

Foundation Funding and Psychiatric Research

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Abstract: None available.

Full Text: Headnote ABSTRACT: Support for psychiatric research is limited to a relatively small number of funding sources. Foundations-nonprofit entities that support a variety of social, medical, educational, and other activities-are a potentially important source. The authors describe the role and structure of foundations, discuss historical trends in foundation support for research in mental illness, and present the results of a study of the extent to which foundations support mental health research. The results of this study confirm the paucity of foundation support for mental health research but show important differences and similarities among the foundations that support research in this field. (Am J Psychiatry 1988; 145:830-835) Notwithstanding exciting and substantial progress in both psychiatric research advances and public awareness and understanding of mental illnesses, federal support for biomedical and behavioral research into these disorders has been insufficient (1). Psychiatric research has been more uniformly dependent on federal funding than have other fields of biomedical and behavioral research (2). An increasingly diversified approach to financing research into mental illnesses must be adopted. The field must become cognizant of other avenues of research support, looking to individual state departments of mental health, to increased collaboration with industry, and to public and private philanthropies. In this paper we will evaluate the current state of one such alternative funding mechanism-foundations. We will describe the role and structure of foundations, discuss historical trends in foundation support for research in mental illness, and present the results of a study that systematically reviewed foundation reports to determine the extent to which foundations support mental health research and the characteristics of the foundations that do so. THE ROLE AND STRUCTURE OF FOUNDATIONS Foundations constitute an important but highly competitive source of nonfederal funding for research. Each functions as a "nongovernmental, nonprofit organization having a principal fund of its own, managed by its own trustees or directors and established to maintain or aid social, educational, charitable, religious, or other activities serving the common welfare" (3). Thus, foundations are institutions chartered for the express purpose of devoting private wealth to public causes. In 1985, philanthropic grants, gifts, and other contributions from foundations totaled \$4.3 billion (4). Foundations possess two distinct attributes that create flexibility, enabling them to initiate innovations and social changes in a manner quite distinct from either governmental granting agencies or private corporations. Unlike government entities, foundations possess uncommitted funds that can be used to support new projects relatively quickly. Unlike either corporations or government agencies, they are not bound by the fear of losing future support from Congress or share-holders for supporting controversial activities, since their funds are either endowed or expected to come from reliable donors. In comparison, government-operated programs and many corporations may be substantially more restrained. Foundations, therefore, have the resources and the independence to experiment with the unknown and the unconventional (5). Both the scale and nature of foundation funding "offer a case where a technically private asset is of such potential value to the nation that it must, perforce, be regarded as a public asset" (6). Thus, "the public cannot afford to regard with indifference how foundation funds are spent, so precious are they . . . in the vital process of social change, and so limited are they in amount." Public policy makers have not been indifferent to the conduct of foundation funding. They have acted as both competitors in financial largess and as regulators of foundation activities (7). Increasing regulation of private philanthropies, however, has had the effect of making greater amounts of information available to the public and to grant seekers. According to The Foundation Directory (8), the Internal Revenue Service Organization Master File reveals that there are approximately 23,600 active funding

foundations in the United States. Although each receives funds from one or more donors, much variability exists in the source of funds, the composition of the decision-making body, and the nature of the funded activities themselves. The Foundation Directory, which records information for about 4,402 of the most active foundations, has established four functional categories into which the majority of foundations may be grouped. These are 1) independent foundations, which are established for the purpose of aiding charitable activities, 2) company-sponsored foundations, which are independent grant-giving entities with close ties to a corporation that makes endowments, 3) operating foundations, which use their resources to conduct research or provide direct service, and 4) community foundations, which are publicly supported and make charitable contributions in a specific geographic region or community. The management of a foundation involves the articulation of its philanthropic purpose or purposes and the formulation of the scope, requirements, and processes surrounding its funding activities. Because few restrictions are imposed by federal regulation, a foundation's donors and board of directors have wideranging flexibility to determine both the fields of interest and types and amounts of support to be proffered. However, many foundations prefer to concentrate specifically on certain subject areas, to both forward the goals of the foundation and to avoid "scatteration giving" (3). Having stated their interests, foundations generally will consider grant proposals that are related to their areas of interest. Some foundations, however, may be allowed to initiate special programs on an ad hoc basis, with either open or closed competition among potential grant recipients.

FOUNDATION SUPPORT FOR MENTAL HEALTH RESEARCH Historically, few foundations have identified research on mental illness as a focus. In the early 1930s, Alan Gregg, then at the Rockefeller Foundation, sought to organize "the adequate endowment of five or six centers of psychiatric and neurological research" by 1946 (9). Although this plan never reached fruition, Gregg is credited with bringing psychiatry "from the outlying asylums [to become] scientifically respectable among the other academic depths of medicine [and] . . . psychiatrists did appear on the scene who were capable of carrying out their own basic research" (9). In 1953, two decades after Gregg's attempt, Charles B.G. Murphy and Fritz Redlich established the Foundations' Fund for Research in Psychiatry. Murphy, a millionaire, provided the personal motivation and the funds for the foundation when Redlich, a psychiatrist heading the Department of Psychiatry at Yale University School of Medicine, informed him of the enormous need for research in psychiatry. In 1981, after 28 years, operation of the Foundations' Fund for Research in Psychiatry was terminated for lack of funds (10). A number of smaller foundations (the Ittleson Foundation and the van Ameringen Foundation, for example) have focused on mental health issues but not specifically on psychiatric research. Several substantially larger foundations, such as the John D. and Catherine T. MacArthur Foundation and the Robert Wood Johnson Foundation, have initiated support for specified areas of mental health research based on the growing promise of the field. Only in the mid-1980s has another single-purpose foundation emerged in the area of mental health research. Endowed through a variety of public and private sources in the wake of major breakthroughs in psychiatric research, the National Association for Research in Schizophrenia and Affective Disorders, established in late 1986, has just made its first two rounds of research awards. In 1978 the President's Commission on Mental Health (11) reported that private sector support of mental health research-3.5% of the total of federal and private support to mental health research-was "shockingly low." The American Psychological Association (12, p. 308) reported that mental health grants-of which mental health research may be only a small subset-made up only 1.1% of the total grant dollars (\$1.5 billion) in 1982. By 1984, the percentage rose by only 0.6% to 1.7% of the \$1.6 billion in grants given. The Institute of Medicine's 1984 report, *Research on Mental Illness and Addictive Disorders* (2), similarly reported that fewer than 30 of the nation's 970 largest foundations funding on a national or regional basis registered an interest in grants in the areas of mental health, psychiatry, or psychology. The Institute of Medicine concluded that given the rising tide of progress in the field of mental health research, support should be much higher. The paucity of funding from the private sector-particularly from foundations-for mental health research prompts several questions that our study sought to answer through predominantly descriptive means. What is the extent of support from foundations for mental health research

today? Can systematic distinctions be made between those philanthropies which support mental health research and those which do not? What are those differences? Last, what are the prospects for future support? To respond to these questions, we examined foundations for evidence of support for mental health research in much the same way a typical grant seeker would pursue the task.

METHOD Data Sources

The Foundation Center of Washington, D.C., one of several regional foundation resources, is a repository of descriptive and statistical data on the more than 23,000 U.S. foundations registered with the Internal Revenue Service. The following reference sources were used to compile the data.

1. The Foundation Directory, 10th ed. (8), coupled with the 1986 supplement (13), contains information on the 4,402 foundations that represented 97% of the total assets and 85% of the total grant dollars expended by U.S. foundations in 1983. Foundations listed in this directory either hold assets of at least \$1 million or distribute more than \$100,000 to outside organizations in the particular reporting year.
2. The Foundation Grants Index Annual, 15th ed. (14), provides annual information on grants in amounts of \$5,000 or more made by more than 400 of the largest U.S. foundations.
3. The Foundation Grants Index computer database and Cornsearch printouts provide on-line information comparable to that available through The Foundation Directory and the Foundation Grants Index Annual.
4. Source Book Profiles (15) contains in-depth information on the 1,000 largest foundations, detailing the purpose of the foundation, general types of support offered, financial data, grant analyses, and sample listings of grant recipients.
5. Internal Revenue Service Form 990-PF is a reporting form that all private foundations are required to file. These forms provide yet more information about grant-giving patterns of individual foundations.
6. The American Psychological Association Guide to Research Support (12) contains short profiles of foundations that have funded behavioral research.
7. Ten to fifteen percent of all philanthropic foundations also issue annual reports. These voluntary documents provide another corroborating source of information about grant-giving activities and funding patterns. They also often contain specific guidelines for grant development and submission of requests.

Data Collection

For the period 1983-1985, the most recent years for which information was available for all foundations, two separate data gathering mechanisms based on differing assumptions were used to generate the list of foundations evaluated in this study. The first approach was based on the assumption that the foundations most likely to support mental health research are those with a stated interest in the field of mental health in general. Thus, foundations with an identified interest in mental health, as recorded in The Foundation Directory, were identified. The following data were then collected on each: 1) the foundation's special area of interest, 2) support for research in general (stated, unstated, or excluded), 3) grants given for mental health research, 4) assets and range of grant size, and 5) geographic focus (whether giving is national, regional, or local in nature). If a foundation identified in this manner demonstrated grant support for mental health research, its future funding support in the field was assessed. The second mechanism, complementary to the first, reviewed the Foundation Grants Index computer database to identify foundations that had given at least one grant for mental health research in 1983-1985. Although this included a number of the foundations located by using the first procedure, it also was able to identify foundations supporting mental health research whose charters do not make such support explicit. As noted previously the Foundation Grant Index database is restricted to foundations giving more than \$5,000 per grant. Nonetheless, for foundations so identified, the same financial, funding pattern, and demographic information was gathered. Future funding patterns were also assessed. Because this study was based on observational data, only descriptive statistics were computed to enable us to highlight the primary sources of foundation funding for mental health research and to facilitate comparison of such funding sources with other foundations not so identified.

Definition of Variables

Four particular study variables require further elaboration and definition.

1. Research support The Foundation Center's reference sources, such as The Foundation Directory (8,13) and Source Book Profiles (15), identify specific types of foundation support, such as endowments, fellowships, building funds, and capital funds. For the purposes of this study, foundation support categories were scrutinized for the specific inclusion or exclusion of the term "research" as a funding category. Foundations that did not state a specific interest in or prohibition

against giving grants for research were noted accordingly. 2. Mental health. Neither standard foundation reference sources nor individual foundations provide specific definitions of mental health. It is a term used by foundations to identify their interest in a broad range of mental health areas that include but are not limited to research, service delivery, prevention, and education. 3. Mental health research. Mental health research encompasses a wide range of areas, including the biomedical sciences, behavioral research, and health services research. For the purposes of this study, research on specific mental illnesses or mental illnesses in general, psychiatric research, and behavioral or biomedical research related to mental illness were considered. In the assessment of specific grant activities, research grants with the following components were considered mental health research grants: affective, emotional, and social development; psychopharmacology; neuropsychiatry; neuropsychology; psychosocial development; geriatric mental disorders; mental disorders of childhood and adolescence; and psychotic disorders. When type of research was specified, the grant descriptions tended to focus on clinical research rather than on basic or health services research. Frequently, foundations provided only the amount of the grant and the organization receiving the grant. In such cases, we assumed that a grant to a research institution or a university department of psychiatry was directed to research and that a grant to a service-oriented organization was unrelated to research. 4. Future support for mental health research. To determine a foundation's future support for mental health research, a number of factors were considered. Based on the reference sources cited, we identified each foundation's interest in mental health, recent grants in the area, and specific programs for mental health research. Telephone confirmations were sought from those foundations with a history of giving grants for mental health research. Interviews were completed with staff of 22 of 44 identified foundations. Interviews could not be completed for the remaining 22 because interviewees could not be contacted, failed to respond to telephone communications, or failed to provide adequate responses during the telephone interview. With the information gathered from both printed and oral sources, each foundation was then placed in one of three categories regarding future support for mental health research: highly likely, unlikely, or possible. A foundation was placed in the highly likely category if it showed substantial commitment to mental health research (e.g., grants given for such research or a program in mental health that includes research). Telephone confirmations were obtained from seven of the eight foundations in this category. Although some identified foundations may have given at least one grant for mental health research, committed funds for the coming years and telephone responses denying direct interest in mental health research indicates that future funding would be unlikely. Three of the six foundations in the unlikely category responded to the telephone interview. A foundation was considered a possible funding source under two circumstances: 1) it did not specifically prohibit giving grants for research in general or mental health research in particular or 2) there was no evidence of previous substantial commitment to mental health research in either stated foundation interests or giving patterns. Twelve of the 30 foundations in the possible category responded to the telephone interview. RESULTS We found a ten of 63 foundations with an identified interest in the general field of mental health; 33 (52%) of these areas indicated support for research in general. Surprisingly, only 15 of the 63 foundations so identified actually had made grants for mental health research. We also identified 29 foundations that, although they did not list mental health as an interest, had given grants for mental health research. Thus, of the 4,402 foundations reviewed for the study period, 44 (1%) made grants in the field of mental health research, even though 29 (66%) had no stated interest in the field. Table 1 shows the geographic focus, type, and assets of the 44 foundations that had given at least one grant for mental health research and the 63 foundations with an articulated interest in mental health compared with the 4,402 foundations listed in The Foundation Directory (8). Generally, the foundations with an articulated interest in mental health appeared to be more similar to the larger group of 4,402 foundations than they were to the 44 foundations that actually made grants for mental health research, even though 15 of the foundations with an interest in mental health had made such grants (see table 1).

Table 1**Interest in Mental Health Research and Other Characteristics of Major U.S. Foundations**

<i>Characteristic</i>	<i>Foundations That Awarded Grants for Mental Health Research (N = 44)</i>		<i>Foundations With Interest in Mental Health Research (N = 63)^a</i>		<i>All Major Foundations (N = 4,402)</i>	
	<i>N</i>	<i>%</i>	<i>N</i>	<i>%</i>	<i>N</i>	<i>%</i>
Geographic focus						
National	19	43	18	29	1,434	33
Local	25	57	45	71	2,968	67
Type						
Independent	41	93	55	87	3,466	79
Company-sponsored	1	2	2	3	723	16
Operating	0	0	0	0	79	2
Community	2	5	6	10	134	3
Assets (in million dollars)^b						
≥ 100 million	10	23	4	6	96	2
50-99	7	16	4	6	94	2
25-49	6	14	6	10	171	4
10-24	15	35	9	15	451	10
5-9	2	5	11	18	590	13
1-4	3	7	23	37	2,318	53
< 1	0	0	5	8	682	15

^aIncludes 15 of the foundations that awarded grants.

^bData on assets for one foundation were not available. Percents of foundations that awarded grants for and foundations with an interest in mental health are based on N = 43 and N = 62, respectively.

The foundations that actually made grants to mental health research were also evaluated on their likelihood to continue such giving in the future. Eight of these 44 foundations were judged to be highly likely to continue such support in the future. Thirty foundations were judged to be possible future funding sources. The six foundations considered unlikely sources of future mental health research funding had indicated such restrictions as "no grants for research," "funds already committed," or "service delivery and care projects only." Table 2 shows the areas of interest of foundations that awarded grants for mental health research according to their likelihood of making future grants. Overall, foundations gave grants for at least four particular reasons. First, they had a specific program in mental health (e.g., the MacArthur Foundation, Grant Foundation, van Ameringen Foundation, Will C. Hogg Foundation, Ittleson Foundation, Delia Martin Foundation, and John Harper seeley Foundation). second, they gave a grant for mental health research because of its relevance to their major area of stated interest (e.g., the Buhl Foundation, Retirement Research Foundation, Spencer Foundation, and Foundation for Child Development). Third, they supported medical research generally (e.g., the Burroughs-Wellcome Foundation, Pfeiffer Foundation, Charles Hood Foundation, and W.M. Keck Foundation). Fourth, they had broad interests and are open to different projects (e.g., the Meadows Foundation, Starr Foundation, W.S. Farish Foundation, McGraw Foundation, and Towsley Foundation).

Table 2

**Likelihood of Future Grants in Mental Health
and Other Areas by Foundations That Previously Awarded
Grants for Mental Health Research**

<i>Area of Interest</i>	<i>Likelihood of Future Grants</i>			<i>Total (N = 44)</i>
	<i>Highly Likely (N = 8)</i>	<i>Possible (N = 30)</i>	<i>Unlikely (N = 6)</i>	
Mental health	6	9	0	15
Medical research	0	4	0	4
Other defined areas	2	5	1	8
Broad interests	0	12	5	17

DISCUSSION By examining both the stated interests and funding patterns of foundations, we found that only 15 of 63 foundations which stated an interest in the field of mental health made grants in support of mental health research per se. The demographic and fiscal characteristics of these 63 foundations are similar to those of the 4,402 foundations in The Foundation Directory. That is, about 70% maintained a locality-oriented giving pattern and more than 50% held assets of less than \$10 million. In contrast, among the 44 foundations identified as having actually made grants to mental health research, more than 50% held assets of \$50 million or more and almost half were nationally oriented. Given the high-cost, high-technology nature of biomedical and behavioral research projects, it is not surprising that support has been from predominantly larger, wealthier foundations. Only eight of the 44 foundations supporting mental health research were judged to be highly likely sources of future funding; six were clearly unlikely funding sources. The remaining 30 possible sources of mental health research support should be the focus of further investigation. These results attest first to the paucity of foundation funding sources for mental health research. Admittedly, the study's bias toward larger foundations (because of the high cost of mental health research and the selected \$5,000 threshold in grant size) may have led to the exclusion of a number of foundations. Yet, discovering only eight highly likely sources of future funding was a surprise and a disappointment. However, the finding that a number of foundations with no directly stated interest in mental health actually made grants in mental health research gives rise to cautious optimism. Since mental health problems are prevalent, affecting many groups of people, and since mental health research requires multidisciplinary investigation, any foundation concerned with research-related components can be approached. As the public becomes increasingly aware that mental illnesses are diagnosable and, in many cases, treatable, and as the excitement and vigor of the psychiatric research enterprise are transmitted to the public, foundations may discover a new interest in supporting mental health research. One means of heightening the awareness of foundations is through individual contacts with foundation officials and staff and the submission of high-quality grant proposals. CONCLUSIONS This examination of foundation funding patterns for mental health research suggests a number of other research activities in the area of foundations and other nonfederal sources of support for psychiatric research. Variables not considered in this study that might affect funding patterns—the interests and background of foundation boards of directors, foundation donors, and even foundation staff, for example—should be investigated. Further research should consider other ways of assessing foundation funding for biomedical and behavioral research, including surveys of potential research scientist grant recipients themselves. Parallel research examining corporate support for mental illness research would also be useful. REFERENCES REFERENCE NOTES 1. Freedman DX: Research funds are down: take heart. *Arch Gen Psychiatry* 1985; 143:968-974. 2. Board on Mental Health and Behavioral Medicine, Institute of Medicine: *Research on Mental Illness and Addictive Disorders: Progress and Prospects*. Washington, DC,

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