

73I-623

April 16, 1973

HSMHA,
HEW,
5600 Fishers Lane,
Rockville, Maryland 20852.

Gentlemen,

Attached is a negotiated agreement dated March 21, 1973 establishing a provisional overhead rate of 24% for all programs of this Association effective 7/1/72.

In prior contract reimbursements during this period we have requested overhead reimbursement at 20%. Total direct costs were \$7,078.08. We have been reimbursed in the amount of \$1,415.61. A calculation at 24% yields indirect cost of \$1,698.74. The difference of \$283.13 is a reimbursement requested in our request dated April 16, 1973, to which this letter is attached.

This change in overhead rate will not interfere with the performance of the contract or subcontract. It is our understanding that this contract may be extended for an additional 6 months, and under that extension we will request supplementary funds to provide for the increase in overhead, should such request for additional funds prove necessary.

Sincerely yours,

Max Fink, M.D.
Executive Director

MF/ij
Enc.

April 16, 1973

Contract Reference	Expenditure	Previously Claimed	Claimed This Period	Cumulative Total
<u>Contract</u>				
III C-1	Stipends	11,537.00	---	11,537.00
C-2	Supplies, Communications and Computer costs	1,414.73	2,916.20	4,330.93
C-4	Travel	13,359.50	---	13,359.50
C-3	Equipment	4,721.00	---	4,721.00
<u>Subcontract</u>				
III B-1	Salaries	58,431.00	---	58,431.00
B-3	Lab. Analysis	4,500.00	---	4,500.00
B-5	Volunteer Fees	12,834.00	---	12,834.00
B-6	EEG Recording	1,690.00	---	1,690.00
			\$2,916.20	
	Overhead (24%)		699.89	
			3,616.09	
	Additional overhead for period 7/1/72 - 2/28/73		283.13	
	Total		\$3,899.22	

The undersigned certifies that the cost of the services reimbursable to the Contractor and the amount of the fee earned by the Contractor to the date of this certificate are not less than the total payments received as claimed by the Contractor (including the payment claimed herewith), and the Contractor, to the best of his knowledge and belief, has complied with the conditions of the contract fully.

We further certify that the amounts invoiced herein do not exceed the lower of the contract price, or maximum levels established in accordance with Executive Order 11640 of January 26, 1972.

International Association for
Psychiatric Research, Inc.

By Max Fink, M.D.
Executive Director

Annual Meeting

January 25, 1973

6:01 The sixth annual meeting of the Board of Directors of the Association was held at 6 p.m. on Thursday evening, January 25, 1973 at the home of Mr. and Mrs. Henry Feiwel, 7 W. 81 St. in New York City. All members of the Board (Messrs. Canter, Feiwel, Fink, Green, Israel, Vogel) and a consultant, Donald M. Shapiro, D.Sc., were present.

6:02 The minutes of the meeting of December 20, 1971 were approved as circulated.

6:03.10 The year's activities were reviewed by Dr. Fink. He noted that the studies of convulsive therapy were completed, and had confirmed that changing electrode location reduced complications of memory loss and yet sustained therapeutic efficacy; and that multiple seizures in one sitting were safe, but of occasional therapeutic advantage over single seizures (MH 15561-03).

6:03.11 The conference on *Psychobiology of Convulsive Therapy* (MH 20762) was held at the Dorado Beach Hotel in Puerto Rico in April. Dr. Green represented the Association and reported on the academic effort which was sustained for 3 days despite the attractions of the beach and sunshine. The proceedings are now complete and will be published by V.H. Winston and Sons in September, 1973.

6:03.12 As one consequence of the meeting, some collaborative studies were stimulated. Walter B. Essman, Ph.D., M.D., Professor of Psychology at Queens College has submitted an application to NIMH for support of a study *Neurochemical Changes in Electroconvulsive Shock* (MH 24145).

6:03.2 Our second focus of interest is the study of chronic hashish users in Athens, Greece (HEM-42-70-98). Last year we found the population of users available for study to have smoked hashish for an average of 24 years, and to show few medical handicaps beyond emphysema and poor dentition. We noted that the subjects were heavy smokers of tobacco and that this prevented any conclusion concerning hashish use alone. Because the men showed great tolerance to cannabis we proposed this year to test their response to U.S. marijuana, the pure active component (THC-A-9), and to high doses of hashish. These studies in 20 subjects have been completed and the data is now in analysis.

6:03.30 A new area of Association support this year was in the program *EEG and Human Psychopharmacology* (MH24020), which was transferred from the New York Medical College to the Association on October 1, 1972.

6:03.31 In the negotiations in the spring, renovation of facilities at a new site and transfer costs were found to require about \$22,000. We were assured of \$16,500 to \$18,000 by the National Institute of Mental Health, and requested the Association allow expenditures of its funds up to \$6,000 for these purposes. Dr. Green enquired whether the State University at Stony Brook would not provide for these costs. While the University may have done so, it would not have been feasible before 1973-74, and would have required transfer of the NIMH support and equipment to the University.

6:03.32 To expedite continuation of the program and to maintain a direct NIMH support of these studies, the Board approved the allowance (to \$6,000) provided by the Executive Committee in June 1972.

6:03.40 The Association made two grants-in-aid in 1971-72: \$1,717 to the University of the West Indies, and \$1,000 to the New York Medical College.

6:03.41 The West Indies grant provided interim support for personnel in a study of chronic ganja users. We had anticipated NIMH support for these studies. Approval was given by NIMH but on final review was withheld by the Department of State, which noted that a prior contractor in Jamaica had failed to abide by the regulations regarding publication - their results were published by the Minister of Health without prior U.S. approval.

6:03.42 The New York Medical College grant was in support of legal assistance required by the Department of Psychiatry in negotiations with the City for continued research and teaching at Metropolitan Hospital.

6:03.5 An extensive audit of the Association's records for the period June 1, 1968 to May 31, 1971 by the comptroller, HEW audit agency, resulted in a lengthy report (July 6, 1972) (Audit Control 30046-02). Most of the criticism was focussed on a lack of controls of expenditures, purchasing, and time records, these being monitored by the Executive Director. Many of the suggestions for increased control were adapted, and on August 24, we responded, noting the changes which we had adapted. On November 30, 1972 we were advised that our response was satisfactory as to the management aspects; and on January 17, we were assured that the costs incurred were accepted, without penalty.

6:03.60 With the transfer of the grant *EEG and Human Psychopharmacology*, equipment and programs with a replacement value of \$130,000 were accepted by the Association. In discussing the insurability of the equipment, the question of title was raised, and the Executive Director was asked to attempt a definition of the present title, and logical source of funds for payment of insurance premiums. In the interim, Mr. Canter assured the Board that the equipment was insured for replacement in case of major damage.

6:03.61 The Board requested an up-to-date inventory of equipment, by source, site, and estimated replacement cost.

6:03.7 The Board accepted the Executive Director's report, with thanks.

6:04 The 1971-72 annual financial report, submitted by Paneth, Haber and Zimmerman was reviewed; and accepted.

6:05 The 1972-73 request budget submitted by the Executive Director was reviewed and approved.

6:06.1 The Board went into executive session, as the Committee on Experimentation in Man, chaired by Dr. Martin Green, with Professor D. M. Shapiro as special consultant.

The Committee reviewed the assurance of the study of hashish users in Greece; noted that no additional studies of ECT were done since July 1971; and reviewed the protocol and consent form for studies of new drugs in the program, *EEG and Human Psychopharmacology*. The Committee recommended changes in the consent form, and with the assurance that these changes would be accepted, approved this study protocol.

6:06.2 The Board re-convened and accepted the report of the *Committee on Experimentation in Man*.

6:07 The Board re-elected its members; elected Donald M. Shapiro, D.Sc. as a new member; and re-elected Max Pink, M.D. as Executive Director for 1972-73. The Board elected T. J. Israel, Jr. as President; and Martin A. Green, M.D. as secretary-treasurer. Paneth, Haber and Zimmerman were named auditors for 1972-1973.

6:08 The Board gratefully acknowledged the hospitality of Mr. and Mrs. Feiwei for the annual meeting. In the ensuing discussion, representation by women on the Board was raised as a question, and the President agreed to consider such nominations to the Board at the next meeting.

6:09 The meeting was adjourned at 9.30 p.m.