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Lingnan
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Harvard-Yenching Institute
1927-1932

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KENEFICK, COOKE, MITCHELL & BASS

ATTORNEYS AT LAW

MARINE TRUST BUILDING

DANIEL J. KENEFICK THOMAS R. WHEELER
WALTER P. COOKE CHRISTOPHER BALDY
JAMES MCC. MITCHELL ALEXANDER DAVIDSON
LYMAN M. BASS JOHN L. KENEFICK
EDWARD H. LETCHWORTH FRITZ FERNOW
 ALLEN KEENEY

BUFFALO, N.Y.

GEORGE F. PHILLIPS WILLIAM M. FAY
WILLIAM C. WARREN, JR. DANIEL WEBSTER
DANIEL J. KENEFICK, JR. GEORGE F. PLIMPTON
THOMAS F. FANNING ARTHUR J. PIER
 JAMES J. MURPHY

August 6, 1927.

Dr. Charles K. Edmunds,
American Director,
Lingnan University,
150 Fifth Avenue,
New York City.

Re Charles M. Hall Estate

Dear Dr. Edmunds:

Mr. Wheeler and I appeared in behalf of the Lingnan University at the final hearing in the Hall Estate yesterday afternoon at Niagara Falls. Mr. Johnson, one of the trustees, was also present with Mr. Cohn and Mr. Robillard. The attorneys for the Peking University also filed a notice of appearance.

After Mr. Cohn had presented his case to the Surrogate, Mr. Wheeler made a short statement to the court of the position of the Lingnan University as one of the proposed beneficiaries. The Surrogate signed the decree in exactly the form we asked for, providing specifically that the words in the will expressing the testator's "desire" regarding the distribution of the funds to Lingnan University, among others, were merely precatory, and that the selection of the beneficiaries was in the absolute discretion of the trustees. This clears up the situation completely as far as the Lingnan University is concerned.

Mr. Johnson advised us that the checks on account of income would go out to you and other beneficiaries today. The payments on account of principal would be made shortly, pending the determination by the attorneys for the trustees of the question whether the Attorney General should be cited in a proceeding to bar for all time any claim that he may have in the future. This question was raised by Mr. Cohn. We do not believe that such a proceeding is necessary, but in order that there may be no uncertainty about it, we shall examine the question in detail and report to the trustees within a few days. We shall let you know what our decision is.

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Dr. CKE

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8/6/27.

We shall forward to you a copy of the decree in due course. We enclose herewith confirmation of telegram sent you today.

Very truly yours,

Geo. F. Blimpton

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Enc.

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HARVARD-YENCHING INSTITUTE

MARCH 5, 1928

The gift of \$2,000,000 from the estate of Charles Martin Hall of Niagara Falls for a fund to be used in the promotion of Chinese-American understanding should serve as an important contribution to the development of a more intelligent and sympathetic relationship between this country and the Chinese Republic. That vast country with its tremendous economic possibilities is now ravaged by civil war, but some day it will work out its destiny and take its place as a Power among the nations of the world. Any move which is made to tighten the bonds which now bind the United States and China will in that day be doubly and trebly important, for where China stands in relation to the West will eventually be of the utmost significance.

We hear again and again of the clash between the Occident and the Orient, but mutual understanding should go far toward eliminating those potential dangers which are conjured up for us on the shores of the Pacific.

The purpose of the fund is to further the study of Chinese culture through the endowment of departments on this subject at Harvard and at Yenching University, Peking. It will in some part do for advanced studies what the Boxer indemnity fund has done for general educational work. Much of China's interest in things American may be traced to the influence of the scholarships provided from this indemnity fund, and if its success in promoting international good will is any criterion, the new foundation should have beneficial results.

Today it is just as important that we should learn about China as that China should learn about us. To the extent that the Hall Foundation serves this purpose it will aid in placing our relations

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HARVARD-YENCHING INSTITUTE



March 30, 1929.

Board of Trustees, Lingnan University,
150 Fifth Avenue,
New York City.

Gentlemen:

Your institution is named as one of the beneficiaries of the income from certain funds which Harvard-Yenching Institute has recently received from the Trustees under the will of the late Charles M. Hall. The income from this fund is to be distributed by the Institute quarterly on the first days of August, November, February and May. The first remittance will be sent to you on or about May first and will include income accrued from January 1, 1929.

Under the terms of the gift imposed by the Hall Trustees, Harvard-Yenching Institute must prescribe and approve the purposes and manner in which you are to use the income. It is obviously too early for the Institute to prescribe other than general purposes. Accordingly until further notice the income is to be used for the purpose of strengthening your instruction in Chinese language, literature and history and purposes which in the judgment of your Board of Trustees are incidental thereto.

We, however, consider that the intent of the gift is that your institution may be put in a position to cooperate effectively with Harvard-Yenching Institute in the field of higher education in China, and in the future an effort may be made to carry out this intent by prescribing the purposes for which the money is to

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be used with more exactitude. In this connection the Institute will welcome any suggestions from your Board of Trustees as to the purposes for which your institution desires to use the income.

It is expected that the purposes specified in this letter will cover the use of income received prior to the end of the next succeeding fiscal year, viz., June 30, 1930. In February 1930 further suggestions as to the use of income for the ensuing fiscal year will be invited.

The income is to be expended through your appropriate officers and under the supervision of your Board of Trustees. You are requested to submit to the Institute in October of each year a statement in reasonable detail indicating the purposes for which the income received during the preceding fiscal year ending June 30th has been used.

Will you kindly inform our Treasurer at 50 State Street, Boston, Mass., of the name, title and address of the person to whom remittances should be made.

Yours very truly,

HARVARD-YENCHING INSTITUTE

By Roland W. Doyne
Chairman of the Trustees.

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June 10, 1929.

Dr. Eric M. North,
American Bible Society,
Astor Place, New York City.

My dear Dr. North,

I am writing in connection with your conference with Mr. Davis and Mr. Johnson relating to the question of income from Hall Estate funds for the six months ending December 31, 1928. The facts on which any conclusions reached by the Trustees of the Harvard-Yenching Institute should be based are summarized below.

When estimates were prepared of current receipts and expenditures of Lingnan University during the fiscal year 1928-29, there was included an estimated receipt of \$30,000. from the Hall Estate for the six months ending December 31, 1928. The budget provided for the expenditure of this amount both for general purposes and for carrying on work in the departments of Chinese studies. For several years the University had received semi-annual payments of \$30,000. each from the Hall Estate, and there was a general understanding that these payments would be continued until an endowment fund of \$1,000,000. had been turned over to, or set aside for, the University.

For the half-year ending December 31, 1928, the usual income payment from the Hall Estate was not received. Since the current expenditures during that period were approximately equal to the budget estimates, this has created a deficit of \$30,000. in the University's current funds. Should any portion of this deficit not be provided for this year, it will demand a corresponding curtailment of future work.

On December 28, 1928 there was received from the Hall Estate a direct endowment fund of \$700,000, consisting chiefly of securities, together with a small amount of cash. All matured coupons had been clipped, and all dividends had been collected. However, the accrued but unpaid interest on the securities received amounted on December 31, 1928 to \$9,930.10, as shown by the attached schedule.

We will very much appreciate it if you will present these facts to the Trustees of the Harvard-Yenching Institute for their consideration, and for whatever action they may find to be in order. I am sure that whatever decision is reached by the Institute will prove satisfactory to the University.

Very sincerely yours,

American Director

ODW/G
Enc.

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HARVARD-YENCHING INSTITUTE



Cambridge, Mass.
July 2, 1929

Lingnan University
150 Fifth Avenue
New York City

Gentlemen,

I have been instructed to inform you that at a meeting of the Executive Committee of the Harvard-Yenching Institute the following vote was passed:

"That in replying to the letters from the institutions which are beneficiaries of the fund of \$1,900,000 the Secretary be instructed to state that it was the intention of the Trustees that funds from the Institute should in general be used to strengthen departments of Chinese language, literature, and history. It is assumed that each institution benefitted is in fact spending some money for this work. It was not the intention of the Institute to displace these expenditures and make amounts so displaced available for other departments. The Institute further assumes that over a period of years the departments thus enlarged will grow and be strengthened with the other departments of the institutions. The Trustees of the Institute do not wish this year to impose any definitive limitations other than those expressed in the original communication, but they feel that they should call attention to the dangers involved in starting on a policy inconsistent with that defined above."

Yours very truly,

Howard C. Hollis
Secretary.

*Copy sent Dr. Henry
July 3, 1929
Copy sent. Tolson,
Mills, Tolson &
Ames & Edwards
7/11/29*

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HARVARD-YENCHING INSTITUTE



50 State Street

Boston, July 10, 1929.

Mr. B. A. Garside, Treasurer,
Lingnan University,
150 Fifth Avenue,
New York.

Dear Mr. Garside:

Pursuant to a vote of the Executive Committee, I enclose herewith a check for \$20,069.90 on the capital of the General fund, to make good the difference between the accrued interest received by Lingnan University from the Hall Estate on December 28, 1928, and \$30,000. I also enclose a voucher which I shall be much obliged if you will sign and return.

Yours very truly,

Treasurer

Dr. 20,069.90 enc.
Enclosures

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HARVARD-YENCHING INSTITUTE



50 State Street

Boston, July 10, 1929.

Mr. B. A. Garvide, Treasurer,
Yenching University,
150 Fifth Avenue,
New York

Dear Mr. Garvide:

I enclose herewith a check for \$20,000.00 on the capital of the
General Fund, to make good the difference between the amount
interest received by Yenching University from the Hall Estate on
December 28, 1928, and \$20,000.00. I also enclose a voucher which
I shall be much obliged if you will sign and return.

Very truly,
Yours very truly,

Treasurer

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December 26, 1929

Professor George Grafton Wilson,
Department of International Law,
Harvard University,
Cambridge, Mass.

Dear Dr. Wilson:

Thank you for your letter of December 21 and for your telegram of the 24th. I have just wired that I shall come up Monday, and hope that will be perfectly convenient.

As I wrote you last week, I am very anxious to have a chance to meet Dean Chase and Dean Donham as directors or trustees of the Harvard-Yenching Institute, and should like to ~~have~~ if possible, with you present and, if you think fit, with Professor Holcombe present as well.

I should like to meet these gentlemen in any case on account of their being on the Harvard-Yenching Board, but my particular anxiety is due to a situation which has arisen in respect to the \$300,000 designated by the Hall Estate Trustees as for the use of Lingnan University. We have just been advised from Canton that Dr. Woods has expressed the opinion that the interest of this \$300,000 is applicable only to research in Chinese literature, philosophy, history, etc., and should be used primarily if not entirely in paying the salaries of Chinese in such work, and not Americans.

If this is correct, an awkward situation arises for us in this respect. We had been receiving the interest from the Hall Estate on \$1,000,000, of which this \$300,000 was a part, for some three years prior to the payment over of the principal, of which \$700,000 was paid directly to our Board of Trustees in New York, and \$300,000 to the Harvard-Yenching Institute, but designated as to us. For practically two years therefore we had the use of the income with no limitations of any sort as to its application. Since the actual turning over of the securities took place, which resulted in a slight reduction of the income, we have been using it in just the same way as before. If, however, it turns out that some quite different use has to be made of the income on this \$300,000, our American Trustees will find themselves in an extremely awkward situation.

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The situation is made still more difficult by the fact that one of the main points of our present arrangement is that our American contribution is primarily in terms of non-Chinese staff, and financial contributions beyond that are made for various phases of the work such as buildings and equipment. Furthermore, when entering into our agreement and undertaking to maintain a certain minimum of foreign staff, naturally the \$15,000 of income from the \$300,000 was considered as being available.

This in brief is what is on my mind. I am anxious to meet Dean Chase and Dean Donham in order to make this situation clear to them, and also in order that they may get a better idea of Lingnan University than they probably have now. I have no thought of trying to elicit from them any expression of opinion or promise to help. It is simply that when the matter finally comes up before some meeting of the Harvard-Yenching directors, they will be in a better position to know the facts in the case. I believe that we are by no means the only institution affected in this way, though our difficulty is aggravated by their being no possibility of interchange of expenses as between our Chinese Directors and our American Trustees, which would enable us to offset in some way the possible loss of \$15,000 income.

You will appreciate, I think, the reason for my wishing to see Dean Chase and Dean Donham in the way in which I have requested. I am trying independently to get a conference with Mr. Boyden, the Chairman of the Board, and would rather see him separately. I am writing to him to find out whether sometime Monday forenoon, at his office, will be acceptable.

I am a little uncertain as to the time of my reaching Boston, and may perhaps arrive late Sunday night and stay with my brother-in-law at Milton. If I do this, I shall call up your home about 8.30 Monday morning, hoping that that will not be too early, and in this way find out just what the plans for the day are.

Appreciating very much your kindness and with warm regards to Mrs. Wilson and yourself, I am

Very sincerely yours,

JMH:RL

James M. Henry
PROVOST

Duplicate c/o Matson Steamship Co., San Francisco, Cal.
"Arriving S.S. Matsonia- Jan. 6"

January 2, 1930

Dr. James H. Woods,
c/o Palace Hotel,
San Francisco, Cal.

My dear Dr. Woods:

It is a great disappointment to me that I am unable to be in San Francisco when you arrive. On account of pressure of duties at this end, I have had to delay my sailing for China until the PRESIDENT LINCOLN, January 17. I expect to be in Chicago, roughly from January 11 to the evening of January 13, and am wondering whether there might be a chance of having a short visit with you when and if you pass through that city.

I shall appreciate greatly your sending me a telegram (Collect) just as soon as you know your own train schedule East, and I shall then do my best to see what I can do about adjusting my own movements accordingly.

I am particularly anxious, as you must know, to see you. I have been fortunate enough to meet Mr. Boyden and your colleagues, Dean Chase and Dean Donham. I have the feeling that our own particular difficulty is in a sense a technical one. If our American Trustees were responsible for the whole budget of the whole institution as they were until the summer of 1927, it would have been merely a matter of bookkeeping to meet the proposed requirements of the Harvard-Yenching Board. By virtue of the particular arrangement under which we now operate, and which I think personally is the soundest and most nearly "fool-proof" arrangement that exists, we are unable to arrange our bookkeeping so as to meet the situation. I feel confident that some solution is possible, but am most anxious to have a good talk with you in the matter.

I am so glad you were able to come to Canton, and have had most enthusiastic letters about the visit of Mrs. Woods and yourself. I am only sorry that I could not have been there myself to help welcome you both.

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Dr. James H. Woods

Page 2.

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I am sending this letter in duplicate, both to your steamer and the hotel, so as to make sure of getting in immediate touch with you.

Hoping that I may be able to see you in Chicago,

Very sincerely yours,

JMH:SA

James M. Henry
Provost

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January 3, 1930

Dr. James H. Woods,
Palace Hotel,
San Francisco, Cal.

Dear Dr. Woods:

Supplementing my letter to you of yesterday, I wish to send you the enclosed informal memorandum which speaks for itself. I have marked it "Confidential" because it is subject to some revision in form, though not probably as to content, by members of our Board of Trustees. I have drawn it up at the suggestion of Dean Donham purely with the purpose of getting the main facts in our situation before the members of your Board prior to your next meeting. It probably contains little that is new to you, but since we expect to put this in the hands of the other members of the Board, you should have one also.

Please understand that we are not making any effort to do anything beyond getting the facts into your hands. I am personally hopeful that your visit to Canton will bear out our own contention and feeling that we have achieved an exceptionally happy and successful relationship with the Chinese.

Looking hopefully to seeing you in Chicago, I am,

Very sincerely yours,

JMH:SA
Enc.

James M. Henry,
Provost

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Informal Memorandum
regarding
Lingnan University (Canton Christian College)
with reference to the Hall Estate and
the Harvard-Yenching Institute.

The Trustees of Lingnan University, in view of the action of the Executive Committee of the Harvard-Yenching Institute as transmitted to them in the Secretary's letter of July 2, 1929, are somewhat perplexed as how best to face what is perhaps only a technical difficulty.

The action referred to states "that it was the intention of the Trustees that funds from the Institute should in general be used to strengthen departments of Chinese language, literature and history. It is assumed that each institution benefitted is in fact spending some money for this work, etc."

Prior to August 1, 1927 it would have been a simple matter of bookkeeping to report in a manner entirely satisfactory to the Harvard-Yenching Institute upon the use of the income of the \$300,000 designated in the Institute's funds as for Lingnan University, as up to that time the Trustees of Lingnan University were responsible for the whole budget of the University.

In the spring of 1927 however, in order to make necessary and yet mutually satisfactory adjustments to conform with the requirements of the Chinese Government for the registration of educational institutions, the Trustees of Lingnan University, incorporated in the State of New York, made an agreement with a Chinese Board of Directors, set up in Canton, China, said agreement to become effective August 1, 1927, whereby the Trustees of Lingnan University, as the founders and owners of the University property and the holders of a charter from the Regents of the University of the State of New York, leased for one dollar a year, under certain clearly defined conditions, the plant of the University to this Chinese Board, who, for the time being, become responsible to the Chinese Government for the character of the educational work carried on and also responsible for the budget of the institution except for that budget involved in the maintenance of the foreign staff of the institution.

The Trustees of Lingnan University, instead of turning their income over to this new Chinese Board, decided, and it is accepted generally throughout China as a very sound decision, to make their contribution in terms of staff rather than in terms of dollars, and since the cost of maintaining the foreign staff at the University represented in 1927 very nearly the total needed to balance the budget each year, it was felt that the new arrangement did not put an unduly heavy burden upon the Chinese Board at the start.

It must become evident then that ~~whereas~~ prior to August 1, 1927, when the Trustees of Lingnan University were responsible for the whole budget, it would have been a perfectly simple and proper matter to charge the sum spent at that time for Chinese literature, history and language against any particular fund, such as for example the income of the \$300,000 invested. Since August 1, 1927 however, this has not been possible because of the nature of the agreement between the Trustees of Lingnan University and the Chinese Board of Directors in Canton, and yet this very agreement is designed to, and is effective in doing the very thing that the Institute desires, namely strengthening the "departments of Chinese language, literature and history" in the University by relieving the Chinese Directors of the heavy burden of expense of staffing necessary departments in the University which are now staffed by Americans.

To insist that an actual mechanical transfer of the income of the \$300,000 in question should be made so as to apply directly to these three departments would create a very awkward situation and would, we believe, so far from promoting the real interests of the Institute, tend to the contrary in our particular case.

It should be noted in this connection that beginning with 1926 the Hall Estate Trustees actually paid to the Trustees of Lingnan University \$60,000.00 a year, representing the interest at 6% on \$1,000,000., which they had verbally on more than one occasion assured the Trustees of Lingnan University was to come to them when the Hall Estate was settled. On the basis of this expectation, the particular arrangement as between the Lingnan University Trustees and the Chinese Board of Directors in Canton was made. In the final settlement of the Hall Estate, however, only \$700,000.00 was paid directly to the Trustees of Lingnan University, while the remaining \$300,000.00 was turned over to the Harvard-Yenching Institute as for the Trustees of Lingnan University.

This memorandum is intended to present the situation in brief to the members of the Board of the Harvard-Yenching Institute so that they may realize the problem which faces the Trustees of Lingnan University in this matter.

The increasingly harmonious relationships between the Americans and the Chinese at Lingnan University since the new agreement was entered into, and the greatly increased interest and support of the Chinese in the institution, due to no small extent to the particular arrangement entered into, are facts which we believe should be taken into consideration. It should be further noted that at the request of the Chinese Board of Directors, the Trustees of Lingnan University in New York are endeavoring to secure large sums for adequate library development, which would certainly be in line with the purposes and objects of the Harvard-Yenching Institute.

January 3, 1930

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January 7, 1930

Mr. Robert P. Blake,
Harvard University,
Cambridge, Mass.

Dear Mr. Blake:

The enclosed unofficial statement will give you some idea of the situation in which the Trustees of Lingnan University find themselves in reference to the question of the use of the interest in their \$300,000.00 share in the special funds of the Institute.

It has been suggested to me that an informal statement such as this might be useful for your reference.

My stay in this country has been so brief, and on account of a financial campaign in which we are engaged my time has been so taken up that I have not had the opportunity of making your acquaintance. I hope I may have the pleasure and satisfaction of this next fall when I am home on leave.

Very sincerely yours,

JMH:SA
Enc.

James M. Henry,
Provost

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HARVARD UNIVERSITY
GRADUATE SCHOOL OF BUSINESS ADMINISTRATION
GEORGE F. BAKER FOUNDATION

OFFICE OF THE DEAN

SOLDIERS FIELD
BOSTON, MASSACHUSETTS

January 9, 1930

Mr. James M. Henry, Provost
Trustees Lingnan University
150 Fifth Avenue
New York City

Dear Mr. Henry:

I am very much obliged to you
for your letter of January 7 and for the
information which you have sent me.

I enjoyed our talk and hope that
I may have the pleasure of seeing you again.

Very truly yours,

W. B. Donham

Dean

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HARVARD-YENCHING INSTITUTE



23 University Hall
Cambridge, Mass.
January 9, 1930

Dear Mr. Henry:

Thank you very much for your clear statement which I have just received. I am sure it will interest the Trustees of the Harvard-Yenching Institute greatly.

I am glad to know that you will be back again next fall or winter, and certainly hope that we may meet then.

Cordially yours,

Frederic M. Chen

Mr. James M. Henry, Provost

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April 1, 1931

APPLICATION to the TRUSTEES OF HARVARD-YENCHING INSTITUTE
for
SPECIAL ASSISTANCE.

Background of this request. During approximately two years prior to the distribution of the capital sums allocated to various institutions from the Hall Estate, Lingnan University received from the executors of that Estate \$60,000 a year, as interest on \$1,000,000 promised by the executors to this institution to constitute a portion of its general endowment. When the actual distribution of the various capital sums was made, the executors of the Hall Estate decided to give only \$700,000 to the Trustees of Lingnan University for general endowment and to give \$300,000 to the Trustees of Harvard-Yenching Institute to be held in trust for Lingnan University, the use of the income of this \$300,000 to be in accordance with the policies as set forth from time to time by the Trustees of the Harvard-Yenching Institute.

In the meantime, however, the Trustees of Lingnan University, assuming naturally enough that they could count upon the interest of this \$1,000,000 in its entirety, entered into a binding agreement with the Chinese Directors of Lingnan University in Canton in the spring of 1927, whereby the Chinese Directors assumed the initiative in running the University, in registering it with the Government, and in balancing the budget of the University, leaving to the American Trustees, as owners of the plant, the definite responsibility for providing a minimum number of American faculty and certain other elements.

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The final action of the executors of the Hall Estate, whereby \$500,000 of the expected \$1,000,000 was given to the Harvard-Yenching Institute to hold in trust for Lingnan University, might well have had a disastrous effect on the institution through the dislocation of finances which would have resulted had it not been for the very sympathetic and constructive position taken by the Trustees of the Harvard-Yenching Institute.

At the same time, however, a very delicate situation has arisen. The President and Vice-President of the institution have had the situation explained to them and, we believe, understand it entirely. Certain leading members of the Department of Chinese, however, feel that this money, in part or in whole, should go to develop the division of Chinese cultural subjects, and show indications of feeling that this matter is not being fairly dealt with by the American Trustees. Furthermore, one or two of the very choicest members of the Chinese faculty, on account of the lack of adequate facilities in this division of the University, are being constantly tempted to go elsewhere.

No matter how eager the American Trustees may be to cooperate in the strengthening of this division of the University, they are, under the present abnormal conditions in the United States, utterly unable to accomplish this. Moreover, even were conditions more nearly normal, the American Trustees would find it almost impossible to accumulate funds rapidly for that division of the University for the following reason.

The needs of the University as a whole are actually beyond the combined present capacity of the American Trustees and the Chinese Directors to finance. Lingnan University is playing so large and important a role in education in South China that it will for years to come strain the American Trustees

and the Chinese Directors to meet even its minimum expanding demands. Under these conditions the Chinese Directors insistently appeal to the American Trustees to provide a yearly increasing faculty of specially trained Americans for those departments of the University in which such Americans are primarily required. To be specific, after a joint study by the Chinese Directors and Professor Paul Monroe, of Teachers' College, Columbia University, in February of this year, of the most urgent needs of the University, the Chinese Directors have expressed the strong desire that the American Trustees would add, for the coming year, nine American teachers to the present faculty. Realizing the impossibility of meeting such a request, Professor Monroe advised a reduction of the request from nine to five new American teachers. The American Trustees, however, will by no means be able to add these five additional teachers, as a study of its financial position for the fiscal year, closing in June, shows that there will be an excess of expenditure over income of approximately \$40,000 on the part of the American Trustees!

The present request to the Trustees of Harvard-Yenching Institute.

The Trustees of Lingnan University earnestly request that an income of \$15,000 per year for five years, taken from the current income of Harvard-Yenching Institute, be placed at the disposal of Lingnan University to meet the present emergency situation. The grounds for such a request are implicit in the above statement. The results of its granting would be the following:

1. The American Trustees of Lingnan University would begin immediately to seek for a capital sum of \$500,000 to add to its endowment. The interest from this amount would be substituted in the current budget of the University in place of the income now received currently from the \$500,000 held in trust by the Harvard-Yenching Institute. That income would in turn be allocated strictly to

Chinese cultural subjects.

2. During the continuance of the \$15,000 annual grant now requested from Harvard-Yenching Institute, Lingnan University would be able to strengthen the division of Chinese cultural subjects in vitally important respects, meet the most urgent demands of the situation in South China and the minimum requests of the Chinese Directors, and consolidate the gratifying relationship now existing between the American Trustees and the Chinese Directors.

It is the general belief of those most intimately associated with Lingnan University that ten years from now its alumni will be able, within reason, to take care of the University's financial requirements. It is during this ten year period, however, that it seems most imperative to meet the minimum needs and to consolidate, without expansion, work now under way. Difficult as the financial situation is in the United States, it is much more difficult in China, and yet in the face of that difficulty, the Chinese Directors are continuing on an endowment campaign of \$5,000,000 Chinese money.

We believe that Lingnan University is unique in its position in China and unique also insofar as this particular request is concerned. The unexpected division of the \$1,000,000 from the Hall Estate, affecting definitely a very delicate cooperative arrangement which is admittedly the outstanding arrangement of this sort in China and the fact that the American Trustees, on account of the non-sectarian character of the institution, are denied access to churches and to denominational treasuries, constitute, we believe, unique grounds for our making this appeal, which we present in the name of our Trustees.

Respectfully submitted,

Olin D. Hannamaker
American Director.

James M. Henry
Provost.

April 1, 1951.

Dean W.B. Donham
Harvard University
Cambridge, Mass.

Dear Dean Donham:

I am submitting herewith the application of the Trustees of Lingnan University to the Trustees of Harvard-Yenching Institute for special assistance during this emergency period. Both Dr. Henry and I shall be grateful if you will kindly make any suggestion which may occur to you after reading the statement. We wish to be assured that our case is stated as wisely and effectively as possible.

Assuring you that the Trustees of the University appreciate the friendly hearing you, Dr. Woods, and Dean Chase gave us on our visit, and hoping that the response to our request may be favorable - a greatly needed outcome - I remain

Sincerely yours,

ODW F
Encl.

Olin D. Wannemaker
American Director

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April 1, 1951.

Dr. James H. Woods
Emerson Hall
Cambridge, Mass.

Dear Dr. Woods:

Please note the inclosed copy of my letter to Dean Donham and the copy of our request for special assistance. We appreciate to the full your generous eagerness to help Lingnan in this matter. We earnestly hope that your good offices will succeed and that we may get the money we so badly need.

If you have any suggestions or modification of this statement do not hesitate to offer them.

Cordially yours,

ODW F
Encl.

Olin D. Wannamaker
American Director

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April 8, 1931.

Dean George H. Chase, LL.D.
Harvard-Yenching Institute
Harvard University
Cambridge, Mass.

My dear Dean Chase:

In accordance with the suggestion made at the time of our informal conference with you, Dean Donham, and Dr. Woods, I send you herewith the formal application of the Trustees of Lingnan University for certain emergency financial assistance. We hope that the urgent need of the most important educational institution in South China may seem to the Trustees of Harvard-Yenching Institute a justifiable ground for granting this appeal.

In the name of our Trustees, permit me to express to you, and to the other gentlemen who shared in the informal conference, our appreciation of your friendly consideration.

Sincerely yours,

ODW F
Encl.

Olin D. Wannemaker
American Director

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April 10, 1931

Dr. Eric M. North,
American Bible Society,
Astor Place,
New York, N. Y.

Dear Eric:

If you could take time to read through the enclosed appeal which we are making to the Harvard-Yenching Trustees, I should appreciate it. I shall be glad to discuss the matter with you if you would care to have me do so. I do not mean to seem to be making any improper bid for your support. I am anxious, however, that insofar as possible, the whole facts and background of the situation should be before you.

In spite of the very difficult times, I seriously believe that if some measure of special assistance, such as we are asking of the Harvard-Yenching Trustees, could be granted, we could look forward, in a five year period, to securing a special sum of \$300,000, so that the \$300,000 of the Hall Estate earmarked with the Harvard-Yenching Institute for Lingnan could be devoted entirely to such purposes or such emphases as the Harvard-Yenching people desired. We are really in an embarrassing position, and while we are grateful that the Harvard-Yenching people have taken the position so far that they have, one is conscious of a "sword of Damocles" hanging over one's head. However useful this may be for malefactors, I am dubious about its value for people who are literally being driven crazy trying to do the impossible.

With very warm personal regards, I am,

Cordially yours,

JMH.A
Enc.

James M. Henry
Provost

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HARVARD-YENCHING INSTITUTE



17 BOYLSTON HALL
CAMBRIDGE, MASSACHUSETTS

April 11, 1931

Mr. Olin D. Wannamaker,
150 Fifth Ave.,
New York City.

Dear Mr. Wannamaker, -

This will acknowledge receipt of your letter of April 8th with the formal application of the Trustees of Lingnan University for certain emergency financial assistance. This will be submitted to the Trustees at their meeting on April 22nd.

Sincerely yours,

George A. Clun

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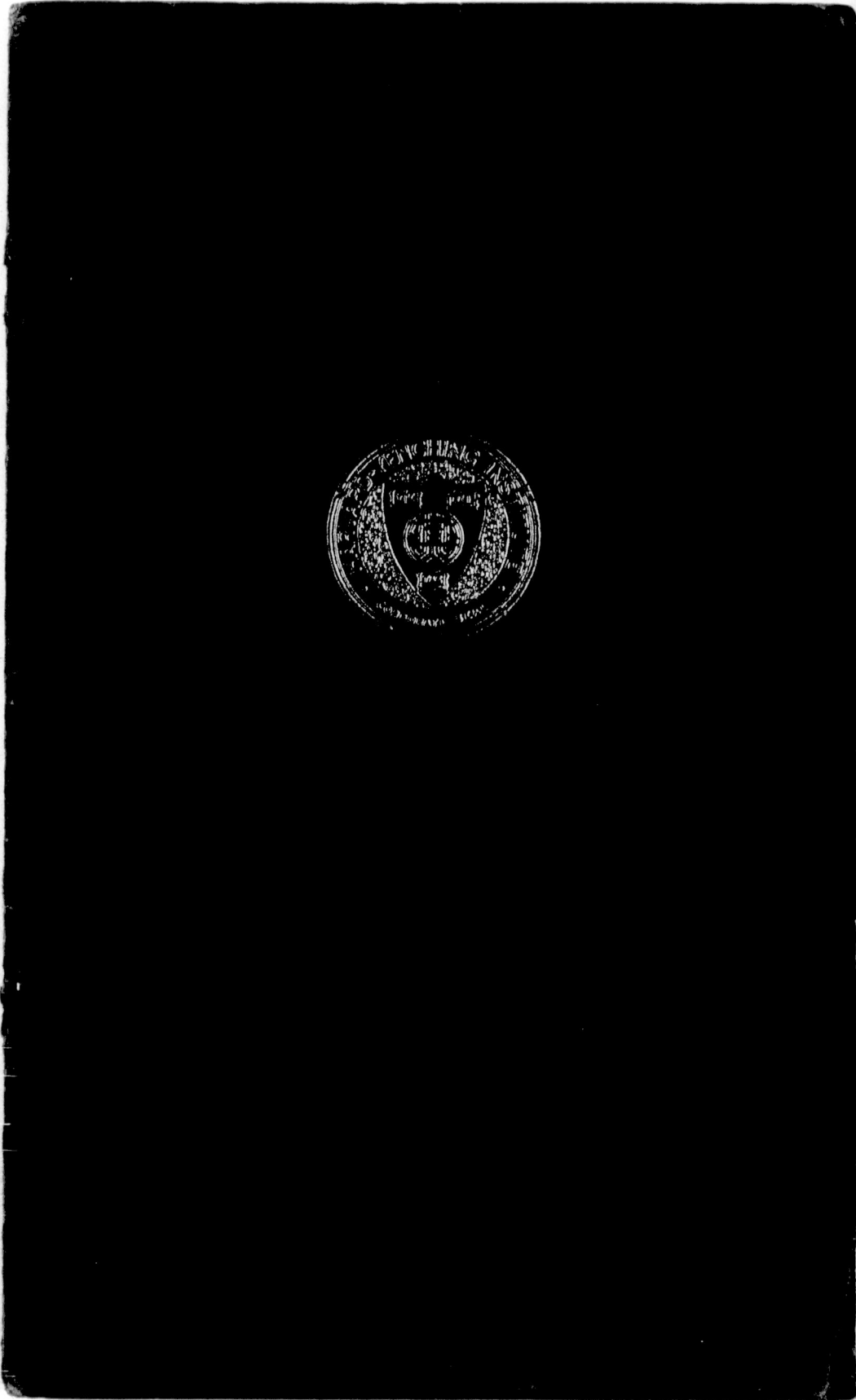
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Harvard-Yenching Institute

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Certificate of Incorporation

The Commonwealth of Massachusetts

BE IT KNOWN THAT WHEREAS—

ROLAND W. BOYDEN, GEORGE H. CHASE,
ERIC M. NORTH, GEORGE G. BARBER,
WALLACE B. DONHAM, A. LAWRENCE LOWELL
AND JAMES L. BARTON

have associated themselves with the intention of forming a corporation under the name of the

Harvard-Yenching Institute,

for the purpose of the following:— To conduct and provide research, instruction and publication in the culture of China, and/or elsewhere in Continental Asia and Japan, and/or Turkey and the Balkan States in Europe, by founding, developing, supporting, maintaining and/or conducting one or more educational institutions and/or by supporting in whole or in part, co-operating with or joining or affiliating with other institutions now in existence or hereafter formed, and otherwise; and, in furtherance and not in limitation of the foregoing; (1) To carry on, for properly prepared Chinese and Occidental scholars, research and educational work of the type appropriate to a graduate school of arts and sciences, and, in so far as it may appear expedient in order to prepare scholars for admission to the work of the Institute, to develop through other institutions under-graduate work in China; to explore, discover, collect and preserve objects of culture and antiquities, or to aid museums or others to do so; (2) To acquire, hold, sell and dispose of buildings, real estate and any interest therein; and to construct buildings; (3) To borrow money, issue obligations therefor, and mortgage or pledge any or all of the corporation's property as security therefor; (4) To hold, sell and dispose of, invest and reinvest funds, stocks and securities donated to the corporation and otherwise acquired by it; (5) To make donations to other charitable institutions or individuals absolutely, conditionally, or in trust. Provided, however, that nothing in this agreement of association contained shall authorize the corporation

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to hold real and personal estate to an amount exceeding two million dollars without special authority from the General Court of The Commonwealth of Massachusetts;

and have complied with the provisions of the Statutes of this Commonwealth in such case made and provided, as appears from the certificate of the Proper Officers of said corporation, duly approved by the Commissioner of Corporations and Taxation and recorded in this office:

NOW, THEREFORE, I, FREDERIC W. COOK, Secretary of The Commonwealth of Massachusetts, DO HEREBY CERTIFY that said

ROLAND W. BOYDEN,	GEORGE H. CHASE,
ERIC M. NORTH,	GEORGE G. BARBER,
WALLACE B. DONHAM,	A. LAWRENCE LOWELL
AND JAMES L. BARTON	

their associates and successors, are legally organized and established as, and are hereby made, an existing corporation under the name of the

Harvard-Yenching Institute,

with the powers, rights and privileges, and subject to the limitations, duties and restrictions, which by law appertain thereto.

WITNESS my official signature hereunto subscribed, and the Great Seal of The Commonwealth of Massachusetts hereunto affixed, this fifth day of January in the year of our Lord one thousand nine hundred and twenty-eight.

F. W. COOK

Secretary of the Commonwealth.

Agreement of Association

The Commonwealth of Massachusetts

Department of Corporations and Taxation

We, whose names are hereunto subscribed, do by this agreement associate ourselves with the intention of forming a corporation according to the provisions of Chapter one hundred and eighty of the General Laws and the Acts in amendment thereof and in addition thereto.

The name by which the corporation shall be known is

HARVARD-YENCHING INSTITUTE.

The purposes for which the corporation is formed are as follows:

To conduct and provide research, instruction and publication in the culture of China, and/or elsewhere in Continental Asia and Japan, and/or Turkey and the Balkan States in Europe, by founding, developing, supporting, maintaining and/or conducting one or more educational institutions and/or by supporting in whole or in part, co-operating with or joining or affiliating with other institutions now in existence or hereafter formed, and otherwise; and, in furtherance and not in limitation of the foregoing:

- (1) To carry on, for properly prepared Chinese and Occidental scholars, research and educational work of the type appropriate to a graduate school of arts and sciences, and, in so far as it may appear expedient in order to prepare scholars for admission to the work of the Institute, to develop through other institutions undergraduate work in China; to explore, discover, collect and preserve objects of culture and antiquities, or to aid museums or others to do so;
- (2) To acquire, hold, sell and dispose of buildings, real estate and any interest therein; and to construct buildings;
- (3) To borrow money, issue obligations therefor, and mortgage or pledge any or all of the corporation's property as security therefor;
- (4) To hold, sell and dispose of, invest and reinvest funds, stocks and securities donated to the corporation and otherwise acquired by it;

- (5) To make donations to other charitable institutions or individuals absolutely, conditionally, or in trust.

Provided, however, that nothing in this agreement of association contained shall authorize the corporation to hold real and personal estate to an amount exceeding \$2,000,000 without special authority from the General Court of the Commonwealth of Massachusetts.

The location of the principal office of the corporation within the Commonwealth is the City of Cambridge.

The corporation has no capital stock.

The following additional lawful provisions are hereby established for the conduct and regulation of the business of the corporation, for its voluntary dissolution, and for limiting, defining, and regulating the powers of the corporation and of its board of trustees and members, namely:

- (1) The incorporators at their first meeting shall elect nine members of the corporation in such manner that three shall be agreeable to the President of Harvard College, three shall be agreeable to the Board of Trustees of Peking University (hereinafter called "Yenching University"), China, and three shall be agreeable to the trustees under the will of Charles M. Hall, late of the City of Niagara Falls, New York. Thereafter all vacancies from time to time occurring in members of the corporation shall be filled by the affirmative vote of at least a majority of the then members as follows:
- (a) In respect of the three members agreeable to the President of Harvard College and their successors, from a list of at least three candidates for each vacancy submitted by the president for the time being of The President and Fellows of Harvard College, so long as the name "Harvard" is included in the name of the corporation; provided that upon thirty days' written notice by the said president to the effect that the co-operation of Harvard with the Institute is no longer practicable, the memberships of the three members agreeable to said president or their successors shall become vacant (except that such members shall have the right to vote in favor of a change in the name of the corporation for a reasonable period thereafter) and this subparagraph shall become void; provided further that said president may at any time remove any of these three members or their successors;
- (b) In respect of the three members agreeable to the Board of Trustees of Yenching University and their successors, from

a list of at least three candidates for each vacancy submitted by the said Board; provided that said Board may at any time remove any of these three original members or the successors so appointed, and provided that if at any time in the opinion of the members (expressed by an affirmative vote of at least a majority thereof) it shall be desirable to include one or more other institutions in China in the membership in addition to Yenching University, then vacancies in these three memberships shall be filled from a list of at least three candidates for each vacancy submitted by the Board of Trustees of Yenching University and the governing bodies of such other institution or institutions; provided also that the Board of Trustees of Yenching University (and the governing bodies of the said other institutions, if any) shall each have the right to sever the connection of their institution in a like manner to that set forth in subparagraph (a) above and with like effect if no institutions are then left in this group. If one or more institutions are left in this group, this subparagraph shall not become void and the rights hereunder shall inure to such institution or institutions; and provided further that if at any time in the opinion of the members (expressed by the affirmative vote of at least a majority thereof) political conditions in China shall render it impossible or inadvisable for the corporation to carry out a substantial part of its purposes in China, these three memberships shall thereupon become vacant and this subparagraph void;

- (c) Otherwise by an affirmative vote of at least a majority of the then members.

Except as above provided, each member shall remain a member until his death, resignation or removal. Any member may at any time resign and may be removed (after hearing if requested) by the affirmative vote of at least a majority of the remaining members.

- (2) Except as may be otherwise permitted or required by law, the name of the corporation may be changed and this agreement of association may from time to time be otherwise amended only by the affirmative vote of at least two-thirds of the members.
- (3) The corporation may at any time dissolve upon the affirmative vote of at least two-thirds of the members, provided that its assets shall be transferred to another corporation or trust to be used for purposes in whole or in part similar to the purposes of this corporation.

We hereby waive all requirements of the General Laws of Massachusetts for notice of the first meeting for organization, and appoint the 4th day of January, 1928, at 11.00 o'clock in the A.M. at University Hall, Cambridge, Massachusetts, as the time and place of holding said first meeting.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 4th day of January in the year one thousand nine hundred and twenty-eight.

Name and Residence

A. LAWRENCE LOWELL
17 Quincy Street, Cambridge

GEORGE H. CHASE
12 Shady Hill Square, Cambridge

JAMES L. BARTON
21 Orient Ave., Newton Centre

ERIC M. NORTH
15 Waldron Ave., Summit, N. J.

GEORGE G. BARBER
20 Lyncroft Rd., New Rochelle, N. Y.

WALLACE B. DONHAM
183 Brattle St., Cambridge, Mass.

ROLAND W. BOYDEN
50 Federal St., Boston, Mass.

Special Act Conferring Certain Additional Powers

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Twenty-Eight.

An Act relative to the Harvard-Yenching Institute.

Be it enacted by the Senate and House of Representatives in General Court assembled and by the authority of the same, as follows:

SECTION 1. Harvard-Yenching Institute, a corporation created under the provisions of chapter one hundred and eighty of the General Laws, hereinafter called the corporation, may hold real and personal estate to an amount not exceeding ten million dollars, which shall be devoted to the purposes set forth in its agreement of association as the same may from time to time be amended.

SECTION 2. Three members of the corporation, and their successors, may be directly appointed and at any time removed by the president for the time being of The President and Fellows of Harvard College and three members, and their successors, may in like manner be appointed and at any time removed by the governing boards of such other charitable organization or organizations as may from time to time have power to nominate candidates for membership in the corporation as provided in its agreement of association.

SECTION 3. The word "Harvard" may be stricken from the name of the corporation at any time upon the affirmative vote of a majority of such of its members as have been appointed by the said president. Similarly, the word "Yenching" may be stricken from the name of the corporation at any time upon the affirmative vote of a majority of such of its members as have been appointed by the board of trustees of Peking University, a corporation organized and existing under the laws of New York.

Such a vote shall thereupon be entered in the records of the corporation by its clerk, and within thirty days after its adoption

a certificate setting forth such vote, and stating that it has been duly adopted as aforesaid, sworn to either by said clerk or by the members of the corporation so voting, shall be submitted to the commissioner of corporations and taxation who shall examine it, and shall, if he finds that it conforms to the requirements of this section, so certify and endorse his approval thereon. Thereupon the state secretary shall order the publication in such form as he may determine, in a newspaper published in Boston and elsewhere as he may deem advisable, of a notice specifying such vote. When satisfied that such notice has been published as aforesaid, the state secretary shall, upon the payment of a fee of one dollar, cause said certificate and the endorsements thereon to be recorded in his office, and thereupon the name of the corporation shall be deemed changed in accordance with such vote. Nothing herein shall prevent the corporation from changing its name in any other manner authorized by law.

Approved April 17, 1928.

BY-LAWS

ARTICLE I.

Meetings of members of the corporation shall be held within the Commonwealth of Massachusetts, when called by any officer or Trustee. Notice of the time and place, and where required by law the purpose, of each meeting of members shall be given to each member at least seven days before such meeting either personally or by mailing a copy to his usual address, provided however, that any meeting may be held without formal call or notice if all members are present in person or represented by proxy, or if the absent members in writing waive notice. Each member shall be entitled to one vote which may be exercised in person or by proxy. A majority of the members at the time of the meeting, either present in person or represented by proxy, shall constitute a quorum.

ARTICLE II.

All the powers of the corporation except those conferred by law, by the agreement of association or by these by-laws upon the members thereof, may be exercised and its purposes shall be accomplished by a board of nine trustees who shall be members of the corporation. The incorporators at their first meeting shall elect the initial Board of Trustees and also a Chairman (who shall be a Trustee), a Treasurer and a Clerk (neither of whom need be Trustee). Each Trustee shall hold office as long as he is a member of the corporation, and each of the above officers shall hold office until his death, resignation or removal by the affirmative vote of at least a majority of the members of the corporation. Vacancies in the office of trustee and in the above named offices shall be filled by the affirmative vote of at least a majority of the then members of the corporation. The Board of Trustees may also appoint such additional officers or agents as the Board may deem appropriate, each of whom shall hold office during the pleasure of the Board. No Trustee shall receive compensation for his services as such, but may be allowed his reasonable expenses incurred in the performance of his duties, and this provision shall not prevent his receiving compensation for his services in some other capacity. The officers and agents of the corporation may receive such compensation as the Board of Trustees may from time to time determine.

ARTICLE III.

The Board of Trustees may appoint an Administrative Committee in Peking, China, a majority of which shall be members of the Board of Managers, or faculty of Peking University (hereinafter called "Yenching University") or members of similar boards or faculties of one or more other educational institutions in China; an Educational Committee in Cambridge, Massachusetts, of which the chairman shall be a Trustee and the majority shall be members of the Faculty of Harvard University, and such other committees (including an Executive Committee) as the Board of Trustees may deem desirable. To these committees the Board of Trustees may delegate such powers as it may deem wise, and unless the Board of Trustees shall otherwise vote, the Executive Committee shall have and may exercise all the powers of the Board of Trustees between meetings of the Board. Each member of these committees shall hold office during the pleasure of the Board of Trustees.

ARTICLE IV.

Regular meetings of the Board of Trustees may be held at such times and places as the Board may from time to time determine. Special meetings may be held at any time or place when called by any officer or Trustee. Notice of all meetings shall be given each Trustee personally or by mailing a copy to his residence or usual place of business at least seven days before the meeting, provided however, that the first meeting of the Trustees may be held without formal call or notice immediately following the first meeting of the incorporators, and any meeting may be held without formal call or notice if all the Trustees are present or if the absent Trustees in writing waive notice. A majority of the Trustees at the time of the meeting shall constitute a quorum.

ARTICLE V.

The Chairman, when present, shall preside at all meetings of members and at all meetings of the Board of Trustees, and shall have such further powers and duties as the Board of Trustees shall from time to time designate.

ARTICLE VI.

The Treasurer shall have the usual duties of a treasurer, and if so directed by the Board of Trustees he shall cause the funds of

the corporation in whole or in part to be invested and reinvested under the same control as may exist from time to time over investments made by the Treasurer of The President and Fellows of Harvard College, and if so requested by the Board of Trustees, the Treasurer may mingle the funds of the corporation with the funds of the said The President and Fellows of Harvard College and subsequently segregate such funds at such value as the Treasurer may deem equitable. The Treasurer shall give bond if the Board of Trustees shall so require in such amount as said Board may from time to time fix.

ARTICLE VII.

The Clerk shall have the usual duties of a clerk.

ARTICLE VIII.

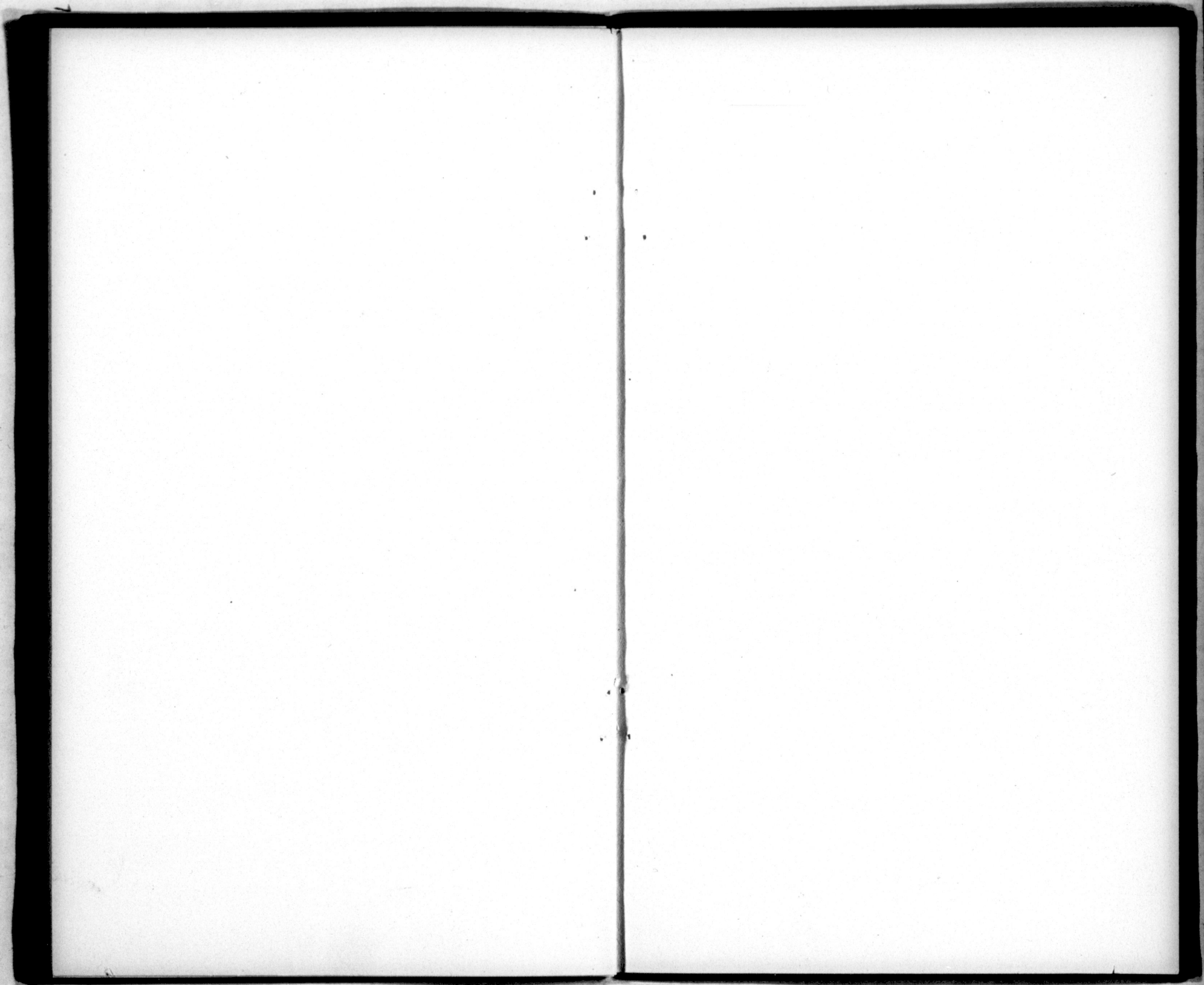
Unless the Board of Trustees otherwise direct, the signature of the Treasurer alone shall be sufficient upon all contracts, notes, checks, drafts and other obligations for the payment of money, and upon all transfers, consents, proxies, waivers, and other instruments relating to securities and stock. All other instruments shall be executed as the Board of Trustees may authorize.

ARTICLE IX.

The seal of the Institute shall, subject to alteration by the Board of Trustees, consist of a flat-faced circular die with the name of the corporation and the words "Corporate Seal" on the circumference and with the Chinese characters meaning "Yenching" inscribed upon the Harvard shield in the centre.

ARTICLE X.

These by-laws may be amended by the affirmative vote of at least a majority of the entire Board of Trustees, provided that no change shall be made in the requirement of Article II that Trustees must be members of the corporation except by the affirmative vote of at least two-thirds of the members of the corporation.



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HARVARD-YENCHING INSTITUTE



17 BOYLSTON HALL
CAMBRIDGE, MASSACHUSETTS

April 24, 1931

Dear President Henry, -

We were all sincerely sorry to learn at the meeting of the Trustees on Wednesday that you are ill and we all hope that the illness is not serious.

In accordance with the vote of the Trustees, I sent you a telegram this morning. We hoped the vote granting \$15,000 would be a cheering bit of news, in any case. The Trustees certainly were most sympathetic to your appeal and recognized the difficulty of your problem. They felt, however, unwilling to commit themselves to a grant for a period of years. It seemed to them that the present depression ought to be pretty well over within the next twelve months and the difficulty of raising funds ought to be much less within a comparatively short period. On this basis, they voted an appropriation for Lingnan University for next year only, but authorized me to state that they would be willing to consider a request for a similar sum for 1932-33, if the financial depression continues. My own impression was that they hoped that, with the help which the present grant would give, you would be able to raise the necessary funds to overcome present difficulties.

Cordially yours,

A handwritten signature in cursive script, reading "George H. Chase".

President James M. Henry,
468 Riverside Drive,
New York City.

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Harvard-Yenching

April 25, 1931

Dean George H. Chase,
Harvard-Yenching Institute,
Boylston Hall,
Cambridge, Mass.

Dear Dean Chase:

Your letter and telegram of April 24th were greatly appreciated.

The action of the Harvard-Yenching Institute is certainly most encouraging, and while perhaps the difficulties of raising the money needed may seem greater to us than to some of your Trustees, you may be sure that we are all immensely heartened by this action of your Board. On behalf of the University, I wish to express our very sincere and grateful appreciation.

For myself, I want to thank you and the Harvard-Yenching Trustees very much for the thoughtfulness which led to telegraphing me their action and their sympathy.

I have just gotten over an annoying and depressing attack of rheumatism and expect to go to the Medical Center early next week for a thorough overhauling. This delays my return to China and I shall not now be leaving until shortly after the middle of May. In case I am in Boston again before I go, I shall certainly take the opportunity of dropping in to pay my respects.

Very sincerely yours,

James M. Henry
Provost

JMH.A

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June 20, 1951.

Dean George H. Chase, LL.D.,
Harvard-Yenching Institute,
Harvard University,
Cambridge, Massachusetts.

Dear Dean Chase:-

No meeting of our Trustees or Executive Committee of the Trustees has occurred after the announcement of the generous action of the Trustees of Harvard-Yenching Institute in granting a \$15,000 appropriation to Lingnan University until the meeting of the Executive and Finance Committees which convened yesterday. Hence, this belated acknowledgment of the action of the Harvard-Yenching Institute in the name of our Trustees, though Mr. Wannamaker has already expressed for us our thanks to Harvard-Yenching Institute.

At the meeting held yesterday a resolution was voted requesting that the President of the Board should send you an official letter of thanks.

May I say how encouraging to us is this vitally helpful action of your Trustees? The sum voted will render material assistance at a time when difficulties are greater than usual. The fact, however, that such a group of educators as constitute the Trustees of Harvard-Yenching Institute should in this emphatic manner endorse the work of Lingnan University means more, if possible, than the immediate financial relief.

Our Trustees earnestly hope that the collaboration of Lingnan University in South China in the splendid work planned by Harvard-Yenching Institute for all parts of that country may increase steadily during the coming year.

With renewed thanks, I remain

Sincerely yours,

FO:VB

President of the Board of Trustees

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150-5th Avenue, New York
January 13, 1932

To the Members of the Executive Committee
Lingnan Board of Trustees

Gentlemen:-

I take pleasure in informing you that I had a very satisfactory interview with Dean Donham of the Harvard School of Business Administration yesterday. He is Acting President of the Trustees of Harvard-Yenching Institute.

You will recall that we secured by special request, for the present fiscal year, an emergency appropriation of \$15,000 from the Harvard-Yenching Institute, with the statement that it might be given for a second year if we could not ourselves secure the needed funds from other sources. Dean Donham admitted readily my statement that additional funds could not be obtained from ordinary sources in the present conditions. He assured me that we might make our budget on the assumption that we should receive the \$15,000 emergency grant again for the year 1932-33, and added that as long as the present abnormal conditions continue, he thought the Harvard-Yenching Trustees would extend this assistance to us. He telephoned Dean Chase while I was there, and the latter approved the point of view of Dean Donham, so that I think the matter is virtually the same as if the Executive Committee had already voted the appropriation.

I was greatly pleased with the friendly spirit of Dean Donham.

I had a delightful talk with our Trustee Dr. Woods, who is also a Trustee of Harvard-Yenching Institute. He is intense in his interest in Lingnan and will be a loyal friend of ours on the Harvard-Yenching Board. He was delighted at the news of Dean Donham's agreement that we should have the emergency grant again. He asked whether one of our ablest Chinese professors is still at Lingnan, and was deeply disappointed to learn that he had accepted a call to the National University at Peiping. When I told him this was primarily because of the superior facilities for such advanced work as Dr. Chan is doing, Professor Woods volunteered the statement that the Harvard-Yenching Institute might very well help us by providing books specially needed for such advanced studies. He said he saw no reason whatever why graduate work be limited to Yenching University, but felt that Lingnan should be encouraged also to develop graduate work.

I am going to Philadelphia for a day or two and hope that I may secure some additional funds either for the women's building or to meet our emergency budget requirements.

Cordially yours,

Olin D. Wannamaker

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February 10, 1932

Dean Wallace B. Donham
Harvard School of Business Administration
Cambridge, Mass

My dear Dean Donham:

Our Trustees were deeply grateful when informed of your friendly reaction to my request that Lingnan University be given for a second year the grant of \$15,000 to help us through our emergency situation. In the light of your statement I have followed your advice and we are basing our budget upon the assumption that this \$15,000 will actually be granted. Even with this amount we are, of course, having the greatest difficulty in making the necessary cut in the budget in such a way as not seriously to injure the work of the University for the coming year.

If we get any news changing our present expectation regarding Dr. Stuart's trip to America, I will see that you are informed immediately.

Cordially yours

(Signed) Olin D. Wannamaker
American Director

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March 31, 1932

Dean Wallace B. Donham
Harvard School of Business Administration
Cambridge, Mass.

Dear Dean Donham:

I hesitated to telephone you about a Lingnan University matter while you were away from your office. My reason for doing so was that a complete study of the financial situation of the University for next year causes me very grave concern. It occurred to me that possibly we might personally discuss the matter while you were in New York.

In spite of a radical cut in the budget, there will be no possible way of avoiding a heavy deficit even with the generous emergency appropriation of \$15,000 from the Harvard Yenching Institute for the fiscal year 1932-1933. Since the Lingnan Trustees meet on April 8th three days before your own Board meets, it will not be possible for me to report to them official action by your Board on that grant. I regret deeply that it is not possible to report such definite official action at the Lingnan meeting. As I wrote you some time ago, I have followed your suggestion in basing my proposed budget upon the assumption that this grant will be voted by the Trustees of Harvard-Yenching Institute.

I hope you brought a fresh store of vitality from your recent vacation. We all need it in these days.

Assuring you of my grateful appreciation of your own personal interest in this matter, I remain

Sincerely yours

(Signed) Olin D. Wannamaker
American Director

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Copy to Dr. Stuart

HARVARD UNIVERSITY
GRADUATE SCHOOL OF BUSINESS ADMINISTRATION
GEORGE F. BAKER FOUNDATION

OFFICE OF THE DEAN

SOLDIERS FIELD
BOSTON, MASSACHUSETTS

April 2, 1932

Mr. Olin D. Wannamaker
Trustees Lingnan University
150 Fifth Avenue
New York City

Dear Mr. Wannamaker:

I have your letter of March 31 and can quite appreciate your difficulties. My suggestion would be that after your meeting on the eighth you either write me in detail about your budget rather than in general statements such as your letter received today contains, or go over your plans with Dr. Stuart so that he knows the story in detail. Harvard-Yenching is not without its problems and you should have all the strength possible behind your request.

Very truly yours,

W. F. Donham
W. F. Donham
Dean

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*Copies to Trustees
at mtg of 8/32*

150 Fifth Avenue, New York
April 4, 1932

Dean Wallace B. Donham
Harvard-Yenching Institute
Cambridge, Mass.

Dear Dean Donham:-

Thank you for your prompt reply. I shall, of course, be glad to carry out your suggestion of writing you in detail after the meeting of our Trustees on the 8th. I believe, however, that I am in position now to give you sufficiently explicit information and I should like to have this information in your hands some days in advance of your meeting, even though an additional note may seem to you desirable after the meeting of our Trustees.

The American Trustees are providing for the field budget for the present fiscal year ending June 30, 1932, Gold - \$114,383. At the semi-annual meeting in December, the Board voted that the field budget for the year 1932-1933 must not exceed a maximum of \$90,000, a reduction of \$24,383. I have now drafted a budget for consideration by the Board, involving a maximum of \$88,629, a reduction of somewhat more than \$25,000 from last year's field budget. Moreover, I have indicated to the Board in a communication accompanying the budget that one item of \$1,500 can be and should be eliminated, and that two items involving together \$4,000 can properly be considerably reduced. I expect the Board to vote a field budget of not more than \$87,000, a reduction of \$27,000 from last year's budget - almost 24%.

The depression, however, has affected income from American sources so severely that even with the grant of \$15,000 from the Harvard-Yenching Institute, there would still be \$21,000 to be gotten from sources to be discovered, in order to balance our budget. A more radical cut in the budget would be extremely unfortunate, since the Chinese Directors are, of course, having their own extreme difficulties at the present time and may be forced to cut a large portion of the budgets which they provide.

I earnestly hope, therefore, that we may depend upon the carrying through of your generous expectation that the Harvard-Yenching Institute would vote for the coming fiscal year, an emergency grant of \$15,000 to Lingnan University. You will recall that when you encouraged me to prepare a budget in expectation of receiving this grant, you did so after calling Dean Chase and telling him of your proposal.

I am handing President Stuart a copy of this letter and of previous correspondence and am sure that he will state the case of Lingnan to you just as Dr. Henry would represent him, if the tables were turned.

Cordially yours,

Olin D. Wannamaker
American Director

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HARVARD UNIVERSITY

GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

GEORGE F. BAKER FOUNDATION

Copy to Trustees at
Mtg. Apr. 8/32

OFFICE OF THE DEAN

SOLDIERS FIELD
BOSTON, MASSACHUSETTS

April 5, 1932

Mr. Olin D. Wannamaker
Trustees Lingnan University
150 Fifth Avenue
New York City

Dear Mr. Wannamaker:

I shall do my best to work out the arrangement that we talked over concerning the extension of \$15,000 grant from the Harvard-Yenching Institute to Lingnan University. I realize the emergency in which you find yourself and want to help. If your meeting came after the meeting of the Trustees of the Institute, this letter would be unnecessary but in view of the fact that you must make your report before our Trustees act, I feel that I must sound a note of warning.

When I talked with you there was a remote possibility that the Aluminum Company of America might cut its dividend this year but there was every reason to believe that a cut would apply only to this year. Since that date the Company has actually cut its dividend in half for this year. This of course seriously affects the income of all the allied institutions. In view of general business conditions and of the failure of any increase in demand for commodities I have a feeling that the Aluminum Company might find itself in a position where it entirely eliminated dividends next year, and I think all of us who are interested as Trustees of these institutions need to make our plans with reference to the possibility of such contingency arising.

I should appreciate hearing from you after your Trustees meeting and before our meeting as to how far you have gone in working out at your meeting methods of handling such an emergency as I have outlined if it should arise. We are going to spend several days considering the whole thing from this standpoint. Under such conditions it is impossible to predict what the Trustees will do.

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Wannamaker-----2

I say this without intending to contradict at all the statement in the early part of this letter that I realize the emergency and shall do everything I can to see that it is met.

Very truly yours,

W. B. Donham

Dean

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Extract from Minutes of Meeting of Trustees

Harvard-Yenching Institute

April 11, 1932

"VOTED:

T231 That Fukien Christian University, Lingnan University, The University of Nanking, Shantung Christian University, West China Union University, and Yenching University report annually to the Trustees at their November meeting on work accomplished in Chinese Studies for the year ending June 30th, and that the Executive Secretary in Peiping be directed to obtain and forward such reports."

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Copy for Dr. Henry

1228 A.

Charge to the account of

Lingnan University

\$

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	FULL RATE
DAY LETTER	DEFERRED
NIGHT MESSAGE	CABLE LETTER
NIGHT LETTER	WEEK END LETTER

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

WESTERN UNION

NEWCOMB CARLTON, PRESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

NO.	CASH OR CHG.
CHECK	
TIME FILED	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

April 11, 1932

Dean Wallace B. Donham
 Harvard School of Business Administration
 Cambridge, Massachusetts

Since my communication Lingnan field budget further definitely cut four thousand seven hundred and additional further cuts approximately three thousand assured thru modification exchange adjustments hitherto granted faculty stop Field budget thus reduced from gold hundred fourteen thousand to eighty one thousand nevertheless minimum deficit forecast even with special grant fifteen thousand from your Board will be fourteen thousand gold stop earnestly hope grant will be assured thus avoiding serious damage university's work.

Olin D. Wannamaker

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

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HARVARD-YENCHING INSTITUTE



17 BOYLSTON HALL
CAMBRIDGE, MASSACHUSETTS

April 22, 1932

To the Board of Trustees
of Lingnan University,
150 Fifth Avenue,
New York City.

Gentlemen:-

The Trustees of the Harvard-Yenching Institute at their meeting on April 11, 1932, found themselves facing a financial problem, foreshadowed indeed for some months past, but now assuming definite form. As you are doubtless aware, much the larger part of the Institute funds is in preferred stock of the Aluminum Company of America, which has now been forced to declare a reduced dividend, and in the present uncertainty as to general conditions the Trustees feel that a most conservative policy should be adopted until general financial conditions in this country will have improved. It is practically certain that for the next two or possibly three years the income of the Institute will be very substantially reduced.

The first step the Trustees have taken is drastically to reduce the direct activities of the Institute at the Harvard and Yenching centres so that only those features are to be maintained which seem most essential for maintenance. All outside projects are to be temporarily discontinued. No new appointments to fellowships will be made. Grants for purchase of books, for publication and for other desirable features in our program are being suspended or greatly reduced.

The Trustees have also been considering their responsibility in relation to the funds they hold in reserve for your own and the other institutions in China for strengthening undergraduate work. There seem to be two possible alternatives. One would be to act merely as a holding body and pass on to each institution its share of the dividends as these accrued, possibly with some warning as to what might happen to these in the future. The other course would be to undertake to protect the interests of these institutions on a conservative basis so that during this period of wide-spread economic depression they can be assured so far as possible of a minimum income. The only method by which this latter course could be realized would be to draw upon funds in the Institute's general funds for the benefit of the undergraduate activities. The Trustees are so anxious to integrate the undergraduate and graduate work in this group of institutions and to see to it that it is all as adequately cared for

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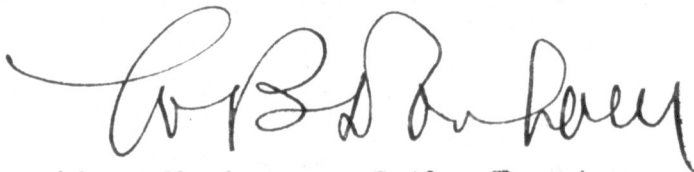
as conditions at any given time permit that they have decided to use these general reserves for the purpose of underwriting for the two following fiscal years a minimum rate of income on the special funds to each institution involved. After consultation with our financial advisers, it seems that the Trustees can assume responsibility for assuring a rate of about 70% of the income received in 1930-31 for each of the two years 1932-33 and 1933-34 (this would mean for your institution \$11,052.63 annually). If the income of the funds specially held in reserve for these institutions proves to be larger than this minimum guaranty, each one will, of course, receive its share of the benefit. Such funds would, so far as they represented an advance in excess of income actually received for the account of the several colleges, be repaid without interest when and if the accumulated dividends on the Aluminum Preferred are received. The Trustees consider themselves fortunate to have available these reserve funds and are most happy to be able to render this assistance.

In working out this plan, the Trustees had the benefit of a personal conference with President Stuart of Yenching University, and, although the suggested plan will lessen substantially for a period of two years the amount of money available for graduate work at Yenching as well as at Harvard University, the plan has the approval of both these universities.

If this plan meets with your approval, it should be accepted under a vote of your appropriate governing board authorizing the use of accumulated dividends when received to repay the advances.

Trusting this will meet with your approval, I am

Very sincerely yours,



Acting Chairman of the Trustees

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Exec Comm

April 26, 1932

Miss Florence T. Bayley
Harvard-Yenching Institute
17 Boylston Hall
Cambridge, Massachusetts

My dear Miss Bayley:-

Thank you for the information contained in your letter of April 25th regarding the appropriation of \$15,000. We are grateful for this action of the Harvard-Yenching Institute. We are well aware of the responsibility resting upon our own Board to do everything possible to meet the greatly increased difficulties of financing the current needs of Lingnan University. We are actively engaged in that effort and shall leave no stone unturned to meet the requirements. It need hardly be said, however, that all institutions of this character are facing difficulties that they have not experienced in the past.

With renewed thanks,

Cordially yours,

American Director

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HARVARD-YENCHING INSTITUTE



17 BOYLSTON HALL
CAMBRIDGE, MASSACHUSETTS

April 25, 1932

Mr. Olin D. Wannamaker,
c/o Lingnan University,
150 Fifth Avenue,
New York City.

Dear Sir:-

The following is the official vote of the Trustees in regard to the request of Lingnan for special financial assistance from this Institute for a second year:-

VOTED: To continue an appropriation of \$15,000 for Lingnan University on next year's budget and to inform its trustees that, in view of the present financial difficulties of the Institute, they should assume that the Institute would not be able to give them further help.

Yours very truly,

Florence J. Bayley

Secretary

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April 26, 1932

Dean Wallace B. Donham
Harvard School of Business Administration
Cambridge, Massachusetts

Dear Dean Donham:-

I have just received notice from Miss Bayley of the action taken by the Trustees of Harvard-Yenching Institute granting an appropriation of \$15,000 to Lingnan University for a second fiscal year. I shall call the attention of our Trustees to the exact wording of the resolution voted in making this appropriation. Our Trustees are keenly alive to the responsibility resting upon them to meet the current financial needs of the University. They are actively engaged in such an effort and will leave no stone unturned to overcome the quite extraordinary difficulties we are now facing in this matter. With such a heavy cut in our budget as has been voted for the coming year, the American staff at the University has been rather seriously weakened. Dr. Henry is arriving in New York the first week in May, having come on an unexpected visit to confer with the Trustees about the whole situation. You are, yourself, far too fully aware of the abnormalities against which we are battling to need that I should say we are conscious of a hard road in front of us. Please accept the thanks of the entire Board of Trustees for your own broadminded and generous attitude toward Lingnan University at this time. The Board was informed at its Annual Meeting of your comprehension of our difficulties, and would wish to join me in this expression of thanks.

Sincerely yours,

American Director

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April 30, 1932

Dean Wallace B. Donham
Acting Chairman of the
Trustees, Harvard-Yenching Institute,
Cambridge, Massachusetts

My dear Dean Donham:-

I write to acknowledge your letter of April 22nd regarding the generous action proposed by the Trustees of Harvard-Yenching Institute to stabilize so far as possible, during the next two years, the income hitherto derived from the trust fund held by your Board for Lingnan University. The Trustees of our Institution will convene in the near future and I shall request action on their part accepting this proposed arrangement, with appreciation, and undertaking the obligation to repay to Harvard-Yenching Institute from accumulated dividends, when later received, monies thus expended by the Institute for Lingnan University.

Sincerely yours,

American Director

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Copy to Mr. Garride
At his Request Aug. 1/32 - N.S.

mailed
6/15/32

June 13, 1932

Dean Wallace B. Donham
Acting Chairman of Trustees
Harvard-Yenching Institute
Cambridge, Massachusetts

My dear Dean Donham:-

At a special meeting held on May 25th, the Trustees of Lingnan University passed the following resolution with reference to the generous plan of the Trustees of Harvard-Yenching Institute in the matter of guaranteeing a minimum of 70% of the usual income derived by Lingnan University from the trust fund held by the Institute:

"T92-32 - RESOLVED that the Trustees of Lingnan University make record of the receipt of the communication dated April 22, 1932, from Dean W.B. Donham, Acting Chairman of the Trustees of Harvard-Yenching Institute, stating that the Institute, after study of the financial problem created by the reduction of dividends on the preferred stock of the Aluminum Company of America, has proposed the following plan for stabilizing the appropriations it will make during the next two years to Lingnan University as one of the colleges sharing in the Harvard-Yenching Institute Restricted Account:

"(a) The Institute will undertake to maintain during the fiscal years 1932-33 and 1933-34 its appropriation to Lingnan University of income from the Trust Account in the amount of G.\$11,052.63 annually, drawing, if necessary, on the Institute cash reserves for any shortage in the income needed to meet this appropriation.

"(b) Should the income received on Lingnan University's share of the trust fund be in excess of the minimum guaranty of G.\$11,052.63, Lingnan will receive the benefit of this additional income.

"(c) Should any advance from the Institute's cash reserve be made to maintain this minimum guaranty of \$11,052.63 the Institute shall be authorized by the Trustees of Lingnan University to repay itself, without interest, the amount of such advance, when and if accumulated dividends are received from the Aluminum Company of America.

"RESOLVED, further, that the Trustees of Lingnan University hereby record their approval and appreciation of the proposals set forth above, and authorize the Harvard-Yenching Institute to repay itself, without interest, the amount of any advance it may make from its cash reserve in accordance with these pro-

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posals, when and if accumulated dividends are received from the Aluminum Company of America."

Very sincerely yours,

Certified as above
Henry Grant
Secretary

American Director

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November 25, 1932

To the President
of Lingnan University,
Canton, China.

Dear Sir:-

In accordance with a vote of the Trustees of the Harvard-Yenching Institute, I send you, enclosed, votes of the Trustees with regard to reports from the institutions in China to which income is allotted from the Restricted Account. The vote passed at the meeting of November 14th was inspired by the fact that several institutions have been very lax about making reports. The Trustees realize that rapid communication between China and the United States is not possible, but it seems to them that the present plan whereby reports should be sent at the end of every year to the Secretary of the Advisory Committee in Peiping and by him transmitted to Cambridge before the meeting on the second Monday of November is entirely feasible. If this is not true in the case of your institution, I hope you will inform me so that I can transmit the information to the Trustees. If it appears that transmission of the reports through the Secretary in Peiping causes considerable delay, I suggest that a second copy be sent directly to Cambridge. This could be presented to the Trustees without the comments of the Advisory Committee in Peiping and those could be considered at a later time.

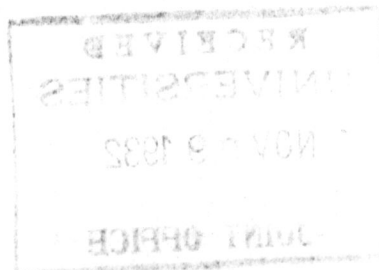
It is possible that reports have been lost in transmission, but so far as our records show no reports have ever been received from your university.

Yours very truly,

signed by Dean Chase

Chairman of the Educational Committee

Enclosure



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A copy mailed to Dr. Henry
Nov. 28/32 with list M 32.27

Lingnan University

November 28, 1932.

Rev. L. J. Davies
Cheelee University

Dr. Joseph Beech
West China Union University

Dr. James W. Henry
Lingnan University ✓

My dear Mr. Davies, Dr. Beech, and Dr. Henry:

In the Minutes of the meeting of the Board of Trustees of the Harvard-Yenching Institute held in Cambridge on November 14th, I find the following Minute:-

"The Chairman presented reports for the year 1931-32 of Yenching University, Fukien Christian University, and the University of Nanking.

VOTED: That, in view of the fact that certain of the institutions in China have been lax about making annual reports of work done and expenditures made from the income received by them from the Restricted Fund of the Institute, the institutions be notified that, unless such reports are presented to the Trustees at their November meeting, the Trustees may decline to make further payments to such institutions, since the Trustees feel that it is improper for them to continue to disburse money about the spending of which they receive no reports."

Probably you will be receiving in due course some communication from Dr. Stuart or the Secretary of the Advisory Committee in Peiping regarding this matter, but it is of such potential importance that I am calling it to your attention without delay. I understand that with the establishing of the Advisory Committee in Peiping, made up of representatives of all the six universities receiving support from the Institute, the annual reports to Cambridge from each of the universities will be made through the Advisory Committee in Peiping rather than through our New York Office. We must, however, be very careful to see that the matter is not lost sight of between these two channels.

I hope that before this reaches you, the reports for 1931-32 will already have been transmitted. If not, the matter should be taken up without delay.

BAG:FW

Very cordially yours,

B. A. Garside

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