to do what the good of the institution might require as developed by future conditions.

These facts are presumably, and no doubt actually well known to all who make such gifts and it is not lightly to be assumed to be their intention to subordinate the real interests of the institution in the future to their present view of the desirability of some special location.

As frequently happens, gifts of this kind seem to have been made in letters which are sometimes rather loosely expressed, so far as any restriction is concerned. It seems, however, to have been well understood that the plans of the University contemplated a fairly extensive use and development of the educational facilities located on the West Side as a part of the Rush Medical College. This may have created a desire, or perhaps an understanding on the part of some donors, that although not expressed in their gifts, their money would be used in connection with the West Side property. But while the Board is free to use the funds in connection with property on the West Side, it is not free to do so, these general or loose expressions or unexpressed expectations of the donors, are in the end reasons why the Board might decide to do so, rather than obligations binding either technically or by the substantial principles of good faith.

Dr. Ernest D. Burton

-6-

It is so easy for a donor to express any limitation which he wishes to impose upon the use of his gift, that his failure to do so in any document accompanying the creation of the gift, is not only significant of an absence of such intention, but fairly justifies belief on the part of the University in accepting the gift that its Board is free to exercise its best judgment in the matter.

Very truly yours,

Norval Kent Denney

HKT.AW

Dr. Ernest D. Burton

-6-

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Very truly yours,

Howard K. Burton

HKT:AW

The University of Chicago
CHICAGO, ILLINOIS
Office of the President

M7
Sent from PRESIDENT'S OFFICE

MAR 28 1924

to Mr. W. L. Fair

Upon return send to FILES

Received files APR 23 1924

January 28, 1924.

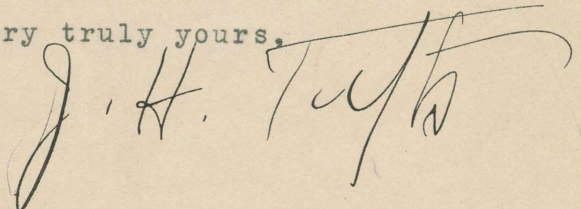
My dear President Burton:

I enclose Mr. Gale's annotated copy of the proposed changes in the Statutes. The annotations in blue pencil show the changes made by the Senate Committee on Medical Affairs.

As I stated in my previous note, the only delicate point is concerning the academic status of the Director of the Hospital. Dr. McLean thought that sooner or later you might have to talk to Dr. Seem on this matter, although he (McLean) was willing to do as much of the preliminary smoothing over as might be possible. The question is now whether you wish to have me bring the matter before the Ogden School, or whether you wish to hold it up for a time until you feel sure about the status of the Director of the Hospital. It was not thought by the Committee that it would be necessary to bring it to the Board of Medical Affairs.

I have received Mr. Swift's letter, a copy of which he sent you concerning preparing of certain information. I shall write you about it shortly.

Very truly yours,



President E. D. Burton,
Hollywood,
Southern Pines, N. C.

JHT:CB

The University of Chicago

CHICAGO, ILLINOIS

Office of the President

January 22, 1934

My dear President:

I enclose Mr. Lathrop's annotated copy of the proposed changes in the Statutes. The annotations in blue pencil show the changes made by the Senate Committee on Medical Affairs. As I stated in my previous note, the only alterations

which are suggested in the annotations are in the Statute relating to the Hospital. Mr. Lathrop thought that sooner or later you might have to take to Dr. Cook on this matter, although he (Lathrop) was willing to do as much of the preliminary work as the average might be possible. The question is how whether you wish to have me bring the matter before the Board of Trustees or whether you wish to hold it up for a time until you feel sure about the status of the Hospital or the Hospital. It was not thought by the Committee that it would be necessary to bring it to the Board of Medical Affairs.

I have received Mr. Lathrop's letter, a copy of which he sent you concerning preparation of certain resolutions. I shall write you about it shortly.

Very truly yours,

President E. D. Burton,
Bellevue,
Southern Trust, N. Y.

THB:CB

THE UNIVERSITY OF CHICAGO

The Ogden Graduate School of Science

January 26, 1924

Dean James H. Tufts
Faculty Exchange

Dear Dean Tufts:

I send herewith a copy of the memorandum submitted to President Burton on January 16 containing recommendations of our Committee for changes in the Statutes of the University in connection with the incorporation of the School of Medicine with the Ogden Graduate School of Science. This report was submitted to the Senate Committee on Medical Affairs at a meeting held on Friday, January 25. Those present were Dr. Jordan, Dr. Carlson, Dr. Wells, Dr. Bensley, and myself of the Senate Committee, and in addition, by invitation, Dr. McLean, Dr. Harvey, and the Dean of Faculties. On the enclosed copy of the report I have indicated with blue pencil the changes suggested at this meeting. You will note that the Committee recommends the reference to Dr. Siems as Director of Hospitals instead of Medical Director of Hospitals. This point was insisted on rather strongly by Dr. Carlson and Dr. Bensley. They also declined emphatically to listing the Director of Hospitals as a member of the faculty. He is, however, listed as a member of the General Administrative Board and the Board of Hospitals. It was recommended to omit the section providing for a Board of Medical Affairs which we had intended to act as a connecting link between the different Schools of Medicine. It was thought that this end might be accomplished better by a President's Committee.

Very truly yours,

(Signed) Henry G. Gale

Dean

THE UNIVERSITY OF CHICAGO
The Ogden Graduate School of Science

January 25, 1924

Dean James H. Tufts
Faculty Exchange

Dear Dean Tufts:

I send herewith a copy of the memorandum submitted to President
Horton on January 22, 1924, containing recommendations of our Committee
for changes in the Statutes of the University in connection
with the incorporation of the School of Medicine with the Ogden
Graduate School of Science. This report was submitted to the
Senate Committee on Medical Affairs at a meeting held on Friday,
January 25. Those present were Dr. Jordan, Dr. Carlson, Dr.
Wells, Dr. Bensen, and myself of the Senate Committee, and in
addition, by invitation, Dr. Nelson, Dr. Harvey, and the Dean
of Faculties. On the enclosed copy of the report I have indicated
with blue pencil the changes suggested at this meeting. You
will note that the Committee recommends the reference to Dr.
Stearns as Director of Hospitals instead of Medical Director of
Hospitals. This point was insisted on rather strongly by Dr.
Carlson and Dr. Bensen. They also declined separately to
list the Director of Hospitals as a member of the Faculty. He
is, however, listed as a member of the General Administrative
Board and the Board of Hospitals. It was recommended to omit
the action providing for a Board of Medical Affairs which was
and intended to act as a connecting link between the different
Schools of Medicine. It was thought that this end might be
accomplished better by a President's Committee.

Very truly yours,

(Signed) Henry C. Gale

Dean

MEMORANDUM TO PRESIDENT NORTON

(January 16, 1924)

Your Committee, consisting of Dr. McLean, Professor Jordan, and myself, recommends the following changes in the Statutes of the University issue of November, 1923, in order to incorporate the new work in Medicine as part of the work of the Ogden Graduate School of Science.

The intent of the proposed amendments is:

- 1) To change the membership of the Board of Medical Affairs, and to make it the correlating body for the two medical schools.
- 2) To establish a School of Medicine within, and subject to the jurisdiction of the Ogden Graduate School of Science.
- 3) To place the jurisdiction in matters concerning the School of Medicine in the Faculty of the School of Medicine. The Dean of the Ogden Graduate School of Science will also be Dean of the School of Medicine, but will be assisted in medical affairs by a Dean of Medical Students.
- 4) To establish the University Hospitals as a sub-division in the University.
- 5) To establish a Board of Hospitals.
- 6) To define the status of the ~~Medical~~ Director of Hospitals.
- 7) To establish the Faculty of the Rush Post-Graduate School of Medicine.

MEMORANDUM TO PRESIDENT

(January 16, 1924)

Your Committee, consisting of Dr. [Name], Professor [Name], and

others, recommends the following changes in the Statutes of the University

of November, 1923, in order to incorporate the new work in Medicine

as part of the work of the [Name] School of Science.

The intent of the proposed amendments is:

1) To change the membership of the Board of Medical Affairs, and to make

it the controlling body for the two medical schools.

2) To establish a School of Medicine within, and subject to the [Name]

Division of the [Name] School of Science.

3) To place the jurisdiction for matters concerning the School of Medicine

in the Faculty of the School of Medicine. The Dean of the [Name] School

of Science will also be Dean of the School of Medicine, but will

be assisted in medical affairs by a Dean of Medical Students.

4) To establish the University Hospital as a sub-division in the University.

5) To establish a Board of Hospitals.

6) To define the status of the [Name] Director of Hospitals.

7) To establish the Faculty of the [Name] Post-Graduate School of Medicine.

SUGGESTED CHANGES IN THE STATUTES OF THE UNIVERSITY.

Page 1

1. The University includes four Divisions: the Schools and Colleges; the University Extension; the University Libraries, Laboratories, Museums, and Hospitals; the University Press.
2. a) The Divinity School, the Graduate School of Arts and Literature, the Ogden Graduate School of Science, the Schools of Medicine, including the Graduate School of Medicine, organized as part of the Ogden Graduate School of Science, the School of Education, the Law School, the School of Commerce and Administration, the Graduate School of Social Service Administration, the Rush Post-Graduate School of Medicine.
4. The University Libraries, Laboratories, Museums, and Hospitals include the General Library and all departmental libraries, the Laboratories of the University, the General Museum and all special museums, Hospitals, Dispensaries, and Nurses' Homes of the University.
6. (New) The University Hospitals include the Albert Merritt Billings Memorial Hospital, the Epstein Dispensary, the Nurses' Home, and all other hospital units in the University.
10. (Old 9) Deans.--The Dean of Faculties co-operates with the President in matters pertaining to the educational administration of the University. The Graduate School of Arts and Literature, the Ogden Graduate School of Science, the Colleges of Arts, Literature and Science, the Divinity School, the Law School, the School of Education, the School of Commerce and Administration, the University College, and the Rush Post-Graduate School of Medicine, have each at least one Dean. There is also a Dean of Women, and there is in the Ogden Graduate School of Science a Dean of Medical Students. Each Dean supervises in general the administration in his school or college, under the direction of the President, meeting personally the students and advising with them as to their courses of study.
11. (Old 10) Directors.--The University Libraries, the Laboratories, the Museums, the School of Education, the Observatory, ~~and~~ the Department of Physical Culture and Athletics are each under the general charge of a Director. The University Hospitals are under the general charge of a Medical Director.

Page 4.

*and the administration of the University
Hospitals*
ARTICLE I

The University Ruling Bodies.

The University Ruling Bodies shall consist of:

The University Senate
The General Administrative Board.
The Faculty of the Graduate School of Arts and Literature.
The Faculty of the Ogden Graduate School of Science.
The Faculty of the Divinity School.
The Faculty of the Law School.
The Faculty of the School of Commerce and Administration

SUGGESTED CHANGES IN THE STATUTES OF THE UNIVERSITY

Page 1

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4. The University Libraries, Laboratories, Museums, and Hospitals include the General Library and all departmental libraries, the Laboratories of the University, the General Museum and all special museums, Hospitals, Dispensaries, and Clinics of the University.
6. (New) The University Hospitals include the Albert Merritt Billings Memorial Hospital, the Einstein Dispensary, the Nurses' Home, and all other hospital units in the University.
10. (Old 9) Deans.—The Dean of Faculties co-operates with the President in matters pertaining to the educational administration of the University. The Graduate School of Arts and Literature, the Oden Graduate School of Science, the College of Arts, Literature and Science, the Divinity School, the Law School, the School of Education, the School of Commerce and Administration, the University College, and the Bush School of Business Administration, have each at least one Dean. There is also a Dean of Women, and there is in the Oden Graduate School of Science a Dean of Medical Students. Each Dean exercises in general the administration in his school or college, under the direction of the President, meeting personally the students and advising with them as to their course of study.
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and the administration of the University
Article I

Page 2

ARTICLE I

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The University Senate
The General Administrative Board
The Faculty of the Graduate School of Arts and Literature
The Faculty of the Oden Graduate School of Science
The Faculty of the Divinity School
The Faculty of the Law School
The Faculty of the School of Commerce and Administration

The Faculty of the Graduate School of Social Service Administration.
The Faculty of the Graduate School of Medicine of the Ogden Graduate School of Science
The Faculty of the Rush Post-Graduate School of Medicine.
The Faculty of the Colleges of Arts, Literature, and Science.
The Faculty of the College of Education.
The University Boards.
The University Commissions.

Page 8.

ARTICLE V.

The Faculties of the Graduate School of Arts and Literature, of the Ogden Graduate School of Science, and of the Graduate School of Medicine.

Section I. Constitution.—The Faculties of the Graduate School shall consist of:

- a) The President.
- b) The Dean of Faculties.
- c) The Dean of the Graduate School of Arts and Literature, the Dean of the Ogden Graduate School of Science, the Dean of Medical Students, the Dean of Women, and the Examiner of Colleges.
- d)
- e)
- f)

Section 2. Jurisdiction and Powers.—The Graduate Faculties shall have control of the work in the Graduate Schools and of recommending candidates for the degrees of A.M., S.M., M.D., and Ph.D., with the jurisdiction and powers defined in Art. II, secs. 2 and 3. Unless special meetings are separately called, the Graduate Faculties meet and act together as a single body.

Section 3. The Separate Graduate Faculties.—

a) The President, the Dean of Faculties, the Dean of the Graduate School of Arts and Literature, and members of the Graduate Faculties constituted as in sec. 1, above, substantially half of whose work is in the Graduate School of Arts and Literature, shall be members of the Faculty of that School. The President, the Dean of Faculties, the Dean of the Ogden Graduate School of Science, the Dean of Medical Students, and members of the Graduate Faculties substantially half of whose work is in the Ogden Graduate School of Science, shall be members of the Faculty of that School.

b)

c) The President, the Dean of Faculties, the Dean of the Ogden Graduate School of Science, the Dean of Medical Students, ~~the Medical Director of the University Hospitals~~, and members of the Faculty of the Ogden Graduate School of Science, substantially half of whose work is in the Graduate School of Medicine, shall be members of the Faculty of that School. The President may appoint a Vice-Chairman of this body.

d) Upon the call of the President or the Dean of the Ogden Graduate School of Science, the Faculty of the School of Medicine may meet separately to take action concerning those matters mentioned in Sec. 2 above, that affect its own school. Whenever such separate action is inconsistent with any action of the Faculty of the Ogden Graduate School of Science, or of the Graduate Faculties meeting together, it shall not become effective until approved by those Faculties in joint meeting, or by the Senate.

ARTICLE XII. (New)

The Faculty of the Rush Post-Graduate School of Medicine.

(To be written)

ARTICLE XIII. (Old XII)

THE UNIVERSITY BOARDS.

Section 1. List of Boards.--To advise as to work connected with the publications of the University Press, and to direct and control student organizations, publications, and exhibitions, the admission of students, the work of the Department of Physical Culture and Athletics, the management of libraries, laboratories, museums, and hospitals, medical Affairs, religious activities, student employment, and the recommendation of teachers, there shall be the following University Boards;

The Board of University Publications
The Board of Student Organizations, Publications and Exhibitions
The Board of Admissions
The Board of Physical Culture and Athletics.
The Board of Libraries
The Board of Laboratories.
The Board of Museums.
The Board of Hospitals
~~The Board of Medical Affairs~~
The Board of the Christian Union
The Board of Student Employment
The Board of Recommendations

Page 15.

j) ~~(old xii)~~ The Dean of the Ogden Graduate School of Science, the Dean of Medical Students, the ~~Medical~~ Director of Hospitals, the Dean of the Graduate School of Social Service Administration are ex-officio members of the Board of Hospitals.

out Old j) All persons giving medical instruction who are above the rank of assistant and are appointed for more than one year are ex-officio members of the Board of Medical Affairs.

Or k) The Dean of the Ogden Graduate School of Science, the Dean of Medical Students, The Dean of the Rush Post-Graduate School of Medicine, and the ~~Medical~~ Director of Hospitals are ex-officio members of the Board of Medical Affairs.

Page 16.

ARTICLE XIV (Old XIII)

THE UNIVERSITY COMMISSIONS

Section 1. The University Commissions shall include commissions for the following departments or groups of the University.

- a) The Law School
 - b) The Graduate School of Medicine of the Ogden Graduate School of Science.
 - c) The Rush Post-Graduate School of Medicine
-

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The Faculty of the Rush Post-Graduate School of Medicine
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- The Board of Laboratories
- The Board of Museums
- The Board of Hospitals
- The Board of Medical Affairs
- The Board of the Christian Union
- The Board of Student Employment
- The Board of Recommendations

1) The Dean of the Graduate School of Science, the Dean of the Graduate School of Medicine, the Dean of the Graduate School of Social Service Administration are ex-officio members of the Board of Hospitals.

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k) The Dean of the Graduate School of Science, the Dean of Medical Students, the Dean of the Rush Post-Graduate School of Medicine, and the Medical Director of Hospitals are ex-officio members of the Board of Medical Affairs.

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- a) The Law School
- b) The Graduate School of Medicine of the Graduate School of Science.
- c) The Rush Post-Graduate School of Medicine

Note.--On the Commission for the Rush Post-Graduate School of Medicine, two alumni of Rush Medical College shall be elected by the Rush Medical College Alumni Association and two shall be appointed by the President of the Board of Trustees upon recommendation of the President of the University.

24. Degrees.--The Degrees of Bachelor of Arts, Bachelor of Philosophy, Bachelor of Science, Bachelor of Arts in Education, Bachelor of Philosophy in Education, Bachelor of Science in Education, Master of Arts, Master of Science, Master of Arts in Social Service Administration, Doctor of Philosophy, Bachelor of Theology, Bachelor of Divinity, Bachelor of Laws, Doctor of Music, Doctor of Medicine, Doctor of Law (J.D.) are conferred upon the recommendation of the several Faculties.....

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M 2
X
M 11

The Hollywood,
Southern Pines, N. C.,
February 2, 1924.

My dear Mr. Ryerson:

In a recent conversation with certain members of the Rush Medical Faculty over the plans for the development of our two medical schools, the question was raised - what part, if any, of the money raised in 1916-17 was designated or assignable to what we have lately been calling the Post-graduate School, and which it is expected to develop on the West Side of the city. Though he took pains to state that he was not speaking officially, Dr. Billings said that when the money was being solicited he was authorized to say and did in fact say that up to one million dollars might be used for the school above named. This was a surprise to me, but I promised to ascertain the facts and have been endeavoring to do so.

The result so far may be briefly stated as follows:

1- The contract with the General Education Board provided that four million dollars must be set aside for the endowment of the Medical Schools of the University, and to make it clear that the plural was intentional named the School for medical undergraduates on the South Side and the School for medical graduates on the West Side.

2- In the letter of Dr. Billings of January 11, 1917, he proposes that the Billings family will give one million dollars for the erection of a hospital for the purposes of teaching and research in Medicine and adds that-

"It is understood by the donors that the hospital will be erected on ground furnished by the University of Chicago; and that it is the intention of the Board of Trustees of the University to use

M
The Holywood,
Southern Pines, N. C.,
February 2, 1934.

My dear Mr. Ryerson:

In a recent conversation with certain members of the Board of Trustees of the University of Chicago, the question was raised - what part, if any, of the money raised in 1914-15 was designated or assigned to what we have lately been calling the Post-graduate School, and which it is expected to develop on the West Side of the city. Though he took pains to state that he was not speaking officially, Mr. Billings said that when the money was being solicited he was authorized to say and did in fact say that up to one million dollars might be used for the school above named. This was a surprise to me, but I promised to ascertain the facts and have been endeavoring to do so.

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MAR - 2

the income from an endowment fund of one million five hundred thousand dollars for the maintenance of said hospital; and that it is further the intention of the Trustees of the University to use the income from an endowment fund of one million five hundred thousand dollars for the purpose of providing salaries for the full-time teachers in the Medical School who will be themselves the hospital staff."

The letter of Dr. Billings says nothing of the use to be made of the remaining million dollars of the four million dollars endowment stipulated in the contract of the General Education Board, but his silence concerning it is at least consistent with his recent statement that it was understood that up to one million dollars might be used as endowment for the school on the West Side.

3- This understanding is confirmed by a statement from Dr. Judson written to me under date of January 5, 1924. I am enclosing herewith a copy of this statement in full.

4- In your own letter to Dr. Judson of Nov. 29, 1916, in which you substitute for your previous pledge of one hundred thousand dollars a new one of two hundred and fifty thousand dollars, you state -

"Furthermore, I desire that my contribution be used to endow a memorial professorship in the graduate department of the Medical School, the object of the memorial to be designated by me."

5- In a letter from Richard T. Crane, Jr. to Dr. Judson dated February 26, 1917, he writes-

"At the request of Dr. Frank Billings I am writing about my donation of \$100,000 to the new hospital plan. It is my wish that this be used for the West Side Graduate Department, that Dr. Billings explained to me was a part of the whole plan."

6- In a letter from R. T. Crane, Jr. to Dr. Billings, dated May 16, 1917, he writes as follows:

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6- In a letter from R. T. Crane, Jr. to Dr. Billings, dated May 16, 1917, he writes as follows:

MAR -3

"In regard to our conversation when you were in a few days ago to see me about the Chair of Medicine for the West Side Department of the new University of Chicago Medical College, I had a letter from Mr. Williams inclosing a copy of one to you dated April 30, in which he intimates that my brother, C. R. Crane, is willing to increase his subscription \$25,000, and I will be very glad to increase mine that amount, provided, however, I could be sure of two or three years in which to complete my payments."

7- In a letter from Roger H. Williams to Dr. Judson, dated May 22, 1917, he writes-

"On behalf of my client Mr. Charles R. Crane, I wish to confirm to you his acceptance of the proposition made to him by Dr. Frank Billings, that he join with his brother, Mr. Richard T. Crane, Jr., in contributing \$250,000. toward endowing a Chair of Medicine in the Graduate School of the University of Chicago, said Chair to be in memory of their father, Mr. Richard T. Crane."

8- In a letter of F. A. Hardy to Dr. Judson, dated April 28, 1917, he writes-

"I have forwarded to you my check payable to your order for \$10,000. I desire that the said check serve as an endowment of the medical funds of the University and that the income from this endowment be applied to the surgical department of the graduate school in the maintenance of a resident surgeon at the Presbyterian Hospital."

9- In a letter from Mr. Heckman to the Board of Trustees of April 7, 1917, referring to the gift of \$25,000 from Dr. Ormsby as Trustee for the Hyde Memorial Fund, he says-

"It is understood that the income from this fund is to be used for research in skin diseases and cancer, under the direction of the Head of the Department of Dermatology at the Graduate School."

MAR -4

These extracts manifestly raise the question - what the term "graduate medical school" or other similar phrase containing the word "graduate" meant as used by those who were soliciting funds for the Medical Schools in 1916-17, and by the donors to these Schools.

The letter of Dr. Judson's of January 8, 1924, clearly indicates that he understood the term as used at that time to refer to the school for graduates in medicine which more recently we have been calling the Post-graduate School.

The records of the Board of Trustees seem clearly to confirm this interpretation. At a meeting of the Board of Trustees held Nov. 8, 1916, President Judson presented a communication of the same date in which there occurs the following statements:

"There shall be an undergraduate medical school established in the quadrangles of the University of Chicago on the Midway. - - - - - "When I speak of an undergraduate medical school I mean 'undergraduate' with reference to the M.D. degree. - - - "There shall be a graduate medical school, consisting of the Rush Medical College and the Presbyterian Hospital and such other hospitals as may be considered in connection therewith. Again I say 'graduate' with reference to the M.D. degree."

The earliest occurrence of the word "post-graduate" in the records of the Board is in the minutes of the meeting of May 8, 1917. At this meeting President Judson presented a memorandum of a recent conference held in New York, namely of February 10, 1917, in which a new terminology is proposed, the school at the University being simply called "the Medical School" and the school at the Presbyterian Hospital being called "the Polyclinic or Postgraduate School." Even here, however, the school at the University is not designated as "the Graduate School" and it is to be noted that though the conference in New York was held Feb. 10, the memorandum communicated to the Board was dated

MAR -5

May 8th.

It would therefore seem clear as Dr. Judson implies in his statement of January 5, 1924, and as is definitely implied also in some of the letters quoted above that the term "graduate school" referred to the school to be developed on the West Side for graduates in Medicine.

The matter is, however, of so much consequence that I have laid all these facts before you that I might not make any mistake in reference to your own large contribution to the fund of 1916-17.

I may add that according to present indications the sum of \$599,000 of the million that was free to be designated for the (post-)graduate school was so designated, and that \$125,000 given by David B. Jones, Thomas D. Jones, and John G. Shedd left to Dr. Billings to designate was by him designated for the General Endowment Fund; that is, left at the disposal of the Board of Trustees to be appropriated for either school. The \$350,000 given by the Swift family has also in recent letters been assigned to the General Endowment Fund.

We are still searching our correspondence to discover whether there are any other designations, and I am consulting Mr. Horace E. Tenney on any points of law involved. When all the evidence is assembled, it is my thought to ask the Board of Trustees to instruct the Auditor to set up accounts on his books in accordance with the expressed wishes of the donors.

It is clear of course that both schools will need more money than has been designated to them, and I have so stated to the Rush Medical Faculty. That a considerable portion of the free million was designated for the (Post-)Graduate School and can now be set aside for it is on the whole, I think, very fortunate. It will help establish good feeling on the part of that Faculty to the University and will encourage them to endeavor to secure additional gifts.

I shall be glad to have you make any comments occur to you on the statements of this letter, and in particular to indicate whether my interpreta-

