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UBCHEA ARCHIVES  
COLLEGE FILES  
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Huachung  
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Coe, John L.

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# HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Office of the Associate Secretary

905-A YALE STATION

January 16th, 1942  
NEW HAVEN, CONNECTICUT

Dear Mr. ~~Cost~~ <sup>Lee</sup> located at  
HSICHOW, VIA TALI, YUNNAN

This is my first letter to you since December 1 when I received your letter of November 6 in which you suggested the transfer of U. S. dollars to HongKong. While I was considering the suggestion, came December 7th and the whole problem became one of getting money to you at any cost. Hence my cable of December 10 and the final sending of N.C. \$240,000 on December 26th by radio, as I cabled you on that date. Thus far we have not received any answer either from you or from the Bank of China at Hsiakwan. Therefore, on January 13 I asked the Bank of China in New York to cable Hsiakiwan on Kunning for information. It will be a great relief to us all to know that you have this fund to draw on.

The best case in your draft #58 required some expensive cabling but before your letter was received we sent in U.S. \$1,000 through the National City Bank in New York to their Hongkong bank and I assume that the equivalent in N.C. reached you. I shall be interested to know what the net result was for you.

All means of communication by mail ceased until quite recently. Now we have learned that a new route has been opened up and we are hoping that this will reach you although the chances appear to be slight and the time in transit may be long. Even so it seems worth while to try to bring you up to date regarding finances.

As you may not have received my letter of October 27 I will quote the following from that letter:

*Joint Account*

<u>1941</u>			
August	22	- Balance carried forward	\$2,599.73
	26	- Remittance of July 16 from College	1,875.00
			\$4,474.73
	23	- Filing Fee	
		Application for license	\$5.00
Sept.	12	- Draft #48	50.00
	13	- Check N.Y. 5-Cabled to	
		Dr. Lin at Hongkong	200.00
		Cable charges " "	8.03
		Check N.Y. 6-Cabled to	2,000.00
		Hsiakwan	
		Cable charges " "	10.73
Oct.	22	- Balance - - - - -	\$2,200.97

Reserve Account

<u>1941</u>			
Aug.	22	- Balance on hand	\$ 14,592.79
Oct.	21	- Remittance from Foundation\$ (1940-41 Account)	6,000.00
Oct.	22	- BALANCE - - - - -	\$ 20,592.79

The operations of the two accounts from October 22 to December 22 were as follows:

OPERATIONS IN JOINT ACCOUNT AND RESERVE ACCOUNT  
October 22 to December 22, 1941  
Joint Account

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January 16, 1942

## HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at  
HSICHOW, VIA TALI, YUNNANOffice of the Associate Secretary  
905-A YALE STATION  
NEW HAVEN, CONN.1941

Oct. 22 - Balance carried forward		\$ 2,200.97
Nov. 18 - Transferred from Reserve Account		2,000.00
		<u>\$ 4,200.97</u>
Oct. 28 - Draft #56	\$ 45.00	
Nov. 17 - Cable to N.C.Bank - Hongkong regarding license expired	8.75	
18 - Transferred to N.C.B.Hongkong	1,000.00	
19 - Cable to N.C.Bank Hongkong regarding above payment	12.24	
Dec. 11 - Draft #53	723.84	
12 - " #57	7.56	
Dec. 22 - BALANCE - - - - -		<u>1,797.39</u>
		<u>\$ 2,403.58</u>

RESERVE ACCOUNT1941

Oct. 22 - Balance carried forward	\$ 20,592.79
Nov. 18 - Transferred to Joint Account	2,000.00
Dec. 22 - Balance - - - - -	<u>\$ 18,592.79</u>

COMBINED

Dec. 22 - Joint Account	\$ 2,403.58
Reserve Account	18,592.79
	<u>\$ 20,996.37</u>

The drafts outstanding on December 22 (assuming no drafts by you after your #57 to Academia Sinica) were as follows:

No. 31 - Johns Hopkins Press	\$8.00
34 - Bank of China	500.00
43 - Paul V. Taylor	500.00
44 - Paul V. Taylor	500.00
52 - Garson Chang	4.91
	<u>\$1,512.91</u>

After Dr. Taylor's arrival at Lancaster, Pa. (where, apparently he has remained) I inquired of him what he knew about the above drafts. His reply on Nov. 27 was as follows:

"Hua Chung College checks 34, 43 and 44 were, to the best of my knowledge, issued for the purchase of supplies in Rangoon. I think that #34 was cashed with the Bank of China in Rangoon. So far as I know, checks 43 and 44 were not cashed, but were returned to Mr. Coe in Rangoon when he arrived there on his return from furlough."

Our next report from the Bank will be made as of January 22nd. Therefore I do not have the record of any drafts from you since December 22. On December 23, I deposited in the Reserve Account a payment of \$5,000 received from Harvard-Yenging being a special grant for the year 1941-42. On December 26, in response to your cable request I directed the National City Bank to pay to the Bank of China for delivery to that Bank in Hsiakwan N.C. \$240,000. The costs, amounting to U.S. \$13,210.49 were charged to the Reserve Account. This included cable charges of U.S. \$10.49. We have no word as yet from you or the bank in Hsiakwan that the money has been deposited there to your credit. Therefore, I have requested the Bank of China in

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January 16, 1942

## HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at  
HSICHOW, VIA TALI, YUNNAN

Office of the Associate Secretary  
905-A YALE STATION  
NEW HAVEN, CONN.

New York to cable for information, at our expense. I hope for early information that you are now well provided for.

The balance in the Reserve Account should now be as follows: Balance on December 22, 1941, \$18,592.79, plus Harvard Yenging payment, \$5,000. minus \$13,210.49 equals \$10,382.30. Presumably the balance in the Joint Account remains as of December 22nd.

In my report to the Founders at their meeting on October 16, I submitted a balance sheet of your operating account as of August 1 which differed somewhat from your U.S. balance sheet dated August 16. I will not send you a copy under presents conditions but perhaps it will be sufficient for your present purposes to know that the total agreed substantially with your total except that we added U.S. \$6,000. as an amount receivable from Central China College Foundation and the total was increased accordingly.

Referring to the first two items of expense as of September 13 in the above statement, these relate to \$200.00 sent to Hongkong for Dr. Lin and the cost of sending this. This was done at his request to cover extra expenses of his trip due to the delay at San Francisco. On January 8 I received a letter from him, mailed in Hongkong on November 19th, stating that he had managed to obtain enough money for their travelling expenses and he therefore enclosed a draft on the National City Bank in Hongkong for U.S. \$200.00. and I have not received credit for this in New York as yet, but this shows a desire on his part to keep his record straight. This letter was written one day after Dr. Weis' letter to me of November 18th in which Dr. Wei reported surprise that Dr. and Mr. Lin had not arrived in Hsichow as they expected about the middle of October. No explanations were given in Dr. Lin's letter to me. We hope that all goes well with them and that they did not turn against the College.

I hope that Dr. Hsiao was able to deliver all the freight which he started out with and that he and Mrs. Hsiao are well and are finding the work there interesting. Please give my best regards to them and to Mrs. Coe; also to all my other friends.

Yours very sincerely,

Oliver S. Lyford

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學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE

CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE-IN-CHINA COLLEGE

WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT

April 16, 1942.

Mr. Oliver S. Lyford,  
230 Park Ave.,  
New York, N. Y.

Dear Mr. Lyford,

Enclosed please find four sheets containing the detailed budget for 1942-43 for the college and one sheet of the summary. I believe that Dr. Wei has already sent you a letter of explanation in regard to the proposed budget for next year., so I will not go into details in this.

The college has recently concluded negotiations with the Telegraph Office in Tali by which we have a registered address there of "5000". I do not know whether or not you will be able to use this from ~~the~~ the United States for cabling in the future or not, but we have had to get it according to certain regulations from Chungking. Simply the number given above Tali should reach us.

Dr. Wei has talked with me over the question of filing claims for the looted property in Wuchang but I do not feel that we have enough details on hand here to know exactly what has been taken as yet. I feel that eventually everything of a movable nature left there will have disappeared. As the buildings were mostly the property of the American Church Mission and may also be wrecked I have been wondering whether or not the wisest thing would be one claim filed for the whole business. However that is a question for the future to decide. According to information which reached us early this week after Dr. Wei wrote you last week, in the middle of February the college buildings on Boone compound were cleared of their contents by Chinese coolies who were acting under orders of Japanese military police who sat around and supervised the job. The things were taken away in trucks belonging to the Japanese army. The pianos belonging to the music dept., the things which the Physics dept. had left there, ~~the~~ the things left by the other two ~~stance~~ depts., probably most of the college furniture for class room use and dormitory use, and the furniture belonging to some faculty members. At the date of writing the library had been entered and some furniture removed and I gathered from the letters that the books had not been removed at that time but there is a very indication that probably they were taken and burned later. I will keep you in touch with the news which we have.

Within the last two weeks mails have started coming through from the States. There have been a few letters of December, then a gap till those of late January, and nearly February. Then a few letters of early March came through in just over five weeks.

Yours sincerely,

*John L. Coe*

*Received July 7*

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Hua Chung College, Financial summary 1940-43.  
expenditure in CNO\$

	budget proposed 1942-43	estimated for 1941-42	actual for 1940-41
Administration	\$72,186.	53,600.	32,001.73
Operations and Maintenance	29,800.	29,400.	16,774.28
School of Arts-Peronnel	103,764.	84,000.	43,501.40
Books and Equip.	17,500.	20,300.	12,800.00
School of Education-Personnel	20,964.	21,000.	10,713.00
Books and Equip.	7,820.	9,500.	6,966.02
School of Science-personnel	87,496.	72,000.	47,207.72
Equip.Main.Books	70,700.	90,000.	56,400.00
Physical Ed. and Military Train.	15,284.	6,000.	4,388.39
Scholarships	19,500.	15,000.	8,299.60
	<u>444,994.</u>	<u>400,800.</u>	<u>239,166.14</u>
Extra due to location in Hsichow			
Kunming office	3,000.	1,000.	6,290.20
rentals for hostels, Adm.staff	12,280.	6,000.	1,507.99
transportation, truck upkeep	5,000.	3,000.	4,276.40
part of medical	7,000.	9,000.	5,000.00
part of power and light	10,000.	10,000.	10,000.00
promotion	23,280.	11,000.	7,317.67
total extras	<u>60,260.</u>	<u>41,500.</u>	<u>7,556.39</u>
Emergency Fund	125,000.		
for new hostel for men	15,000.		
Grand total expenditure	<u>645,554.</u>	<u>442,300.</u>	<u>281,114.79</u>
		Income used in operations.	
Contributing missions.			
London Missionary Society	1,000.	1,000.	1,000.00
Methodist Missionary Society	3,400.	3,400.	3,854.00
American Church Mission	20,982.	16,950.	10,870.00
" " " Miss Johnston	40,750.	30,000.	17,097.33
Reformed Church Mission	26,000.	20,500.	16,148.06
Yale-in-China	145,208.	156,000.	96,111.72
	<u>237,340.</u>	<u>227,850.</u>	<u>145,081.11</u>
Scholarships from abroad		4,200.	2,130.00
Harvard-Yenching	66,406.	64,500.	24,644.70
To be found by trustees	333,400.	Sus. Fund 132,750.	Sus. Fund 89,401.15
Local sources.	<u>637,146.</u>	<u>429,300.</u>	<u>261,256.96</u>
Chinese Gov.grant for sal.		5,000. (Aug. Dec)	11,555.33
Local for scholarships	3,500.	5,500.	3,100.00
Bank int. and Remittance fees		2,000.	4,253.00
Miscellaneous fees		500.	949.50
Research Fund C. Chow	4,900.		
grand total income.	<u>645,554.</u>	<u>442,300.</u>	<u>281,114.79</u>
		Foreign salaries not included in the above.	
American Church Mission	5	4	2
London Missionary Society	2	2	2
Methodist Missionary Society	1	1	1
Reformed Church Mission	2	2	2
		Staff distribution as follows:	
Administration	14 2/3	13 2/3	11 2/3
Arts	17 5/6	15 5/6	15 1/3
Education	6	7	6
Science	11 1/2	11 1/2	13
Physical Education and Military Tr.	2	2/3	2
	<u>52</u>	<u>48 2/3</u>	<u>47 1/2</u>

All budgeted items in US\$ have been converted to C\$ at the rate of 18 to 1.

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Hua Chung College, proposed administrative budget for 1942-43.

	Income		foreign salary.
	0\$		
American Church Mission	11,674.		1 1/2
London Mission	1,000.		1/3 [2]
Methodist Mission	1,000.		1/2
Yale for medical	300.		
Reformed Church Mission for medical	100.		
Local for scholarships to be found	3,500.		
	<u>179,736.</u>		
	197,310.		
	Expenditure.		
	salary	subsidy.	
Aministration			
Advertising and admissions	2,500.		
Alumni office	1,500.		
College Functions	500.		
Council of Higher Education	100.		
Entertainment	500.		
Offices*President	5,000.		
Dean and Registrar	2,000.		
Treasurer	1,000.		
Business office	500.		
Postage and Telegrams	3,000.		
Publications	1,000.		
Travel	1,000.		
Administrative officers-President(2/3)	3,600.	1,220.	
Dean (1/2)			1/2
Registrar (1/3)			1/3
Treasurer 1/2			1/2
Assistant Treasurer(2/3)	2,280.	2,820.	
Librarian	3,600.	2,124.	
Assistant in Library	1,620.	4,524.	
Warden In Women's hostel	2,700.	756.	
Warden in Men's hostel(ACM gift)			
Chinese secretary	3,080.	6,960.	
English Secretary	2,160.	816.	
Registrar's clerk	1,980.	2,234.	
Business manager	2,160.	816.	
Local clerk	1,800.		
Medical- Physician			1
nurse	2,520.		
medicine	3,000.		
	<u>50,080. ✓</u>	<u>22,086. ✓</u>	<u>2 1/3</u>

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Operations and Maintenance

Grounds	1,800.	
Lighting part	5,000.	
Repairs and renovation	5,000.	
Library	4,000.	
Wages	4,500.	
Hostel wages	6,000.	
Sundries	500.	
Wuchang campus	1,000.	
<del>Furniture</del> equipment classroom	2,000.	
	<u>29,800.</u>	✓

Physical Ed. and Military Training

Physical director	2,520.	2,640.
Physical Ed. equipment	2,500.	
Military training instructor	2,520.	4,104.
Military training equipment	1,000.	
	<u>8,540.</u>	<u>6,744.</u>
	✓	✓

Scholarships and student aid

Extras due to location in Hsichow	19,500.	✓
Kunming office	3,000.	✓

Transportation and Truck upkeep	5,000.
rentals for Adm. staff. college	
bldgs, and hostels.	12,280.
Promotion, salary	
and subsidy	6,780.
travel	5,000.
material	1,500.
Student travel	<u>10,000.</u>
	<u>23,280.</u>

total extras. 43,560. ✓

total expenditure. 197,310.

Government for maintenance  
 Government for maintenance

100.  
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Income

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Income for maintenance of buildings and equipment for 1945-46.

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Hua Chung College, proposed budget for the School of Education for 1942-43.

Income.	CN\$	US\$	Foreign sal.
Reformed Church Mission	9,180.	250.	2
<del>London Missionary</del> Practice School	7,320.	40.	
London Missionary Society			1
American Church Mission			1
College budget (Dr. Hwang subsidy and rents)	7,064.		
Music Dept. balance		500.	
Education School balance		x200x	
	200.		
	23,764.	790.	4.

Expenditure.				
Personnel:	salary	subsidy		
- Dr. Hwang	5,400.	4,404.		
D. F. Anderson				1
P. V. Taylor (furlough)				1
- G. M. Zenk				1
V. Cox				1
Mrs. Anderson (volunteer)				
P. Wu (practice school)	2700.	2,640.		
substitute in Chennan	3600.			
rentals	2220.			
Equipment books and magazines.				
- office supplies and clerical help	1000.			
- books and magazines			250.	
- music			500.	
- text-book investigation			40.	
- investigation	1500.			
- miscellaneous	500.			
	16,720.	7,044.	790.	4

Note: the provision of a \$3600 for a substitute in Chennan is so that the school at Chennan may have a music teacher in case the teacher of music there comes to the college.

In the summary budget the two items of music dept balance and Education school balance have been omitted.

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Hua Chung College, proposed budget for school of Arts for 1942-43.  
Income.

[4]

	C#	US\$	foreign salary.
American Church Mission	9,308.		2
" " " Miss Johnston	38,050.	150.	
Methodist Mission	2,400.		1/2
London Mission			2/3
Harvard-Yenching grant	66,406.		
General college budget (for rentals)	2,400.		
	<u>118,564.</u>	<u>150.</u>	<u><del>3 1/6</del> 3 1/6</u>

Expenditure.

Personnel: Chinese Dept.	sal.	subsidy
L. P. Pao	4800.	3572.
K. N. Yu	4800.	3722.
C. F. Lin	4200.	1212.
K'lo	3900.	2124.
H. T. Li	3600.	3472.
S. W. Hu	3060.	4404.
	<u>24360.</u>	<u>18606.</u>

Foreign Languages			
Miss Bleakley (2/3)			2/3
Mr. and Mrs. Miller			1
M. P. <del>Wark</del> Allen			1
R. E. Lo	3240.	756.	
Assistant	1980.	756.	
	<u>5220.</u>	<u>1512.</u>	

History Sociology			
L. Constantine (1/2)			1/2
F/ S, Ma	4200.	2580.	
L. K. Hsu	4200.	2124.	
	<u>8400.</u>	<u>4704.</u>	

Economics-commerce			
P. L. Tang	4200.	2580.	
T.Y. Chang	4200.	1768.	
assistant professor (new)	4200.	2580.	
J. K. Tang (1/3)	1140.	910.	
	<u>13740.</u>	<u>7838.</u>	

Philosophy			
F. C. M. Wei (1/3)	1800.	1060.	
C. F. Lo	4800.	2124.	
	<u>6600.</u>	<u>3184.</u>	

Rentals	9600.		
Books and Magazines		150.	
Department needs (paper etc.)	1000.		
History-Sociology Investigation	500.		
Chinese Dept.			
clerk	1800.		
printing reports	6000.		
postage to Harvard-Yenching	500.		
Investigation	2000.		
stationary	1000.		
scholarships	2000.		
	<u>14800</u>		

Grand total including salaries and subsidies	118,564.	150.	3 1/6
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Note: in the summary ~~xxxx~~ budget the amount of US\$150 has been included in C# at 18/1.

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Yale in China School of Science of Hua Chung college, proposed budget for 1942-43.

	Income.	C\$	US\$	for.
Yale in China Association		140,708.	[5] 250.	sal
Reformed Church Mission for Dr. Hsiung		4,180.		
General College budget subsidy for Dr. Hsiung		4,200.		
Research fund from Chambers Chow		4,908.		
American Church Mission				1/2
		<u>153,996.</u>	<u>250.</u>	1/2

	Expenditure.		
	salary	subsidy	
Personnel: Biology			
S. Hsiao	4,800.	1,212.	
H. F. Wu	2,700.	2,640.	
new appointee	4,200.	2,580.	
	<u>11,700.</u>	<u>6,432.</u>	
Chemistry			
S. W. Wan	4,800.	2,580.	
M. C. Chen	2,700.	4,910.	
D. B. Hu	2,520.	5,040.	
	<u>10,020.</u>	<u>12,530.</u>	
Physics.			
R. P. Bien	5,400.	1,668.	
D. Hsiung	5,400.	2,980.	
C. K. Cheng	4,200.	2,580.	
	<u>15,000.</u>	<u>7,228.</u>	
Mathematics			1/2
foreign salary			
C. T. Shen	4,200.	4,198.	
Research	2,700.	1,728.	
total salary and subsidy			47,620. 32116.

Rentals		5,760.	
Miscellaneous --- Dean's Administration	250.		
House repair Wuchang	<u>750.</u>	1,000.	
Hankow and Wuchang safekeeping		1,000.	
Medical care - <del>contributions</del> contribution to col.		300.	
Books and Journals, US\$75, for each major dept. US\$25 for Math.			US\$250.
Research subsidy		4,000.	
Publications		4,000.	
Maintenance and equipment,			
Biology		13,500.	
Chemistry		14,400.	
Physics		15,300.	
subsidy for power for the school of science		<u>15,000.</u>	
Grand total expenditure;		C\$153,996.	US\$250. 1/2 for. sal.

Note: in the summary budget the US\$250 has been put in Equipment and books into C\$ at the rate of 18 to one. Also the item of \$300 for medical has been put under the general medical expenses and hence does not appear in the School of Science total.

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CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE IN-CHINA COLLEGE

HUA CHUNG (CENTRAL CHINA) COLLEGE

WUCHANG, CHINA

TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室長校  
OFFICE OF THE PRESIDENT

April 22, 1942

Treasurer

Mr. Oliver S. Lyford  
230 Park Avenue  
New York City  
U. S. A.

Dear Mr. Lyford:

Thank you for your letter of January 16, which arrived early this week.

Your letter contained the first information that we have received that as a result of the negotiations with regard to Draft #58, you cabled U.S.\$1,000 to the National City Bank in Hongkong on November 18. The only information which I had from Hongkong in regard to this matter was as I wrote you on November 24, that the bank after cabling to New York would not accept Draft #58, which was returned to me by Bishop Hall's secretary to whom I had sent it. The bank sent me no notification that this money had been cabled, and on their statement of the Central China College Account, dated November 30, 1941, there was no item which could be traced to this sum. I do not know what can be done under the present circumstances toward tracing this or obtaining the money. It would seem that the only possibility would be for you to take up the matter with the National City Bank in New York. Also it might be well if you could take up with them the question of the ultimate settlement of the amount in Hongkong dollars which we had on deposit with them, which according to their statement of November 30, 1941 was Hongkong \$2453. At that time there were outstanding cheques amounting to HK\$148.52 which may have been cashed before December 8.

We sent a cable to you in January <sup>Dec 27</sup> acknowledging the receipt of Chinese \$240,000, which you had cabled to Hsiakwan. I will take up with the telegraph people the question of what happened to that cablegram.

The statement in regard to the Joint and Reserve Account in your letter is clear, and the statement of the exchange on the Chinese \$240,000 you cabled to us will enable me to close the books at the end of the college financial year.

We have issued no drafts on the Joint Account since #58 which was returned from Hongkong in November.

I am sorry that the question of Drafts #34, 43, and 44, each to the amount of U.S.\$500, should have been still open. These three drafts were among the papers which were destroyed in the truck fire a year ago. In drawing up the balance sheet I have eliminated them.

Your letter of October 27 reached me about November 20. I went over it carefully and over the financial report which was enclosed with it. On November 22, 1941 I wrote you a letter with my comments thereon. Unfortunately it would appear that this letter of mine was probably in Hongkong about December 7 and therefore lost. I am appending herewith the relevant paragraphs of that letter and copies of my suggested revision of some of the pages which you sent.

Dr. Wei's last word from Dr. Lin was sometime in October, at which time Dr. Lin was finding great difficulty in securing plane passage from Hongkong to Kunming, and suggesting that he might go to Chungking for a short time and hoping to be here for the second term. We have had no later word from him and do not know his whereabouts.

In the duplicate copy of Dr. Wei's "Special Budget Letter" sent to you this morning, a duplicate of the summary budget was omitted. I am enclosing it in this letter.

0764

\*\*Excerpts from Mr. J. L. Coe's letter of November 22, 1941 to Mr. Oliver S. Lyford. (10)

I have in the light of your letter of October 27, 1941 made a revision of the U.S. dollar Balance Sheet of August 1, 1941 and comment here on the changes which I have made from the figures you have.

1. On Page 9 of your report (D), in the letter of the pages that you sent me, the figure for the Sustaining Fund I have given as \$6,219.34, which I have arrived at in the following way. I have added the \$6,000 receivable from the Central China College Fund and \$4,890 which represents the equivalent on hand of the Sustaining Fund in various banks in China, Hongkong, and Burma. From this I have subtracted the sum of \$2,051.31 (the deposit balance against the Sustaining Fund in my report of August 1) and \$2,619.35 (the total loss due to the burning of the truck in April). The sum of these two is \$4,670.66, which subtracted from \$10,890 leaves \$6,219.34.
2. The deposit and interest item I have reduced to \$37.91 in order to charge off the balance of charges on the letter of credit and the cost of mailing the cheque book to the college.
3. I have included the balance in the Land and Building Fund of \$1,207.43, because this has appeared on my balance sheets of previous years, and until it has been transferred, it should continue to appear there (I will take up this problem with you at a later time).
4. Your item of Advance Payments \$891 I have reduced to \$530, which represents the money you advanced to Dr. Hsiao before July 31. As far as I can ascertain, no other advances had been made before August 1.
5. The balance in the Reserve and Joint Account I have changed to \$16,337.13, because cheques #34, #43, and #44 were destroyed at the time of the fire, and therefore are not outstanding. With this difference our records of the Joint and Reserve Account agree.

I enclose also a revision of the second column of your report Pages 6 and 7 (A and B), showing the actual totals for the year 1940-41. When I made up the figures before August 19, these totals were made up from the detailed statements from the administrative report and the financial reports of the different schools. In checking them over, I find that I made a few errors, because some items were repeated in the administrative budget and in the school budgets. The revision does not affect the total from the Sustaining Fund, but does eliminate the adjustment of Chinese \$2,000, which you made at the bottom of Page 6.

I also enclose a revision of your Page 10 (E) of Operating Cash on Hand in U.S. currency. In the column for August 1, 1941 I have only changed the figure for the Sustaining Fund and for the deposit for the reasons given in the second paragraph above. In the column for August 1, 1940 I have made several changes in the light of the revised Balance Sheet as of August 1, 1940, which I made after my arrival at the college last spring. In this the balance for the Harvard-Yenching is increased by \$2,500 as that was the amount of the grant for 1939-40 and was in Hsichow in the form of a cheque at that time. The other changes which I made were to eliminate the item under "Miscellaneous" of \$1,427, which I have apportioned among the proper accounts.

On the third page of your letter of October 27 you raise the question of the cable Dr. Wei sent to the Associated Boards at the end of July. At that time I was not certain of the amount which was being credited to the college from the Associated Boards for the year ending July 31. I felt that it would be far better for you to handle the matter with them, and I am entirely in agreement with your suggestion that any questions which the Associated Boards may propose to the college should have the answers go to them through you.

*Oliver S. Lyford*

0765

Hua Chung College.  
1940-41 operations.

Page 6 A.

	NC\$	actual	revised.
Administration		32,001.73	
Operation and Maintenance		16,774.28	
School of Arts-Personnel		43,501.40	
Equipment, Books etc.		12,500.00	13,500
School of Education-Personnel		10,713.00	
Equipment and books		7,466.00	
School of Science-Personnel		43,321.72	47,321
Equipment and books		62,500.00	62,000
Physical Education and Mil. Training		4,388.39	
Scholarships		3,299.60	
		<u>245,966.14</u>	
Extras because of location in Hsichow		3,333.2	
		<u>41,948.65</u>	
		<u>287,914.79</u>	

Income used in operations.

Western Sources

	NC\$
London Missionary Society	1,000.00
Methodist " "	3,854.00
American Church Mission	10,870.00
Miss Johnston's Grant	17,797.33
Reformed Church Mission	16,648.06
Yale-in-China	101,711.72
	<u>151,881.11</u>

Total from contributing missions.

Scholarships	2,130.00
Harvard-anching grant	24,644.70
Associated Boards-Sustaining fund	89,401.15
total western sources	<u>268,056.96</u>

Local Sources.

Chinese gov. Grant for salaries	11,555.33
Local for scholarships	3,100.00
Bank interest and remittance fees	4,253.00
Miscellaneous fees.	949.50
total	<u>287,914.79</u>

Revision on Nov. 21, 1941 in light of Mr. Lyford's letter of Oct. 23, 1941.

Note: when these figures are used in the summary budget comparison of Apr. 1942. the items School of Arts }  
Education }  
Science } equipment

Johnston Fund,  
Reformed Church Mission  
Yale-in-China

have been reduced as certain US\$ items are there converted at 18/1 instead of 20/1 as used above.

0766

Hua Chung College, US\$ balance sheet as of Aug. 1941.

[37] Page 9.  
P.

	Dr.	Cr.
Sustaining fund		6,219.34
Board of Founders (special)		278.57
Johnston Fund for School of Arts		14,458.54
Harvard-Yenching grant		8,128.27
Yale-inChina School of Science reserve		15,744.08
" " " " " Sabb. "		607.50
President's Discretionary fund		1,043.14
Practice School		1,988.34
Relief Fund		252.00
Science Museum		200.00
Scholarships		75.99
Thorne Fund		858.76
Arts Book Fund		480.05
School of Science Research and Bk. Funds		640.83
Biology-China Foundation		219.42
Music Dept.		695.02
Deposits and Interest		37.91
Proctor-Johnston Land And Bldg. Fund		1,207.43
Payments made in New Haven (act. later)	1,054.27	
Advance of travel to Hsichow	530.00	
Balance in Reserve and Joint a/c/	16,337.13	
2 checks sent in July to New York	1,944.64	
in Kunming Shanghai C. and SB.	533.84	
in banks in China and Burma see note	4,890.00	
American Church Mission Shanghai	6,785.31	
Domestic and Foreign Missionary Soc. NY	15,000.00	
Receivable from Central China College Foundation	6,000.00	
	53,075.19	53,075.19

*Paid Oct 20, 41*

Reconciliation of Joint and Reserve a/c with actual balance of July 31, 1941.

Balance on Hand July 31, 1941. in both accounts	\$17,268.66
Drafts outstanding on July 31, 1941.	
no. 31. John Hopkins Press	\$8.00
48. American Baptist Mission P.	50.00
49. International Red Cross	144.78
52 Carson Chang	4.91
53 Paul V. Taylor	723.84
July 31, 1941 balance after deducting outstanding drafts.	931.53
	16,337.13

Note: The sum of \$4,890. represents balances in various banks in China, Hongkong and Rangoon in those currencies which has been reduced to US\$ for the purposes of this report.

The item of payments made in New Haven represents sums which have been paid on orders mainly for the school of science and have not yet been classified as the details of the purchases have not yet reached Hsichow.

Hsichow, Nov. 21, 1941.

*John L. Lee*  
Treasurer

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Page 10.  
E(4)

Hua Chung College.  
Operating cash on Hand US\$ currency. as of ~~August 1, 1941~~

	<u>Aug. 1, 1941.</u>	<u>Aug. 1, 1940.</u>
Associated Boards-Sustaining fund	6,219.00	6,145.00
Board of Founders Special	279.00	279.00
Johnston Fund for school of Arts.	14,459.00	15,314.00
Harvard-Yenching	8,126.00	4,801.00
Yale-in-China-School of Science reserve	15,744.00	15,720.00
" " " " " Sabb. "	607.00	607.00
President's Discretionary fund	1,043.00	102.00
Practice School	1,988.00	245.00
Relief Fund	252.00	252.00
Scholarships	76.00	76.00
Thorne Fund	859.00	973.00
Arts Book Fund	420.00	436.00
School of Science Research and Book fund	640.00	583.00
Science Museum	200.00	200.00
Biology China Foundation	219.00	219.00
Music Fund	625.00	710.00
Chemistry China Foundation.	---	702.00
Deposits	38.00	
	<u>US\$ 51,868.</u>	<u>US\$ 47,433.</u>

Nov. 26, 1941.

John L. Doe.  
Treasurer.

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學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE

CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE-IN-CHINA COLLEGE

WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT  
XXXXXXXXX  
Treasurer

June 23, 1942

Mr. Oliver S. Lyford, Treasurer  
Hua Chung Board of Founders  
230 Park Avenue  
New York City, U. S. A.

*Received Aug 5*

Dear Mr. Lyford:

Dr. Wei has shown me your letter of April 24, and I am herewith giving you a few figures. I did receive yours of October 25, and sent an answer to it late in November. In April when I had your letter of January 16 and realized that you had not received my letter of November 22, I sent a copy of the important parts to you.

As you doubtless already have learned when you received Dr. Wei's Budget letter of April with the proposed Summary Budget for 1942-43, your estimated figures for the contributions from the different missionary societies and the Associated Boards followed quite closely the figures which we had proposed here.

For your information I am sending herewith what I estimate will be the balances in the various special funds as of July 31, 1942. This is only a preliminary estimate to the nearest hundred dollars U.S., and may be subject to considerable revision at that time:

In the Johnston Fund for the School of Arts, U.S.\$17,700. I have arrived at this figure by adding to the balance from last year U.S.\$5,000, which should have been paid to the Domestic and Foreign Missionary Society by Miss Johnston since I left America, as the last U.S.\$5,000 of her pledge for the support of the School of Arts. Then I subtracted the amount which I estimate will be used during the current year.

The Harvard-Yenching Fund I estimate a balance of U.S.\$9,600.

For the Yale-in-China School of Science, I estimate U.S.\$12,000. Allowing that the appropriation of Yale-in-China was U.S.\$5,000 for this year, and that all of the items of extra expenditure which were discussed by the Executive Committee Pro-tem at its April meeting are to be charged to the Yale-in-China School of Science surplus.

The Practice School I estimate at U.S.\$2,700.

The Sustaining Fund I would estimate at U.S.\$8,000, which I have arrived at in the following way: The balance of last August 1, 1941, plus the U.S.\$10,000 which you said in your letter to Dr. Wei would probably be available for the current year, less the estimated expenditures for this year.

To sum up:	The Johnston Fund.....	U.S.\$17,700
	Harvard-Yenching Fund.....	" 9,600
	Yale-in-China.....	" 12,000
	Practice School.....	" 2,700
	Sustaining Fund.....	" 8,000

*as of July 31, 1942*

There are other small funds, the details of which I will not go into at the present time.

As soon as possible after the first of August I shall try to get the complete statement for the year 1941-42 into shape and send it to you.

The Bank of China in Kunming has notified us that the U.S.\$5,000 which you cabled at the end of May has arrived.

With the best wishes,

Yours sincerely,

*John L. Coe*

JLC/MRC

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學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE

CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE-IN-CHINA COLLEGE

WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT

Aug. 12, 1942.

Mr. Oliver S. Lyford,  
230 Park Ave.,  
New York, N. Y.

Dear Mr. Lyford,

I am enclosing herewith three pages of my report for 1941-42 which are the most important for your consideration. They are: the US\$ balance sheet as of Aug. 1, 1942; The summary of income and expenditure for 1941-42; and the sustaining fund operations for the same period. In the case of the sustaining fund I have first indicated the operations in the various currencies and then below given a summary by reducing everything to US\$.

I have appended notes to the US\$ balance sheet which I believe cover the case except for Yale-in-China. There you will note that there is a considerable decrease from the balance in hand a year ago (then 15,744.08). This was figured by charging all of the deficit of the three departments to this account and clears up their account of advance purchases. There may be a slight adjustment later when the report from New Haven is received.

Dr. Wei was very much pleased to receive your cable of Aug. 7 on Monday evening. After a bit of discussion we have decided not to cable immediately for more funds. As of the first of August we had on hand about C\$250,000. I also should be able to sell the draft I have on hand for about 725,000. This under normal circumstances should be sufficient for several months. However with the present situation requiring the holding on hand of considerable cash reserves we will have to have funds before too long. From the way I look at things at the present time, I think that we will cable sometime in September for funds. Also the official rate has been raised in Kunming from 18.71 to 20. so that you should be able to obtain slightly better rates on remittances.

A duplicate copy of the three sheets enclosed herewith together with the detailed report of expenditure for the year will be sent in next week's mail.

As Dr. Wei mentioned in one of his previous letters the last two remittances from you (in April and May) have not been used but were needed in order to enable us to provide against any emergency.

The payments from the Reformed Church Mission, The Methodist Mission, and the American Church Mission are up to date. The payments from the London Mission are slightly behind (C\$750). Their people here assure me that as soon as details of remittance are worked out that the money will come so I have indicated it as having been received. The matter of Yale-in-China I have mentioned in the notes. The entire grant of C\$30,000, <sup>from the Ministry of Education</sup> for the calendar year 1942 has been received. C\$20,000 is being used for salaries and the balance of C\$10,000 for science equipment. The item of income from this source on my report is different from C\$20,000 as our year is from Aug. 1 to Aug. 1 while that of the government is from Jan. 1 to Jan. 1.

With best wishes,

Yours sincerely,

*John L. Cox*

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Received Acts  
Sunday

Hua Chung College, US\$ balance sheet as of Aug. 1, 1942.

Dr. US\$	CR. US\$
Sustaining Fund	9,361.87
Board of Founders Special	278.57
Johnston Fund for the School of Arts	18,044.68
Harvard-Yenching Fund	9,774.92
Yale-in-China School of Science Reserve	12,216.70
President's Discretionary fund	219.99
Practice School	2,816.13
Relief Fund	252.00
Scholarships	75.99
Thorne Fund	461.42
Science Museum	200.00
Arts Book Fund	441.21
Biology-China Foundation	219.42
Music	635.78
Education Book Fund	418.67
Deposit a/c	607.02
Proctor-Johnston Land and Bldg.	1,207.43
Joint and Reserve a/c in New York	2,912.39
American Church Mission (Sp. Ch. Funds)	5,889.89
Domestic and Foreign Miss. Society	20,000.00
Central China College Foundation	10,000.00
Receivable from Yale-in-China	4,200.00
Drafts on hand in Hsichow	1,441.17
equivalent of deposit in Hongkong	1,580.00
"    "    "    " Rangoon	483.00
"    "    "    " Kunming	
Hsiakwan and cash	10,725.44
	57,231.89
	57,231.89

[23]  
 9,361.87  
 404.15  
 9766.02  
 - 3527.30  
 6238.72  
 15,744.

6,893.16  
 7,000.00  
 3,604.15  
 - Refused

Notes: The balance in the joint and reserve account was figured by taking the latest figures in the letters from Mr. Lyford, deducting an estimated sum for cable charges for the last remittance and also for drafts no. 31 \$8.00

52 4.91 which are outstanding. When the final report is received from Mr. Lyford an adjustment will be necessary.

The amount receivable from Yale-in-China is found by deducting \$800 from \$5,000 the amount of their grant for the year. It is estimated that \$800 is the cost of the things ordered through the New Haven office during the year. When a final report comes from the New Haven office the proper adjustment will be made.

The larger part of the balance in the Bank of China Rangoon will probably be realized upon in a short time at a rate equivalent to between nineteen and twenty to the US\$. Unfortunately this matter was not completed in time for this report.

Nothing is know about the situation in regard to the Hongkong account.

The funds in the banks in Kunming and Hsiakwan are available for use at any time.

The deposit account of 607.02 is largely covered by ~~the~~ a portion of the drafts on hand.

*John L. Lee*  
 Treasurer.

Aug. 11, 1942.

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Hua Chung College, Chinese \$ balance sheet as of Aug. 1, 1942.

	Dr.	Cr.
<del>xxxx</del> Sustaining Fund		212,001.54
Hankow Remittance		7,576.03
American Church Mission Grant	3,287.50	
London Mission	750.00	
Methodist Mission		2,264.00
Ministry of Education		18,333.33
Reformed Church Mission	856.00	
Military Training		2,126.00
Scholarships		3,723.84
Rentals	7,120.00	
Transportation		5,376.90
English Books		940.05
Practice School	920.00	
School of Education		2,600.89
Music		800.00
Psychology		1,068.53
Reformed Church Mission Sab.reserve		1,830.50
Biology Brit.Boxer		3,655.41
Chemistry " "		4,603.64
Physics " "	5,982.95	
Biology- Min. of Ed.		3,106.25
Chemistry Min. of Ed.	385.54	
Physics- " " "	1,126.76	
Research Fund		1,993.03
Power Plant	1,770.00	
Canton Theol. School (deposit)		4,196.00
Deposits - local		37,470.20 - 180
Advances for purchases	3,461.92	
Income tax		1,260.15
Salt account		1,016.41
Thesis paper	601.71	
C. Chow research fund		3,036.42
Faculty loan	88,172.38	
Student loan	10,427.01	
Balance S. C. and S. Bank, Kunming	12,168.37	
" Bank of China "	109,792.35	
" " " " Hsiakwan	53,326.49	
" Central Bank, "	14,814.80	
cash on hand	84,195.44	
	319,159.12	319,159.12

[2a] 71  
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3,807.92  
180.10  
3,988.02

27,479.75  
15,238.  
14,436.70

319,159.12

John L. Lee  
Treasurer.

Aug. 18, 1942.

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0773

Hua Chung College School of Education, financial report for 1941-42. [3]

Income.

	C\$	US\$	For.sal.
Reformed Church Mission	17,684.91	250.	2
London Mission			1
Music fees	590.00		
Book fees	157.00		
Wu Tai school for practiceteachers	3,685.00		
college budget	3,851.53		
	<u>25,968.44</u>	<u>250.</u>	<u>3</u>

Expenditure.

Personnel:

Education,

Dr. Hwang " 8,961.00

Dr. Taylor 1 ✓

Mr. Anderson 1

Music-

Miss Zenk 1

Practice School

P. Wu { 4,230.00

C. C. Wang { 3,904.00

H. F. Hsia { 2,251.16

10,385.16

Rentals " 1,725.00

Music " 1,671.00

Practice Sch.bks, " 1,961.27

Books and magazines. 250.

office expenses 1,265.01

25,968.44

250.

250.

3

Note: During the year US\$1250 has been received from the Reformed Church Mission for the Practice School but only that portion of this sum is included in the income above which was used. The rest was placed in the Practice School fund which now amounts to US\$2,816.13

The Music department has a balance of US\$635.38

*John L. Coe*  
Treasurer.

Aug. 18, 1942.

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Hua Chung College, Yale-in-China School of Science Financial report for 1941-42. [47]  
 Income. C\$ For.Sal. US\$

Yale-in-China (US\$3338.96 to C\$)	63,625.63		5,188.42
" " "			
Reformed Church Mission for Dr. Hsiung	5,589.57		
from college budget for Dr. Hsiung	2,395.53		
from government for salary	5,481.27		
American Church Mission		<u>1/2</u>	<u>5,188.42</u>
	<u>77,091.90</u>	<u>1/2</u>	

Expenditure.

Personnel:

Biology, S. Hsiao	5,872.		
H. F. Wu	4,705.		
P. S. Chen	3,723.	"	14,300.
Chemistry-S. W. Wan	6,821.		
T.G.Djang(1/6)	700.		
M. C. Chen	6,077.		
D. B. Hu	5,972.	"	19,570.
Physics R. P. Bien	6,513.		
Hsiung	7,505.-		
O. K. Chen	6,101.		
P. H. Liu	3,723.	"	23,842.

Mathematics

<del>12</del> 1/2 for.sal.			1/2
C. T. Shen	7,388.	"	7,388.

Travel for new appointees		"	4,037.00	104.63
Rentals		"	4,188.90	
Medical care	300.			
Wuchang houses and care	1850.			
Dean's office	166.		2,316.00	
Publications		"	1,500.00	

Biology-Maintenance and equipment			1260.89
Chemistry "	"	"	2032.44
Physics "	"	"	1709.95
Books -all depts.(this item would be larger if report from New Haven had been received.)			80.51
	<u>77,091.90</u>	<u>1/2</u>	<u>5,188.42</u>

Note: the appropriation from Yale-in-China was US\$5,000. the balance of the (US\$3527.38) above has been charged to the reserve of the School of Science which now stands at US\$12,216.70. There may be a slight adjustment in this later when the final report is received from NEW Haven. All of the deficits of the various departments are paid off. There is no accounting in the above of the various research grants.

*John L. Lee*  
Treasurer.

Aug. 18, 1942.

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Hua Chung College, School of Arts Financial report for 1941-42.

	Income.		
American Church Mission	0\$	US\$	For. Sal. [5]
" " " (Miss Johnston)	8,428.	350.	2
London Mission	19,415.33	350.	
Methodist Mission	2,400.00		2/3
Government for salaries	11,010.54		2/3
Harvard-Yenching	61,055.46		
	<u>102,309.33</u>	<u>350.</u>	<u>3 1/3</u>

	Expenditure.		
Personnel:			
Chinese			
L. P. Pao	8,277.		
K. E. Yu	8,227.		
C. T. Lin	5,272.		
H. L. Li	6,346.		
H. F. Wan	4,283.		
S. W. Hu	6,334.		
C. Y. Ko	<u>3,072.</u>	41,811.	
Foreign Languages			
M. Bleakley (2/3)			2/3
E. P. Miller and wife			1
W. P. Allen			1
R. E. Lo	3,761.		
C. H. Ko (1/6)	<u>426.</u>	4,187.	
History and Sociology.			
L. Constantine (2/3)			2/3
F. S. Ma	6,206.		
L. K. Hsu	<u>5,884.</u>	12,089.	
Economics-Commerce.			
P. L. Tang	6,243.		
T. Y. Chang	5,683.		
J. I. Tan (1/3)	<u>2,459.</u>	14,385.	
Philosophy			
F. C. M. Wei (1/3)	2,535.		
C. F. Lo	<u>6,129.</u>	8,664.	
Rentals		4,313.	
Travel for new appointees		3,767.85	
Chinese dept. Bks, printing etc.		13,090.48	
books for other depts.			
	<u>102,309.33</u>	<u>350.</u>	<u>3 1/3</u>
		<u>350.</u>	

Note: the Chinese dept. now has a balance of US\$9,774.92 in the Harvard-Yenching Fund. There is also a balance of US\$18,044.68 in the Johnston fund.

Aug. 18, 1942.

John L. Coe.  
Treasurer.

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Hua Chung College, income and expenditures of operation Aug.1,1941,July31,1942

Income.		
Western sources.	US\$	Foreign Salaries.
Contributing missions. American Ch.Miss.	16,535.00	
American Church Mission- Miss Johnston	25,715.33	4
London Mission	1,000.00	2
Methodist Mission	3,400.00	1
Reformed Church Mission	27,794.38	2
Yale-in-China	156,802.27	
Total contributing missions	<u>231,246.98</u>	<u>9</u>
Harvard-Yenching Foundation	61,055.46	
for Scholarships	4,243.75	
sustaining fund	144,754.07	
Total western sources	<u>441,300.26</u>	<u>9</u>
Local Sources.		
Local for scholarships	5,400.00	
government for scholarships	1,000.00	
government for salaries.	16,491.81	
miscellaneous fees	1,673.75	
bank interest	4,089.60	
	<u>32,340.16</u>	
Grand total income	473,640.42	9
Expenditure.		
Administration	63,042.38	2 1/6
Operation and Maintenance	28,017.17	
Physical Education and Mil.Tr.	7,166.45	
Scholarships	13,889.26	
School of Arts-Personnel	89,216.85	2 2/3
Books etc.	19,392.48	
School of Education personnel	21,071.16	3
books etc.	9,397.28	
School of Science -personnel	78,681.90	1/2
equipment, etc.	91,286.64	
extras due to location in Hsichow	52,478.85	
	<u>473,640.42</u>	<u>9</u>

*Some commission 43,685.*

Note: in all three schools under the item of books and equipment a certain amount of the expenditure was in US\$. However for convenience those expenditures have been included in the summary above at the rate of 18 to one.

Aug. 11, 1942.

*John L. Coe.*  
Treasurer.

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Hua Chung College, summary of sustaining fund operations for 1941-42.

	Income.			
	US\$	HK\$	RS.	C\$
Balance Aug. 1, 1941.	1,329.34	1,489.16	4,265/2/6	70,833.85
by US\$13,774.25 to C\$				251,152.44
by US\$500 to HK\$		1,960.05		
by US\$8.45 to Rs.			25/10/2	
by Rs.1743/6/6 to US\$	527.79			
by Rs.1883/10 to C\$				13,382.84
by HK\$1,124.73 to C\$				7,010.13
from United Committee in England				14,376.35
from salvage of burned truck			957/10/	
from Associated Boards	10,000.00			
	<u>11,857.13</u>	<u>3,449.21</u>	<u>5248/6/8</u>	<u>356,755.61</u>
	Expenditure.			
to C\$	13,775.25	1,124.58	1,883/10	
to Rs.	8.45			
to HK\$	500.00			
to US\$			1,746/14/6	
by expenditure as shown in detailed report				144,754.07
	<u>14,283.70</u>	<u>1,124.58</u>	<u>3,630/8/6</u>	<u>144,754.07</u>
Cr. Bal. Aug. 1, 1942.		2,324.48	1,617/14/2	212,001.54
Dr. Bal. Aug. 1, 1942.	2,426.57			

Sustaining fund operations summarized by reducing the account above in four currencies to US\$.

Balance on hand Aug. 1, 1941.	in US\$	1,329.34
	in other currencies equi. to	4,890.00
		<u>6,219.34</u>
from the United Committee for Christian Colleges (British)		787.70
from salvage of the burned truck		287.10
from the Associated Boards.		10,000.00
		<u>17,294.14</u>
by expenditure during the year.		7,932.27 + 3,142.46
balance on hand Aug. 1, 1942.	US\$	9,361.87

*John L. Lee*  
Treasurer.

Aug. 11, 1942.

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學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE

CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE-IN-CHINA COLLEGE

WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT

Aug. 19, 1942.

Mr. Oliver S. Lyford,  
230 Park Ave.  
New York, N. Y.

Dear Mr. Lyford,

Last Week I sent you the three pages of my financial report covering what I felt was essential to have in your hands as soon as possible, namely the US\$ balance sheet, the summary of expenditures during the year and also the operations of the sustaining fund during that same period. I am enclosing with this letter duplicate of the three sheets I sent you last week together with the complete report of the three schools and also the administrative budget, also a copy of the C\$ balance sheet as of the first of August this year.

As Dr. Wei mentioned to you earlier the proceeds of your last two remittances of April and May had not been used before Aug. first but were needed in order to enable us to provide against any emergency. Dr. Wei received your cable of 7 on Aug. 10, but we decided not to cable for funds immediately but will probably do so sometime during September.

The payments from the Reformed Church Mission, the Methodist Mission and the American Church Mission are up to date. The payments from the London Mission are slightly behind (C\$750) Their people here assure me that as soon as details of remittance are worked out that the money will come, so I have indicated it as having been received. The matter of Yale-in-China I have mentioned in the notes. The entire grant of C\$30,000 from the Ministry of Education has been received for the year. C\$20,000 is being used for salaries and the balance for science equipment. The item in my report of receipts from this source for salaries differs from C\$20,000. as our year is from Aug. 1 to Aug. 1 while that of the government is from Jan. 1. to Jan. 1.

Comments on the Chinese \$ balance sheet. Most of the debits in this sheet arise from advance payments authorized by Dr. Wei. The item of student loan has in the last two weeks been reduced by nearly a third and is mainly loans to students who graduated and were leaving for work. The loan was to assist them in their travel. From experiences of previous years the bulk of this should come back. The bulk of the deposit account consists of American Church Mission Funds which are in Hsichow against any emergency.

In the administrative budget in extras, the item of loss of ~~xxxxxx~~ paper is that of paper ordered in Burma which was lost in the spring of 1942.

The heavy items of expense on equipment in the science departments arises because of covering the deficits from their borrowing of the previous year and heavy orders for equipment and the increased cost of power.

The increased cost of many things has of course resulted in the items of operation and administration for supplies being higher than expected. The college has on hand some medicine, paper, kerosene, and gasoline, which should cover some of the needs during the coming year. There has been no attempt to include them in the ~~xxxxxx~~ balance sheet above, because of the difficulty of knowing whether to carry them at the present inflated prices or at their original prices. Also if danger should come this way, some of them might be lost. Probably the stocks of the items

Received  
Oct. 10.

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mentioned above cost between C\$10,000. and C\$15,000. At present inflated prices they (27)  
~~would be worth at least C\$150,000.~~ At the present time the  
price of gasoline is at least C\$15,000 per drum or US\$15. per gallon. The present  
price of kerosene is about two-thirds that of gasoline. The stock of medicine is  
irreplaceable at the present time. Dr. Roots feels that he has on hand most of  
the essentials for at least a year. Owing to the loss of the paper and stationary  
ordered from Burma the college was getting a bit short on this item. However I took  
a trip to Tali last week and have managed to cover most of the needs for the next  
twelve months at not too high a price.

The agitation over moving the college has pretty well died down. I think  
that part of the agitation was due to the fact that some of the faculty were getting  
restless and wanted a change. Dr. Wei has taken steps to investigate possible  
routes of evacuation in case of necessity. However, to try to move the college  
and set it up for operation again at the present time is clearly out of the  
question from a financial point of view. Even if we were able to secure enough  
gasoline to move the college, it would cost from C\$15,1,500,000 to C\$2,500,000  
for gasoline alone, to say nothing of other expenses, and the cost of setting up  
would be very heavy wherever we went. Also it would disrupt college work for  
at least one term. My feeling is that it is better to stick it out here and  
hope for the best. As far as I can gather it, the hope of the authorities here  
is that we will see no danger, but rather improved conditions in the months to  
come. The college will probably have a much smaller enrollment than last year  
and also some faculty members may leave, but I feel that things can be held  
together better here than trying to move at the moment. The costs of moving  
are prohibitive now, and there is a grave question whether it would be possible  
to secure transportation to the amount needed.

With best wishes,

Yours sincerely,

*John L. Ave.*

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Hua Chung College, US\$ balance sheet as of Aug. 1, 1942.

Dr. US\$	CR. US\$
Sustaining Fund	9,361.87
Board of Founders Special	275.57
Johnston Fund for the School of Arts	18,044.68
Harvard-Yenching Fund	9,774.92
Yale-in-China School of Science Reserve	12,216.70
President's Discretionary fund	219.99
Practice School	2,816.15
Relief Fund	252.00
Scholarships	75.99
Thorne Fund	461.42
Science Museum	200.00
Arts Book Fund	441.21
Biology-China Foundation	219.42
Music	635.78
Education Book Fund	418.67
Deposit a/c	607.02
Proctor-Johnston Land and Bldg.	1,207.43 - out
Joint and Reserve a/c in New York	2,912.39 + 4,093.68
American Church Mission (Sp. Ch. Funds)	5,889.89 - 1,267.43
Domestic and Foreign Miss. Society	20,000.00 - 3,000.00
Central China College Foundation	10,000.00 + 404.15
Receivable from Yale-in-China	4,200.00
Drafts on hand in Hsichow	1,441.17
equivalent of deposit in Hongkong	1,580.00
"    "    "    " Rangoon	483.00
"    "    "    " Kunming	
Hsiakwan and cash	10,725.44
	<u>57,231.89</u> - 803.45
	<u>57,231.89</u>

Notes: The balance in the joint and reserve account was figured by taking the latest figures in the letters from Mr. Lyford, deducting an estimated sum for cable charges for the last remittance and also for drafts no. 31 \$8.00

52 4.91 which are outstanding.

When the final report is received from Mr. Lyford an adjustment will be necessary.

The amount receivable from Yale-in-China is found by deducting \$800 from \$5,000 the amount of their grant for the year. It is estimated that \$800 is the cost of the things ordered through the New Haven office during the year. When a final report comes from the New Haven office the proper adjustment will be made.

The larger part of the balance in the Bank of China Rangoon will probably be realized upon in a short time at a rate equivalent to between nineteen and twenty to the US\$. Unfortunately this matter was not completed in time for this report.

Nothing is know about the situation in regard to the Hongkong account.

The funds in the banks in Kunming and Hsiakwan are available for use at any time.

The deposit account of 607.02 is largely covered by ~~taxes~~ a portion of the drafts on hand.

Aug. 11, 1942.

*John L. Coe*  
Treasurer.

	Income. C\$	For. Sal.
London Mission	1,000.	1/3
Methodist Mission	1,000.	1/3
American Church Mission	8,107.	1 1/2
Reformed Church Mission	20.	
Yale-in-China	300.	
Sustaining Fund-associated boards	138,507.01	
foreign for scholarships	4,243.75	
local for scholarships (Li Jui)	5,000.00	
Government for scholarships	1,000.00	
miscellaneous fees	926.75	
Bank for scholarships	400.00	
Bank Interest	4,089.60	
	<u>164,594.11</u>	

*Administrative acct [9]*

Expenditure.

1. Administration		
Alumni Activities	1,784.83	
College Functions	254.30	
Entertainment	615.45	
Offices- President	2,791.75	
Dean and Reg.	1,953.89	
Treasurer	569.10	
Business	488.00	
Postage and Telegrams	4,827.20	
Administrative Officers-President (2/3)	5,070.00	
Dean (1/3)		1/3
Registrar (1/3) - <i>Blakley</i>		1/3
Treasurer (1/2) - <i>Coc</i>		1/2
Assistant Treas. (2/3)	2,876.00	
Librarian (1/2 yr)	2,287.00	
Assist. Librarian	3,960.20	
Assistant in Library	5,854.00	
Office Secretary Chinese	7,734.00	
Office Sec. English	2,741.00	
Registrar's clerk	3,704.00	
Warden Women's hostel (1/2)	900.00	
clerical help in offices	3,899.84	
Medical care		
Infirmary	5,565.18	1
	2,245.64	
	<u>63,042.38</u>	
2. Operation and Maintenance <i>60121.38</i>		
Grounds	1,148.90	
Hostel Servants	4,329.49	
Library	3,552.09	
Lighting part	3,969.19	
Policing	500.00	
Wages	3,184.80	
Wuchang campus	1,000.00	
Sundries	887.30	
Furniture	4,725.70	
	<u>28,017.17</u>	
3. P		
Physical Education	1,658.25	
Military training	5,508.20	
	<u>7,166.45</u>	
4. Scholarships and student aid exclusive of gov. loan		
	13,889.26	
5. Extras due to location in Hsichow.		
Kunming office	447.98	
Promotion	15,115.37	
Part of lighting	10,000.00	
part of me	10,000.00	
Rentals	8,457.45	
els and adm. staff	3,898.05	
truck upkeep	4,560.00	
	<u>52,478.85</u>	
	<u>164,594.11</u>	

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*← 2921.22*

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*End of acct  
of bus fa.*

the sustaining fund is the item of \$138,507.01 above to the college budget in the school of Education and which covers the subsidies for Dr. Hwang and Dr. Hsiung not Church Mission.

*John L. Lee  
Treasurer*

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Hua Chung College, summary of sustaining fund operations for 1941-42.

	Income.			
	US\$	HK\$	Rs.	C\$
Balance Aug. 1, 1941.	1,329.34	1,489.16	4,265/2/6	70,833.85
by US\$13,779.25 to C\$				251,152.44
by US\$500 to HK\$		1,960.05		
by US\$8.45 to Rs.			25/10/2	
by Rs.1743/6/6 to US\$	527.79			
by Rs.1885/10 to C\$				15,324.58
by HK\$1,124.75 to C\$				7,010.15
from United Committee in England				14,376.35
from salvage of burned truck			957/10/	
from Associated Boards	10,000.00			
	<u>11,857.13</u>	<u>3,449.21</u>	<u>5248/6/8</u>	<u>356,755.61</u>
	Expenditure.			
to C\$	13,779.25	1,124.58	1,885/10	
to Rs.	8.45			
to HK\$	500.00			
to US\$			1,746/14/6	
by expenditure as shown in detailed report				144,754.07
	<u>14,281.70</u>	<u>1,124.58</u>	<u>3,630/8/6</u>	<u>144,754.07</u>
Cr. Bal. Aug. 1, 1942.		2,324.48	1,617/14/2	212,001.54
Dr. Bal. Aug. 1, 1942.	2,426.57			

Sustaining fund operations summarized by reducing the account above in four currencies to US\$.

Balance on hand Aug. 1, 1941.	in US\$	1,329.34
	in other currencies equi. to	4,890.00
		<u>6,219.34</u>
from the United Committee for Christian Colleges (British)		787.70
from salvage of the burned truck		287.10
from the Associated Boards.		<u>10,000.00</u>
		<u>17,294.14</u>
by expenditure during the year.		<u>7,932.27</u>
balance on hand Aug. 1, 1942.	US\$	9,361.87

Aug. 11, 1942.

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*John L. Coe*  
Treasurer.

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Hua Chung College, income and expenditures of operation Aug. 1, 1941, July 31, 1942

Income.

Western sources.

	C\$		Foreign Salaries.
Contributing missions. American Ch. Miss.	16,535.00 ✓		
American Church Mission- Miss Johnston	25,715.33 ✓	Includes 350 at 18	4 [6]
London Mission	1,000.00 ✓		2 ✓
Methodist Mission	3,400.00 ✓		1 ✓
Reformed Church Mission	27,794.38 ✓	Includes 2500 at 18	2 ✓
Yale-in-China	156,802.27 ✓		
<b>Total contributing missions</b>	<b>231,246.98</b>		<b>9</b>
Harvard-Yenching Foundation	61,055.46 ✓		
for Scholarships	4,243.75 ✓		
sustaining fund	144,754.07 ✓		
<b>Total western sources</b>	<b>441,300.26</b>		<b>9</b>
<b>Local Sources.</b>			
Local for scholarships	5,400.00 ✓		
government for scholarships	1,000.00 ✓		
government for salaries.	16,491.81 ✓		
miscellaneous fees <i>Source not stated</i>	1,673.75 ✓		
bank interest	4,089.60 ✓		
	<b>32,540.16</b>		
<b>Grand total income</b>	<b>473,640.42</b>		<b>9</b>

Expenditure.

Administration	63,042.38 ✓		2 1/6
Operation and Maintenance	28,017.17 ✓		
Physical Education and Mil.Tr.	7,166.45 ✓		
Scholarships	13,889.26 ✓		
School of Arts-Personnel	89,216.85 ✓		2 2/3
Books etc.	19,392.48 ✓		
School of Education personnel	21,071.16 ✓		3
books etc.	9,397.28 ✓		
School of Science -personnel	78,681.90 ✓		1/2
equipment, etc.	91,286.64 ✓		
extras due to location in Hsichow	52,478.85 ✓		
	<b>473,640.42</b>		<b>9</b>

Note: in all three schools under the item of books and equipment a certain amount of the expenditure was in US\$. However for convenience those expenditures have been included in the summary above at the rate of 18 to one.

Aug. 11, 1942.

*John L. Lee*  
Treasurer.

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HUA CHUNG (CENTRAL CHINA) COLLEGE

WUCHANG, CHINA

TEMPORARILY IN HSICHOW

VIA TALI, YUNNAN, CHINA

CO-OPERATING UNITS

- BOONE COLLEGE
- GRIFFITH JOHN COLLEGE
- HUPING COLLEGE
- WESLEY COLLEGE
- YALE IN-CHINA COLLEGE

室 長 校

OFFICE OF THE PRESIDENT

Treasurer

Mr. Oliver S. Lyford, Treasurer  
 Hua Chung Board of Founders,  
 230 Park Avenue  
 New York City, U.S.A.

No date  
 Probably Aug 28, 1942  
 Received Oct 26, 1942

Dear Mr. Lyford:

In August I wrote you saying that we would probably be cabling for funds during September. However, under the present conditions I do not anticipate having to do so. Therefore, I sent you a cable this morning asking you to cable no further funds and requesting a payment to Mr. L. J. Franklin by you in New York.

For the present I would suggest that you cable no funds except on a cabled request from Dr. Wei or from me. Would you please make arrangements either with Mr. Franklin or with Mr. Whitney of the Church Missions House to cover any amount which I may draw through Mr. Arthur Allen, treasurer of the American Church Mission in Kunming. Recent correspondence with him has led me to believe that at least for the moment it will be more advantageous for the college to work through him than to have funds cabled directly from you. Of course, in case we cannot cover our requirements by that method, we will cable directly to you.

My position <sup>here</sup> in regard to funds on hand is more satisfactory than I had expected a month ago. During the month of August the college received Chinese \$23,000 for some chemicals which had been bought two years ago at a much lower price and for which the Chemistry department now says it has no use. In addition, I sold through the Central Bank of China in Kunming the draft from the Reformed Church at a rate of 19.65, thus netting me over Chinese \$22,000. Dr. Wei is writing you shortly about the gift which he has recently received for student aid; <sup>Chinese</sup> \$10,000 of this has been received in cash. As a result I have on hand about Chinese \$225,000. In addition to this I expect within a few days to have Chinese \$115,000 as a result of the arrangements which Mr. Allen is making for me at the present time. Thus unless an emergency should arise, the college ought to have on hand funds sufficient to carry it to the end of the calendar year and leave some balance in my hands. Therefore, I do not expect to need further funds until late November or December.

Enclosed please find a draft on the Church Missions House, 281 Fourth Avenue, New York City. This draft was originally sent from Shanghai to one of the members of the faculty here last year in November. I sent it to the Bank in Kunming for collection at the end of November. After a lapse of several months they returned it to me, saying that they had sent it to Shanghai and had not been able to collect it there. Will you please have it collected and deposited in the Joint and Reserve Account.

With the best wishes,

Yours sincerely,

*John L. Eve*

↑  
Home Dec 10

Enc.

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September 25, 1942

Dear Mr. Coe:

I received on September 11 your cable of Sept. 9 from Taliyun. On Sept. 14 Mr. Franklin of the Episcopal Board received from Mr. Allen a cable requesting Mr. Franklin to ask me to pay \$5,000 to Irving Trust Co. for account of the Bank of Communication, Chunking. Finally on Sept. 15 the Irving Trust Co. received a cable from Bank of Communication asking Irving to receive this money from Mr. Franklin and transmit it to Bank of Communication. In view of the last cable, Mr. Franklin paid \$5,000 to the Irving Trust Co. and I reimbursed him from the balance in the Account of the Foundation in the Bank of Manhattan. This procedure seemed advisable in order to minimize the chance of any mixup. I have been holding for some time, to include in the next remittance to you, a payment of \$200 received from Dr. Eugene Hsu and which he desired to have me forward to his family for their relief; also a payment of \$10 which Mr. Hobart Haskins desired to have me send to Dr. Richard Bien. These were included in the payment of \$5,000. Therefore of that total the amount sent for College expenses is \$4,790. This will all have to be cleared in journal entries. In my cable to you of Sept. 15 I reported the inclusions of these two special amounts in the remittance.

These cable communications relieved me greatly as I have been seriously concerned because no answer had been received to my cable of August 7th and I feared you might be in need of funds available near at hand for use on short notice. I assume that your cable of Sept. 9 was sent in reply to mine of Aug. 7 and presume that mine was received shortly before yours was sent. We must find some way to avoid these delays in cable communication. China cables to New York from Chunking, Kunming or Taliyun come through in 2 or 3 days after they leave your end. Therefore the loss of time must be between Hsichow and these points of cabling. Not having received any answer to my cable of August 7, I requested the New York Branch of the Bank of China on Aug. 31 to cable their Kunming Branch to ask you what funds you need. The cable was sent, but no answer has been received yet. Of course we do not need it now, but no doubt it will come some day and I shall have to pay for it, thus paying for 3 cables when one should have been enough. Now, in the last episode, three cables from China and three from New York have been needed, whereas one cable from you to me asking me to remit through Irving Trust Co. to Bank of Communication at Chunking for the account of Allen, with one cable from Irving Trust Co. and a confirmation from me should have been enough. I am discussing this matter at some length in the hope that you can arrange some way to greatly reduce the loss of time and money. See postscript on page 2.

I have before me a copy of a letter from Mr. Everard Miller, Jr., dated July 19, 1942, in which he gives a vivid picture of the lack of nourishment of the Chinese members of your faculty and particularly of the frail condition of Dr. Wei. At the meeting of the Hua Chung Trustees in October we shall give serious consideration to this report and try to find some way to provide more relief than is included in your 1942-43 budget. I am hoping that your annual report will have been received before that time. I do not know where the additional funds will come from but we shall do our best to provide enough to keep you all in health and safety.

Regarding the inquiry in your letter of April 22 relating to Draft No. 58, I have had the matter investigated in the New York Office of the National City Bank. They advised that their Hongkong Branch cabled on November 20, 1941, that the amount "had been paid" but did not say to whom paid. Now the manager of the Hongkong Branch has arrived in New York and he has reported that according to his recollection the payment of \$1,000 was made to Bishop Hall. Apparently this was not reported to you by either the Hongkong bank or by Bishop Hall's office. The Hongkong Branch credited the Home Office with the \$1,000 and paid it to somebody, thus completing the transaction as far as they were concerned. Therefore the next information will have to come from Bishop Hall. You say in your letter of April 22 that Draft 58 was returned to you by Bishop Hall's secretary. I assume that the draft had not been honored, in which event the Bank must be wrong unless Bishop Hall received \$1,000 which was credited to some other account.

Regarding your balance of about H.K. \$2,325 in the Hongkong Branch, the New York Bank reports that nothing can be done about this until the war is over, but it is believed that this balance will eventually be available for the College. This probably is true of the Hongkong equivalent of \$1,000 if that was in Bishop Hall's account on Dec. 7th. The Hongkong Branch is now being carried on under the direction of the Japanese.

0786

On September 18 I received your letter of July 29 which was enclosed with Dr. Wei's letter of the previous day. I am glad to note that on August 1 you probably had more cash on hand or in the bank than on August 1 of the previous year. This is very comforting even though the respective grants may be out of line. You indicated in your letter a credit of \$10,000 in the Sustaining Fund held by the Foundation as of August 1. This was correct as of March 9, but as reported in my letter No. 32 of August 25 to Dr. Wei, \$3,000 was transferred from the Foundation Account to the Reserve Account on June 30. Also, as reported above, \$5,000 was sent to you through Mr. Allen on Sept. 15, of which \$4,790 is from the Sustaining Fund, leaving a balance of \$2,210. in the 1941-42 Sustaining Fund held by the Foundation as of today. In your letter of July 29 you mention three ways of making up for the deficit in the operating results of the School of Science for 1941-42. I believe this should be made up from the Sustaining Fund. It is understood that balances available in the Sustaining Fund at the end of the College Year are to be used for emergency purposes during the next year and not held for indefinite reserve. We have received no payments from the Associated Boards for Sustaining Fund for the current year, *but I am assured of \$20,000 for you, as in the budget*

Yale-in-China reports expenditures for your account during 1941-42 amounting to 395.85. They paid to me \$1,000 which I deposited in the Reserve Acct. on June 5. They have just paid the balance of 3,604.15 which I am depositing in the Reserve Acct. as of today.

The expenditures reported by Yale-in-China for your account are as follows:

Aug. 1941 - Books ordered by Dr. Hsiao	\$144.51
Sept. 1941 - Pd. Central Scientific Co. for science equipment	186.63
Nov. 1941 - Pd. LeJay Manuf. Co. for books	19.77
Dec. 1941 - Pd. Universum Book Export Co. for books	44.94

*395.85*

In my letter of May 28, 1942 to Dr. Wei (which he has received) I reported the operations of the Joint and Reserve Accounts from Aug. 22, 1941 to May 21, 1942. There have been no changes in either account until Sept. 24 when the balance in the Reserve Account was increased by the Yale-in-China payment of \$3,604.15.

In Dr. Wei's letter his reference to the grant of \$5,000 by the National Council indicates that this is mostly for Theological Training whereas it has been my understanding that this was a fund which you could use as you found necessary. Dr. Sherman is away now so that I cannot clear this up before the meeting on October 15th. I hope this will all be available as an undesignated fund. I certainly would not advise putting it into books at present unless the National Council restricts it.

Mr. Evans has cabled to you for the figures of enrollment which he needs for publicity purposes. I hope you will receive this promptly and be able to answer promptly.

In view of the delay in receipt of your recent letters, I do not expect your annual report to arrive in time for the meeting on October 15, but I can make a fairly intelligent report without it.

Warmest regards to Mrs. Coe and yourself,  
Yours very sincerely,

*Oliver S. Lyford*

P.S. I received on September 25 your cable of Sept. 22 asking me to honor a request from Mr. Franklin for another \$5,000. He has heard nothing about this and we are both waiting further information. I think I know the reason for your request and naturally I hope that your fears will not be realized.

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0787

學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE

CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE IN-CHINA COLLEGE

WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT

October 2, 1942.

Mr. Oliver S. Lyford,  
230 Park Ave.,  
New York,

*Routed same as  
letter 49 of Oct 6.*

*Received Dec 14.*

Dear Mr. Lyford,

*Palatz #10,70  
1 page*

I have just had word from Kunming that the second arrangement through Mr. Allen for five thousand has been completed. I cabled you two weeks ago that there was a possibility of this. In this case the results are even more favorable to the college. I took this step after consultation with Dr. Wei and we felt it wisest to do it, so as to have more than sufficient funds on hand to meet any emergency. With this our requirements should be covered well into the new year. I will keep you informed of developments. ~~With~~

Mr. and ~~Miss~~ Mrs. Miller of the American Church Mission left the college in the summer and are returning to the United States on account of the condition of Mrs. Miller's eyes. I was left with the business of selling off their things here. The problem has arisen of getting the proceeds to them and I think this the best solution. I will take over the Chinese currency here for the college and you can pay them in New York. They are in India at the present time and the people at the Church Missions House will be able to give you information about them. ~~if they~~ When they reach New York will you please pay them US\$1250. from college funds. There may be an additional payment to them later but I wanted to get this word off now in case they got through to New York in good time.

Prospects for the new term are most encouraging. Up to last night the number registered was 129. There are several old students who have signified their intention of returning and are delayed en route. In addition a number of new students are reported to be on their way from Kunming. We would seem to have a good chance of reaching at least 140 and possibly 150 before registration is over. Classes are starting today. The proportion of women students is slightly lower than it was a year ago.

Prospects are good for an excellent harvest in this valley provided that there is not too much rain at the time of the harvest in three or four weeks.

The bonus which the executive committee voted to the faculty at the end of last month was covered within the budget so that does not call for additional funds from your end. I have hopes that there is still some extra which can be used if necessary without calling for anything additional to the amount of US\$ which was passed by the Board of Founders last June. I feel that it is too early in the year to make a close estimate of the average exchange rate for the year but it should be somewhat higher than the estimated 18 of last June.

with best wishes,

*Yours sincerely,  
John L. Lee.*

0788

學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE

CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUPING COLLEGE  
WESLEY COLLEGE  
YALE-IN-CHINA COLLEGE

WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT  
XXXXXXXXXXXX  
Treasurer.

Oct. 12, 1942.

Mr. Oliver S. Lyford,  
230 Park Ave.  
New York, N.Y.

Dear Mr. Lyford,

Dr. Wei has asked me to answer some of the questions which you raised with him in your letter of Aug. 25, 1942. no. 32.

I trust that you have received ere this my letters of August together with the financial report for 1941-42 which will explain my estimates of June. I note that my estimate of cable charges for the remittances in the spring was low and that my figure for the amount in the Joint and Reserve account of US\$2,912.39 should have been US\$2,893.16. This will also reduce the amount to the credit of the Sustaining fund to US\$9,342.64 from the figure of US\$9,361.87 which I had in my report. In addition I note that before the 31st of July \$1,000 had been deposited in the Joint account from Yale-in-China and \$3,000 from the sustaining fund had been deposited in the reserve account. This takes account of the two checks which are outstanding no. 31 for \$8.00 and no. 52 for \$4.91. Nos. 43-44 ~~and~~ were destroyed in the truck fire and were eliminated in an earlier report. no. 46. was cancelled here as Dr. Wei was requested to replace it which he did, ~~and that check has been presented.~~ no. 54-55 were written in August and September 1941 and sent to Kunming. However they were returned to us here and destroyed. Thus so far as I know, there are only the two mentioned above outstanding. We have issued no checks beyond no. 58 and will not do so without further instructions from you.

I am enclosing the top of the first sheet of the letter of credit with this letter which you can return to the National City Bank. The remainder is being destroyed here. The total drawn against the letter of credit was \$2,919.40.

I had supposed that the bill for the books purchased by Dr. Lin had been paid through the New Haven office of Yale-in-China. I am glad to learn that you have paid it and will debit it to the proper account here namely US\$48.89. Mr. Wu was in Rangoon at the same time that Dr. Hsiao was. As I understand it, there was some misunderstanding between Dr. Hsiao and Mr. Wu, or Dr. Hsiao would have brought the books with him when he came from Burma last year. I understand that Mr. Wu turned the books over to a Mr. Ting who was a friend of Dr. Hsiao's but we have been unable to trace them further.

We have on hand forty-two blank checks so that when and if a return to the old procedure should be possible, we are prepared.

In my report of August 1, 1942 I had an item of US\$5,889.89 on hand with the American Church Mission in the Special China Funds. This figure was based on information which I had from the Treasurer of the American Church Mission in Shanghai prior to Dec. 7, 1941. I trust that ere this Mr. Whitney has received a ~~report~~ report from the Shanghai Treasurer which will clear this matter up. This money should be available from New York at any time the college needs it.

In regard to the appropriation from the National Council for the year 1942 the situation is as follows: Up to the middle of July we assumed that it was the same as for the previous year US\$2,000. Then Dr. Wei received word that it had been increased by US\$5,000. However he assumed that the increase was for a specific purpose

Received  
Aug. 14

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and wrote to Dr. Addison in regard to it. Then last week we received word from Mr. Allen that Mr. Whitney had cabled out saying that the appropriation of US\$7,000 for the calendar year 1942 was undesignated and should be used for expenses especially salaries. As soon as the rush of the beginning of the term is over, I will go over the matter with Dr. Wei and make the proper adjustments here. Also I will make arrangements to draw through Allen.

*Rechnung*

We have received this half year's grant from the London Mission, which brings them up to date. The Methodist Mission were up to date through July first and as they usually pay on an annual basis there should be no difficulty in this connection.

Last week Dr. Wei received the remaining C\$20,000 of the gift of C\$30,000 which he had been given for student aid.

*Whitney*

In regard to the NC\$34,212.72 which Mr. Whitney told you that Mr. Allen reported that I had on hand as of June 30, 1942; this money is American Church Mission money which Mr. Allen had on deposit with me for the purpose of making payments for the American Church Mission in this part of the province. It does not represent college funds and is carried on my accounts here as one of the items under deposits-local which you will find in the Chinese \$ balance sheet which I sent you. ~~In fact~~ It is the fact that the American Church Mission had this considerable sum on hand with me which accounted for the large credit under that item in the C\$ balance sheet.

The college term seems to be starting off in good style and everyone seems to be getting right down to work.

So far conditions here have been peaceful and we hope that they will continue in the same way. The few contacts which I have had during the last few weeks with men of our forces show that it is a high caliber of men who have been sent overseas.

With best wishes,

Yours sincerely,

*John L. Coe*

check

P.S. Will you please send a ~~receipt~~ check for US\$125. to Miss Daphne Dunbar, 26 Greenleaf St., Boston, Mass. for Dr. Hsiao and charge against the college account. Dr. Hsiao is settling with me for this check.

*Hsiao*

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November 5, 1942.

Mr. John L. Coe, Treasurer,  
Dear Mr. Coe:

Your letter of August 12, with its enclosures, was received October 5 and your letter of August 19, with its enclosures, was received October 10. On receipt of the first I was able to start on my report and the second came in time for me to be ready for the meeting on Oct. 15th. I want to thank you again for the promptness with which you were able to complete your annual figures and forward them in the nick of time.

I submitted with my report to the Trustees on October 15 a comparative sheet showing how the 1941-42 actual operating figures compare with the budget approved by the Trustees on October 16, 1941 using for the budget figures those which you submitted with your letter of Aug. 19, 1941 plus N.C. \$57,142 which the Trustees added to meet the emergencies which had already developed by October. The actual figures of expenditures for 1941-42 were those which accompanied your letter of August 12, 1942 (a copy of this sheet for you seems unnecessary). The total of actual expenses shown on this sheet was N.C. \$473,640.32 as compared with a budget total of N.C. \$418,991. This difference is recognized to be a measure of the growing inflation and not in any sense an indication of less of control of expenses by you or the college Administration. On the other hand the fact that you are steadily proceeding with the established method of accounting during these times of great disturbance is greatly appreciated. In this connection I might say, that United China Relief is calling on us for a certified accountant's report of financial operations of the College and the Foundation. I have thus far considered that in a sense I have been checking your accounts and you mine, but I believe our position will be stronger if we do have an audit and incidentally this may save me a lot of grief hereafter, for you know what agony I have to go through in preparing reports because I am not an accountant.

For your guidance I am enclosing a copy of the statement of comparative summaries of expenditures and income for the years 1940-41, 1941-42 and 1942-43 as they will appear in the papers which I shall submit to the auditors. I also hand you a copy of the U.S. Balance Sheet for Aug. 1, 1942, with the adjustments which I have made and the sheet showing comparative figures of operating cash at the beginning of the three years. I call your attention particularly to the note under "Sustaining Fund" - \$6,219.41 on page 5 hereof. The Associated Boards have established the following conditions:- First, that the grant by them in any year shall be used only for expenses which are due to the Japanese Invasion and due to the necessity of operating away from the regular campus: Second, that any balance in the Sustaining Fund left at the end of the one year shall be used in the next year or returned to the Associated Boards. Third, that any funds received from sources other than the regular supporting missions, for emergency purposes similar to those of the Sustaining Fund, shall be considered as a part of the Sustaining Fund. (In other words they do not propose to duplicate emergency funds provided from other sources.) These conditions should govern our practice in distributing the extra costs due to the present abnormal conditions. I find that the total actual expenditure of the College in Chinese money in 1937-38 was N.C. \$167,435 of which 55% came from Chinese sources. Therefore it may properly be said that the major part of the increase from about N.C. \$75,000 to about N.C. \$600,000 in the years since 1937-38 is due to the Japanese Invasion. Based on this fact I have charged the excess over \$5,000 in the expenditures of the School of Science to the Sustaining Fund. This is substantially the same as proposed by Dr. Wei in his letter of August 28. I see no particular reason for subdividing the total expense as he proposes, but if this is more in keeping with your practice in the past, it suits me. In my sheet of comparative figures, I used for 1942-43 an exchange rate of 18 to 1. I shall appreciate your advice as to any changes which should be made in this sheet.

In my request to the Associated Boards for U.S. \$21,000 for the Sustaining Fund for 1942-43, I did not take into account any balance in the fund on August 1, 1942. I feared that you might have been obliged to use this to meet the costs of living in the previous months. \$1,000 of this is for expenses of the Trustees' Office, and \$20,000 for the College. It looks as though all of this together with the October balance may be necessary to use in the current year, unless the Chinese Government shall find some way to check inflation. I believe you have been advised that the National Council has agreed that its additional U.S. \$5,000 may be used for sustenance if you find this necessary. To avoid getting this mixed up with the Sustaining Fund, I recommend that all of the Sustaining Fund of the Associated Boards be used first and that the National Council Fund be allowed to remain in Mr. Allen's hands until you find it necessary.

Your U.S. Balance Sheet shows \$5,889.89 in funds held by the American Church Mission. On the other hand Dr. Wei, in his letter of August 28, says that the Shanghai balance of the American Church Mission "would not exceed U.S. \$1,000. Please explain. I would suggest that in future reports you make a distinction between the Shanghai balance and any funds held by Mr. Allen for your account.

0791

November 5, 1942. [2]

The grant of \$5,000 from Yale-in-China is probably all that can be expected while the present conditions in China continue, and the difficulty of securing this amount from the Yale-in-China constituency will grow worse as the war proceeds. This is due to the limited constituency, the competition of the U.C.R. drives and the demands of the middle school and the hospital which are not met by church missions or otherwise. Possibly the assistance to these institutions by U.C.R. and the Chinese Government may modify the budget of Yale-in-China somewhat hereafter.

I am wondering what attitude Dr. Wei is taking with Harvard Yenching Foundation regarding the growing surplus in that account? I should have a copy of Dr. Wei's report to Harvard-Yenching in order to meet any questions which may arise. You did not include the summary of the operations of the Harvard-Yenching Fund with the other figures which accompanied your letter of August 19.

I would also like a general statement about the purchases of equipment and books in 1941-42. I have noted the statements in your letter of August 19, but I do not understand where you were able to obtain these things. I assume that the Science Purchases amounting to N.C. \$91,286.64 must include purchases which have probably been lost in transit. What a job we shall have to provide you with adequate equipment, etc. after the war! We shall do our best. The other statements in your letter of August 19 are clear. My report to the Trustees which included your summaries, modified as mentioned above, was well received. Your detail figures will enable me to answer any questions which may arise later.

I received the draft on the D. & F. M. Society, payable to Mrs. Coe. I will proceed with Mr. Whitney as you request. I have no further information regarding the U.S. \$1,000 which I cabled to Hongkong.

With kindest regards to all, as always,

*Orison S. Lyford*

P.S. I note your request that no funds be cabled to you unless requested by Dr. Wei or yourself. I have only been tempted to do this when information requested from you had been long delayed at a time when war news was ominous. It of course is much better to leave you in full control of the funds of the college. I note that the control of exchange has begun to weaken and shall arrange with Dr. Franklin to reimburse his treasury with any funds which he may be requested to send to you. This has been done with the two requests for U.S. \$5,000 already received through that channel.

The operations of the Joint and Reserve Accounts from March 9 to Oct. 21, 1942, have been as follows:

Joint Account

1942

March 9 - Balance carried forward		2,601.08
June 5 - From Yale-in-China on 1941-42 account		1,000.00
Oct. 21 - Balance on hand		<u>3,601.08</u>

Reserve Account

March 9 - Balance carried forward		10,547.22
June 30 - From Foundation on acct. 1941-42 Sust. Fund		3,000.00
Sept. 24 - Bal. from Yale-in-China 1940-41 account		3,604.15
Oct. 3 - Associated Boards on acct. 1942-43 Sust. Fund		5,250.00
		<u>22,201.37</u>
April 23 - Remittance to Kunming N.C. \$90,909 plus expense	\$5,012.91	
May 29 - " " " " 90,909 " "	5,012.91	
June 2 - Exchange of cables regarding last item	16.41	
Oct. 15 - Paid Franklin to reimburse National Council	<u>5,000.00</u>	15,042.23
Oct. 21 - Balance on hand		<u>7,159.14</u>

On September 15, 1942 I paid Franklin U.S. \$5,000 from the Foundation Account to reimburse National Council for corresponding amount sent to you through Allen. This left \$2,000 in the Foundation Account as the remainder of the 1941-42 Sustainance Fund from the Associated Boards. Hereafter I will pass all Sustaining Funds through the Foundation Account.

0792

HUA CHUNG COLLEGE  
Comparative Costs of Operation  
Year ending July 31  
(See Notes 1 to 3)

October 15, 1942. [3]

	<u>1942-43</u> <u>Budget</u>	<u>1941-42</u> <u>Actual</u>	<u>1940-41</u> <u>Actual-Revised</u>
<b>Expenditures</b>			
Administration	N.C.\$ 72,166	N.C.\$ 63,042.38	N.C.\$ 32,001.73
Operation & Maintenance	29,800	28,017.17	16,774.28
School of Arts - Personnel	103,764	89,216.85	43,501.40
Equipment & Books	17,500	19,392.48	13,500.00
School of Education - Personnel	20,964	21,071.16	10,713.00
Equipment & Books	7,820	9,397.28	7,466.02
School of Science - Personnel	87,496	78,681.90	47,321.72
Equipment & Books	70,700	91,286.64	62,000.00
Physical Education & Military Training	15,284	7,166.45	4,388.39
Scholarships	19,500	13,889.26	8,299.60
	<u>444,994</u>	<u>421,161.57</u>	<u>245,966.14</u>
Extras due to location at Hsichow	60,560	52,418.85	41,948.65
Emergency Fund	125,000	In above total	In above total
New Hostel for Men	15,000	-	-
	N.C. <u>\$645,554</u>	N.C. <u>\$473,640.42</u>	<u>\$287,914.79</u>
<b>Income Used in Operations</b>			
<u>Western Sources</u>			
London Missionary Society	N.C. 1,000	N.C. 1,000.00	N.C. 1,000.00
Methodist Missionary Society	3,400	3,400.00	3,854.00
American Church Mission	35,000	16,535.00	10,870.00
Miss Johnston's Grant	50,000	25,715.33	17,797.33
Reformed Church Mission	30,000	27,794.38	16,648.06
Yale-in-China	90,000	90,000.00	101,711.72
Total from Contributing Missions	<u>209,400</u>	<u>164,444.71</u>	<u>151,861.11</u>
Scholarships from Abroad	6,400	4,243.75	2,130.00
Harvard Yenching Grant	60,000	61,055.46	24,644.70
Associated Boards - Sustaining Fund	342,754	211,556.34	89,401.15
Total from Western Sources	<u>618,554</u>	<u>441,300.26</u>	<u>268,056.96</u>
<u>Local Sources</u>			
Chinese Government Grant	20,000	17,491.81	11,555.33
Local for Scholarships	2,000	5,400.00	3,100.00
Bank Interest & Remittance Fees	4,000	4,089.60	4,253.00
Miscellaneous Fees	1,000	1,673.75	949.50
Unspecified	-	3,685.00	-
	N.C. <u>\$645,554</u>	N.C. <u>\$473,640.42</u>	N.C. <u>\$287,914.79</u>

Note 1 - These figures do not include the salaries and expenses of western personnel which are paid direct by the respective missions.

Note 2 - All items budgeted in U.S. currency have been converted to Chinese National Currency at rates current in each year.

Note 3 - The figures of 1942-43 budget expenditures are taken from Mr. Coo's figures dated April 1942. The 1942-43 budget income figures are substantially the same as those approved by the Founders' Executive Committee. The 1941-42 actual figures are as reported by Mr. Coo on August 11, 1942. The 1940-41 actual figures are the corrected figures reported by Mr. Coo on April 22, 1942.

0793

U.S. Balance Sheet as of August 1, 1942  
 Mr. Coe's figures in his sheet dated August 11, 1942  
 with adjustments by Mr. Lyford

	Dr. U.S. \$	Cr. U.S. \$
Sustaining Fund		6,219.41
Board of Founders Special		278.57
Johnston Fund for School of Arts		18,044.68
Harvard-Yenging Fund		9,774.92
Yale-in-China School of Science Reserve		15,744.08
President's Discretionary Fund		219.99
Practice School		2,816.13
Relief Fund		252.00
Scholarships		75.99
Theme Fund		461.42
Science Museum		200.00
Arts Book Fund		441.30
Biology - China Foundation		219.42
Music		635.78
Education Book Fund		418.67
Deposit Account		607.02
Prector-Johnston Land & Bldg. Fund		1,207.43
Joint and Reserve Accounts in New York	6,893.16	
American Church Mission (Sp.Ch.Funds)	5,889.89	
Domestic & Foreign Miss. Society	20,000.00	
Central China College Foundation	7,000.00	
Receivable from Yale-in-China	3,604.15	
Drafts on Hand in Hsiehow	1,441.17	
Equivalent of deposit in Hongkong	1,580.00	
"    "    "    " Rangoon	483.00	
"    "    "    " Kunming, Hsiakwan and Cash	10,725.44	
	<u>57,616.81</u>	<u>57,616.81</u>

All of the funds in the above statement are Operating Funds except the last credit item of \$1,207.43 which is a balance held by the American Church Mission for building purposes. The item contra to this appears in the second item, \$5,889.89, on the debit side of the above statement.

The following paragraphs explain the differences which appear in the above statement, as compared with the corresponding statement of Mr. Coe, dated August 11, 1942 in which he said "When the final report is received from Mr. Lyford, an adjustment will be necessary."

<u>Joint and Reserve Account in New York \$6,893.16</u>		
<u>1942</u>	<u>Joint Account</u>	
May 21 - Balance		2,601.08
June 5 - Deposit - Yale-in-China Acct.		1,000.00
July 31 - Balance		<u>3,601.08</u>
<u>1942</u>	<u>Reserve Account</u>	
May 21 - Balance		5,334.31
June 30 - Deposit - Central China College Foundation		3,000.00
		<u>8,334.31</u>
May 21 - Cost of Cabling U.S. \$5,000 to China	5,012.91	
June 2 - Cost of exchange of cable messages (N.C.B.Co.)	16.41	
July 31 - Balance		<u>3,304.99</u>
July 31, 1942 Combined Balance as per bank statements		<u>6,906.07</u>
Deduct from Joint Account outstanding checks #31-		
\$8.00 and #52 - \$4.91		12.91
		<u>6,893.16</u>

0794

[5]

	<u>Receivable from Yale-in-China \$3,604.15</u>	
June 1, 1942 - Grant for 1942-43		\$5,000.00
5, Check of Yale in China deposited in Joint Account		<u>1,000.00</u>
		4,000.00
Payments made by Yale-in-China for account of College		
Aug. 1941 - Books ordered by Dr. Hsiao	\$144.51	
Sept. 1941 - Central Scientific Co. for science equip't.	186.63	
Nov. 1941 - LeJay Manuf. Co. for books	19.77	
Dec. 1941 - Universum Book Export Co. - books	<u>44.94</u>	395.85
		<u>3,604.15</u>

This balance was paid into the Joint Account on Sept. 25, 1942.

Sustaining Fund - \$6,219.41

The changes in Joint & Reserve Account item, Central China College Foundation item and Yale-in-China item, as compared with corresponding items in Mr. Coe's report, result in a net increase of \$384.92 in the total of debit items. This should be added to the credit figure of the Sustaining Fund. The Yale-in-China contribution for 1941-42 was necessarily limited to \$5,000. The reason is that the emergency demands of the Yale Middle School, which have not been provided for by the Associated Boards have had to be met by Yale-in-China. Furthermore, it is important that the School of Science Reserve be held at the Aug. 1, 1941 figure if possible. On the other hand, the Sustaining Fund received from the Associated Boards is for use in the year in which contributed or in the next year. This fund is not otherwise restricted. In Mr. Coe's figures, Yale-in-China was assumed to have paid \$8,527.28 towards the operating cost of the School of Science. For the above reasons the excess in this item over \$5,000, or \$3,527.38 has been transferred from the School of Science Reserve to the Sustaining Fund, thus reducing the balance in this fund, as of August 1, 1942, by this amount. The change in the Sustaining Fund item is therefore a reduction of \$3,527.38 plus an addition of \$384.92 as compared with Mr. Coe's figure of \$9,361.87.

School of Science Reserve

For the above reasons Mr. Coe's figure of \$12,216.70 has been increased to \$15,744.08 which is the same as on August 1, 1941.

HUA CHUNG COLLEGE  
Operating Cash on Hand  
U.S. Currency

	<u>Aug. 1, 1942</u>	<u>Aug. 1, 1941</u>	<u>Aug. 1, 1940</u>
Associated Boards - Sustaining Fund	\$ 6,219.41	\$ 6,219.34	\$ 6,145.00
Board of Founders - Special	278.57	278.57	279.00
Johnston Fund for School of Arts	18,044.68	14,458.54	15,314.00
Harvard-Yenching Fund	9,744.92	8,218.27	4,801.00
Yale-in-China - School of Science Reserves	15,744.08	15,744.08	15,720.00
Yale-in-China - School of Sabbatical Reserve	-	607.50	607.00
President's Discretionary Fund	219.99	1,043.14	102.00
Practice School	2,816.13	1,988.34	245.00
Relief Fund	252.00	252.00	252.00
Scholarships	75.99	75.99	76.00
Theme Fund	461.42	858.76	973.00
Arts Book Fund	441.30	420.05	436.00
School of Science Research & Book Fund	-	640.83	583.00
Science Museum	200.00	200.00	200.00
Biology - China Foundation	219.42	219.42	219.00
Music Fund	635.78	695.02	710.00
Chemistry - China Foundation	-	-	702.00
Education Book Fund	418.67	-	-
Deposit Account	607.02	37.91	-
	<u>\$56,409.38</u>	<u>\$51,867.76</u>	<u>\$47,364.00</u>

0795

Hua Chung College, Financial summary 1940-43.  
expenditure in CNO\$

	budget proposed 1942-43	estimated for 1941-42	actual for 1940-41
Administration	\$72,186.	53,600.	32,001.73 ✓
Operations and Maintenance	29,800.	29,400.	16,774.28 ✓
School of Arts-Peronnel	103,764.	84,000.	43,501.40 ✓
Books and Equip.	17,500.	20,300.	12,800.00 ✓
School of Education-Personnel	20,964.	21,000.	10,713.00 ✓
Books and Equip.	7,820.	9,500.	6,966.02 ✓
School of Science-personnel	87,496.	72,000.	47,326.72 ✓
Equip.Main.Books	70,700.	90,000.	56,400.00 ✓
Physical Ed. and Military Train.	15,284.	6,000.	4,388.39 ✓
Scholarships	19,500.	15,000.	8,299.60 ✓
	<u>444,994.</u>	<u>400,800.</u>	<u>239,166.14</u>
Extra due to location in Hsichow			
Kunming office	3,000.	1,000.	6,190.20 ✓
rentals for hostels, Adm. staff	12,280.	6,000.	1,507.99 ✓
transportation, truck upkeep	5,000.	3,500.	4,276.40 ✓
part of medical	7,000.	10,000.	5,000.00 ✓
part of power and light	10,000.	10,000.	10,000.00 ✓
promotion	23,280.	11,000.	7,317.67 ✓
total extras	<u>60,560.</u>	<u>41,500.</u>	<u>7,556.39</u>
Emergency Fund	125,000.		
for new hostel for men	15,000.		
Grand total expenditure	<u>645,554.</u>	<u>442,300.</u>	<u>281,114.79</u>
		Income used in operations.	
Contributing missions.			
London Missionary Society	1,000.	1,000.	1,000.00
Methodist Missionary Society	3,400.	3,400.	3,854.00
American Church Mission	20,982.	16,950.	10,870.00
" " " Miss Johnston	40,750.	30,000.	17,097.33
Reformed Church Mission	26,000.	20,500.	16,148.06
Yale-in-China	145,208.	156,000.	96,111.72
	<u>237,340.</u>	<u>227,850.</u>	<u>145,081.11</u>
Scholarships from abroad			
Harvard-Yenching	66,406.	4,200.	2,130.00
to be found by trustees	333,400.	64,500.	24,644.70
Local sources.	<u>637,146.</u>	<u>132,750.</u>	<u>89,401.15</u>
Chinese Gov. grant for sal.			
Local for scholarships	3,500.	5,000. (Aug. Dec)	11,555.33
Back int. and Remittance fees		5,500.	3,100.00
Miscellaneous fees		2,000.	4,253.00
Research Fund C. Chow	4,960.	500.	949.50
grand total income.	<u>645,554.</u>	<u>442,300.</u>	<u>281,114.79</u>
		Foreign salaries not included in the above.	
American Church Mission	5	4	2
London Missionary Society	2	2	2
Methodist Missionary Society	1	1	1
Reformed Church Mission	2	2	2
		Staff distribution as follows:	
Administration	14 2/3	13 2/3	11 2/3
Arts	17 5/6	15 5/6	15 1/3
Education	6	7	6
Science	11 1/2	11 1/2	13
Physical Education and Military Tr.	2	2/3	2
	<u>52</u>	<u>48 2/3</u>	<u>47 1/2</u>

All budgeted items in US\$ have been converted to C\$ at the rate of 18 to 1.

April 1942

John L. Lee  
Treasurer

0796

superceded  
see sheet dated Aug 11  
attached to letter of Aug 12 [6]

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CO-OPERATING UNITS  
BOONE COLLEGE  
GRIFFITH JOHN COLLEGE  
HUIFING COLLEGE  
WESLEY COLLEGE  
YALE-IN-CHINA COLLEGE

學 大 中 華 立 私  
HUA CHUNG (CENTRAL CHINA) COLLEGE  
WUCHANG, CHINA  
TEMPORARILY IN HSICHOW  
VIA TALI, YUNNAN, CHINA

室 長 校  
OFFICE OF THE PRESIDENT  
Treasurer

November 17, 1942

Mr. Oliver S. Lyford, Treasurer  
230 Park Avenue  
New York City, U.S.A.

Dear Mr. Lyford:

Thank you for your letter of September 25. For the present I think that the following will be the best procedure for the remittance of funds from the United States to the college:

If it proves possible, I shall continue to work through Mr. Arthur J. Allen in Kunming, West China treasurer of the American Church Mission, as I did in September. I shall not cable directly from here, but will you please honor any request which may come to you from Mr. Allen via Dr. Franklin. In case this method does not work, we shall cable directly to you. Unless an unforeseen emergency should arise, I do not expect that it will be necessary for the college to have any remittance from the United States before sometime in January or February. If the present situation should improve greatly, I will be able to reduce the large cash balance I have to carry on hand here at present. In that case I should be able to put off a month or so longer the request for funds from the United States.

I have followed out your suggestion of charging the deficit in the Yale School of Science for the year 1941-42 to the Sustaining Fund. I have also revised my statement of August 1 in accordance with the actual expenditure made by the New Haven office of Yale-in-China for the college. I have made a revision of the summary income and expenditure for the year 1941-42 in the light of your letter, which is enclosed herewith. A copy of this has been sent to Dr. Cressy. I have also made a revision of the U.S. Dollar Balance Sheet as of August 1, in the light of the revision mentioned above and the information you have sent me of the balances in the various bank accounts of the college.

At Dr. Wei's request I have prepared an estimate of expenditures of the college for the current academic year. I realize that the total of N.C.\$720,000 is considerably in excess of the budget figure of N.C.\$645,000. However, I expect that it will be possible for the college to cover the N.C.\$720,000 with the same amount of U.S. currency as it was originally expected would be needed to cover N.C.\$645,000 when the budget was discussed by the Board of Founders last June. Thus unless local conditions should make it necessary to increase the subsidies a great deal more than seems likely at the present time, it will not be necessary to draw on the college reserves, if the U.S.\$34,000, which was approved last June, is available for the college.

I am expect to arrange with Mr. Allen in Kunming to draw the U.S.\$7,000 appropriated by the National Council for the college for the calendar year of 1942. I will write you later in regard to this.

I note what you say about the Hongkong account, and we will simply have to be patient about that until after the war.

My wife joins me in good wishes for the Holiday Season.

Sincerely yours,

*John L. Coe*

Enc.  
JLC/MRC

0797

*Received  
Jan 15, 1943*

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Hua Chung College estimated expenditure for the academic year 1942-43. [23]

	C\$	Foreign Salaries.
Administration	\$104,000.	2 1/6
Operations and Maintenance	40,000.	
School of Arts-Personnel	136,000.	1 2/3
Books etc.	18,000.	
School of Education-Personnel	29,000.	2
Books etc.	8,000.	
School of Science-Personnel	132,000.	1/2
Equipment etc.	71,000.	
Physical Ed. and Mil. Training	15,000.	
Scholarships	20,000.	
extras due to location in Hsichow	76,000.	
	<hr/> 649,000.	<hr/> 7
probable necessary increase in subsidy <del>from July 1942</del> thru July 1943.	71,000.	
	<hr/> 720,000.	

The estimates above are on the basis of the scale of subsidies prevailing in the college at the present time. However prices are still continuing to rise in this valley and there will probably be needed an increase in subsidies to the faculty before long. On the basis of past experience and what looks like the present tendencies the last item has been added to the above estimate.

If an estimate is desired of the expenditure through March 31, 1943 approximately two-thirds of the above total would be in order. While the amount for subsidies might be slightly higher for the last third of the academic year, the expenditure for non-salary and non-wage items will be heavier in the first ~~2/3~~ two-thirds of the year.

On the basis of the college income from ~~xxxx~~ its contributing missions, and from foundations it is estimated that C\$400,000 will be needed from the sustaining fund to balance the above budget.

Hsichow, Nov. 16, 1942.

*John L. Coe*  
Treasurer.

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Hua Chung College, US\$ balance sheet as of Aug. 1, 1942 revised in the light of the information contained in Mr. Lyford's letter of Sept. 25, 1942.

US\$ Dr.	US\$ Cr.
Sustaining fund	6,069.41
Board of Founders Special	278.57 -
Johnston Fund for School of Arts	18,044.68 -
Harvard-Yenching Fund	9,774.92 -
Yale-in-China School of Science Reserve	15,744.08
President's Discretionary Fund	219.99 -
Practice School	2,816.13 -
Relief Fund	252.00 -
Scholarships	75.99 -
Thorne Fund	461.42 -
Science Museum	200.00 -
Arts Books Fund	591.21
Biology-China Foundation	219.42 -
Music	635.78 -
Education book fund	418.67 -
Deposit a/c	607.11 -
Proctor-Johnston Landand Bldg.	1,207.43 -
Joint and Reserve a/c in New York	6,893.16
American Church Mission (Spec. Ch. Funds)	5,889.89
Domestic and Foreign Missionary society	20,000.00
Central China College Foundation	7,000.00
Receivable from Yale-in-China	3,604.15
Drafts on hand in Hsichow	1,441.17
equivalent of dep. in Hongkong	1,580.00
" " " " Rangoon	483.00
" " " " Kunming, Hsiakwan, cash	10,725.44
	57,716.81
	57,716.81

[3] 6,219.41

441.30

Admitted from my report of Oct 24 because not an operating acct

7977

Drafts outstanding on the Joint account are no. 31. \$8.00  
52. 4.91

The Hongkong account is unavailable at present.

The bulk of the Rangoon account has been salvaged and converted into C\$. There is less than Rs. 100/ still in it.

The funds in Hsiakwan and Kunming are available for use at any time.

Nov. 16, 1942.

*John L. Coe.*  
Treasurer.

57,716.81  
1,207.43  
56,509.38

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[4]

Hua Chung College, income and expenditures of operation Aug. 1, 1941 - to Aug. 1, 1942.

	Income.		Foreign salaries.
Western sources	C\$		
contributing missions			
American Church Mission	16,535.00 ✓		4
" " " Miss Johnston	25,715.33 ✓		2
London Mission	1,000.00 ✓		1
Methodist Mission	3,400.00 ✓		2
Reformed Church Mission	27,794.38 ✓		
Yale-in-China	94,538.61 ✓		
Total contributing missions	168,983.32	90,000 164,444.71	9
Harvard-Yenching Foundation for scholarships sustaining fund	61,055.46 ✓ 4,243.75 ✓ 294,290.52	211,536.34 441,300.26	
total western sources.	438,573.05		
Local Sources.			
local for scholarships	3,681.00 ✓		
government for scholarships	5,400.00 ✓		
government for salaries	1,000.00 ✓		
miscellaneous fees	16,491.81 ✓		
bank interest	1,673.75 ✓		
total local sources	4,089.60 ✓ 32,340.16	473,640.42	
Grand total income	470,913.21		9
	Expenditure		
Administration	63,042.38 ✓		2 1/6
Operation and Maintenance	28,017.17 ✓		
Physical Ed. and Mil. Training	7,166.45 ✓		
Scholarships	13,889.26 ✓		
School of Arts-Personnel	89,216.85 ✓		2 2/3
Books etc.	19,392.48 ✓		
School of Education-Personnel	21,071.16 ✓		3
Book etc.	9,397.28 ✓		
School of Science -Personnel	78,681.90 ✓		1/2
Equipment etc.	88,559.43 ✓		
extras due to location in Hsichow	52,478.85 ✓		
	470,913.21	91,286.64 473,640.42	9

*John L. Owen*  
Treasurer.

Note: in all three schools under the item of books and equipment a certain amount of the expenditure was in US\$. However for convenience these expenditures have been included in the summary above at the rate of 18 to one.

Note: This revision has been made on Nov. 16, 1942 in the light of Mr. Lyford's letter of Sept. 25, 1942 and the information contained therein.

*Joe*

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