UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

October 2, 1922.

Dr. J. E. Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Williams:

Mr. and Mrs. Jones are here and are going to live with the Thomsons - two rooms. Thomsons have a little girl at Kuling. Mr. Thomson has had an accident with his eye and Dr. Peterson has sent him to Kuling till October 24, but with every prospect of his eye fully recovering.

I am sending you herewith a copy of a statement I am making for Proctor. One of the ideas is to find out whether or not they are going to participate in anything but the Agricultural and Language School.

I am sending you also a copy of a statement which he has made, which makes out that they are making an excess appropriation of $1,135. You will see, too, that he has left Moss out. This does not take into consideration the question of rent, except that the $2,000 on Language School might be considered rent. The whole matter will, of course, be up at the board of Managers meeting. The Finance Committee with Mr. Lobenstine, as chairman, have the 1923 budget and are working on the matter.

I am sending you the minutes of the Language School Committee meeting, for your information.

I have not yet got the full statistics about the attendance but I understand there are about 420 here in the colleges at the Kuleo and something like 450 at Kan Ho Yen (266 at the Middle School). Just as soon as we get a complete statement I will send it to you. We are crowded and have by far the largest attendance we have ever had, that is certain.

As ever cordially yours,

A. Bowen

October 3, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking, China.

My dear Bowen,

I have just returned to the office this morning after a couple of days spent up at Reading, Pa., in a campaign put on by the Committee of Reference and Counsel in all the churches of Reading. Frank Bible and Fennell Turner, Secretaries of the Committee of Reference and Counsel, are handling it, Bible carrying the executive part.

Mr. Speer spoke to about 800 or 900 men in the Trinity Lutheran Church Saturday evening with a powerful address of the impressions of the world on his recent trip, of the absolute need of Christ for the world. Speer is speaking with greater power, dealing with political, social and economic conditions very frankly and referring to Government policies or lack of policies in the most open way.

Dr. North was present that evening. Harry Rowe and I had a good talk that evening on the Seminary and other problems. I spoke Sunday morning in a couple of Presbyterian Churches and in the eveningin the Reformed Church, where they had a big and worthwhile audience; and Monday morning to all the ministers of Reading, about sixty, on conditions in China.and the opportunity for the Christian forces, followed by fifteen minutes of Questions. It was encouraging to find that the men in the ministry are reading on China much more intelligently than they ever have before. They wanted to know about Bertrand Russell's article in the Atlantic and our estimate of his work in China. I referred to Dewey's article in the "Republic" on the unfortunate reactionarism of Christian education, since it was training the leaders whom China must choose for the Washington Conference.

I believe this plan of the Committee of Reference and Counsel for campaign in some ten cities will be most valuable in building up cooperation and mutual confidence between the churches and leaders that has suffered such a horrible collapse after the Interchurch effort. I have agreed to speak for them at a number of their principal places, -Hartford, Rochester, Erie, Canton, Ohio, etc.

I find some very interesting mail from you this morning which came by the last "Empress". Your letter of September 1 in your hand writing, accompanied by a summary of budgets and detailed budgets for 1923, will stand a lot of studying, and your explanations will be most valuable and will help me very greatly in making the case to the Trustees. I believe you have improved the budget steadily by including increasingly for possible liabilities, but even so, Bowen, I think the pressure of living men working on their own Departments will be very great to increase your careful estimate of expenditures.

I am very glad to have your reaction on the Famine Funds and the dangers involved, and very grateful that you sent me copies of Mr. Sarvis' letters. It may be some comfort to Sarvis and to you to know that I have felt these apprehensions steadily from the first. I have stipulated for a larger proportion of the funds to be expended in property. For instance, that all residences for all the staff called for should be provided out of funds, that 20% to 25% of the funds should be used in providing the necessary buildings,-the agricultural buildings or laboratories or dormitories inevitably involved in the development of such work. You may recall in some of my letters that I wrote about a conversation with Mr. Greene on this, and that he had concurred in my judgment that the funds should pay its own freight as it goes and at the close, we should not be left with a large liability on hand not provided for.

In this connection I might also add the strong feeling I had, in which I hope you share, that the Arts and Science Departments, for which the bulk of our students are coming, should be continuously and steadily developed, for in that Department there are no complications, political or otherwise, and in that Department still is the greatest opportunity for the church to train and discipline Christian leadership along the lines that the Chinese are calling for, with relatively less expense. That was one of the strong reasons that I objected to the ~~standing order~~ pledge of $100,000. made to the University, prior to the development of the Agricultural Department, being assigned in a specific way to agriculture and forestry.

Let me say I conferred with Mr. Speer and Mr. Bible last Saturday evening at Reading on the development of the Fund, and they were meeting on Monday with a view to settling. The plan was to assign $675,000. to the University of Nanking, to be divided in proportion for current, for property and for endowment. I have not just here at hand that division, but it much more conservative and safe than Sarvis could have apprehended when writing.

Furthermore, there was to be a Committee holding in New York,- two appointed by the Mission Societies, two by the New York Chamber of Commerce, and the fifth to be appointed by these four. It may transpire that the Committee will be appointed,- two by the Mission Societies Conference, two by the United States Minister Schurman (himself to act as one) and these four to appoint the fifth in China. I shall learn the actual outcome of the Committee and put it in this letter. I think Mr. Sarvis' apprehensions were well stated and I am pleased that you feel concerned over it. However when all that is said, I believe we will be warranted in taking the funds and going forward and making the wisest and best use that we can of them, and in that we will have back of us Mr. Lamont's Secretary, Mr. Munro. Dr. Speer and Mr. Bible, who had most tod do with the executive side in raising the funds from the churches, and the Committee of Reference and Counsel, are also quite aware of the problems of anything like famine prevention through agriculture and forestry. They have the funds on hand and they are clearly of the judgment that if given to the University of Nanking for the development of agriculture and forestry, they will do far more indirectly in China for famine prevention than in any other way.

I was so pleased that you wrote so fully of Sarvis' apprehensions in regard to the President of Drake University. Here again, it may be a comfort to him to know that the first thing I did with the suggestion was to write to

Dr. S. J. Corey and in reply I was tipped off that it would be wisest to do nothing. I wrote immediately and assured him that that was full and final for us. Dr. Holmes never had any communication from me, either directly or indirectly. So if he goes to China, it will be on his own responsibility, absolutely without any encouragement from the University.

I share with you the feelings of the deep interest in the coming of the new quota of men. It certainly does make life interesting. It would be interesting enough if you only had the regular administrative problems of the office in which you had to deal with their assignment to work, but in China we always have the housing which involves them in such an intimate way and from which there often emerges problems far more acute than their regular work.

I hope that Professor Coulter proves a real help to you. That matter was largely concluded when I arrived in the States. My first knowledge was through Mr. Severance calling upon me in Pasadena, and offering to pay half of the bill of his travel, if it seemed advisable. It is going to be increasingly necessary for us to be very careful about the people who come to us. There is such an amount of interest in the Orient that the number who would like to make trips on their sabbatical year is going to increase tremendously. We have been so fortunate and so blessed in the splendid people who have come to us that we may be tempted to overlook the fact that there is a great lot of the other sort on University faculties.

I learned the other day that Professor Coe had thrown down his position at Union in a very abrupt and rather pettish way and has now gone to Teachers' College. I think his regard for you and Wilson and Hummel is very great, as I learned from what he said at a dinner at the Humes, when Mrs. Williams and Faith were present. When he comes to China, of course, you should show him every courtesy. He is, however, becoming quite a nervous and irritable man in team work. I shall get in touch with Dr. and Mrs. Finley and find out what their plans are. Dr. Gulick is a keen able man and will give very suggestive lectures, but he was known as very extremely pro-Japanese when I was in America before. With the outcome of the Washington Conference, he may not feel the same burden of placing the Japanese in the bright light. And I should hope that the whole Japanese issue is not so acute and difficult since the Washington Conference as it was before.

I am glad that Reisner will be back with you to explain more fully the whole famine fund project. I should be very firm that the funds should pay their own way and not unload on the University a liability that might prove very serious in the end. As soon as the conditions of the grant are understood, they will be communicated at once to you and Reisner.

I had a fine letter from T. C. Chao who is now settled in his work at Amherst. I have not seen him yet but shall hope to before long.

I was sorry to see the death of Dr. Tsao through the Bulletin. She was a beautiful splendid Christian woman and a great force for the church and for righteousness in China. How extremely sad is the death of Mrs. Hiltner. How pathetic poor Dr. Hiltner burdens are with four little children and one of them only a few days old.

What a big group you will have of new comers, and makes muchmore acute that housing problem. I may seem indifferent to the men regarding that, but you and Marx and the men who know the financial conditions within the churches will understand what I am up against on this side. I think I sent you the proposition I made to the Societies. That was a clear strong case but it is by no means the end of my efforts for the housing, as Reisner can explain what has been done and what is being done.

Moss is engaged and is beginning with us now, so that is cleared up.

Dr. Burton was down to New York last week in conference with the Committee of Reference and Counsel over the report of the Educational Commission. The Committee of Reference and Counsel is trying to achieve something positive and constructive out of the report, and I think are moving carefully and wisely toward that end.

I have just received a good letter from Illick, who is down at Princeton and happy there.

Most heartily yours,

JEW:LB

P.S. I am also enclosing copies of letters to Mrs. Abbey in regard to important matters. First, the possible transfer of Charlie Riggs, who is engaged in agriculture at Shaowu, to the University of Nanking, if the American Board were prepared to support him there. I sent copy of Mrs. Abbey's letter concerning the Riggs proposition to her sister, Miss Elisabeth Parsons, who might take it up with Dr. Barton.

Please note also what I have written in regard to scholarships for the University of Nanking. Mrs. Abbey's interest in our union work from the very first has been very remarkable and this proposed plan indicates how deep and abiding it is. I hope we can arrange for the picture of Mr. Abbey with a brief typewritten statement of his life and service, to be placed somewhere in the building.

J. E. W.

Enclosures: Letter of September 29, 1922 to Dr. Speer by J. E. Williams,
" " " " " " Mr. Paul Twinem by J. E. Williams
" " " 27 " " Mrs. Abbey by J. E. Williams

October 6, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking, China.

Dear Bowen,

This letter has just come from Mr. Wilcox. As he has left this side, you will have to take up the matter with him over there over the School of Administration. If you get him properly enlisted and tied up, I think the Board will take him on on Moss' salary. Of course, the dangerous point is Dr. White and the people at the Point. It may require something more than Educational Commission's reports to develop their cooperation in Nanking. You will see by Wilcox's letter that he is open and accessible. I was sorry that I did not get in touch with him while over here. I will talk over the situation with Moss and see Dr. Franklin about it and write you later.

Faithfully yours,

JEW:LB
Encl.

c-c

D-C

October 6th, 1922.

Rev. A. J. Bowen, President,
Nanking University,
Nanking, China.

Dear Dr. Bowen:-

Dr. Hutchinson has just been in and we have had quite a talk together. He certainly is a fine fellow. In conversation with him I saw that he understood that beginning with last Spring the new remittances on the hospital account were being held intact as belonging to the hospital and that no hospital funds were now being used for the University in general.

I know that the $9,250.00 received from the China Medical Board was sent out to help and that Dr. Williams and Eric North were figuring this in as money available to tide you over.

Will you be good enough to drop me a line advising me as to whether you have held these hospital funds separate and intact, or whether you put them with others into your general funds.

Very sincerely yours,

~~Associate~~ Treasurer.

Rec'd Nov. 13

Fees for Civilian semester to date are $61.00 a mighty heartening fact!!!

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

October 6, 1922.

Dr. J. E. Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Dr. Williams:

I am sending you a copy of a letter I received a day or two ago from Dr. Daniels, and also a copy of my reply to it. I do not know whether you would approve of what I replied or not but I think it would be a good plan for you to write Dr. Daniels and also go over the whole matter with Dr. Hutcheson. Dr. Daniels letter kind of "got my goat," as my reply to him will perhaps indicate. So far as I know the hospital has paid nothing for all of the expense involved in financing them, and I think I am correct also in stating that practically all of their finances have been secured through the University and through your efforts; so, if they want to charge interest and rent on houses that we have been using in the past - we are paying rent for two now - I think we shall need to put in a countercharge. And take it from me I am not going to turn over the Junior College or old Christian Mission school compound and property free, gratis and for nothing. They will pay for it if I have anything to say about it. As a matter of fact we were chumps, as I see it now, for turning over the Tao Yuen property to the Language School. We need it ourselves very much at this very moment for the Lower and Higher Primary Schools and must, as soon as we can, get a property for that department and leave all the other for the Middle School. I think we have cut our eye teeth in giving away to others free for nothing and if the hospital uses the old Middle School ground or property they will have to pay a fair price for it to the University.

Never mind I enclose his reply which is OK. & closes the matter I guess. It really was not Daniels but "Wilmot's Fellows" who put him up to write and Daniels O.K.'d & Pickfield & the others didn't know what the Know. had done for the Univ.

I am also sending you a copy of another letter which will interest you immensely, Dr. Proctor's letter where he contends that they are participating only in the College of Agriculture and Forestry and the Language School and serves notice that since we did not understand this before that this is formal notification. I had not been aware up to the present that any cooperating mission or its representatives on the Board of Managers could settle such a problem but supposed the Trustees had something to say in such matters. They never defined their reiterated statements that they were cooperating only in the University but you will see from this letter that we shall get to

This too is old history now & you will see by minutes.)

minutes that we have admitted their participation in our Agr. & Forest. When we get Sr. Coll. work in Eng. or other technical lines, they will be due to cooperation in it. Do not bother Mr Franklin & the Board Prop.

a definition of it probably at this meeting to send on to the Board of Trustees, who, as I understand it, will have final authority in the matter. Of course their basis of representation on the Board of Managers would need to be readjusted, I should think. We shall have a large attendance at the Board of Managers meeting but will no doubt have some interesting discussions.

Mr. and Mrs. Clemons returned yesterday and they seemed rather tired. Mr. and Mrs. Lowdermilk came in the night before. They seem first-class people.

I have not yet got the statistics I want, either about the finances or the student attendance but may have all before this letter is mailed. I will have more to write to you after the Managers meeting, of course.

As ever cordially yours,

J. H. Boyden.

about their co-operation.
The Mission out here absolutely
will have nothing other than
lip service for co-operation now & we will not continue
the "sorness" by insisting on the letter of the law
— which is on our side. Should above all we
must not go over the Mission's attitude & desire
& determination & force their Board to anything
more than their minutes do. We can't get any
where on that line, but can on the other
their "share" as now defined will be offered
by the Mission Board, & if they help on a larger
grant $500 or so & on the $16,000 Lapse Deficit &
$17,000 Land Langfitt Lapse, that is all we can hope.
All this for fear now will fear we have given in at last
to reiterated pressure: rather we come to an understanding &
agreement — in order to go forward. J. E. B.

AMERICAN BAPTIST FOREIGN MISSION SOCIETY

EAST CHINA MISSION

Office of Secretary
20 Museum Road, Shanghai.
Oct., 5, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking.

Dear Dr. Bowen:

I have just received your letter inviting Mr. Lobenstine and myself to come to your house on Monday morning and to stay with you while in Nanking. Thanks very much for this invitation which I am glad to accept.

I notice that there will be a meeting of the executive committee and probably a joint meeting of the excutive and finance committees on Monday morning. Mr. Lobenstine and I will be ready to participate in these meetings.

Thanks for your statement showing net cost to boards of departments in which Baptists share. Budgets are now being made out in such a way as to make the task of pro rating the share to each cooperating mission far more simple than it has ever been in the past. I am beginning to feel that we are on bed rock and can know just where we are.

I confess to some disappointment that in your statement you included the departments of arts and science and of education. I had supposed that the representatives of our mission had made clear statements of our position so frequently in the meetings of the board of managers as to become really tiresome. It had not occurred to me that our position was not understood as to these departments. As I recall, there has not been for some years any question of our participation in the regular senior college departments of arts and science. Of course only a few years ago we were participating in what was then called the school of normal training. In the report of Mr. Moss for the school year 1916-17 of the school of normal training may be found the following quotation.

"Very evidently we have come as a school to the place where it would be unwise to continue under the former separate scheme of administration. Therefore, it is safe to say that the most significant fact regarding the teacher-training work this year has been the plan for re-organization of the school of normal training. One of the strongest points in the new courses as planned is the coordination with the regular work of the University schools. Instead of requiring students to leave the beaten path of the high or middle school and so break with the associations he values most, we shall make it possible for him to take up his educational work in the regular middle school and for the higher work in the junior college."

I do not have before me the minutes of the board of managers following this report of Mr. Moss but I do have a

 10-5-22

very clear recollection that the representatives of our mission have made it clear in perhaps every meeting of the board since then that with the merging of the school of normal training as it had been organized when we began participation, into the regular work of the middle school and junior college, we ceased to cooperate in the department of education. You will perhaps remember the discussion under these circumstances of whether Mr. Moss should continue to represent us in the university. Our mission consented to his remaining there only on the understanding that from our standpoint his salary was a substitute for the salary of a representative in the department of agriculture and forestry. So long as we provided the salary of a substitute in that department we were willing to allow you to transfer Mr. Moss either to administrative work or to some strictly middle school or junior college work.

As indicated above I thought we had really made this question so clear as to preculde the possibility of anyone failing to understand our position. I have not gone over my complete file to learn if I have stated our position formally and officially in a letter addressed to you. May I request you to accept this letter addressed to you. May I request you to accept this letter as a formal, official statement to the effect that our mission is cooperating at present in the department of agriculture and forestry and of language study and that we are not cooperating in any other departments as at present organized in the university. As stated in our original agreement, so soon as the pro rata share of the expenses of the departments in which we are cooperating can be made clearly known we are willing, within our financial ability, to take our full share. The way seems clear now for us to know just what our share is. I believe our mission has been and is now ready to consider the possibility of participating in other departments of either graduate work or professional work preparation for which may be begun in the senior college and extend on for such advance work as may be required. We are certainly not prepared to cooperate in any professional school work which is confined exclusively within the limits of the middle school or the junior college.

I hope that my writing thus specifically will not seem uncalled for on the present occasion. I simply wish to make up for my failure in the past, if it has been a failure, to communicate officially and formally the position of our mission.

Hoping to see you on Monday morning and looking forward to a series of successful meetings, I remain

Yours sincerely,

J. T. Proctor.

JTP-R

Conference Secretary

P. S. I shall, of course, be more than glad to talk over with you and with the joint committee any of the questions covered in this letter.

Recd Nov. 13

In the annual meeting of the Board of Managers held October 13, 1921, action was taken as follows:-

"On motion of Dr. J. F. Proctor it was voted that the Board of Managers, through the cooperating Missions, request the Board of Trustees to ask the four cooperating mission boards to increase the total annual grant by $16,000 Mex., the amount of increase to be made by each mission board to be determined by the Board of Trustees on the basis of a statement to be prepared by the Executive Committee of the Board of Managers, suggesting a pro rata basis of distribution."

Since it is recognized that the Baptist Mission Board is cooperating only in the departments of Agriculture and Forestry and of Language Study, it is necessary to divide the net cost to the boards of these two departments between four boards, while the net cost of all the remainder of the institution must be divided between three boards. The net cost of each department is determined by subtracting from the total cost of the department the income from student fees, field income from fees or other sources or special subscriptions from home, leaving the amount which must be met from Board appropriations either for salaries of missionaries or for current expenses or from income from endowment. Since the pro rata share of a board is partly made up by payment of salaries and since salaries vary from time to time with children's and other special allowances, and vary also as between the different boards, it is understood that the pro rata share of a given Board can be fixed only approximately, that is, a fixed amount in current appropriation in addition to the salaries of so many individuals.

A statement is presented on the basis of the budget for 1923 containing, for illustration, a statement of the actual appropriation of the Baptist Board, which is cooperating only in these two departments.

Net cost to the four boards of the Department of Agriculture and Forestry (see 1923 Budget)		Mex. $25,376.00
30% of total costof administration	$9,999	
37% of net cost of Library	4,492	14,491.00
Net cost of Language School		5,370.00
Net cost of the two departments		45,237.00
Share of one board		11,309.25

Baptist Board Appropriation

Salary of Mr. Gibbs	$2,700	
Salary of Mr. Keen	3,770	
Salary of Mrs. Goddard	1,600	
Appropriation	3,000	11,070.00
Balance unprovided for		239.00

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Med Rec 13

COPY

October 2, 1922.

Dr. A. J. Bowen, President,
University of Nanking,
Nanking.

Dear Doctor Bowen:

Before writing to Dr. Hutcheson and before working up the Budget for 1923, there are a few matters I would like more clarified if you can help me. It is largely with regard to items in the Statements of Accounts as recently given by Mr. Akerstrom.

(1) Do I understand correctly that in spite of the request made by the Hospital Committee in January that all funds received for the hospital be kept in a separate bank account, out of the following amounts received since that time,

May	Hospital Mission Remittances	$863.60	$1,727.20
July & August	" " "	1,547.71	2,785.88
May 1	C. M. B. (for 1921)	9,250.00	17,266.43
July	C. M. B. (for 1922)	9,250	15,772.95
			$37,552.46

only the latter amount of $15,772.95 has been deposited in this special account?

While I am not unaware of the amounts paid back to us from the general University Funds, approximately $15,000 in the spring, and $6,000 this fall on account, and $3,000 on expenses, still it seems that in the interval almost an equivalent amount was received for the hospital but absorbed into the general University funds without any knowledge of it on the part of the hospital. Thus, on October 1st, the balance due by the University, namely $42,000, is only about $400 less than it was on January 1, 1922. The fact that this large indebtedness to the hospital developed without Dr. Hutcheson even suspecting it, I know hurt him very much, and now in my trying to carry on his work for this year, it does not cheer me to find the same thing to have been going on since he left and before I returned.

You call us rich, but at present our assets seem chiefly credits, while your assets are land and buildings and equipment. We naturally crave development and need most the buildings. I see in Dr. Hutcheson's 1922 Budget $30,000for Buildings and Equipment. Our present staff also are firmly of the opinion that we are entirely justified in raising that at least to $40,000 this year, which in itself would practically pay for the new unit already drawn up and waiting for the word "go," and this entirely aside from the C. M.B. conditional grant of $45,000 for Buildings, all of which will be needed to complete the whole plan. This, of course, does not mean that we would use this in any way to meet their conditional grant, but even though it has been saved out of running expenses, all of the requirements of the C. M. B. have been met these past years, and

 10-2-22

the surplus we credit to the actual hospital receipts from Chinese sources of about $30,000 a year aside from the Cl M. B. and Mission appropriations. We can see no objection to using this to our best service, namely buildings. This brings me more specifically to question number 2.

(2) Have you any new developments here or from home which give light on when you can return our money? More specifically, how soon could you assure us of $15,000 more? This I mean outside of any Hospital Mission Remittances or any other appropriations which I trust hereafter will be deposited to our special account as soon as received. Might I ask, too, that hereafter we receive notice at the hospital of all such deposits at the time of receipt and deposit.

(3) The hospital is now drawing interest on the $19,000 in the special account. As for interest on the $42,000 which is technically due us, I leave the policy for the present and future unsettled till Dr. Hutcheson's return.

(4) Regarding full payment of rent on any of the five doctors' housed by the University, I leave this also to later settlement, except in that this year's agreement, that the University pay rent for Dr. Hutcheson's house and for the housing of the Huizenga family, seems to me a step in the right direction. Will you please state definitely what rent you are paying on Dr. Hutcheson's house so that I may report the same to him.

(5) Should there not be some adjustment onMiss Sloan's travel expense to the field? I realize that it was the hospital's responsibility in getting her out, but inasmuch as she was with us only about six months, it would seem we should have some refund coming. The amount, of course, somewhat depends on the term of service she expects to give you.

Please forgive me if I have spoken too presumptuously for my years. I feel I am a unionist at heart with the good will of the University as a whole foremost, but frankly there are seeds of secession among our staff which may spring up if financial relations keep up in this way.

Hoping for a "numerical" reply as early as possible so that I may get busy on the budget, I remain,

Respectfully yours,

(Signed) J. Horton Daniels

October 5, 1922.

Dr. J. Horton Daniels,
University Hospital,
Nanking.

My dear Dr. Daniels:

We shall have to act upon all the budgets Monday, so if the Hospital budget is not in by Monday I do not know just what we can do. The Finance Committee of the Board of Managers meet at nine o'clock and will go over all budgets and make recommendations for the Board of Managers meeting the next day. Will you be good enough to send us fifteen or twenty copies of the budget so that each member of the Board will have a copy.

I will try to take up your items one by one as you have outlined them in your letter. Mr.Akerstrom, who took over the treasurer's work after Mr. Owen left, does not seem to be able to explain just how it happened that the Hospital remittances for May, and July and August were not sent to the separate bank account, but it is probable that he had not got his hand on some data to get it clearly in mind that this was to be done. I am very sorry indeed. He is getting it into your separate bank account in the very near future. He has already sent $6,000 to this account and is hoping, as soon as he can find out just how much of the fees he has on hand, he can send $4,000 more.

I thought I explained to you the item of the May 1 $9,250. As I said then, the $9,250 was cabled out to Shanghai from New York, not as $9,250 but as an item of $13,000 odd. We did not know that any Hospital money was included in that as we thought it was funds they are sending out on an overdraft at the bank, as we had been having correspondence and cables about it. It was not until two or three months later, long after this money had been absorbed in paying off overdrafts and accumulated bills, that we found that $9,250 gold of it was hospital funds, so we were not entirely to blame for not putting this amount in your separate bank account.

The second item of $9,250 was put in as soon as it came.

I have a memo. from Mr. Akerstrom explaining more in detail the first two items, $1,727.20 and $2,785.88. He says:

"The total receipts of the May 1st entry was Mex. $52,722.47 and the contra items were composed as follows (this from Mr. Carter's New York statement): disbursements in New York, Mex. $4,943.56; cable, December 23, 1921, to Mr. Owen, Mex. $20,000; Huggins Fund cable, Mex. $2,573.61; cable, February 1922, Mex. $24,450.17, leaving the actual amount of the draft that we received from New York only Mex. $755.13."

I am sorry that at present the total indebtedness to the Hospital is as large as it is but we have done our best to reduce it and are carrying out to the best of our ability the instructions of the Hospital Committee.

If you wish to go ahead with any building operation of $40,000 Mex. this year out of funds which are in your Hospital account and which we owe you, there is no objection to doing so, so far as I know, and we will try to get the money; but I think you would need to know very clearly first whether you could use these funds that have largely accumulated from the China Medical Board for current expenses and salaries, for this purpose. If you want to go ahead immediately, do so and we will cable Dr. Williams for the money and trust him to get it some way.

(2) We have no new developments here or from home, other than what I stated above, which would throw any light on when we can return the money.

You ask how soon could we assure you that we could refund $15,000 more. If that includes the $6,000 that we have already refunded in the last few days, and the $4,000 that we are refunding, additional, in a few days, then I think we can make it up to $15,000 within a few months. Of course this is all outside of any Hospital mission remittances or other Hospital appropriations. Mr. Akerstrom has a copy of your letter and no doubt he will send you notice of the deposit of hospital funds and the receipt of any hospital funds from America.

(3) In regard to items No. 3 and 4:- We are paying $40 Mex. per month for the housing of Dr. Huizenga's family, and $60 per month for the rent of Dr. Hutcheson's house. In regard to interest or other rent I would beg to call to your attention that all of the money that the Hospital has received, so far as I recall, in the last six or eight years has come through efforts of the University - chiefly Dr. Williams - and has not been raised by the Hospital, I am quite confident that had it not been for Dr. Williams' strenuous and prolonged efforts and labors with the China Medical Board and with the Trustees the Hospital would be in a very different financial condition from what it is today. And I also wish to call to your attention that the Hospital funds have never paid one one cent for all of the cost of Dr. Williams' homegoing and work

at home, much of which, on one or two of his trips, was spent on Hospital matters. So far as I know, the Hospital has never paid any of these actual expenses involved, and I have an idea that if you wanted to count up interest on the $42,000 and rent on the houses and put over against these a legitimate and fair proportion of the expense the University has incurred in securing funds which it has secured for the Hospital, you would find that the Hospital was owing us. We have regarded the Hospital as a part of the University and have not been so very particular in counting expense on one side or the other, but I am quite sure that you would find myself and Dr. Williams andprobably the rest of the men in the University quite willing to turn over the whole Hospital and its financing and all its other problems to the Hospital, and sever all relationships with the Hospital. It is no particular advantage to the University to have to be responsible for the finances of the Hospital - and up to the present the University has been responsible for its finances and is at present, today, so responsible, as I understand it. I might point out that the additional $45,000 that the China Medical Board is giving on condition that we get $45,000 was secured through Dr. Williams, as well as the renewal for five years of the grant of $9,250. I am quite confident that the Hospital would have had a very different history had it not been a part of the ~~Hospital~~ University and been backed and financed by the University. And we are not specially happy to be reminded that we owe you interest or rent on houses. It would be a more business-like proposition to charge the Hospital a fair percentage of the funds that the University secures for it and pay a fair rental and interest, but that has not been the policy in the past. However, if the Hospital staff wish to get on that policy I do not think there will be any serious difficulty in so doing, but it will take considerable figuring to find out just what the Hospital owes the University on services rendered by Dr. Williams and others of the University staff.

(5) The fifth item, in regard to Miss Sloan's travel to the field: I am not quite familiar enough with just how she came out or just why she did not continue with the Hospital, but I understand that when Dr. Sloan left she was not specially wanted at the Hospital and our taking her over was perhaps not entirely without some compensation to the Hospital. Here, again, of course, there might be a very legitimate countercharge for travel expenses on the part of Dr. Williams for the Hospital.

I am sending off copy of both your letter and this letter to Dr. Williams, who is more familiar with all of the details of the financing of the Hospital than I am, as he has done it all very largely, but this is my reaction to your letter. I do not know whether his would be the same or not, but if you care to push the point of interest and rent and Miss Sloan's travel, I am sure you will find him equally keen to push the point of some legitimate charge for his services in financing the Hospital.

I should perhaps further state that in this whole proposition of financing the Hospital and the University, which have been financed as a unit, there have been unprecedented burdens and difficulties, and if one part has helped in the financing more than another, and through some of its funds which it has not specially needed it has helped to carry on the whole enterprise and make the whole work possible, it seems to me that that is another way of looking at the matter; and these Hospital funds, while, of course, they belong to the Hospital, have enabled the University to carry on and not close its doors.

And there is no doubt but what the Hospital will receive every cent that is due it on these funds that have been forcibly borrowed; and if the Hospital wants them immediately, then we can take steps to get it immediately, I think; but you must remember that the University has borne the whole burden of the closing of the Medical School and the taking over of the Hospital, and it has been no easy job to finance, and carry and hold the missions together. Our University problems would have been much simpler and easier when the Medical School closed if we had ended all of our medical work - hospital and medical teaching; but we did not, and we have been planning to carry it on as helpfully to all parts of the work as possible. We are very sorry that the exigencies of the case have made it necessary to use, temporarily, some of these funds, but as I see it now you will have, up to the present at least, had no speciall use for them, though, of course, that does not entirely justify one in using somebody else's funds.

Very cordially yours,

COPY

Oct. 7, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking.

Dear Dr. Bowen:

When a small boy first gets hold of a big gun to fire it off, there's likely to be moreof a back kick than he expected. I thank you for your letter and especially your frankness, for I feel wiser in more ways than one.

Indeed I am sorry to have even mentioned the matters of interest, rent and travel, for that seems to have aroused considerable feeling, and herewith is my apology. If the financial balance is on the other side please feel free to present it so to the hospital, for this apology is meant in no way to ward off such an obligation.

As for the building project, it has been my impression that Dr. Hutcheson had considered it feasible if the money were at hand. It is not my plan however to start things going without his word from home, but merely to get the latest possible information from this side, and then when he gets my letter he can inquire from the China Medical Board as to the usage of this money, consult with Dr. Williams as to the University funds, and cable us the decision if he so desires.

The Budget for 1923 is herewith enclosed. In past years there seems to have been considerable difference between the budgets and the financial statements, but I have done the best I can in considering them both.

Respectfully yours,

(Signed) J. Horton Daniels.

October 13, 1922.

President A. J. Bowen,

University of Nanking,

Nanking, China.

My dear Mr. Bowen:

This letter is not for the purpose of getting acquainted with you, for I think we hardly need that, but is simply to let you know that the Joint Office for the Joint Universities is finally established and in working order. It will be some time before we have fully taken over all the tasks that are to be loaded onto us, but we will profit by the opportunity to become more thoroughly acquainted with each one as we take it up.

Today I have one very small request to make, and that is, that some time in the not too distant future you let me have a list of names of the members of the university faculty, and any other people in school work there whom you think should be included, in order that we may work up a code list for use in cablegrams to and from the field. I am writing President Stuart of Peking, making the same request of him. When the names are all assembled we shall work out the list of code names and send you a copy. I do not think it would be necessary to include the names of all the members of the faculty, but probably most of the permanent foreigners would be best included.

There is not much more that I shall say today. I hope that this office is going to be of real benefit and value to Nanking, and the fact that I am serving other universities will not in any sense diminish my love or my interest for the University of Nanking, and you can count on me at all times to do my utmost.

With best regards to all the men, as well as to yourself, I am,

Most cordially yours,

LBM:T

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

October 13, 1922.

Dr. Frank Mason North,
150 Fifth Avenue,
New York City, U. S. A.

My dear Dr. North:

I am sending you, ~~under separate cover~~, the budget which we had worked out for the Board of Managers meeting and which was turned back to the new Executive Committee to work over so as to show a credit balance of $20,000 Mexican that could be applied on our debt, so we are working on that now. I am also sending you a copy of all the statements I have been able to get so far from the treasurer's office regarding our finances. The one marked "A" shows the actual expenses, not taking into consideration any balance - debit or credit - for the first six months of this year as compared with the budget throughout; and the Trial Balance sheet, which comes after page 11, gives you the trial balance considerably analyzed for June 30. I am also enclosing the Trial Balance sheet for December 31, 1921, analyzed in the same way, so that it might be possible to get a comparison between the balance of December 31, 1921 and June 30, 1922. On the last page you will find these two balances compared, being laid side by side. Now on the face of it this looks terrible, and I guess it is, for the net debt, December 31, made out from the books, and exact, and not like the one that we made out for the last Board of Managers meeting showing a deficit of about $80,000 (which I enclose with the other material) is $98,364, whereas the same deficit June 30 is $100,530; and you must remember that we received from Mr. Severance some $16,000 Mexican, and from the Methodist Board to apply on laboratory equipment nearly $9,000 Mexican, so it would look as if we had increased the debt of December 31 by about $2,000 plus what we had received on the debt for the above two items, but we are not certain that this is the case and the Board of Managers turned back the budget which I am sending you, to the new Executive Committee, with instructions to cut it down and revise it so as to show a credit of $20,000 that could be applied on the debt, and we are now working on that. They also voted to ask Miss Smith, who came out with Mr. Keen for the Language School, to help Mr. Akerstrom work on the books till the end of the year, trying to find out just where we stand and taking steps looking toward a reorganization of the accounts and the budget. Within a couple or three weeks we shall have another meeting of the Executive Committee and the Finance Committee and make some final sort of a budget and

recommendations to the Trustees, and Mr. Lobenstine, who is going home early in November, will try to get them to the Trustees before the December meeting. It will be well, I think, to plan to hold off the meeting until you do get this revised budget. We have been trying to hold to the 1922 budget as much as possible under our present system, and if we are running over it very seriously then we must in all conscience get a new system of accounting and hold up every member and department to the budget as it is made out, and that is what we are now working on.

You will be glad to see from the enclosed slip that our fees are on the right side. You will see from the budget that we have made out for 1923 that we have budgeted for the year, from students' fees, $97,450, and we received for this fall $61,436, so we can certainly count on $15,000 to $20,000 increase in fees over what we have budgeted in this temporary budget. However, in addition to this hope of getting that we must actually cut down expenses some way. Everybody is agreed to this in all the departments and it is a question now of just getting down to it and doing it where it will do the least harm. And everybody is fully conscious of the fact that we must get our books and our budget on the same basis and then hold strictly and absolutely to the budgets. This budget which we send you has been worked out more carefully than any previous budget and contains more fully than in the past, I think, all possible unforeseen items, but even so we constantly find difficulty in holding to it. It is more and more apparent that one of our serious difficulties is the very great difference between our budget and our ledger accounts. It takes months for the treasurer to find out how we are running according to the budget, and it is impossible to hold the departments strictly to account, so Mr. Akerstrom and Mr. Lobenstine and the Finance Committee and all of us are convinced that we must reorganize our ledger accounts to correspond with our budget and we cannot wait for this entirely until Mr. Owen returns. The Board of Managers were also convinced, as I am, that we must give the treasurer's office more assistance - either an American lady trained in bookkeeping and expert at it, or a first-class Chinese bookkeeper in addition to the two men we now have. Mr. Sie is good and if we could get another man as good as he, perhaps when Mr. Owen gets back and can give all his time to it and we can get the budgets and the accounts synchronized we can get along.

You will be interested to know from the minutes, when you receive them, that we have at last acknowledged the contention of the Baptist representatives on the Board of Managers that they are cooperating only in the College of Agriculture and Forestry and in the Language School, and we have agreed upon what seems to satisfy them and the Managers as their share of the cost of these two departments. In addition to the budgeted items there is an apparent deficit of some $16,000 Mexican on the Agricultural and

Forestry Department, and some $17,000 Mexican on land, largely for agricultural and forestry.

I will write you more fully regarding the minutes and actions of the Board of Managers when the minutes are typed. We shall also in the future plan to have two days for the Board of Managers meeting as one day hurries us too much. We had a good meeting and there was a good spirit. I will be writing you again in a few days more fully.

Very cordially yours,

A. P. Bowen.

P. S. We will be sending you the Language School budget and the Hospital Budget in a day or two as extra copies have to be made.

P.S. My Secy. should have directed this to Mr Eric, but I wanted you to see this anyway, so if you will turn it over to him, I shall be grateful

A.P.B.

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UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

October 13, 1922.

Dr. J. E. Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Williams:

I am sending you, ~~under separate cover~~, the budget which we had worked out for the Board of Managers meeting and which was turned back to the new Executive Committee to work over so as to show a credit balance of $20,000 that could be applied on our debt, so we are working on that now. I am also sending you a copy of all the statements I have been able to get so far regarding our finances, from the treasurer's office. The one marked "A" shows the actual expenses, not taking into consideration any balance - debit or credit - for the first six months of this year as compared with the budget throughout; and the Trial Balance sheet, which comes after page 11, gives you the trial balance considerably analyzed for June 30. The blue sheets which I enclose give the same analysis of the trial balance sheet that Mr. Owen made out for December 31, so that we could, if possible, get a comparison between the balance of December 31, 1921 and June 30, 1922. On the last page you will find these two compared, being laid side by side. Now on the face of it this looks terrible, and I guess it is, for the net debt, December 31, made out from the books, and exact, and not like the one that we made out at the last Board of Managers meeting showing a deficit of about $80,000 (which I enclose) is $98,364, whereas the same deficit June 30 is $100,530; and you must remember that we received from Mr. Severance some $16,000 Mexican, and from the Methodist Board to apply on laboratory equipment nearly $9,000 Mexican. So it would look as if we had increased the debt of December 31 by about $2,000 plus what we received on the debt for the above two items, but we are not certain that this is the case, and the Board of Managers turned back the budget which I am sending you, to the new Executive Committee, with instructions to cut it down and revise it so as to show a credit of $20,000 that could be applied on the debt, and we are now working on that. They also voted to ask Miss Smith, who came out with Keen for the Language School, to help Mr. Akerstrom work on the books till the end of the year, trying to find out just where we stand and taking steps looking toward a reorganization of the accounts and the budget. Within a couple or three weeks we

shall have another meeting of the Executive Committee and the Finance Committee and make some final sort of a budget and recommendations to the Trustees, and Mr. Lobenstine, who is going home early in November, will try to get them to you and the Trustees before the December meeting. It will be well for you to plan to hold off the meeting until you do get this revised budget. We have been trying to hold to the 1922 budget as much as possible under our present system, and if we are running over it very seriously then we must in all conscience get a new system of accounting and hold up every member and department to the budget as it is made out, and that is what we are now working on.

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You will be interested - but I hope not disappointed - to know from the minutes when you receive them, that we have at last acknowledged the contention of the Baptist representatives on the Board of Managers that they are cooperating only in the Agricultural

and Forestry Department and in the Language School, and we have agreed upon what seems to satisfy them and the Managers as their share of the cost for these two departments, In addition to the budgeted items enclosed there is an apparent deficit of some $16,000 Mexican on the Agricultural and Forestry Department, and some $17,000 Mexican on land, largely for agricultural and Forestry.

I will write you more fully regarding the minutes and actions of the Board of Managers when the minutes are typed. We shall also in the future have to plan for two days for our Board of Managers meeting as one day hurries us too much. We had a good meeting and there was a good spirit, and while there was only Mr. Wen of the Chinese present perhaps it was as well, because we were dealing largely with matters that they could not easily grasp or appreciate. I will be writing you again in a few days more fully.

As ever cordially yours,

A. J. Bowen.

P. S. We will be sending you in a day or two copy of the Language School budget as extra copies have to be made.

A.J. B.

A STATEMENT OF THE FINANCIAL PROBLEM OF NANKING UNIVERSITY

By President A. J. Bowen,

October, 1921.

After the formation of the union of the Christian, Presbyterian, and Methodist educational work in Nanking in February 1910, and the work had been in operation two years, the following basis of support was agreed upon:

Each of the three fully cooperating Boards (those named above) took on the support of four (4) missionary teachers on the staff, and made an annual grant for current expenses of $3000 Gold, which is guaranteed at a fixed exchange of two to one. The Northern Baptist Board, on partial cooperation, provided the support of two (2) teachers and an annual grant of $1500. Gold.

Last year, each of the four Boards added the support of an additional man for the School of Agriculture and Forestry. During 1910-1912, the original three Boards provided on the initial capital expense $40,000 Gold in property funds. Since that time, 1912, the University has been operating on this basis, and outside of funds for three houses and for making up exchange losses for 1916-1919, practically no capital grants have been made by the Boards for the University proper. The Boards have put some money for added property into the Hospital plant.

In 1912, we had assets for all departments of the University, approximately $250,000. Mex. Since then, up to date, our total assets have grown to fully $1,200,000. Mex. Outside of the above-mentioned special grants on capital or property account, and also $140,000 Gold endowment given by two Boards, this large increase in our assets of approximately $100,000 Mex per year has accrued to the Trustees and the Boards without special burden or responsibility directly upon them. It has come through increased fees, special gifts from friends and organizations in China and from friends in America, largely through the solicitations and efforts of Dr. Williams, our Vice-President.

In 1912, we had 56 college students and now we have 300, an increase of 434 per cent; then, we had 20 Chinese teachers and now we have 64, of whom 8 are returned students, an increase of 200 per cent; then, we had 17 foreigners on our staff and now we have 34, exclusive of Language School and Hospital staffs, of whom 17 are Board supported. That is, the University is now carrying 44 more Chinese and 13 more foreigners on its staff than in 1912 with practically the same Board grants; or, putting this in percentages, we get the following:

	1912	1921	Increase
College Enrollment	56	300	434%
Chinese Staff)) Supported by	20	64 (8 ret. students)	220%
Foreign Staff) University.	3	17	466%
Foreign Staff-Mission Boards	14	17	21%
Board Grants	$3,000 Gold	$3,000 Gold	00%
Assets	$250,000 Mex.	$1,200,000. Mex.	380%

Oct. 1921

In 1912, we had above Middle School, only the Arts College, now we have a very much expanded College of Arts and Science, a College of Agriculture and Forestry, a Junior College, giving somewhat differentiated work in Agriculture and Forestry, Arts and Science, Education, Business Administration, and Medicine. In addition, we have the Language School and the Hospital.

In 1912, we had 2,000 English and Chinese books, whereas on June 30th, 1921, we had 17,430 books and 13,450 pamphlets. During this period our campus and owned land has increased from, say, 15 acres to approximately 140 acres, all of which is fully utilized, together with 25 acres in addition, rented. All of the present College and Language School buildings have been added besides two hospital buildings, 15 foreign staff houses and 6 Chinese staff houses. Our assets today in land, buildings, indowment and equipment are fully $1,200,000. Mex., which is five times the amount in 1912. Moreover, the whole grade and quality of our work has been very much improved. All of this growth and development has cost and is costing money and means a very much increased cost for annual maintenance. For example, for 1922, we shall pay on teachers' salaries alone fully four times our total budget for 1912, viz., $140,000. Mex.; or for 1922, we shall pay for University supported foreign teachers alone a larger sum than we expended in 1912 for our entire budget for all departments.

All of this expansion and development and increased expenditure has been met except approximately $80,000 as follows, which represents an accumulation of five years:

Land purchases		$11,662.
Buildings: Language School	$2,774.	
Swazey Hall	5,546.	
Severance Hall	16,624.	
Houses for Staff	5,688.	30,632.
Equipment: Biology and Botany	2,869.	
Chemistry	11,962.	
Furniture, Office, Electrical and General	15,307.	30,138.
Cotton and Agri. Incidentals		1,344
Travel of Staff in U. S.		2,000.
Suwan School Board		1,301.
Miscellaneous:		
Staff Loan	$911.	
Book Store	452.	
Grounds	691.	
Magazines	403.	
Diplomas	471.	2,928.
		$80,005.

Oct 1921

Manifestly, we have reached a point in our development where a new basis must be reached with our Boards and Missions, more adequately meeting financially our present work and status. Our budget, as worked out for 1922, with no provision for equipment and apparatus other than covered by lavoratory fees, leaves an excess of assured expenditures over probable receipts of $15,000. Mex. Our total budget for 1922, including Language School and Hospital are $373,028 Mex., as compared with $330,907 for 1921. If we are to continue to grow and to do the kind and quality of work demanded and needed, we must provide a more adequate income for current expenses.

The whole matter has been taken up frankly with our faculty and is being laid before our missions and our Boards. At our Board of Managers meeting, October 13th, it was the chief item of business. The Board of Managers was very sympathetic with our position and approved of the various items recommended by the Finance Committee and the administration, looking towards the solution of our financial problems. They approved of the University approaching the cooperating Boards and through them their constituency to secure the $100,000. Mex. for the property equipment, $80,000 of which has already been spent, leaving a small amount for contingent property items. They also approved of our securing, as soon as possible, $20,000. Mex. for residences for our Chinese staff; $155,000. for dormitories;-three for the college students and two for the language school students; $30,000 for sericulture building; $90,000 Mex. for Science building; $120,000. Mex. for library building and $48,000 Mex for gymnasiums, a small one at Kan Ho Yen and the university gymnasium opposite the Language School. The Managers also approved of approaching the Cooperating Boards to increase their annual grants of current expenses by $16,000. And finally, in order that the Board and our constituency at home might be fully apprised of the new situation in which the University finds itself after this eleven years of development, on motion of Dr. Proctor, it was voted that Dr. Williams, Executive Secretary of the Board of Managers, be requested to return to America in the near future to present the needs of the University for staff, plant, and equipment to the cooperating Boards and their constituencies with the strong request that the cooperating Boards take definite steps to assume responsibility for meeting these needs, either by making grants from Board funds or by opening their constituencies to appeals for funds, with the assurance that Dr. Williams, the representative of the University, will be given the aid and cooperation required to secure; that the constituency of each cooperating Board be adequately represented in meeting this list of minimum needs for the immediate future, it being understood that Mr. Keen will cooperate with Dr. Williams in securing funds for the Language School dormitories. Dr. Williams was also appointed Executive Secretary of the Board of Managers and was recommended to the Board of Trustees to act as their Executive Secretary.

We are glad to report that we have so far met only with entire sympathy and approval of our course up to date on the part of Faculty, Managers and Missions so far approached. We now need constructive and material help. We have faith to believe that when the Church and our Constituencies know the situation, the necessary funds will be forthcoming.

a. J. Bowen

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

Oct.16,1922.

Mr.Russell Carter,

156 Fifth Ave,New York,

My Dear Mr.Carter:-

Our second daughter,Olive,is returning to China with Mr.& Mrs.Owen,sailing in Feb or March,so I wish to write you a line or two about items we would like you to arrange for her. We are expecting the Owens will return second class on one of the big Emperess boats,and if they do,we wish her to come second class with them,of course.A good many missionaries are traveling this way now(Methodists are so required or on an intermediate China Mail boat). However,by whatever way and 'class' the Owens' come,we wish her to come the same. Of course we pay her outcoming personally,and if you will be so good as to get her S.S. ticket,and missionary rate on the railways,if possible,we shall be glad and grateful. As soon as you get her tickest purchased,if you will send her a memo of the cost,she will send you a check on our Home bank,cover-all of your outlay on her account. We would also be glad if you would write her advising how much she should plan to take along with her for sleeper,food,hotel,etc,tho likely she will be in close contact with Mr. Owen and can get these details from him. We are arranging with our Home bank,Kewanee,Ill,so that there will be the necessary funds on hand,sug-ject to her call,about Jan.1st. We would also appreciate it if the one who handles such matters could write to her about passport. Her address will be 40 Morgan Street,Oberlin,Ohio.

While I am writing about these personal matters,I may as well say that beginning Jan.1st,you will not send any funds to the girls at Oberlin,as Olive will be out of college in Feb,and our 'salary'

will be reduced by $250 per year, so we shall need it all here, and will make other arrangements for Sarah's school expenses. We appreciate very much all of the trouble you have taken in sending remittances to the girls for these years, and we shall appreciate much the getting of tickets etc for Olive' return early in the year. She will probably teach in one of our Methodist boys schools here till the summer, and then longer if they like her and she likes the work. Then after 2-3 years she plans to return to the States to specialize for the work she will take up permanently.

I shall be writing you about University matters in a day or so, so will not intrude that in this letter, except to say that we are very, very glad that you and Dr. Speer are back in N.Y. and so able to co-operate with Dr. Williams. It will mean everything for his work.

Again thanking you for your many favors, and with very highest regards,

Cordially yours,

A. J. Bowen.

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

October 20, 1922.

Dr. Eric M. North,
150 Fifth Avenue,
New York City, U. S. A.

My dear Dr. North:

I am sending you herewith about fifteen copies of the minutes of the Board of Managers meeting October 10. Following your suggestion we have arranged these minutes and actions under numbers, which, I think, will be a great improvement on what we have done in the past.

A good deal of time of the meeting, of course, was taken up with finances and our financial condition; and the budget which we had prepared for the meeting was referred back to the Executive Committee, as you will see by Action 14. We are now working on this and will hope to report to you anytime within a couple of weeks, when the Executive Committee and the Finance Committee can consider the matter. We shall probably make out a working budget for the last three months of this year and for the first six months of 1922. We are trying to get the books in such shape as we can easily check up and hold each person responsible, but in spite of the best we can do it looks as if we were going to increase the deficit very considerably. Miss Smith, who came out with Mr. Keen, is giving the rest of this year to the accounts so that we can know more definitely just where we have been running behind, and why. We shall try to keep you informed as to our developments and what we find out.

You will note under Action 9 that we recommend to the Trustees that the fiscal year of the University be changed from the calendar year to the school year. This will help us considerably in the matter of making our budgets more exact, but would probably necessitate some change in the time of your annual meeting. If you will kindly consider the matter at the next meeting of the Trustees and report to us we shall be glad.

Considerable time also was given, as you will see by motions 10, 11, 12 and 13, to the relationship of the Baptist Board and their share in the expenses. This has been under discussion for many years and I think this makes it more definite and satisfactory to the Baptist Mission, at least, than ever before. It differs somewhat from what Dr. Williams and I had understood was their cooperation in the past, but the Mission has

steadily refused to recognize our interpretation of the basis of cooperation during the past five or six years, and so probably it is best to have it definitely defined in terms that have the approval of the cooperating missions rather than simply of certain members of the University and of the Board of Trustees. Possibly some action should be taken by the Trustees recognizing this basis, if they do approve of it, and then the matter will be settled. It has taken much time of our Board of Managers meetings for the last seven years.

We also spent some time and thought upon the report of the Educational Commission, as you will see under actions 21, 22, and 23. I am going to Shanghai this afternoon to meet with the Committee on the Study of the Field, a sub-committee of the Advisory Council of the Association of Colleges and Universities of East China, and we shall probably discuss further this matter. It has seemed to me rather unfortunate that no authoritative action has been taken yet, so far as we know, regarding the recommendations of the Educational Commission.

We shall hope to send the revised budgets and some sort of analysis of our financial situation. We do not know at present just how we are going to manage but we are trying to figure out if we have enough money within sight to run on until next June. If we do not then we shall probably have to drop some departments and some men. We probably shall find that one of the chief troubles is that we have taken on too many men for our income. We have developed our work on a more efficient basis, I believe, than any other institution of its kind in China, and it has been done largely by adding new men to the staff and so being able to do a better grade of work. It is possible that we shall have to curtail at this point and to be satisfied with a less efficient type of work, but if that is so it will be a very great disappointment to most of our men and to the Boards concerned, too, I am sure.

We are also sending you a copy of my annual report in typewritten form. We have gotten out only four or five copies and are not having it printed on account of the expense. It will give a report and statistics about the work that you will need on file, probably.

You will be interested in knowing that we have, in all departments, 1080 students enrolled, the largest enrolment that we have ever had. This does not count the Summer School. There have been 412 enrolled in the Colleges, which is over 100 more than the largest number last year.

The fees for this semester amount to $61,000, which is something like $15,000 more than we were planning to budget for 1923. It would seem that these fees, with the funds which we are getting from the boards and from other sources, ought to enable us to live

well within our budgets, and once we get our accounting system and checking-up system where we can actually account accurately and check up strictly I am confident we can live within our budget; and the whole faculty and the Board of Managers realize that this must be done and we are working toward that end as rapidly and, I believe, more intelligently than ever before.

Thanking you for your continued help that you are giving us and with very kindest regards,

Cordially yours,

A. J. Bowen.

COPY

RECEIVED

MAY 23 1923

CHINA MISSION

Methodist Episcopal Church, South

10 Woosung Road, Shanghai

October 21st, 1922.

Rev. A. J. Bowen, D. D.,
President Nanking University,
Nanking, Kiangsu.

Dear Doctor Bowen:

I regret that in the rush of matters in my office I have failed to send you the action of theBoard ofTrustees of our Soochow University taken at their meeting on September 26th with reference to Dr. E. V. Jones. I herewith quote their action:

"Voted: That Doctor Jones be loaned to Nanking University for this scholastic year, it being understood that this in no wise disturbs the present relation of Doctor Jones as a member of our Mission and a member of the Soochow University Faculty."

This action was taken with the understanding that Nanking University would refund to Soochow University the salary of Doctor Jones and would meet his moving expenses and provide him with living quarters. Under this action I will continue to pay Doctor Jones his salary direct as a member of our Mission and I will be pleased if you will make your remittance of refund to Soochow University direct. Doctor Nance, President of Soochow University, has no doubt written to you on this matter previously. I should state our allowance for salary carries with it three per cent of amount of salary if the same should be required for medical attention throughout the year.

I am,

Cordially yours,

(Signed) J. A. G. Shipley

Secretary Board Trustees,
Soochow University.

D. Williams

October 24, 1922.

President A. J. Bowen, LL. D.,
University of Nanking,
Nanking, China.

Dear Bowen,

I am enclosing herewith two copies of the summary of budgets, together with the detailed budgets which you had prepared. Mr. Carter went over them carefully and suggested some corrections. You will note that there was a correction in the amount actually contributed by Mr. Day for Mr. Owen's support; also a correction in regard to the interest on endowment. Your $19,000 would not be realized by the actual rates; also the total correction in the amount to be realized on the 1923 budgets of $254,770 instead of $262,320, so that the shortage is increased from $2,724-by your budget- to $10,274, and the total shortage unprovided for is increased from $6,530 - by your budget- to $14,080 with Mr. Carter's corrections here. He took out the $4,00 for my expenses in the United States. The amount would be a great deal more probably, and as there were no assets for it, our budget would show better by not entering it at all. It is this budget, after your careful work, and these modifications which are necessary and will be inevitably in operation that makes more clear and definite the argument that we must have increased revenue.

The Trustees' meeting is being arranged for the 8th of November. Moss is taking up the invitations under Eric North's direction. I hope we may have a fuller meeting. My experience, however, is that the busy men of our Board of Trustees will not meet without a very definite program and clear indication of business to be transacted, and considerable urgency in correspondence of the importance of a full meeting.

I just came into the office this morning from a special campaign in Hartford under the Committee of Reference and Counsel. I went out there Saturday evening. The Conference did very well. President Butterfield spoke very well last evening and Dr. Wooley in the afternoon to a meeting of women, followed by Mrs. Helen Barrett Montgomery, who is a tremendously effective speaker. I spoke to the Hartford Seminary students and had a good visit with Dr. Hodus. Sunday morning I spoke to the Congregational Church at Farmington,- 8 or 9 miles outside of Hartford. On the Wednesday prededing the 19th, they celebrated the 150th anniversary of their meeting house, the same beautiful old fram building still standing. The congregation had been organized about 50 years before and they felt themselves very dignified in the midst of such great antiquity. I started out by telling them that I wanted to bring greetings of one of the youngest and largest Republics 'so-called', but from the most ancient people whose history

Enclosures: Two copies of budget(mimeographed)
Letter from Augustus Downing re M.A.,M.S. & B.D. degrees.
Letter to Paul Twinem from J.E.Williams, October 20, re Mrs. Twinem's support.

went back not only 150 years but about 5000 years. The American Board was organized in the house of their minister at Farmington in 1810. There is a fine Girls' School there, founded by Sarah Porter, the sister of President Porter of Yale, that has a couple of hundred girls from America's 'toniest' families.

I had a very interesting trip the week before to Cleveland, Chicago, St. Paul, Superior, Wis. and back to Evanston, Cleveland, Buffalo and New York. Had a delightful visit with Dr. Holgate, Mrs. Holgate and their family, and we have plans for another visit to Evanston, but I hope we can get hold of some who are able to give. The Dawes' brothers, Rufus and Henry, whom I knew at Marietta, entertained us at the University Club in Chicago, and then I had a good visit with them. I never knew General Dawes who was so prominent in connection with the budget, but knew the other brothers quite well. Dr. Holgate is not only very sympathetic with our problems but will be very effective in plans for the University. It was refreshing to be in their home and to be with those who know about our work and have such keen interest and sympathy for it.

On my trip West I had about seven nights on the sleeper out of ten and at Hartford was put up at a hotel that did not have enough covering so I have a vigorous cold ; and I am going to leave the office earlier today to thaw out.a bit.

John Reisner will be quite impatient about not having a cable with plans to go ahead, but other problems are developing and we had better not spend a cent of that money until we actually have it, no matter how much that process may try our patience. Other counter blasts are blowing in from China and you may depend upon it that there will be a tremendous lot of enthusiastic people with wonderful plans for spending that money, particularly if it allowed them in any way to touch the handling of it. I am making no announcements about it and permitting nothing to be published about it here, because those things can only start up a lot of philanthropists who have plans to spend it, which would be unwise until we actually have control of the funds. Of course, everything will be done that is possible to conclude the arrangements.

I am enclosing copy of letter which came from Dr. Downing. You will see that the action carried out on our request is on the same line as for the B.A. and B.S. degrees.

I may add to this before it goes.

With heartiest regards to all of the men, I am

As ever yours,

JEW:LB
Encls.

C-C

October 28th, 1922.

Rev. A. J. Bowen
Mr. John H. Reisner
University of Nanking,
Nanking, China.

Dear Friends:-

I just want to say to you good people that I have been doing my best for the past six weeks to get in the $21,000.00 from the Silk Association. I have followed them up pretty closely, but only this morning have we received their check. I have at once cabled through Myers as follows:

"$21,000.00 AMERICAN GOLD available for Sericulture Building Nanking. Must include everything."

The Silk Association first sent us over an Agreement, though Mr. Reisner had not suggested that there had been any talk whatever of a formal document or of any specifications that were to be embodied in any Agreement, and upon submitting the Agreement to Dr. Williams, Dr. Speer and others, it seemed as though there were some phases of the Agreement that should be modified. Dr. Williams kindly took it up with them and a New Agreement was drawn. This came to us about ten days ago. With no meeting of trustees immediately in sight, by letter I have secured authorization from members of the Executive Committee so that two days ago I signed the paper in triplicate and I am herewith enclosing you for your files one copy, a second copy is being retained in our office, and a third by the Silk Association.

I sincerely trust that there is nothing in this Agreement that is not altogether satisfactory to you. We did not want to hold the matter up long enough to send this out to the field and back and Dr. Williams thought it was sufficiently safe-guarded. It seems that they have drawn this Agreement along the lines of one which they now have with Canton Christian College. We have added in the cable that this sum was to include everything, that is, as you will see from the Agreement, there is no other money available for equipment, grading, sidewalks, etc., and with the present condition of Nanking finances you will want to be especially careful that every expense is covered by this gift. The Silk Association is protecting itself so that there will be no come-back upon them and there are no other funds available so that your first contract should be well within this total. Dr. Williams thinks it should not exceed 80% of the $21,000.00.

Very sincerely yours,

Treasurer.

RECEIVED
NOV 27 1922

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

October 31, 1922.

Dr. J. E. Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Williams:

It has been a long time since I have written you. Your good letter of September 25 came about ten days ago and we are expecting another one now in a few days, giving us the results of Dr. Speer's conference with the China Medical Board in reference to helping us as well as Southeastern University. The way you have handled it there seems to me admirable and if anything can be done, Dr. Speer and you will get it across.

We have met Professor Smith, who has just come out to Southeastern for a year, from Cornell College, Iowa. He is a first-class man indeed, a friend of Ritchey's, and we are going to cultivate him to the limit to try and get him interested permanently in the University of Nanking. With him and Thomson and Jones and Illick in charge of our science work we would easily soon be the "top of the heap" all right. And I think if we could persuade Smith to come permanently to Nanking we might be able to persuade the China Medical Board to support him. Anyway you might have that in the back of your mind in planning for the future.

I wrote you in the summer rather in detail about Robertson's estimate of Caldwell and the physics work. He is doing better I think this fall, giving all of his time, and is pretty near swamped with work as there is, of course, a very large beginning class in physics. He will make a good second man for physics and for mathematics but would not "put it on the map" in any sense whatever.

I am glad that you are getting such fine cooperation from Dr. Eric North. That is going to help very materially in our many problems, I am sure.

We are still working on budgets and accounts. Haven't anything yet to report but have the budget for the rest of this year and for the first six months of 1923 about ready, and will have a meeting of the Finance Committee and Executive Committee next week some time, probably.

I believe it will be of great value to have Mr. Owen in New York for the couple of months before he comes out, going over matters with Mr. Carter, and especially studying university and college accounting systems.

We have not yet heard definitely whether Moss is to be in New York but hope that that matter has been adjusted and he is there now with you. It will mean so much to your work.

It is fine that you have a fairly satisfactory place to live right in New York City, so convenient for Faith and Dickie and also for your work at 156 Fifth Avenue. It will save you a great deal of time and nervous energy to be so close, I am sure.

What you have worked out with Dr. Downing on the diplomas is very satisfactory, I think, and will be much better than the parchment. As soon as the diplomas are ready, if you will send them out for the boys mentioned in my previous letter and then, in the future, have all diplomas put on this kind of paper, I am sure we shall be better satisfied.

Everything is going along very nicely. There is a fine spirit among the boys. Reisner tells me that the standard of scholarship and the development of the students is very marked during the two years he has been away, and he is very much pleased with the situation among the students as to their scholarship and spirit. He is working with Cheo Ta to get some of the land deals that have been hanging over cleared up. Of course we are not buying any new land but are trying to finish and get possession of what we have already become involved in. Things are moving along pretty satisfactorily so far as we can see now, in getting possession of the land west of us and one or two other small pieces.

Write to us as often as you can.

As ever cordially yours,

A. J. Bowen.

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

November 2, 1922.

My dear Williams:

We were extremely glad to get your several letters yesterday and to know that the Famine Funds have finally been allocated, $600,000 coming to us. We shall hope to get the details and specifications and restrictions very soon.

I do not believe it will be wise to use any of this money for a general science building for agriculture. We must be extremely careful, especially in the beginning, for the use of this money is going to be very critically scrutinized, and if we lay ourselves open to criticism we shall certainly be criticized, so we must almost lean backwards in being careful not to use this to help get us out of our financial difficulties or to finance the University in general.

Furthermore, we are hoping that the China Medical Board in their grant will include part of the cost of a science building. Reisner already has $8,000 on it, and it should be one of the easiest things for us to get from interested friends.

I feel that we must put as much of this fund as possible into permanent endowment, certainly enough to carry permanently all of the staff that we get out under it, and there should be enough in endowment to carry the work that it calls for. There will be two immediate needs that will be legitimately supported by this fund, and these are and assistant treasurer and an assistant stenographer. Probably the agricultural men will finally be willing to take on Miss Black as long as she stays out, which will probably be not more than a year or so. They don't want to take her on but she is here and to send her home now and get another one out would cost at least $1,000 gold and I will not stand for it except as a very last recourse, so we will probably shift her salary over to that fund, And the outcoming and support of an assistant treasurer is very imperative, especially as this new fund will require a great deal of additional treasurer's work and no one can criticize us for supporting an assistant treasurer on this fund.

Now I think that you and Owen must find that person. Probably a single lady would be on the whole the cheapest and perhaps the most satisfactory, but I am quite willing to leave that to Owen and to yourself, but she must be an expert accountant. We find that Miss Smith, who is working on the books now, is very satisfactory and competent. I should say that the Board of Managers and Mr. Cressy, who has been working with the treasurers

several times since the Board of Managers meeting, have raised the question about Mr. Owen's ability to handle the treasurer's work. Technically, he perhaps is not as expert an accountant as we can get, but he has five years of experience and working here with us which has made him increasingly valuable and increasingly expert, so I have said that he is much better than any new person we could get, even though that new person were a more technically-trained accountant. With a first-class assistant and with the expert help we can get from Akerstrom and Miss Smith, I think we shall be well advised to keep Mr. Owen as treasurer. He will be more free in the future to look after things and keep the books up to date and give us the information we need, so I do not think the Managers will press that question further. But you and he must immediately find a person that he can bring out, perhaps, when he comes. A secretary can be found later when we know definitely what will happen about Miss Black.

Then it will be quite legitimate to take some of this fund for land that we have already purchased and other of it for additional land that the Agricultural Department needs and must have.

Then the work that Miss Wead is doing, I think, can all legitimately be put on this fund. I have not talked this over yet with Reisner, but Mr. Clemons and Miss Wead have talked it over and I have talked it over with Clemons. A good deal of this work that they are now actually doing is finding out what Chinese old literature has to say about agriculture and forestry problems. It will be a very great service if they can go ahead and extend this a little to include all possible information about floods and famines and methods of handling them through the past centuries, that they can find out from Chinese literature. This will be very directly in the line of the purposes of this gift. Incidentally it will give us a lot of very interesting material for Mr. Freeman.

These things - several houses for the new staff working under this fund, an assistant treasurer, another secretary, some land, both new and already purchased, and taking over the investigation carried on by Miss Wead and enlarging that and investing some of this fund in Chinese literature necessary - seem to be about the extent to which we can legitimately use the money for general purposes, except, I think that a proportionate share of Mr. Reisner's salary could be charged to this, as he will have to spend a good deal of time in an administrative way for the direction of the use of this fund.

It might be barely possible that we might be justified in using enough of it to put up an additional dormitory, because there is no doubt but what the additional staff that the fund will provide for the Agriculture and Forestry will draw additional men into that department, but that is a matter for future consideration.

I will go over your letters a little later and write more in detail. I am now swamped with trying to get facts about our accounts and making out the budgets for the rest of this year and for the next six months, and getting ready for the Finance Committee and Executive Committee meeting as soon as possible before Mr. Lobenstine goes home.

There is one other matter I might mention, that has come out through Dr. Coulter's acquaintance with Mr. Severance. He has the impression, gathered from Mr. Severance, that we ~~do~~ have not yet got his ~~very~~ interest very much in Nanking. Dr. Coulter says that there is a Mr. Ludlow, from Korea, who has been very assiduously cultivating Mr. Severance and is getting next to him and getting him much interested in Korea. Professor Coulter wonders why we have not cultivated him and are not getting him interested more in China. It may be possible that we should be giving more attention to him and to this problem. I think at any rate Professor Coulter's suggestion that we do everything possible to get Mr. and Mrs. Severance to take a trip through China is a very good one and it would probably lead to their greater interest in China and in Nanking. Professor Coulter says Mr. Severance is giving a great deal of money - about a million and a half - to Cleveland, but is not specially interested yet in China and thinks that we should get him interested. I will have a talk with Professor Coulter again and see if we can get him to help increase that interest now by writing and later by personal contact. I mention this simply to show that Coulter is thinking constructively for us already.

He also mentioned the Trevellyans, who visited you here a year or so ago. He says they are very wealthy people and extremely generous and interested in missions, and he thought it was rather strange that we were not getting money from them. If you have any way, of course, of getting next to them for some of it I know you will be working on that.

I was extremely glad to note from your letters, and also from a letter from Moss that he is with you there in the office. That is going to be a tremendous asset. There is only one question in my mind about that, and that is whether he is not already loaded up with too much responsibility looking after the purchases for these three or four institutions, looking after their minutes and meetings, Trustees matters, checking through all remittances, and all that is a pretty big order to begin with, I should think, but Moss has real capacity for doing things and I am sure he is very happy in the prospects of having plenty to do.

We received word from the Treasurers in Shanghai that the $21,000 gold for the sericulture building has arrived. Exchange is about $1.85. We have the impression that exchange is going up and toward the end of the Chinese year it would be nearer to two to one than it is now. We are trying to check up on this through K. P. Chen

and Lobenstine and the Associated Mission Treasurers so as to realize the maximum from the gold, but we are going to begin the building the very earliest moment and, of course, can borrow the Mexican necessary for any advances to the contractor from K. P. Chen on the gold that he can hold until it is sold.

I should think, in general, it would be a pretty good idea to have $20,000 or $30,000 of the famine funds out here in the Associated Mission Treasurers' hands so that it could be sold to advantage. Of course it would be kept in a separate account. We shall need some of it for two houses early next spring and should have on hand considerable available for land purchase, and should turn in, I think, on land already purchased a pretty good sum; but you can be assured we are not going to use any of that fund for general university expenses. We have enough trouble to pay back what we have used of other funds.

I will take up in detail the items of your letters a little later.

As ever cordially yours,

A J Bowen

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

November 4, 1922.

Mr. Russell Carter,
156 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Carter:

We are putting all funds for the hospital into a separate bank account in Shanghai as soon as they arrive. The last $9,250 was immediately placed to this account. I think they now have something like $23,810 in this account. The $9,250 which came out before this through a cablegram to Shanghai, together with other funds - I think some $13,000 gold in all, we did not put to the credit of the hospital account because we thought it was for general university expenses, perhaps some advances that you were making to cover overdraft at the bank, and it was not till several months later that we found that $9,250 of this was a China Medical Board grant. It had already by that time gone into the general bank account to help cover overdraft. In the meantime, however, we have placed something like $6,000 from general funds back into the hospital bank account, and are planning to put $4,000 more in about this time, so that you can be assured that every cent that belongs to the hospital goes directly into this account immediately. Of course, there is one difficulty, and that is, a good many of the funds that should come out to the University are already spent in New York and we get simply the statement of the account and no actual funds to send to the bank with this account. It will be necessary, I think, on your part in New York not to use any of the hospital funds for paying university bills over there unless they be bills directly for the hospital. In that way we will then receive the actual funds that belong to the hospital, both from the boards and from the China Medical Board, excepting what bills have been paid for them in New York, and aan then send the balance directly to their account.

We are still working on the budget and the accounts trying to analyze the accounts for the last three or four years, to find out just where we have been spending too much. We hope to have a meeting of the Finance Committee and the Executive Committee within a week now.

We were very glad to receive word through Dr. Williams in the last mail that that $600,000 gold of the surplus famine funds had been allocated at last. This very greatly rejoiced Mr. Reisner. Of course we cannot use any of these funds for help-

ing us out of our present financial difficulties and will have to be extremely careful how they are used, because we shall be very carefully scrutinized as to the use of these funds.

We were also very glad to receive word through Mr. Myers that the $21,000 gold for the sericulture building had arrived. We are going forward with the building now shortly. The plans are already in hand and we shall make the funds cover the building and its equipment.

We had splendid letters from Dr. Williams last week and a letter from Mr. Moss. We are glad to note that Mr. Moss is now there in the office. He will be a great help to Dr. Williams and I hope will relieve you of some of your extra work for the University.

We have the largest student body in our history, and by far the largest income from fees. The gross income for fees for this semester are about $61,000, so the net will be approximately $60,000 for a half-year.

With very kindest regards and best wishes,

Cordially yours,

A J Bowen

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

Nanking

November 6, 1922.

TRANSFER

Dr. Eric M. North,
150 Fifth Avenue,
New York City, U. S. A.

My dear Dr. North:

Ext Fin Committee July 18 - Refer to Treas for investigation & report

When the Baptist Board entered the union some ten or twelve years ago, they put in as a part of their original capital $5,000 gold from Mr. H. A. Sherwin (see action of Board of Managers March 11, 1914*). We wonder what has happened to this $5,000 gold. It was put in more or less for medical scholarships, I believe, but as it was a part of the original capital investment of the Baptist Board it should belong to the University and we should be getting the income from it for our work - if you want, for the premedical work. I am not at all certain that we have been getting the income from this $5,000 and I am writing to ask if you will be so good as to look it up. Probably Mr. Carter can give you the necessary information about it.

We are holding our Finance Committee and Executive Committee meeting on Saturday of this week, November 11, and shall shortly have sent to you the budget and accounts that grow out of this meeting. We are very radically changing the form of the budget so that it will agree with our ledger accounts. Unless we do this we have no way of finding out where we stand without weeks of unsatisfactory effort, and we have no way of holding the men to the budgeted amounts. Mr. Lobenstine, who is chairman of the Finance Committee, will be going to New York shortly after our meeting on the 11th, and I would strongly urge that he be invited to the next meeting of the Board of Trustees as he has just been through our Board of Managers meeting and has the latest about our finances, which are in very bad shape indeed.

With very kindest regards,

Cordially yours,

A. J. Bowen

*Printed minutes of Board of Trustees for 1914, page 11.

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UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

November 6, 1922.

Dr. J. E.Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Williams:

I will now take up briefly your last letters with the carbon copies that came with them, beginning with the September 29 confidential letter regarding the premedical situation. I rather suspect that it has been the best thing for Dr. Speer to take charge of the further negotiations with the China Medical Board. I suspect that they realize that you and I have too strong feelings on the matter to make very good advocates for our own cause when we are more or less trying to get favors, if not justice, from them. What you have done seemed to me to be perfectly in order and all right. I presume my letters to Dr. Speer and Dr. North and Mr. Eric North about the matter were perhaps a little too strong and perhaps not conciliatory or diplomatic enough, so, on the whole, I am sure that if anything can be done Dr. Speer can do it and your being there for him to consult with freely all the time will perhaps get us where we want to get anyway, and that is, to get something in the way of actual money from them. That is the thing to be accomplished, and we can forget our resentment at their treatment if they finally do this. I do hope the next mail will bring us good news about it, but whatever the outcome you may rest assured that we out here will have absolute confidence in you and Dr. Speer and the others there, knowing that you have done everything humanly possible, and that if they do not give us anything we can still live.

It has been a great comfort to Reisner to get word about the allocation of the famine funds. I only wish we had some such fund to help us on the general work of the University. We cannot use any of this, of course, for our debts.

It is also fine that Mr. Moss is to be there and is actually on the job now. I think you must put everything possible on him and let him take the burden of all possible details, not only regarding the setting up of Trustees meetings but also the details of looking up candidates and keeping the files clear about them, keeping up correspondence with prospects and relieving you of every kind of routine work like that that he must get hold of and keep his hands on, and let you be free for the main task for which you went home this time - that is, to get funds to get us out of debt first, and, secondly, on a better financial basis.

We have not yet got final reports from the work Miss Smith has been doing, but I worked over the budgets and accounts long enough to know that we are not going to be able to save any $20,000 to apply on our debts from our 1923 regular income, and it is going to be humanly impossible unless we drop large salaried men right and left. You can figure out how many men you will need to drop to save $20,000 Mexican a year, and that is the only possible way we can save any $20,000. The only way we can keep our heads above water is by having practically all the board appropriations actually reach the field and not be absorbed over there in home salaries and campaign expenses. That means, of course, that you must be getting some ready money in that can be applied on your expenses and Moss's expenses, and the expenses of the new office, and not take these out of regular expenditure which we have already budgeted for, in some cases practically spent. That was our great difficulty all last spring and part of the summer - the appropriations were absorbed by bills and salaries and homegoing expenses and we simply got statements. The last statement we had from Mr. Carter a few days ago was simply a statement and explanation of how ~~the $9,250 which was sent out by cable months ago had been covered from regular income from the boards and from endowment, etc.~~ [illegible] Of course the only way Mr. Carter can pay bills and things over there is to take from such income, but it leaves nothing for us to pay bills on over here. So the first and most urgent need - and, it seems to me, the one thing that you must give all your time and attention to immediately, is how to get ready money to pay off our debts so that when the school term opens at any time we have those fees on which to run for the rest of the term, rather than have to use all those fees immediately to pay accumulated bills and bank overdrafts. If we can once get caught up that way then we can live within our budget all right, but until we do we shall be living in a very precarious and unsatisfactory condition. So, on the whole, I am glad that Dr. Speer has taken all the burden off of you for the premedical negotiations with the Rockefeller people and you are now more free for the main thing for which you went home.

I am just a little anxious also as to whether your long journeys, like the one to Minneapolis, where you had to spend six or seven nights on end in sleepers, is the best way for you personally, both for your health and for accomplishing the thing that must be accomplished very shortly, namely, getting money. These big synod gatherings, while they give you fine contacts with influential people of your church, unless they lead to a good many direct interviews with wealthy people who can give us some money, may not be the best thing at this time. So do not let them pile too much of that kind of work on you so that you have not the time to do the other. I am sure that the only way real money can be gotten is by personal contact with individuals and cultivating them. Of course it is inevitable that ~~that~~ you do a lot of travelling and speaking, but do not let them wear you out doing that and leave you no time for

the real task that the Board of Managers are expecting you to do, and which we must have done, and that right soon or else close up in some way or other.

I am glad that you connected up with Rowe and are keeping him informed about matters. The situation in the Seminary is far from being reassuring. Ritter thinks that the investigation committee is bound to bring definite charges against some of the men. Mr. Sie has already practically resigned. I do not know whether they are going to be able to hold him or not, and if the investigating committee is not extremely careful, Mr. Shen will also resign; and if the Seminary cannot keep such first-class Chinese on the staff, the Seminary's days of usefulness are about ended, so far as training men who are really going to "hit the line" and make any impression on the young China of today is concerned.

I wrote you at some length about the famine funds and so will let it go at that until we get further details. We are not doing anything, of course, in the way of planning or spending these funds until we actually get some of them in hand and know what we are authorized to spend them for. The idea of having Minister Schurman and several others appointed out here is a good one.

I had a letter from Professor Coe saying that he had left Union and was giving all his time to Teachers College and so could not come to China. I think that will save us some embarrassment at least, though we should have enjoyed his reactions here in China.

We are ~~trying~~ getting ready at this end to try and get some funds from the governors. A few gifts from this end, from Chinese, would be of great help to you in your campaign to get funds for our indebtedness over there. We had the Civil Governor and the new Commissioner of Education, whose name is Tsiang, from the Board of Education, Peking, a very friendly and prepossessing man, and a Mr. Fu, Commissioner of Political Affairs. We had these three men, who are all new here to Nanking, in to dinner Friday and had a very good time, and right after dinner took them to the chrysanthemum show in the Agricultural Gardens, where they saw the chrysanthemums and Mr. Griffing ginning cotton with an American gin. We may have the Military Governor in a little later. The ladies had the Military Governor's wife in to tea that same day and took her to the flower show. We ought to have about $10,000 from those two men this year.

It is very fine of Mrs. Abbey to make this gift for the University and I shall write her in a few days.

Your Recorder seems to be still coming here. We will write to them and also to the Educational Review to have your copies directed directly to you. They have been mailed on from here as they have come.

You ask about the C. M. B. $9,250 for 1921 and 1922. The amount for 1921 came out, as you perhaps recall, by cable, in an amount of $13,000 and something. We thought this sum was for general university uses and so sent it to the bank to apply on overdraft. It was not until some months afterwards that we found that a large part of the $13,000 was hospital funds, so that $9,250 of it was not sent to the bank to the hospital account. The second $9,250 came out by itself so that we could locate it and it was sent immediately to the bank to their account. Since then, however, we have sent $10,000 Mexican to the bank to the hospital account and they have today in this account, to their credit, $23,810, and now when the hospital funds come, either from the boards or from the C. M. B., they go immediately into their account.

The $16,000 Mexican of Mr. Severance was not placed to the hospital account as it had to go into the bank to help carry us along. In that way it went to what it was given for, paying the debt on Severance.

The net balance due the hospital when we met at the Board of Managers meeting was about $42,000, as I recall. You will get it from the statements sent to you. $14,000 or so has been paid in on it from Hosp. funds since, so far as I can learn.

I think you must clearly understand that we cannot possibly clear the hospital account - that is, pay back $42,000 Mexican - from any income we have here on the field, and, at the same time keep the University running. It takes every cent that we receive from fees and from board appropriations to pay for the current salaries and running expenses, though perhaps we are gradually paying something into the hospital account. As I said above, we paid ~~over~~ $10,000 in (14000 Illegible) from fees this fall to the hospital account, but you see that does not entirely replace the $9,250 gold of the 1921 appropriation which we used.

As to the $15,000 Mexican of Mr. Day, none of that is in hand. It is in the general accounts and part of our general deficit. Of course we cannot refund that, either, from present income here on the field, from fees. So, as I said in the earlier part of the letter, the only way we can possibly get out of debt, except through the long, slow process of paying it back a few thousand dollars a year (by that time we will all be dead), is to get special funds for it, either in China or America, but the prospect of getting a great deal in China is not very bright these days. We will have more details and, I hope, trustworthy accounts when we meet on the 11th for the final round-up of our budgets, but they are not going to show any saving at any point that I can see at present.

I wonder if you could not, when you are in Chicago, enlist the help of Dr. Holgate. You might even go to Chicago for a special campaign for funds for our debt. I believe you will find Dr. Holgate willing and desirous to cooperate definitely and specifically, and, of course, he understands our situation and carries a good deal

of weight with many in Chicago and Evanston - I mean men of real wealth.

I do not know just what we can do about Mr. Wilcox. Certainly nothing until some decision is reached regarding the School of Administration and we get funds to develop it and funds to support him. We cannot, of course, now consider taking on any additional men excepting, of course, under the famine funds. It is encouraging to know that if we had the money we could probably get him, and I hope that he will be available when we do have the money.

If the American Board would support Charlie Riggs here for our agricultural work it would be fine. I am afraid they will have difficulty in doing it, as they have no work in this part of China. I wonder if he would be a worth-while man to take on under famine support. I will go over the matter with Reisner and see what he thinks about it. Of course I think we could do more for the American Board if they really want to do anything in the way of agricultural education, by training some men for them here, than they can do through having a foreigner in Shaowu. What you say about his work and the work that Mr. Buck was trying to do at Nanhsuchow, I think, is absolutely true, and I do not think they can accomplish so very much in that immediate, direct way as they would probably get by supporting Riggs here and have him help train the Chinese for their work.

Your letter to Dr. Speer, copy of which you sent to the China Medical Board, was very clear, and I am sure he would appreciate it very much.

We certainly shall make use of Dr. C. T. Paul when he comes out. Alec Paul passed through Shanghai this past week but will not be here for some time. Marx is doing a splendid piece of work for the mission and, as you say, our giving him up has been a good thing in many ways. The Bredes are splendid and I think Mr. Brede is going to make a good teacher. We will try to cultivate Mr. Bowman when he comes and get him interested in the University. You know at one time he promised to support Miss Taylor here but never made good on his promise.

This letter is already scandalously long and I must close. We are having a meeting of some of the athletic men of both ends, as they have got into a pretty bad snarl over the Kan Ho Yen athletic field, and unless it is handled carefully and immediately we shall have very bad feeling between the Middle School and College boys, as there is already not a very good feeling between Mr. Speers and some of the athletic committee men up here; so we will try to iron that out this afternoon at half-past four. We have a meeting of the Hospital Committee tomorrow. Dr. Daniels is very anxious to begin on one of the units of the new hospital building. With $23,000 in hand they can begin without serious danger, even if we are not able to pay in very much for the next six months on what we owe them. In

the meantime things in the University are going along fine. We have a very fine student body, the best we have ever had, and the men are doing good work.

I certainly do sympathize with you in the extremely difficult task that we have put on you - raising money for a dead horse - but I think with the help of Dr. Speer and keeping yourself free for this work and letting Moss do all the routine and details that you will pull it through all right. If you cannot I do not know what is going to happen to us. We haven't anybody else on the staff that can do it. I wish there were some way that I could personally help you in the matter, but that does not seem possible from this end. However, I hope we will be able to report in the course of a month or so something from the Governors here, but of course that is not at all certain.

As ever cordially yours,

A. Bowen.

Nanking

Nov.11,1922.

President A.J.Bowen
Nanking, China.

My dear Mr. Bowen;-

There are a number of things to tell you about in this letter and I hope not to make it so long that you will forget half of them before finishing the screed.

I enclose the minutes of the Executive Committee meeting held on Wednesday and will make some comments on them before I finish.

1. You will notice that I am now assistant secretary of the Board which means I am to do all the work that Dr. Eric North has been doing, and probably some besides.

2. This means that all things that you wish to have officially brought before the Board of Trustees ought to come to me. I will do my best to see that they are presented as you wish.

3. We ought to have here in this office copies of the minutes of all Manager's meetings, and I think, as a matter of information at least copies of minutes of all Faculty meetings. If you will see that we are on the mailing list for both these bodies I shall greatly appreciate it.

4. I do not know what the policy has been in the past. I would suggest that I believe it would be a good plan for us to have enough copies of the Managers meetings minutes in the future so that they could be distributed to the Trustees.

5. Sufficient copies of the various catalogs and Bulletins of the University should be sent to this office as they appear from the press so that we can distribute them to Trustees and Boards in this country.

Regarding the enclosed minutes let me mention the following points.

A. Second paragraph page 2 will indicate that the mission boards excepting the Baptist have agreed to increase their appropriations by $1000 Gold annually beginning July 1st, 1922. This means an increase of only $500 in this calendar year for each Board. Beginning Jan 1st 1923 it will be an increase of $1000 per year over the 1921 appropriations for each Board.

B. The agreement of the China Medical Board is now

that in case the co-operating Boards do not completely supply their full share of the $11,750 the C.M.B. will make pro rata payments on what is paid in.

C. Top of page 3. The Baptist Board now agrees to pay the sum of $1000 Mex per year for the medical care of their missionaries in Nanking. It was apparently impossible to tell just what the situation now is toward making up the necessary $11,750 for this year to meet the C.M.B. agreement. You will note that we are to try to dig up the facts before the annual meeting.

D. The Y.M.C.A. have pledged their help on the Language School dormitory problem as indicated. I think Keen knew this before he left.

E. Pages 4 and 5 deal with the granting of the M.A., M.S., and B.D. degrees. Action E-100 together with point #1 in Mr. Downing's letter will indicate that we must submit a statement of the courses leading to the degrees for approval by the Commissioner of Education. We will present them in due course when we receive them from you.

F. Mr. Williams has kept you informed regarding the progress of his campaign. The fact was brought out that so far as Mr. Carter can figure the University is $55,000 in debt at the present time. There seemed to be no light on a possible cache of funds to overcome this situation.

G. Mr. Williams has also probably written you about the Famine Fund. He does not indicate to me what matters he is taking care of, and he seems reluctant to recognize the work this office is supposed to do. He is a good deal closer to Mr. Speer than I am so he has better information about it and should keep you posted.

H. A copy of the agreement signed with the Silk Association has been sent out to Nanking so I will not comment further upon it.

I. It was felt unwise to try to consider the Regulations for Managers and Faculty which Dr. Holgate helped to work out until there was definite recommendation from the Board of Managers. As I understand them they constitute amendments to, or changes in, our by-laws.

Efforts are being made by the Committee of Reference and Counsel to get the various Boards to send

representatives both missionaries and others to a series of conferences to consider but in no case to take action upon the recommendations of the Educational Commission, for each of the areas as outlined by the Commission. Of course now the problem is how to take hold of the report.

I guess this exhausts the subjects lined up for discussion in this letter.

Let me say that I hope you will find occasion to write me what is going on in the University. Mr. Williams may get many letters from you but he never passes them around as you do in Nanking, and the result is I know practically nothing of affairs there. My interest is keen and I am now in a position where it would be better for the University if I did know a good deal about what is transpiring. That is to say, I can speak before the Trustees with much more assurance if I am in constant contact with the field than if I seldom hear from you.

We think of you all much and often. This is the season of the year when Nanking is a great place to live. I often long to be back there.

With abundant best wishes to yourself and all the faculty who are my friends - I hope none are my enemies.

Cordially as always,

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

TRANSFER

Nanking

November 14, 1922.

Mr. Eric M. North,
150 Fifth Avenue,
New York City, U. S. A.

My dear Dr. North:

We are finally in position to send you the revised budget and the final actions of the Executive Committee growing out of the Board of Managers meeting of October 10. You will note that the budget covers only the first six months of 1923.

I wish especially to call to your attention action M-9, Board of Managers meeting of October 10:

Report action
Fix it for June 30

> MOVED AND CARRIED: That we recommend to the Board of Trustees that the fiscal year of the University be changed from the calendar year to correspond with the school year, the exact date for the closing of the fiscal year to be determined later.

This will require special consideration by the Trustees, so this budget for the first six months is made, you will see, for the calendar year, from January 1 to June 30, 1923.

Then you will observe that the budget is in an entirely different form from what it has been in previous years. This form has been adopted from Arnett's 'College and University Finance,' a copy of which Mr. Scott kindly sent us last summer and which both Mr. Akerstrom and myself and the members of the Finance Committee have worked over rather carefully. This budget follows that book in general, and the general principle behind it is that the budget should be in such form that the ledger accounts will correspond and agree with it, and in such form that the treasurer can know exactly where we stand on any account without spending months in working it out, and can also readily check up any expenditures of heads of departments or others calling for money. This will enable us to live within the budget, we believe. This budget has been made out with the greatest care and includes all possible expenditures that we can think of that will occur during the first six months. It will be necessary for the Trustees to study this form of the budget as well as the budget itself, and act upon it, as hitherto we have been following a form of budget largely suggested by Mr. Carter and this is

a radical departure, of course, from that. In addition to the full budget which gives all possible details we shall give you a two or three-page summarized statement and a one-page summary of totals, so that I think the whole matter of the budget will be clear to you and will show the lines along which we are working to reduce expenditures.

You will have seen from the actions of the Board of Managers of October 10, Action M-14:

MOVED AND CARRIED: THAT we refer the budget for 1923 to the Executive Committee with power, and that we request the heads of departments and the Finance Committee to make further study of this budget with the understanding that, if possible, $20,000 be made available to apply on the deficit, that at this meeting of the Executive Committee we were instructed to reduce the budget by $20,000, this amount to be made available to apply on the deficit. This, of course, referred to the budget for the year. In making out the final budget for the half year, while we have, of course, entirely reorganized and changed the budget on which this action was based (October 10), on the final budget which was submitted to the Finance Committee, (November 11) for the half year we have made a reduction of $10,000. It remains, of course, to be seen whether we can actually live within this reduced budget, but except for unforeseen items, such as unforeseen travel, I do not see why we should not live within it, even with this reduction of $10,000. The reduction is to be applied on past debts.

Note: Report to Fin Comm

It also should be said that we do not have the books posted up to date and a clear statement as to the actual financial standing November 11. Until we get some of our debts paid and can start clear at the beginning of the year or at the opening of the term with no large overdraft at the bank and unpaid bills accumulated, it is not clear to me that we can come out, say June 30, 1923, without any deficit or overdraft at the bank. It seems rather clear to me that we cannot come out without some overdraft at the bank and a considerable number of unpaid bills, but ~~for~~ the expenditures from January 1 to June 30 under the budget we shall be able to cover. Of course we can hardly be expected to pay from the income from January 1 to June 30 bills and debts ~~we~~ that have accumulated during the past months and years, except the $10,000 which we definitely save by the budget as operated. There is, however a most cordial and earnest determination on the part of the heads of all departments and of those responsible for spending any money, to live absolutely within the budget and to reduce all expenditures to the absolute limit. To this end we have cut out practically all permanent equipment. We have reduced the amount for books for the library to the lowest possible amount. / We are releasing Miss Black December 31 of this year. We are releasing permanently and are not planning to replace the following teachers in the Middle School, Miss Carr and Miss Sloan; in the Model School, Miss Mawe; in the College of Agriculture and Forestry, Mr. K. S. Sie and Mr. Hwa Peh-hsiung, and pos-

Let these reports stated separately + not carried on accts pending in 1923. Handle in a "Deferred Acct" or Accts

one or two others. You will note also that there is a heavy item for the travel home of these people and for the outcoming of Mr. Owen and his family. For the budget from June 30 to December 31, 1923, you will readily see that we can much more easily save $10,000 than we have been able to for the first half of the year, for the travel and furlough items will be very greatly reduced and we shall be saving on the salaries of at least four foreigners and several Chinese.

The work of Miss Smith on the books since our meeting of the Board of Managers, together with the help and work that Mr. Akerstrom has been able to give on the reorganization of accounts and shaping the budget to harmonize with Arnett's system has been invaluable. I think you will be able to see that we have tackled the problem of our expenditures and finances in a much more thoroughgoing and drastic and effective way than ever before, and we all felt that we were actually beginning to get on a basis whereby we could know just what we were doing in the way of expenditures and could check up effectively at every point. This has been entirely impossible in the past.

I am sending, for your information, the report of the Chairman of the Finance Committee, which he made after spending a good deal of time here in Nanking working over our accounts and studying the problem with Mr. Akerstrom and Miss Smith.

The various recommendations that you will find numbered EM- 32 to 38 will need the careful consideration and attention of your Finance Committee, and through them the Board of Trustees, and we shall, of course, be glad for any revision and improvement that you can suggest at that end.

We are sorry that we are so late in getting the budget to you and that it covers only the half year, but we felt under the circumstances that it was absolutely necessary to have this preliminary and detailed and searching study before we sent the budget to you in final form for these six months; and we felt that it would be much wiser and safer financing for us to break the year up into smaller units, at least two, for the next year or two at least. We shall, after March, when the spring semester has opened and we have definite data as to income for the next semester, be able to make a budget for the fall - that is, beginning with July 1 and extending to December 31 - much more accurately than we could at this time, because by then we shall have had three months of operation under the revised budget, and can look ahead for the rest of the year with rather close certainty as to just what we will need and what we may be expected in the way of income.

Oh appreciate energy + effort

There remains the whole problem of the Famine Funds, but as we have received no official statement as to their being granted and no statement as to the conditions and limitations under which

we are to use those funds it was thought best that everything regarding them should be held in abeyance until we get this definite information. It will then be considered most carefully. We realize that we shall be scrutinized very closely indeed regarding the use of these funds and we shall make every effort to prevent criticism and shall use them only and entirely as directed in the original grant.

Right

I should say that we approved of the erection of the sericulture building on the basis of the attached budget. I do not think this budget was formally acted upon by the Executive Committee, but the Building and Property Committee has passed it and it was an oversight that it was not acted upon by the Executive Committee. You will note that we are holding strictly to the amount that we have, $21,000 gold, and the building, together with its furnishings and equipment, is to be entirely covered by this gift.

The Hospital Budget which we are sending has not been thrown into the form of the other budgets as that is a more or less separate institution and the general finances of the University are not involved.

O/C

It should be pointed out that the action of the Board of Managers M- 19 has been reversed by the Executive Committee under action EM- 37. This reversal was made on recommendation of the Hospital Committee (see minutes of Executive Committee, November 11) in the realization that the Hospital Committee had in their separate bank account $28,000 Mexican, in addition to the large amount that we owe them, and that before the proposed building would be completed there would be another $9,250 gold due from the China Medical Board. Also, it was understood that if for any reason the funds gave out building operations could be stopped at any point, because the building is to be of reinforced concrete. So it seemed a perfectly safe proposition for the Hospital to proceed at once with the erection of this unit, with every prospect that it could go steadily forward to completion in the early fall of 1923.

Call to attention of Fin Com

How about current obligations

There is one other item that I should like to bring to your attention, and that is that when Mr. Owen returns in March we as yet have absolutely no place for him to live. We do not know just what we shall be able to do in the way of housing him and his family until some one goes home on furlough who is now occupying a University house. The same condition will obtain in September when Dr. Hutcheson returns and Mr. Reisner has to vacate his house. We should by all means have funds to build houses for these two men.

Fin & Ex Com

Hoping you will find these actions and minutes clear and trusting that the delay in getting the budget to you has not too seriously handicapped your work, believe me,

Very cordially yours,

A. J. Bowen

Sericulture Building Budget

Expenditures

Contractor	$22,974.00
Concrete floor steel	4,400.00
Electric lights	900.00
Heating	500.00
Drain and plaques	80.00
Steel in concrete tank	400.00
Pump and piping	300.00
5,000 gal. Cistern	1,750.00
	31,304.00
12% for the following:	
Supt. of Constfuction, 7% Contingencies, 5%	3,756.42
	35,060.42
Furnishings	3,939.58*
	$39,000.00

Income

$21,000 gold @ 1.86	39.000.00

*The 5% of contract price reserved for contingencies may be used for furnishings and equipment if not not otherwise absorbed.

RECEIVED
DEC 16 1922

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

November 14, 1922.

Dr. J.E. Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Dr.Williams:

I have written to Dr. Eric North, as Secretary, everything that is necessary, I think, to write to you, and I am having a copy of this same letter sent to Moss and Owen, so that they understand the whole situation and what we have done and are doing. You can readily understand that we have cut down to the quick, but I think it is going to be a very great help to you and to your campaign to get money to pay our debts, to have this thoroughgoing and drastic action here. Of course, you will understand that we cannot continue more than a year or two on this restricted and difficult schedule and hold our best men. They will feel that it is quite all right for a year or two until we find ourselves and pay our debts and have a good chance to get on a more adequate basis, but you will clearly understand that if after a year or two some of them feel that there is no prospect of going ahead and developing and getting the equipment and men that they need to do first-class work, they will not think it worth while staying. The prospect would be too discouraging and not attractive enough and you can make this point I think very clear to the Trustees. It is splendid, though, the way every one in all the departments has gone into the problem of cutting down and holding down. There is the very finest spirit and determination to do everything to live within our budget and keep things going. That is capital that is of the greatest advantage to us at this time, but of course it is a capital that we cannot permanently draw upon.

No word from you re Tsinanfu funds NWC.

We are hoping that the mail which is due Wednesday will bring final and formal information about the gift of $600,000, together with the conditions and restrictions and terms. When we get that we shall take the matter up with the Finance Committee here, and later the Executive Committee, and shall move very cautiously and conservatively, I can assure you, in the use of those funds.

I am just a little rushed this week with Ginling Board of Control matters, Founders Day, etc. I was down at a banquet at the British Consulate last night with the two Governors and eight or ten other Chinese officials, and we had a delightful time. As I was sitting next to the Military Governor I told him

about some of our financial problems. He seemed to be considerably interested.

Mr. Cressy has been doing a really constructive piece of work for us, as Chairman of the Finance Committee, and he is going to make good, I think, and do a very constructive piece of work as Secretary of the East China Educational Association.

We had a good meeting of the Finance Committee and Executive Committee but it was a rather gruelling meeting. I had to be absent at the evening meeting when the Executive Committee took final actions, as I had promised to go to the Bridge House Hotel Armistice Day banquet and celebration as I could not get out of it very honorably.

I was very sorry that we had to cut down rather seriously on Mr. Clemons' library fund for books, but we had to do it in order to make the necessary reduction. All of these recommendations and actions will need careful study by the Finance Committee there and will give your next meeting of the Trustees considerable matter to work over. By all means you must have Mr. Lobenstine at that meeting. He is going home on the same boat that will take this letter and these minutes, but has to go to San Francisco from Vancouver for a few days but will be in New York about the middle of December. I think it would pay very well to delay the meeting of the Trustees to consider these budgets and these matters till Mr. Lobenstine can be present, as he hae worked through them all as a member of the Finance and Executive Committees, as well as the Board of Managers, and will be very helpful in the meeting.

There was another rather determined effort to have Mr. Owen kept at home, both in order to save the rather large amount for travel expenses, and also because Mr. Cressy and Dr. Proctor, especially, felt that if he had had the right training and initiative the reorganization of accounts would have been made before this, but wiser counsel prevailed and he is to be back, of course. With the reorganization made largely and the better system inaugurated he will have no difficulty in keeping the accounts clear, I am sure. Of course, under the Famine Funds we shall have an assistant treasurer and an assistant secretary for the Agricultural Department, and this assistant treasurer, of course, should be an expert accountant. Whether it is a man or a woman I do not think is very material.

Hoping that all is going well and that we shall be getting some funds in the not distant future,

As ever cordially yours,

A. J. Bowler

P. S. Dr. Proctor is sailing for America December 3 and it would be of great advantage, I think, to have him at the meeting of the Trustees, so if he is in the East and available, I would by all means have Dr. Eric North invite him.

A. J. B.

November 16, 1922.

Dr. J. T. Proctor,
20 Museum Road,
Shanghai.

My dear Dr. Proctor:

I was very sorry that I had to miss the last meeting of the Executive Committee.

I think your suggestion about having a small committee of five members and meeting more frequently is a good one and we shall try to act on it. The Finance Committee, too, will need to meet more frequently, I think.

In regard to Mr. Wilcox, when the Educational Commission recommended that we develop a School of Supervisors of Education here (please note not a school of educational research), I began to cast around in my mind and inquire from various sources who would be a first-class man to head this School of Education which would put special emphasis on the training of supervisors. Mr. Wilcox's name came to me through some one - I do not know who - and since he was in America I wrote at once to Mr. Moss and to Dr. Williams, to see if they could get in touch with him and feel him out on the proposition. That is as far as the matter has gone. In the meantime no developments have yet transpired looking toward the near realization of the organization of this school. We have no funds whatsoever for it, of course, and until we have funds in hand there is no prospect of our considering the matter of approaching your Mission and Board for the loan or transfer of Mr. Wilcox. From the replies I received from Mr. Moss and from all my inquiries regarding the fitness of Mr. Wilcox for this position I am sure that if we did have the money available or in sight we would want to take the matter up very definitely with you, of getting Mr. Wilcox if possible, and the chances are that when we do get into that position of taking it up we will want you to consider the possibility of releasing him. That date, of course, is at present so uncertain that it is not fair for us to raise the question now with you or the mission. I wish we could have him here next term, but you will understand that it is out of the question unless some unforeseen thing happen at home that will make the money available for the development of the College of Education with emphasis on the training of supervisors.

I am giving the treasurer the memo of your expenses and he will send a check to you in a few days. We appreciate immensely the constructive help you gave us in the Executive and Finance Committee meetings. I believe we are getting on a basis where we shall be able to work out our salvation, and on a basis we should have been five years ago, as to budget and as to accounting, and we should then not have been in this present situation.

I shall be very grateful if you will meet with the Trustees, if possible, at their first meeting after your return to America. I am mentioning to Williams that you are going home, sailing December 3, and suggesting that a formal invitation be sent to you to attend the meeting. Having gone through our Board of Managers meetings here through these years, and more especially the last meeting and this Finance and Executive Committee meeting, you will be able to give them a good deal of first-hand innformation that they could not otherwise get.

Very cordially youns,

November 17, 1922.

Dear Bowen,

In regard to the Hospital, I was delighted to learn from Dr. Hutcheson how well Dr. Peterson has worked in. I note by the action of the Board of Managers that Dr. Trimmer is assigned to the Hospital, so the matter has been fully settled by Bishop Birney's appointment and the Board of Managers' action. I learn from Dr. Hutcheson that the staff would be very glad to have Dr. Peterson too, and supported by the funds due the Hospital and available for Hospital staff. In regard to that matter I cautioned Dr. Hutcheson, in which he was in full accord, that any such proposal or matter should be taken up in conference with you and Bishop Birney as to its relations to the Methodist Mission's needs of medical men and policy. If Bishop Birney could encourage action on that line, the Hospital staff and Committee could take action inviting Dr. Peterson, but they could do that only after they were perfectly clear that such procedure would meet with encouragement and approval.

The Executive Committee at its last meeting, as you will see by the actions reported by Dr. Eric North, recorded the action of the Cooperative Boards, each entering into an agreement for the support for the next five years. The Hospital, as far as the Trustees, Boards and the C.M.B.'s relationship, is all clear and on a safe basis of financing for five years. With the University returning all funds borrowed and keeping the account entirely clear, there should be no difficulty in that quarter.

I can appreciate your reaction about giving up the Middle School in light of the desperate needs of the colleges. However, we agreed to it by definite action of the Hospital Committee and I do not believe it is wise or safe for us to debate that promise, even though at present we are in hard straits. The Hospital has gone on limited equipment, notwithstanding their new Dispensary Building, during the first five years. They should now move as rapidly as funds can be provided to erect the Women's Hospital and the extension to the Men's, unless some better plan is agreed upon, the Nurses' Home and houses for their Chinese Doctors and staff.

Your reaction about the proportionate share of my expenses for the Hospital is a natural one. On the other trip, the Hospital accounts and our books should show the transfer of something like $1,500 or $1,600 Mex. or more, from Hospital funds to the University to cover expenses of my work in the United States. We agreed on that at that time so that is closed. Dr. Hutcheson would be agreeable to any amount that seems equitable and right upon the present trip, and that we can adjust.

I was very much pleased with Dr. Daniels' response in his second letter in reply to yours. He is a true and faithful man and an earnest missionary.

I am sure that there will be no trouble from the present Hospital staff as soon as we have paid back the funds borrowed, and they have a free hand for development within the funds provided and stipulated.

As ever faithfully yours,

JEW:LB

Enclosures as follows:
Copies of Letters of Sept. 28 & Nov. 7 from S.J.Corey to Dr. Williams
Copy of Letter of Oct. 26 to Samuel Moffett from Dr. Williams.
Copy of letter of Oct. 26 to Floyd Ruland from Dr. Williams
Copy of letter of Oct. 27 to Dr. Holgate from Dr. Williams
Copy of letter of Oct. 27 to Dr. Butterfield from Dr. Williams
Copy of Letter of Nov. 13 to Dr. Williams from Dr. Butterfield
" " " of Nov. 13 to Russel Carter from Dr. Williams (re diplomas)
" " " " Nov. 9 to Dr. Williams from Dr. Downing (re diplomas)
" " " " Oct. 18 to Dr. Williams from Elisabeth Parsons (re Charlie Riggs)
" " " " Nov. 20 to Dr. Hutcheson from Dr. Williams (re building addition to Hospital)
" " " " Nov. 18 to N. Gist Gee from Dr. Williams

page 1

November 17, 1922.

Dear Bowen,

I have just received a good letter from John Reisner about the famine funds, the possible assignment to cover the $100,000 pledge from the Methodist Board. Reisner comes back in good spirit to guard against misunderstanding of the Agriculture and Forestry Department absorbing funds of the University formerly not specifically designated. The assignment of $16,000 Mex. on the Agriculture and Forestry Department and $17,000 Mex. on land, making a total of $33,000 Mex.- from what I had thought of the amount expended there - seems an under-estimate; however, if it was the united judgment of the Board of Managers, that settles the matter of the amount to be charged to the Agriculture and Forestry Department. It does not settle how to clear off the deficit of $100,000 Mex. at the end of June.

With the publicity given to the Agricultural Department, and with the fine work the men are doing in that Department and their enthusiasm to develop it, there will be an increasing pressure to provide the funds necessary. It would seem natural and right to yield to that pressure and the deficit will be steadily increased. It would seem only right that the work should be departmentalized and as it is up to us here to find adequate funds to clear off the deficit and get the money for growth, you will have to keep sonstantly before the men the actual conditions in America, and the difficulty of finding the money.

I am delighted that Mr. and Mrs. Lowdermilk are fitting in finely. Their travel and salary, however, has been added to our budget in prospect of the resources from the famine funds. I fear we will have difficulty in making the resources of the famine funds retro-active on our needs. Our assurance of the famine funds are increased but we have not yet got them and we must hold steady against expansion until we have the funds and until we have an authorized budget and plan for the expenditure of the funds.

The meeting of the Trustees is fixed for December 9, at 9:00 A.M. Mr. Lobenstein will not be here in time for that meeting so I will take up the possibility of a later meeting. I think we shall have to have two meetings which might be a very good thing, One meeting for the annual election of officers and general business, and the sanction of the Executive Committee's actions already taken, and the other meeting especially for budget and finances.

If we had our deficits all cleared off, we have an expansion of staff and work that cannot be supported by any resources now in sight, and the present staff and work must have certain things to function as it is now, without larger growth; namely, houses for returned students and Chinese teachers, houses for foreign staff. These two items will require about $60,000 Gold. Another science building which means another $60,000 Gold.

One of the most important things is that our men should be intelligent about our present situation, its problems and its difficulties, and that they should be sympathetic and prayerful for a way out.

I am concentrating all my thought and effort now to get help on the deficit. With the Heads of Departments accepting the budget and conscientiously keeping within their budgets and a spirit of cooperation that will face honestly the problem of adjustment of various budgets so as eliminate deficits at the end of the year, we will come through.

As ever heartily yours,

JEW:LB

P. S. Please send me a large supply of catalogues, about 100. I shall want also reports of the different Departments. I hunted everywhere for reports of the Department of Missionary Training and found one copy, 1920-21 and a few copies of 1918-19. Please have them sent to the office here. Mr. Moss has probably written, too, for them so that one supply will answer both our needs. Also please send me 10 copies of the long panaramic view of the campus and 10 copies of the Commencement Procession. I should like to have from Mr. Small six copies of the ground plan and the whole development of the University, including Hospital grounds with buildings indicated. I am asking this because I think he has a negative and may have the blue prints. These requests may seem far removed from the immediate problem to Small and the others, but they will be worth many fold their cost in trying to reduce the deficit and to find the where-with for development.

I was glad to receive the copies of the Y.M.C.A.'s Hand Book. They are very attractive and full of interest.

J.E.W.

November 17, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking, China.

My dear Bowen,

Dr. Hutcheson was in last evening a while and we talked over the Hospital business. This morning we have gone over the plans that were decided upon at the meeting of the Hospital Committee, and which were approved and adopted by the Committee. I was interested in seeing them in order to be intelligent on them on any representation made to parties here in raising the money that has to be raised to meet the China Medical Board's offer of $45,000 Mex., on condition that the Trustees provide an equal amount.

Dr. Hutcheson and the Hospital staff are very eager to have the Hospital Unit agreed, upon, erected immediately with the funds of the Hospital. With the increased deficit as indicated in your letter of October 13, I can realize how difficult and impossible it would seem to provide funds adequate for this Unit-$40,000 Mex.- although more than this amount belongs to the Hospital.

I note by your letter of the 13th that the Board of Managers instructed that the budget be cut down and revised so as to show a credit of $20,000 Mex. that could be applied on the debt. The return of all funds due the Hospital should be our first consideration. The academic part of the University, if necessary, should be cut down in Departments in order to make that possible. From the funds replaced, the Hospital would have $30,000 to $40,000 Mex. to begin the building. This building is desperately needed by the Hospital now. I am strongly for beginning the building at once. I will see Dr. North, Mr. Speer and Mr. Carter and if they do not object to this line, I will send you a cable, "Urge beginning buildings as planned".

I have read your letter enclosing copy of your letter to Dr. Daniels and copy of his reply, and I can appreciate in our desperate need your feeling at the time. The University is growing larger and more complex. The lines of responsibility must be kept clear and all funds for the Hospital must be kept available for the Hospital and the Hospital made responsible for their administration. I believe, aside of financing, that the support of the Hospital has not encroached upon the resources available for the Academic development, nor do I think it will on the present basis of support. I believe it will help toward solving the situation to have this Hospital building for women begun.

As ever faithfully yours,

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

Recd. Dec. 28/22.

November 21, 1922.

Mr. Russell Carter,
156 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Carter:

Thank you for your letter of October 28 regarding the Silk Association building. It seems to Mr. Reisner and myself that the agreement is all right and we can live up to it. There are some things in it which are perhaps a little doctrinaire, and perhaps impracticable, but Mr. Douty, who will be their representative out here, knows the conditions and knows what we can do and what we can't do, so the agreement will be all right.

We sent you a copy of the budget for the Sericulture building. Exchange is now about 1.90 or a little better, so we shall get probably $40,000 Mexican for the $21,000 gold, and you will see that the total expenditure, including the 12% for Superintendent of Construction and contingencies, is $35,060, leaving a good margin for furnishings. The building is now started, Mr. Chen Ah-ming having been given the contract, and it will be ready for use about the middle of April, in time for the raising of the silkworms for the next season. It is going to be a very great convenience and help to our work. Incidentally it will release some space in Swasey Hall, which we need very much, for other purposes.

You will have had a copy of our revised budget and actions of the Executive Committee. Dr. Williams has sent me the budget which I sent to him and which I thought I had made clear was only a suggestive one and had not been acted upon by the Board of Managers, who did not meet till October 10. From the minutes of that meeting you will have learned that they went into the matter very thoroughly and seriously and instructed the Finance Committee and Executive Committee to work it over again with a view to saving $20,000 for the year. This was done and final action was taken, but with a budget covering only the first half of the year. I think the results of this will be amply justified as we work under this budget from the first of January, but, as I wrote before, the form of the budget is quite radically different from anything previously submitted and will need your careful attention. We all felt here, both in the Board of Managers meeting and in the Finance and Executive Committee meetings, that we must have our budget in such shape so we could readily and accurately check up with our actual ledger accounts, and it is going to be extremely difficult

for anybody (including myself, of course) to get a cent of money from the first of January that has not been budgeted. It is going to be possible for me or any one else to know in a few minutes' conversation with the treasurer just where we stand on any account, and this is as it should be but never has been.

For the immediate future we are going to have difficulty to live until the next fees are due, February 22. We shall before the end of the year have exhausted possibilities of overdraft at the bank and all fees and shall have to depend entirely upon what comes from America. If all of the Board grants and income from endowment and other sources of income are absorbed there in campaign expenses we shall indeed be in a very difficult position before the end of the year. Of course we are not counting on anything from the Famine Funds to help us out of our general financial difficulties, but shall have to depend upon additional funds that Dr. Williams and you and the Trustees can secure for our indebtedness. We are cutting down every possible expense at this end but even so are going to have great difficulty in getting along until next term's fees come in.

We appreciate very much what you have been doing for us there, especially in getting the $21,000 gold sent out so promptly and thus enabling us to get the building well started before the cold weather of the winter sets in.

Very cordially yours,

A Bower

10,000 gold

Dear Robert:—

Would it not be well to cable making the 10.000 or 20.000 Famine Endowment Funds available to banking at once in view of Dr. Bowen's advice on the 2nd page of his letter rec'd. yesterday which I am attaching — Think it would be a great relief to the field and my understanding is that we are free to do so by your action at last Trustees meeting. Nothing has been done as to the sale of the securities but this could be done before the draft got round.

I suggest (am not sure of the amount treasurer's books have gone over to her. Miss)

Inculcate. Shanghai

20.000. — gold available banking University deficit — Russell

Nanking

November 21, 1922.

Dr. J. E. Williams,
156 Fifth Avenue,
New York City, U. S. A.

My dear Williams:

I was surprised to receive from you or Mr. Carter the budget for 1923. I am very sorry we apparently did not make it clear that that budget was simply a suggestive one and had not been formally adopted by the Managers but would be taken up by them November 11. Later letters and the minutes of the Board of Managers meeting, of course, will show that it was taken up very seriously and action upon it deferred, and an entirely new budget in an entirely new form for the first six months of 1923 was finally worked out and sent on to you. This is the budget under which we shall be operating January 1, and to which we shall hold absolutely and strictly. Of course, I do not know whether the Trustees will like it in this form, but we feel here that it is necessary to have it in practically this form so as to keep our accounts in conformity with it, and in order to hold every department strictly to the budget as agreed upon.

I am afraid that if you have had a meeting of the Trustees on November 8 you will not have had so very much business for them to take up, as even the minutes of our October 10 meeting, of course, would not have been there then. You probably had some matters connected with the Famine Fund and the United Office and other details, but the main problem of our finances you could hardly take up, I should think, until you had the actions of our Board of Managers meeting of October 10, and those minutes would show that the budget was still in process of formation.

Reisner, I think, is a little disappointed that he has not heard once from you directly, as I understand, since his return. Of course all of my letters I show him immediately, but I think he would appreciate direct letters to him occasionally, especially about the famine funds. I do hope that the conditions of spending this fund are soon announced, for until the conditions are definitely announced and fixed and we begin to spend it there will be all sorts of attempts at invasion upon it.

We have started work on the Sericulture building. We sent you a copy of the budget. The contractor's price is $22,974. The $21,000 at present exchange will bring about $40,000 Mexican, ~~so~~ you will see that the cost of the building, including steel for reinforced concrete floors, cistern, and other items, comes to $31,304, so we are, of course, going to keep all expenditures for it within the sum. I think the agreement worked out by you and Mr. Carter and

the others regarding it is all right. Chen Ah-ming has the contract and will do his utmost to get it ready by the middle of April so that we can use it for the next silkworm season.

I am sure that you will realize that we are in the same situation we were in a year ago to-day - perhaps even worse - as far as ready money for current expenses is concerned. Before the end of December, unless we get funds from home we shall be more than overdrawn, ~~and~~ our total possibilities at the Shanghai banks, and there will be no more fees coming in until the opening of the spring term, February 22; so we hope that you will do everything possible to get funds out to us immediately. You remember how we had to scratch around and get enough to carry us throughh the end of last year. It is even worse now, of course, because the amounts that came from Mr. Severance and from other sources have paid off only parts of our debts and we have had to use the fees for this term and other resources to pay off other debts and bank balances, etc., so after the term opens, in a month or two, all those fees which we receive are absorbed and we begin to accumulate another lot of unpaid bills and bank overdrafts, and we are in that process just at present.

Everything is going along about as usual and there is nothing special to report outside of our financial difficulties. It must be a great help to have Moss there with an office running and able to handle a good many details for you.

I should also say that we have just arranged to rent Dr. Wang's house for the Owens at $50 a month. I do not know whether they will be willing to go into it or not, but so far as we can see here it is that or nothing, and if they are not willing to go into it, so far as I can see the only thing will be to have them stay in America, as we have nothing else in sight. Should the Hummels go home this summer - their furlough is due - that house could be assigned to the Owens probably, but it is not certain yet that the Hummels will go home. As you know, our Board is in financial straits and are not allowing any more furloughs than necessary, but I think probably the Owens would prefer Dr. Wang's house to theirs. I guess I will have to write them about it anyway and put it up to them.

Write as often as you can.

As ever cordially yours,

a/b

UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

Dec 26, 22

November 21, 1922.

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156 Fifth Avenue,
New York City, U. S. A.

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Sept 13 8.
Sept 26
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Write as often as you can.

As ever cordially yours,

P.S. 35 College Boys & 43 Middle Sch. " decided at Bonar for Christ Sunday after Dr Stanley Jones service - he is one of Eddy part. They had final results in the cut for. Extreme good for us after only 2-3 months & one meeting. yours a/B

C-C

November 23rd, 1922.

Rev. A. J. Bowen, D. D.,
University of Nanking,
Nanking, China.

Dear Dr. Bowen:-

Just a few words to acknowledge your letter of October 16th and to assure you that it will be a pleasure to us to arrange for Miss Olive in connection with the sailing of the Owens and also to advise you that the payment for the last quarter has gone to the girls, but your advice reaches us in time so that nothing will be sent to them after the first of the year.

I know that Dr. Williams is keeping you well advised regarding affairs here and we are very glad for his sake and yours and of the College that at last he is receiving a little encouragement and is really securing some funds that would not have been secured were it not for the effective work that he is doing. Of course with the co-operating Boards and the China Medical Board he may have followed things up a little closer than we have been doing and so have secured some temporary relief, but, of course, to the Boards this does not quite appeal as new money, but now Mr. Schell of our Board is kindly co-operating and we are planning a tour of some of the cities for Dr. Williams, supplying him with names, etc., which we trust may yield something for the University. It is hard work, as you know, but the only way to get it these days is to actually go after it and Dr. Williams now is feeling, I think, that a little better co-operation is being furnished and he is ready to undertake anything that gives promise of success. We are dreadfully sorry for the extra labor that this has caused you and all the strain that it has put upon you. I think you are quite right that you must have help enough to keep your records and books up to date so that you will know just what the departments are spending. It is a pity that the heads of the departments have not co-operated more loyally and fully and yet we realize what a pressure they are under to furnish the best equipment possible in laboratory and classroom. It looks now, however, as though it would be absolutely necessary for you to keep your hand on these matters pretty firmly and we are glad to see that this is your own mind and that you have taken definite steps to effect it.

Very sincerely yours,

Treasurer.

over

November 28, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking, China.

Dear Bowen,

After dictating the above I attended this morning for one and one-half hours a meeting of representatives and Board missionary educators interested in education in Central China, called by the Committee of Reference and Counsel. There were present, F. P. Turner presiding, F. W. Bible as Secretary, F. M. North, Eric M. North, Dr. Gamewell; Dr. Ed Hume, Professor Latourette and Harold Vreeland for Yale; Dr. Bartholemew and Mr. Bachman of the Reformed Society of the Huping School; Dr. Wood, Secretary of the Episcopal Board for Boone; Rev. George T. Scott, Miss Hodge and Miss Roys from the Presbyterian Board; W. T. Locke and I as general missionary interlopers.

They spent the time discussing the educational situation in Central China. Dr. Wood was for the University if the Boone entity could be preserved in some way in the University. Hume and Latourette were strong for combining at Hangchow and said that they and Mr. Gage were a minority of the Yale people for the plan. Dr. Bartholemew and Mr. Bachman of the Reformed Church were for keeping their school and college at Huping. Dr. North said that the alliance of ~~Shansi~~ Yaangsu, ecclesiastically and educationally, would be more with the University of Nanking, but he raised the question of the wisdom of such a radical change as contemplated as transferring Yale and a large part of Boone to a new site. Mr. Scott said that the Presbyterians did not have much educational work in Hunan and he would raise the question why schools and colleges should not be continued in Hunan and where they wanted University work for them to send their students to Nanking, since travel was now expeditious and inexpensive.

F. W. Bible, in summarizing the discussion, pointed out that the interests of the Methodist Board would seem to lie outside of the Central China center and that the Presbyterians Board are largely involved in evangelistic work. As far as Mr. Scott personally was expressing his opinion, he would be inclined to provide for their educational work in the University of Nanking, so that the development of a University in the Hangchow center would devolve upon mainly the Episcopal Board, the Yale Mission and the English Societies. They decided to have another meeting in January and to have a committee appointed by Mr. Turner and Mr. Bible, to prepare a report for that meeting. There was a meeting in the afternoon on Canton. I was unable to remain for that because of the important consideration of famine fund documents. Announcements were made in the papers and I enclose announcement(clipping).

There are other meetings pending on other sections. Dr. Sailer was present and represented with him the enthusiasm of the recommendations made by the Educational Commission. Hume and Latourette represented,

with the spirit of martyrs prepared to face the inevitable and the desire to do it with loving sacrifice, the position of Yale going to Hangchow. In the mind of some present was the tremendous consciousness of the influence exerted so readily by the Peking Government University of the feeling that Missions conducting schools and colleges could not hope to influence public opinion, that public opinion in America was not molded or created by the Church College or the smaller institutions but only by the largest Universities, as Chicago and Columbia; consequently, it was imperative that Mission interests should concentrate in the centers for Universities. I raised the question, that if that was to be the background of our thinking, of the boldness and courage of proposing to the educational missionary interests of America and the public interested in Foreign Missions, the plan of founding five or six Universities in China with a view to exerting such an influence, or is it practicable to develop one or two?

These discussion groups will help to clarify fully all Mission and Board Administrators and the people interested in education in China. It is a hard slow process for people to imagine or begin to realize what is involved financially and for staff in carrying out an enterprise even the size of ours, which is only a small union compared with the large Universities proposed.

There are other conferences on Peking and East China. Any grant for our pre-medical was postponed by the China Medical Board until after reports of actions by the cooperative Societies on the report of the Educational Commission. This will necessarily involve a considerable element of time.

Our Trustees' meeting is called for December 9, Saturday morning, and I hope we are going to have a pretty full meeting.

As every most heartily yours,

JEW:LB
Encl.

I shall appeal again to Dr. North for help toward our deficit, as developed in large part from our work in agriculture and forestry, which, from the beginning has been an effort growing out of famine conditions, to fundamentally solve famine problems.

I am writing this early this morning not because I am pessimistic about the aid, but because I am convinced of the supreme importance of not getting involved further in deficits. Anyone who has any doubt on that point should come to America and try to clear them off.

A number of other important matters in your letter I will cover a little later.

As I figure by your statement the arrears of interest, $7,500 from the Methodist Board and $2,000 from the Disciples, were not included in your funds up to June 30 and the $5,000 so generously provided by the Methodist Board to liquidate your advance, so that there are some assets there toward that $100,000 Mexican deficit.

My old friend, Mr. E. R. Brown, will give $5,000 Gold, possibly more, according to what he realizes upon the sale of some stocks for that purpose. I shall make all the effort I can to clear off the whole deficit by the end of the year.

As ever most cordially yours,

JEW:LB

November 28, 1922.

Dr. A. J. Bowen,
University of Nanking,
Nanking, China.

Dear Bowen,

Two fine letters of October 31 and November 2 have come. I should have written you further developments in regard to the pre-medical but there have been none for a time.

I am writing particularly this morning about the famine funds. The action of the Famine Committee here is to commit the assignment of $225,000 and $675,000 to the Bankers Trust, to be held for Peking and Nanking respectively,- the $25,000 and $75,000 for the promotion of famine relief, if needed, and the other sums for the development of investigation for the prevention of famines, or for teaching agriculture and forestry, looking to famine prevention. The expenditure of funds by the institutions is to be made in accordance with budgets prepared and submitted by the institutions in September of each year for the following year. A Committee of five in China would review those budgets and determine upon the expenditure of the funds,- the Bankers Trust acting entirely subject to the majority vote of the Committee of Five. They would give their decisions on the budgets within three months after they are presented. The present Committee recommends the basis of commitment to the institutions. The annual and final determination, however, is at the discretion of the Committee of Five; two to be appointed by the United States Minister, who shall not be missionaries or in the employ of churches; two to be appointed by the Committee of Reference and Counsel in New York; the 5th to be appointed by the four.

I have just been going over very elaborate legal documents prepared by the lawyers, defining how the trust fund should be carried out within the general lines laid down by the Famine Committee. There are a few immediate considerations that have a direct bearing on the development of our work.

Firstly, We do not receive the sum until the end of 10 years and then it is not clear that we will receive it. Whether we do or not will be dependent entirely upon the character of the work developed in the Agriculture and Forestry Department, and upon the impression that that work makes upon the Committee of Five. What part of the principal we may receive for necessary buildings and equipment is also subject to the approval of the Committee of Five. This should guard us against involving ourselves in prospect with any large expenditures.

Secondly, Since the responsibility is in the Committee of Five and receives the full and unanimous endorsement of the American Committee, there is no ground for apprehension of criticisms upon the University for receiving the funds, or how they expend the funds. The Committee will be the judge and will stand between us and an irresponsible critisicm.

Thirdly, Within the 10 years, if the funds are not used in a way satisfactory to the Committee, less and less of the current may be granted to the University and at the end of the 10 years - if the judgment of the Committee should so recommend - they may assign the total of the remaining principal to other institutions than Peking and Nanking, or they may think it wise to vary the proportion which should be given to Peking and Nanking. In a word, the assignment of funds, the proportion and total amount to accrue to the University of Nanking is not determined upon the staff and work now being done in the University of Nanking and Peking University, but will be determined year by year by the Committee made responsible to observe the work. We can develop our work so as to receive the largest amount possible from the funds, but we should also think very carefully and soberly upon the relative importance of doing this or developing other departments which have not such a fund at stake to stimulate, but which are in line with the needs of China and the response of the Chinese.

It is distinctly defined that no part of the funds may be used to defray expenses of any work done in connection with the funds. Specifically, we cannot write off a dollar of the expenses incurred in Mr. Reisner's work here against the fund, nor can we write off any for the development already made in the Agricultural Department, such as land or the deficits on current. It is very carefully guarded that we can look for positively no relief for our present budget from famine funds, although the Committee in China might approve of transferring to the actual budget from the fund members of our staff that we are not now able to carry on other budgets.

To sum it up, there is a real substantial help in prospect. The combined judgment of such a representative Committee in endorsement of our work at this time is a real asset, but with these assets there is no ground for confidence in financing, except as we secure specific and definite gifts or specific and definite commitments from the cooperative Societies for the main part. You can forecast the pressure there will be to turn more and more funds toward Peking, with the position of the Minister and his associates already positively expressed.

I note Professor Coulter's interest and suggestions with regard to Mr. Severance. I have had them in mind, however, for some years back and have been working on that line

I hope you keep all the pressure you can upon your Board and your Missions for a larger share of about $400,000 Gold of famine funds within the control of the Methodist Board. The presence of such a large amount of funds in one church unused would not be without its influence on the attitude and judgment of this larger Committee. The more you can secure of them for the University, the better it will be not only for our work particularly, but in the development of all the inter-Board and inter-church relationships. These funds are under the direction of the Methodist Board alone which is one of the largest partners in the University of Nanking. If, in the control of their own famine funds they do not assign a good share to the University, they would only be confirming the judgment of the larger Committee that they should be very cautious in assigning much to the University.