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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

January 1, 1929.

Ach
Mr. B. A. Garside,
New York City.

My dear Mr. Garside:

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We are very pleased to receive your letters dated November 26th, 30th and two dated December 1st. We also acknowledge the copies of the minutes of the meeting of the Board of Founders and two packages of diplomas for the graduates of 1927. We are very glad to receive the diplomas as many of the graduates are anxious to receive them for their personal use.

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We are again pleased to learn of the news concerning the prospect of the final distribution of the Hall Estate after the beginning of the new year. We are anticipating receiving good news concerning the allocation of the funds before very long.

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I have received two letters from Dr. Hutcheson in which he states that he is planning to return to the hospital. This will mean a great deal of additional strength for the hospital and a great help in the whole hospital situation.

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In reading the minutes and your letter, I am afraid that I did not give as much information in my former letters as I should have done in connection with Action D186 concerning the future development of the two colleges and the promotional interests at home. These plans have been in the hands of the Directors for quite some time, and were very carefully prepared and presented. We have felt that some such development is very necessary owing to the development of the University and of the city of Nanking during the recent year or two. At first the plans for the two colleges seemed to be more elaborate than was necessary, but finally the Board of Directors authorized that an endowment of one million gold dollars should be raised for each college. It was felt that the library should be included in this amount - divided among the two colleges.

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The plans as outlined were worked out with the thought of bringing the work of the College of Arts and Science up to standard, and to further develop and strengthen the work of the College of Agriculture and Forestry, in view of its added responsibilities and place in China today. The members of the Board of Directors were in cordial sympathy with the needs and anxious to carry out the plan as proposed by the two colleges, but it seemed to them wise to defer action on the programs for moderate expansion at the present time, but to approve of the development and the necessary strengthening of the work already started. With this in mind they approved of raising one million dollars (gold) for each college, and asked Mr. Reisner to represent them in carrying out this purpose. We are glad that Mr. Reisner is at home this year, and know that you are giving him constant help and backing in this task. The detailed programs as presented by the two colleges have been inserted with the minutes of the Board of Directors, and we are sure they are self-explanatory.

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B.A.G. No 2.

In the action it is stated that "the matter will be referred to the Executive-Finance Committee to work out the details", etc. which refers to the allocation of funds raised, the manner in which funds should be assigned to the colleges and similiar other details of like nature. We were afraid that you might feel that the action was not very clear as it does not seem to be quite clear on this point. I trust this will enable the founders to approve of the action.

We have been very much interested to have the annual report of the treasurer and appreciate the very careful and systematic way in which the various items were reported. We realize the difficulties in connection with the finances and wish to express our thanks to you for giving them so clearly to the various mission boards.

I wish also to avail of this opportunity to express appreciation on behalf of the field to the cooperating boards for helping us through a very difficult year, and especially wish to thank the American Baptist Foreign Missionary Society and the Northern Presbyterian Board for their full support during the past year.

We are also very grateful to the other cooperating boards in helping us, but our appreciation is somewhat mixed with anxiety when we realize that the other boards have not given us the full support during the year. The past two years have been most anxious and critical ones for the University. The most difficult part is not only an attempt to keep the school going but an attempt to keep the traditions and special mission of the institution maintained in the best possible way. We can fulfil our responsibilities adequately in this transitional period of a new China if we have the full support of the boards at home. With the change in the standard of living in the new capital and with the larger variety of new developments in educational work in China, we really need more funds than before, and even although we received the full support from each board, we would face a very serious problem in relation to the future growth of the school. I am sure you have done your best and we are very grateful to you for your constant efforts on our behalf as we realize the constant reminders you are giving to the mission boards. May I express to you our deepest thanks for the part that you have had in this most difficult part of the work.

With best wishes,

Sincerely yours,


Y. G. Chen.

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*ack
2/5/29*

UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

(29)
January 1, 1928.



TRANSFER



*ack 7/5/29
Balance 12/2*

Mr. B. A. Garside,
China Union Universities,
New York City.

My dear Mr. Garside:

In regard to the matter of having Mr. Frank W. Price join our staff:

// We are anxious that Mr. Price should be appointed to the University under the Northern Presbyterian Board quota if it is possible to make the necessary arrangements. ~~(We understand that the Nanking Theological Seminary is anxious to have Mr. Price on their faculty, and are naturally hoping that he will join them.)~~ I believe that Mr. Price could do a ~~(much more)~~ valuable piece of work in connection with the Religious Department of the University as he is a very energetic college graduate himself and can mix with the college students very much better than any other American member who comes afresh to the field. (While realizing the needs of the Seminary, their school is largely composed of students who are not college men and because of his particular qualifications, it seems to us that our need is much greater than the need in the Seminary.)

Mr. Price does not feel it is best to commit himself to a promise to join our staff after his furlough year, which will be 1929-1930, but we feel confident that he would be willing to consider the proposal if the University and the Board at home should take the initial steps.

It takes such a long time to complete any such negotiations that I am writing to ask you to bring the matter to the attention of the Presbyterian Board to see if it could be arranged so that Mr. and Mrs. Price returned to the University of Nanking at the expiration of their furlough in 1930. They are now supported by the Southern Presbyterian Board, and it would mean a transfer to the Northern Presbyterian Board if the arrangement could be carried out.

// For your information, I am enclosing copies of some letters which have been written on the field between Mr. Price and myself. These will show you the personal feeling of Mr. Price in the matter, and I am asking that you consider them confidential and not use them in any official connection with the Mission Boards. It seemed to us that you would have a much clearer understanding of the case if you had a chance to read these letters, but you will also see that they should be kept confidential.

I realize this does not give you anything very definite to work on, but you may be able to approach the Board in an informal way.

Very sincerely yours,

Y. G. Chen
Y. G. Chen.

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UNIVERSITY OF NANKING
NANKING, CHINA

Copy for Mr. Garside



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1/12/29

January 12, 1929.

Mr. N. Cist Gee,
China Medical Board,
Peking.

TRANSFER

My dear Mr. Gee:

In reply to your letter of November 27th, I wish to apologize for the lateness in answering your inquiry. However, it was not in any way due to laziness, as we have been waiting for replies from the different missionary societies in order to give you complete data to January 1, 1929. They have been rather slow about sending the information to us due no doubt to the fact that they in turn had to secure certain items from the individuals involved.

Enclosed you will find two copies of the financial statement showing the amount of money that has been paid either directly to the University Hospital or to the staff members for the two years, 1927 and 1928. I hope we have covered the matter satisfactorily but in case you need any further information, we shall be very glad to have you advise us. In making the settlement for the last half of 1927 and for the year 1928, will you please ask the Foundation to remit to Mr. B. A. Garside, China Union Universities, 150 Fifth Ave., New York City? We are sending Mr. Garside copies of the statement.

We appreciate very much all you have done for us in helping with our hospital situation and know that you have given us most valuable aid at all times.

With best wishes,

Very cordially yours,


Y. G. Chen.

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UNIVERSITY OF NANKING
NANKING, CHINA

*see above
1/27/29*

SUMMARY OF MISSION BOARD REMITTANCES TO THE UNIVERSITY HOSPITAL

January 1, 1927 to December 31, 1927

Presbyterian, North	M \$	7,415 40
Presbyterian, South		5,856 98
Baptist		150 00
Methodist Episcopal		7,382 30
United Christian Missionary Society		<u>6,860 91</u>
	M\$	27,666 19

January 1, 1928 to December 31, 1928

Presbyterian, North		10,518 71
Baptist		150 00
Methodist Episcopal		8,349 34
United Christian Missionary Society		<u>7,304 10</u>
	M\$	26,322 15

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UNIVERSITY OF NANKING
NANKING, CHINA

*see check
1/1/27*

STATEMENT OF MISSION BOARD RECEIPTS FOR THE
UNIVERSITY HOSPITAL

January 1, 1927 to December 31, 1927

Board of Foreign Missions for the Presbyterian Church in U.S.A.

Payments made to Dr. J. H. Daniels:		
*Salary, including allowance for children	C\$ 1,285 00	
Rent	193 33	
Travel	962 70	
	<u>C\$ 2,441 03</u>	M\$ 4,882 06
Cash appropriation	750 00	1,500 00
Cash payment in lieu of representative on the field staff		<u>1,033 34</u>
Total for Presbyterian, North for 1927....		M\$ 7,415 40

Board of Foreign Missions for the Presbyterian Church in U.S.

Payments made to Dr. A. C. Hutcheson:		
*Salary and travel allowance;	C\$403 05, M\$5,050 88	M\$ 5,856 98
Total for Presbyterian, South for 1927....		M\$ 5,856 98

American Baptist Foreign Mission Society:

Cash appropriation for the year 1927		M\$ 150 00
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Board of Foreign Missions of the Methodist Episcopal Church:

Payments made to Dr. C. S. Trimmer:		
Salary, including child's allowance	M\$3,243 32	
Study allowance	800 00	
Travel	1,939 14	
Freight	40 44	
Special allowance	<u>360 00</u>	M\$ 5,882 90
Cash appropriation		<u>1,500 00</u>
Total for Methodist Board for 1927.....		M\$ 7,382 90

United Christian Missionary Society:

Payments made to Dr. R. A. Slater:		
Salary, including child's allowance	M\$ 3,200 00	
Travel and expenses in Philippines	1,090 91	
Special allowance	<u>1,070 00</u>	M\$ 5,360 91
Cash appropriation		<u>1,500 00</u>
Total for U. C. M. S. for 1927.....		M\$ 6,860 91

*Additional salary items paid in U.S.A. which do not appear on the

0446

UNIVERSITY OF NANKING

NANKING, CHINA

January 1, 1928 to December 31, 1928

Board of Foreign Missions for the Presbyterian Church in U.S.A.

Payments made to Dr. J. H. Daniels:		
Children's allowance	64 490 00	M\$ 800 00
Cash in lieu of representative on field staff; 11 months		2,393 34
Salary for Doctor in Nanking 1 month		340 00
Cash appropriation		1,500 00
Gift of 14 cases of linen and supplies		<u>5,485 37</u>

Total for Presbyterian Board, North for 1928..M\$10,518 71

American Baptist Foreign Mission Society:

Cash appropriation for the year 1928		M\$ 150 00
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Board of Foreign Missions of the Methodist Episcopal Church:

Payments made to Dr. C. S. Trimmer:		
Salary, including allowances	M\$ 4,039 96	
Travel to Nanking	1,959 38	
Study allowance	300 00	
Special allowance	<u>550 00</u>	M\$ 6,849 34
Cash appropriation (Payment in full to July 1st, anticipated to Jan)		<u>1,500 00</u>

Total for Methodist Board for 1928..... M\$ 8,349 34

United Christian Missionary Society:

Payments made to Dr. R. A. Slater:		
Salary, including child's allowances	M\$ 3,200 00	
Expenses in Philippines, allowances for travel, rent, vacation etc.	<u>2,604 10</u>	M\$ 5,804 10
Cash appropriation		<u>1,500 00</u>

Total for U C M S for 1928..... M\$ 7,304 10

Note:

The cash appropriations of the mission boards are paid quarterly and while we have not received the statements of them all at this date, we have no reason to believe that full amounts will not be paid for the last quarter of the year. In cases where payments were made in gold, we have used the fixed exchange of two for one. The figures used were furnished by the field treasurer of each of the cooperating boards. In the case of the final settlement of salary for Dr. Daniels and Dr. Hutcheson there was no record on the field, so we have been obliged to eliminate this figure from our report. It would increase the total for 1927 by a number of hundred dollars.

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Mr. Gist

UNIVERSITY OF NANKING
NANKING, CHINA



January 31, 1929.

TRANSFER

Mr. N. Gist Gee,
~~Rockefeller~~ Foundation,
Peking.

My dear Mr. Gee:

Sometime ago I sent you a report from the treasurer's office showing the contributions from the mission boards for the two years 1927 and 1928 to the University Hospital.

In order to make our report to you complete we are now enclosing in duplicate the financial statements for the two years, January 1, 1927 through December 31st, 1928.

We hope that we have given you all the information that you will need concerning the financial condition of the hospital, but if not, please be sure to let me know.

With best wishes,

Cordially yours,

Y. G. Chen.

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UNIVERSITY OF NANKING
NANKING CHINA

FINANCIAL STATEMENT FOR THE UNIVERSITY HOSPITAL from
January 1, 1928 to December 31, 1928.

*my check to
Rec - 1/2/29*

Cash on hand January 1, 1928 24,845 36

RECEIPTS:

Presbyterian Board, North	10,518 71	
Baptist Board	150 00	
Methodist Board, North	8,349 34	
United Christian Missionary Soc.	7,304 10	
Rent of residences	1,290 00	
Interest on funds	840 95	
Income from patients, etc: September 1st to December 31st	<u>18,311 00</u>	71,809 46

EXPENDITURES:

Current running expenses:		
Mission Board personnel:		
Presbyterian Board North	800 00	
Methodist Board	5,849 34	
United Chrs. Missy. Soc.	<u>5,804 10</u>	13,453 44
Expenses from current income:		
Administration	2,293 97	
Op. and main. (Board inc.)	6,433 34	
Salaries of staff	6,068 40	
Supplies, expense, equip.	<u>8,455 15</u>	23,250 86
Presbyterian Board, North;		
14 cases linen and supplies		5,485 37
Cost of reopening hospital:		
Cleaning and repairs	5,618 99	
Replacements	1,728 86	
Misc. exp. (guards, etc.)	<u>672 45</u>	8,020 30
On account of new road:		
Tearing down buildings, etc.		669 69
Travel and outcoming exp. for staff	<u>1,433 99</u>	<u>52,313 65</u>
Balance of cash on hand January 1, 1929.....M\$		19,295 81

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UNIVERSITY OF NANKING
NANKING CHINA

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STATEMENT FOR UNIVERSITY HOSPITAL

January 1, 1927 to December 31, 1927

Due to the fact that the hospital records were destroyed during the looting of March 1927, it is impossible to give a complete statement for the year.

Statement of income received through the office of the treasurer:

From Mission Boards:

Presbyterian, North	7,415 40	
Presbyterian, South	5,856 98	
Baptist	150 00	
Methodist	7,382 90	
United Christian Mission. Soc.	<u>6,860 91</u>	27,686 19

From Rockefeller Foundation:

1/2 approp. for 1927	\$3,429 36 at 2.1792	7,473 26
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Statement of expenditures through the office of the treasurer:

Travel, emergency expenses, salaries and emergency outfit allowances for University supported staff members (foreign)	10,875 27
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Salaries, outstanding accounts and expenses connected with the hospital staff remaining on the payroll after March 1927	2,377 38
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Payments to Mission Board supported staff:

Presbyterian Mission Board, No	4,882 06	
" " So	5,856 98	
Methodist	5,882 90	
U.U.M.S.	<u>5,360 91</u>	21,982 85

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U.S. DEPARTMENT OF JUSTICE

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TRANSFER

CHAO
University of Nanking

January 28, 1929

Dr. Y. G. Chen
University of Nanking,
Nanking, China.

My dear Dr.Chen:

This will acknowledge receipt of your letter of December 7th,

You first comment on the matter of contract for Miss Hynds and some of the other University appointed member of the staff. Our New York office has for a number of years tried to secure signed contracts with University supported appointees of all our different institutions, so this is not in any way a new policy.

Your letter makes clear a point on which our office has been uncertain right along - that Miss Jeffrey was previously supported by the University direct. The information we have had in our office here on this point has been very scanty and very hazy, but it seemed to indicate that she was supported before by a Mission Board rather than by the University. It was for this reason that we felt it would be safer to have the Candidate Committee approve her reappointment. The Candidate Committee was very glad to give their approval on the basis of the information you and others who knew her gave us.

We quite appreciate the urgency of your need for additional teachers in English. We have a number of applications from candidates who are prepared for English teaching work, but we have made little progress in regard to any of them because of the question of support. We have not been able to get any of these new applicants tied up with any of the mission organizations cooperating in the University, and at present we have no information of whether the University will have funds available for direct support of their members of the Department of English staff. I should appreciate it if you would make clear to us whether the University desires that any new English instructors sent out shall be directly supported by some of the Mission Boards, or whether, on the other hand, there may be University funds available for the support of such staff members.

A few days ago we received a letter from Mr.George R.Swann who, for some years, has been on our candidate files. Mr.Swann is finishing his Ph.D.course this term and would be available for work in the autumn. Both his Master of Arts course, and his Doctor of Philosophy course have been in the specialized field of English. In the next mail we will send further information with regard to him and also with regard to some other applicants

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Dr. Chen-2

1/28/29

we have had within the last few weeks. Will you be interested in any of these candidates and would the University have funds available for their support? If the University would not have funds available for their support? If the University would not have funds available for their support which ones would you suggest we might try to get in touch with the cooperating Mission Boards?

Very Cordially yours,

B A GARSIDE

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TRANSFER

University of Nanking

January 28, 1929

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

We are herewith enclosing the following:

1. Copies of minutes passed by circulation vote of the Executive Committee of the Trustees on December 18.
2. Minutes of meeting of Executive Committee of Board of Trustees held on January 9.

(Arrived 1/28/29)

Under separate cover we are sending 17 copies of the January 19th minutes for distribution, as you may wish, among the members of the Board of Directors. We are sending only two additional copies of the minutes passed by circulation vote on December 18th because they seem to be of less general interest.

You will note that the minutes passed on December 18th deal simply with the acceptance of securities from the Hall Estate. In the final distribution on December 28th we received these securities valued at \$295,912.50, and also \$4,087.50 in cash to bring the total to \$300,000.

MINUTES OF EXECUTIVE COMMITTEE MEETING JAN.9

The Executive Committee attempted to go through all of the items of business pending at the time and to either take appropriate action or else refer these matters to some appropriate committee or sub-committee of the full Board. In these minutes, therefore, we attempted to cover the items referred to in the following letters from you:

- October 26, dealing with University Hospital
- November 13, requesting sale of Wu Tai Shan property
- " 28, Language School property
- " 28 Mr. Reiser to represent Board of Directors
- " 28 Reparations
- " 28 Executive-Finance Committee minutes
- " 29 Constitution.

This communication will therefore serve as a reply to the letters listed above.

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We take up in order the items in the January 9th minutes which seem to require comment or explanation.

Appointment of Miss Margaret D. Jeffrey. We were all hoping that Miss Jeffrey would be on her way to Nanking before this, but at the last minute she found family responsibilities made it necessary for her to remain at home, at least for the present. The Committee simply noted that, under the circumstances, no formal action of the appointment would be in order.

Request for foreign personnel. The cable from Nanking in regard to the foreign personnel had already been laid before Mr. Cartwright of the Methodist Board and Dr. Scott of the Presbyterian Board. We are keeping after both of them in the hope that favorable action on these requests can be taken in the near future. I will write you further in regard to the prospects as soon as we have anything to report.

Distribution of Hall Estate. From the letters we have written during the past few weeks you will all be familiar with the general facts of the Hall Estate distribution. To these minutes we are attaching a copy of a letter from Mr. Johnson and Mr. Davis setting forth the conditions under which the \$300,000.00 endowment fund was given to the University. We have not yet received from the Harvard-Yenching Institute any statement as to the conditions under which the income of that fund will be paid over. The decree of the Surrogate Court in regard to this fund, as mentioned in the last paragraph of a letter from Mr. Johnson and Mr. Davis, reads as follows:

"To Harvard-Yenching Institute, a corporation of Massachusetts with its principal office at University Hall, Cambridge, Mass., the following described securities and funds" (are given) "to be used by each of the said institutions for the purposes in the manner which Harvard-Yenching Institute shall from time to time prescribe and approve, but said charge and the payment of such part of said income to each institution shall continue only so long as it shall (a) use such funds for such purposes and in such manner, (b) shall continue actively to conduct its educational program. If, in the judgment of a majority of the Board of Trustees of the Harvard-Yenching Institute, any such institution shall fail to use its part of said income for such purposes and in such manner or shall have ceased to actively conduct its educational program (of either of which facts a resolution of the Board of Trustees of the Harvard-Yenching Institute, adopted by a majority of the Trustees at a meeting thereto, shall be absolute, conclusive and final proof) that fractional part of the principal of this fund, corresponding to the fraction of the income therefrom payable to said institution shall forth become the absolute property of said Harvard-Yenching Institute as an endowment fund free from said charge and the income thereon shall be used by Harvard-Yenching Institute thereafter for its own corporate purposes."

The value of Nanking's share of this trust fund held by the Harvard-Yenching Institute is \$300,000.00. We have every hope that the Trustees of the Harvard-Yenching Institute will adopt a generous policy in regard to the distribution of this income, but inasmuch as the conditions under which the fund is turned over to the Institute give them practically entire control

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1/28/29

of these funds, we must await action from them before making any plans as to the use of any of this income. I understand that the Institute Trustees are planning a meeting within the next fortnight and I hope that at that time some policy in regard to this income will be formulated and announced.

Re-assignment of Sherwin Scholarship. I hope that Mr. Carter and I can soon get together with representatives of the Baptist Board and make some final decision with regard to the reassignment of this scholarship.

Request to the Rockefeller Foundation for payment of appropriation to Nanking Hospital 1927-28. We will try to follow up this action at once. I must see Dr. Pearce in regard to matters affecting one or two of our other Universities and will try to make a beginning on this proposition at the same time. It may be that Dr. Speer and others of the Trustees or friends of Nanking can help out.

Revision of estimates of current income and expenditure. You will note our estimates that to June 30, 1929 we shall receive approximately \$8,000.00 from the \$300,000.00 Hall Estate Endowment Fund. For the present we are not including any figures for the \$300,000.00 trust fund held by the Harvard-Yenching Institute. This \$8,000.00, plus the \$500.00 additional which has already come in through the Methodist Board due to Dr. Bowen's good work, gives us \$8,500.00 more income than was estimated when the 1928-29 budget was approved. This \$8,500.00 additional income makes it possible for us to clear off the 1926-27 emergency deficit which now stands at \$8,181.40 and leaves an apparent surplus of \$318.60. The other figures in this revised estimate are exactly as stated in the minutes of the Board of Trustees at the time the 1928-29 budget was approved last spring. We have put all figures in gold at an arbitrary two to one rate of exchange. We have not attempted in this estimate to make any allowance for gain or loss in exchange. In certain places there should be a considerable gain in exchange this year due to favorable rates which have prevailed.

We have listed on page 6 of the minutes the other outstanding obligations which the Trustees ought to care for as rapidly as they can. I am not sure whether our estimate of the emergency deficit now existing on the field is an accurate one. Miss Priest's financial statement of June 30, 1928, page 3, contains the following item "Emergency - account of Nanking incident, Mex. \$26,252.90". We were not sure whether this figure includes both the emergency deficit standing on our New York books on June 30, 1928 and the emergency deficit existing on the Field Treasurer's books at that date, or whether it includes only the field deficit. Our estimate of \$12,000.00 is prepared on the latter assumption. We would, however, be glad to have a word from Miss Priest in regard to this point. The amount of the estimate as needed to balance the field budget for the current year, \$12,300.00, is taken from the minutes of the Board of Trustees on June 26th when the Trustees noted that "there will apparently be a deficit of Mex. \$4,600.00 in the amount asked from the Trustees by the Board of Directors".

We are hopeful that when the Harvard-Yenching Institute Trustees state the conditions under which income from that \$300,000.00 is to be paid over, we may find this income can rightly be used for clearing up some of these deficits just referred to.

Minutes of the meeting of the Board of Directors. You will note

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the various actions taken on these minutes. The Executive Committee tried to go over all the minutes carefully and to note and take action on all points requiring attention.

Revised budget. A search of the material received from the field in connection with the Board of Directors' minutes does not reveal a copy of the revised budget referred to in DEF-158 and D-163. We are unable, therefore, to learn just what revisions have been made. If a copy of the revised budget has not been sent before this letter reaches you I hope you will find it possible to send us such a copy for the information of the Budget Committee.

Qualification of members of the Board of Directors; revision of Constitution, and Registration. You will note that all these matters were referred to a special Sub-committee on Constitution and By-laws. This Sub-committee was originally organized while Dr. Bowen was in America and his presence here was a tremendous help. I know that Dr. Scott, Dr. Edwards and I will all wish very much that Mr. Bowen might have him with us again at this time. I hope, however, that there will be very little additional work to do before making final recommendations for changes to the Board of Trustees.

Report of the President and Report of the Treasurer. The actions taken by the Committee in connection with these reports represent a very sincere and very deep appreciation on the part of every member of the Board of Trustees for the splendid work both you and Miss Priest have been doing during the past year. The Trustees all realize that they not always been able to give as large financial support this year as they would have liked to give and as the work of the University has required. You can rest assured, however, that the Trustees have been keenly interested and sympathetic at all times and that they have had the most complete confidence in the ability and the Christian spirit of everyone at the University. I hope both of you will consider these actions as a great deal more than simply formal votes of appreciation.

Request to sell detached property. The copies of your letter of November 13th had been distributed to all members of the Executive Committee in advance of the meeting. The Committee spent some time in careful consideration of this proposal to sell the Wu Tai Shan property but finally decided that they were reluctant to give authorization to make this sale until they know more about the situation. It was felt in the first place that, with the rapid changes now going on in Nanking, and with the likelihood that there will for a number of years be a steady rise in real estate values in the city, it is questionable whether the present is a favorable time to sell any of the land of the University unless there are special circumstances to be considered. The Committee also ask what specific use the Board of Directors plan to make of the funds which would accrue from the sale of the Wu Tai Shan property. We request, therefore, that you send us such additional information as you can as to the immediate plans for sale of this piece of property and the use of funds elsewhere, and also that you give such indication as is now possible as to the direction in which any possible future expansion of the University campus will probably go.

Temporary use of Language School property as dormitories. The Trustees gave approval to this proposal, on the understanding, of course, that the use of the Language School property as dormitory accommodations is to be considered as only a temporary measure until such time as the

Dr. Chen-S

1/28/29

Language School may again be functioning. There was also a suggestion made that the Hanking Theological Seminary might effect some arrangement with the University of Hanking whereby the Seminary would make temporary use of the Language School property. Therefore the action of the Committee approved the use of the Language School property for dormitory purposes or such other use in connection with the needs of the University as may prove desirable to the Board of Directors".

We are today getting off to you a cablegram covering such items in the minutes as should be reported to you without delay. We are enclosing a confirmation copy of this cablegram herewith.

Very cordially yours,

HAG-H

B A GARSIDE

Enc.

CC: Dr. Bowen
Miss Priest

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Jan. 20/29

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My Dear Dr. Chen,

I take it to mean the following:

- a. The Board of Trustees approves of our using the Language School property temporarily for student dormitories;
- b. They are in doubt about the wisdom of selling now the Tu Tai An property, and desire further information before giving approval;
- c. That the Hall Estate Trustees have granted us the use of \$300,000 (This seems to me what the cablegram means)
 - 1. Of the income from this our Board and the Hall Estate people have decided to apply to the emergency expenses the Board has had to borrow, what comes in up to July 1st, likely 1/2 year's income.
 - 2. Of the rest of the income from this Fund of \$300,000 which the Hall Estate Trustees hold in trust for the Use of the University of Peking through our Trustees, the designation has not yet been made: ~~WILL THEY AND GOING TO DESIGNATE WHAT IT GOES TO~~ - it seems to me that this is the implication.

So as disappointing as it looks, it seems that we are to get not even half a million, but only \$300,000 C: AND that this is NOT turned over to our Founders, but is held by their Trustees or "Institute" - the Institute of Fine Arts or of Chinese Culture of Harvard and Yenching Universities; AND that only the income from it will be turned over to our Founders each year and I fear for specifically designed purposes. In the emergency that our Founders have been placed by having to pay out such a large amount for the Special Emergency Expenses connected with sending ^{Home} so many Founders' supported staff in 1927 - and which sum they have had to borrow and have not in nearly two years special efforts been able to get from friends and churches. In this emergency, the Hall Estate people have been persuaded to grant 1/2 of a year's income to helping, in part, meet the Founders' difficulty. As I recall it, this income will take care of only half of what the Founders still owe. So it seems to me they are not keen to permit THEIR income to regular current expenses, and especially to any deficit we may have here on the field.

As it seems to me, the upshot of it all is, as it affects US now, is that the special Campaign to raise our current Budget deficit of \$25,000 Chinese currency, will have to be put on as soon as possible, and the money raised out here from Alumni and friends. It seems clear to me that we must face this seriously now, and organize the Committee appointed so as to be sure to accomplish it. If in the first attempt on the part of the Board of Directors to measure up to their responsibility and meet an obligation they have clearly and definitely assumed, they fail, then the future will be quite difficult for the Directors. It is a "test case" for the Directors, so success is of the VERY greatest urgency - and for MANY reasons.

Likely, after July 1st, the income from the Hall Fund of \$300,000 will be designed something having to do with Chinese Cultural Studies. If so, and it seems to me I have a recollection that was to be in general the purpose of the Hall Funds for China, it will likely care for our Chinese Department, and possible make some needed leeway for investigations some of the better qualified men wish to make in cultural, social and economic matters in China, and of course be VERY useful and helpful. But to relieve us entirely of a shortage in Arts & Science Budget, annually, I fear we are going to be disappointed, and will have to plan other ways of meeting it. Of course in 3-4 weeks a letter will come, making future plans re that more possible. But we know enough ~~now~~ to see that our deferred Campaign has to be put on at once.

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TRANSFER

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University of Nanking

February 5, 1929

Dr. Y. G. Chen,
Dr. A. J. Bowen,
University of Nanking
Nanking, China.

My dear Dr. Owen and Dr. Bowen:

This letter will report the result of recent conferences with secretaries in the Methodist Board with regard to the return of the Methodist personnel.

In this connection let me acknowledge receipt of several letters written by Dr. Bowen to our office, to Dr. Edwards and to Bishop Birney on the subject of the return of the Methodist personnel.

Within the past ten days we have had several conferences with secretaries of the Methodist Board in regard to the question of the return of the Methodist personnel to Nanking during the next year. Last week Mr. Steward was in New York City for the purpose of discussing with the Methodist Board his plans for the next eighteen months. At that time I had a talk with Mr. Cartwright and Dr. Edwards with regard to Mr. Steward's plans in particular and in regard to the Nanking personnel in general. As you know, Mr. Cartwright is just back from China and has been in quite close and sympathetic touch with all of our China colleges. I believe before he left China he had one or more conferences with the administrative officers at Nanking to find out what your personnel needs for the next year or two are. Since coming to New York, Mr. Cartwright has, I am sure, lost none of his warm interest in the colleges in China, but naturally he is forced to face also the other side of the situation, - that of distributing inadequate foreign mission resources in the most impartial and beneficial way. Dr. Edwards is also very sympathetic toward our China colleges, but feels too that every part of the mission enterprise must be given fair consideration.

The particular question involved in Mr. Steward's plans is this. Mr. Steward hopes to finish work on his Ph.D. by October 1929. He hopes to have his dissertation completed about June of this year and hopes that the dissertation will be approved by the first of September. If this is done he thinks it will be possible to have his final oral examination sometime in October. If all goes well, therefore, his work for his doctorate should be finished before the end of October. As soon as this work is finished he will be glad to turn his thoughts once more toward China. I understand he would like very much to remain in America until after November, and possibly until Christmas. If it develops that there is any important work he might be able to do in Nanking during the month of January he could probab-

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ly leave the United States early in December. If, on the other hand, there were no special duties for him until the spring semester began, he would like to leave the States early in January. It would be impossible for him to get back to Nanking in time to accomplish much during the autumn semester of this year if he is to complete his doctorate before leaving.

During the last year Mr.Steward has had an instructorship in Harvard which has just about enabled him to meet his expenses. This appointment will end in August 1929. If the appointment is to be continued it cannot be renewed for less than a full year, which would involve his remaining in America until the summer of 1930. He requests, therefore, that if he is to return to Nanking at the end of 1929, the Methodist Board take up his support again as of September 1, 1929. The Methodist Board is quite willing to do this but it would be done on the understanding that this will take the place of one of the three places on the quota for which they are now providing support. That is, when Mr.Steward goes on Methodist support, one cash equivalent of \$1,300.00 a year will be discontinued. If this arrangement is made, it would, of course, mean that for most or all of the autumn term of this year the University would not be receiving this cash grant and would not have Mr.Steward on the campus. It would, however, insure his return at the beginning of 1930, whereas if he renews his appointment at Harvard he could not get back to China before the fall of 1930 and there is always a possibility that after another year in America it would be less easy for him to get back to the field at all.

In discussing Mr.Steward's case with Mr.Cartwright and Dr.Edwards I raised two general questions with them. In the first place, I asked whether the Methodist Board will be able during the coming year to restore to Nanking its support of its accepted quota of five. The answer Mr.Cartwright and Dr.Edwards made on this point was very definitely in the negative. They felt that, for the present year at least, the Methodist Board will not be able to do more than continue its provision for three places on the quota; and they were unwilling to hold out any promise of increased support in the future. In the second place, I asked whether it would be possible for them to arrange for sending out two workers during the present year so that, instead of having one man in Nanking, they would have three. Both of them were very doubtful whether, at the most, the Methodist Board would be able to send back more than one family to China this year. I understand that, on the approved estimates of the Board, there is no provision for outgoing expenses of even one additional member of the Nanking staff, but they thought that on an urgent plea to the Board they might get approval for making emergency provision for sending out one family.

In considering the various former members of the Methodist quota mentioned by Dr.Chen and Dr.Bowen in recent correspondence, we found the following to be the situation:

Dr.Illiek has definitely stated that it will not be possible for him to return to China this year. He wrote to Mr.Cartwright just a few days ago as follows:

"As to our return to Nanking, we feel it is still too early with a family of two boys, 8 and 10 years old, and a baby sister 17 months old."

As regards Dr.Jones, the Methodist Board has as yet taken no formal action. They are still saying, as they have been doing for the past

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year that, with so many members of their own Methodist missionary personnel inadequately provided for, many of them unable to return to China for lack of salary and outgoing expenses, they are very reluctant to take over the support of a man from another Board. The last word we had from Dr. Jones was that he would probably be able to return to China this year if his support could be provided. I am at this time writing him to see whether the way is still open for his return.

The case of Mr. Steward is as I have summarized it above.

I understand that Mr. Robson will not be able to return until 1930.

The situation, therefore, reduces itself to the question of whether the Methodist Board will agree to assume the support of Dr. Jones and whether the Methodist Board will be willing to send out both Dr. Jones and Mr. Steward this year, or will send only one of them. Both Dr. Edwards and Mr. Cartwright seemed to feel at the end of our discussion that it was very unlikely that the Methodist Board would take on Dr. Jones' support, and it was also unlikely that they would send out more than one man.

After my conference with Mr. Cartwright and Mr. Edwards I had a long telephone conversation with Mr. Reiser. Mr. Reiser had seen Mr. Steward when he was here in the city and had been able to secure more complete information as to his plans for the immediate future than Mr. Steward had given to either Mr. Cartwright or myself. I gained from Mr. Steward the impression that he would not have to reach any decision as to his personal plans for the next four or five weeks so that I would have time to report the situation to you by mail with the request that you cable a decision. Mr. Reiser learns, however, that Mr. Steward must reach a decision within the next week or two if he is to have any hope of securing a renewal of his instructorship at Harvard.

Mr. Reiser came down to the office this morning and he and I together had a second talk with Dr. Edwards, Mr. Cartwright not being available today. Mr. Reiser put up the situation much more effectively than I was able to do and strongly urged that both Dr. Jones and Mr. Steward be sent out by the Methodist Board this year. Dr. Edwards gave very sympathetic consideration to this request and promised Mr. Reiser at the end of our interview that he would bring the matter to the attention of the proper committee of the Methodist Board and let us know the decision. He told us he would do everything he could to secure approval of sending out both Dr. Jones and Mr. Steward this year. We will therefore wait a day or two until we hear from Dr. Edwards further before we take the next step. Meantime I am writing to Mr. Steward telling him just how the situation stands and informing him that we will give him a decision within the next week or ten days at the longest.

Since this will probably be my last opportunity to get anything in the China mail which closed yesterday, and for which I am forwarding these letters by air mail today, I shall not be able to report until the next mail just what decision the Methodist Board has reached. I suspect that before this letter reaches you we will find it necessary to cable you in regard to some of these matters. Let me summarize, however, the possibilities as we see them now.

1. If the Methodist Board will agree to send out two men this year it seems to me that we should ask them to send out Dr. Jones in

0462

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time for the opening of the work in September and to assume Mr.Steward's support as of September 1st, sending him to China about the end of the calendar year.

2. If the Methodist Board states that they cannot assume the support of Dr.Jones, then the question of whether they will send out one man or two men this year is not of any great importance because we would have only one man from the Methodist Board ready and willing to go out. It would be simply a question then of whether we wished to have Mr.Steward go on Methodist support as of September 1st and have him return to the field at the end of the year, or whether we wished the Methodist Board to continue its two cash appropriations of Gold \$1,500.00 and let Mr.Steward remain in America until 1930.

3. If the Methodist Board is willing to assume the support of Dr.Jones but is able to send out only one man this fall, then we must decide whether Dr.Jones or Mr.Steward is the one who should be sent out. In this case the natural decision would be to send out Dr.Jones if he can go in the summer so as to be available for the full academic year and to suggest to Mr.Steward that he plan to remain in America for another year, returning to China in the summer of 1930.

Mr.Reisner feels that if it is merely a question of whether the University is to receive its cash equivalent of \$1,500.00, or is to get Mr.Steward back this year, even though for only the second half of the semester, we should by all means get Mr.Steward.

I will report further developments either by mail or by cable at the earliest possible date.

Very cordially yours,

BAG-H

B A GARSIDE

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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

Feb 3/25/29

February 15, 1929.



Handwritten scribble

Dr. Robert E. Speer,
Mr. B. A. Garside,
New York City.

My dear Dr. Speer and Mr. Garside:

We have received the cable giving us the information concerning the grant from the Hall Estate and just recently we have received indirect knowledge and letters concerning the conditions of the contribution.

We have been anticipating this gift for a long time and I am sure that the New York Board has been just as anxious as we have been on the field to have this help in meeting the current needs of the University. I am confident that both of you have done a great deal to bring about the realization of our hopes and we appreciate all that you have done for the University in this connection. We have been unable to give you any assistance so it has been due to your efforts that we have received such a welcome contribution to our work. We are very thankful and grateful for this fund as it will give us substantial aid in clearing some of our existing accounts and strengthening the work in the immediate future.

Besides the encouraging news concerning the Hall Estate, we have received another very welcome New Year gift today. Dr. John C. Ferguson has sent us a contribution of ten thousand and eighty-nine dollars and eleven cents (\$10,089.11) to care for the old Boston University deficit. This has been one of our anxieties every time we made a new budget or closed our accounts for the year. The gift, from personal resources, coming from Dr. Ferguson - the first president of the Nanking University - is a very welcome one to all the field members and I am sure you will rejoice with us.

We are awaiting your further letters regarding the Hall Estate with full details of the conditions of the grant and the restrictions for the use of the money which we need to have before we can make full use of the fund. We shall report to you regularly in relation to the fulfilment of the conditions of the grant.

With best wishes to you both,

Cordially yours,

Y. G. Chen
Y. G. Chen.

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TRANSFER

University of Nanking

February 18, 1929

Mr. Y. G. Chen,
University of Nanking
Nanking, China.

My dear Mr. Chen:

This will acknowledge your letters of January 1 and January 15.

Promotional interests at the home base. We are glad to have your further comments on action D-186 concerning the future development of the two colleges and the promotional interests at the home base. I can assure you that our New York office is keenly appreciative of the needs of the University for enlarged financial resources, and is desirous of doing everything possible to secure further funds for the University. While our office is so constituted as to be limited to administrative rather than promotional work, we are anxious to do all we can to develop and cooperate with promotional work for each of our institutions. As I have mentioned, however, in previous correspondence, it is quite unlikely that either Nanking or any of our other Universities will be able to secure any large new gifts here in America without very careful preparation and combination of forces. Mr. Reisner has a number of very valuable contacts and possibly others of the Nanking staff can also enlist the interest of individuals who are their personal friends or friends of the institution. Aside from gifts coming from such sources as these, however, the University's hope for any large amount of new money must lie in two directions. The first of these is that the University of Nanking open up in New York a promotional office ~~at~~ at least one man giving full time to the work and with a campaign budget of from fifteen thousand to twenty-five thousand a year for publicity, office help and expense, and such general expenses as travel and literature. The second possibility lies in the completion and adoption of the Correlated Program for all China and the participation of Nanking in this Program on the field and in any promotional work undertaken here in America. Either of these courses will require at least two or three years before any concrete results can be hoped for.

Return of Mr. Robson. We are very glad to have your comment on the desire of the University for Mr. Robson's return at the earliest date possible. I will communicate what you say to Mr. Cartwright of the Methodist Board.

Very sincerely yours,

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B A GARSIDE
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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

Act 4/1/29

February 26, 1929.

Mr. B. A. Garside,
150 Fifth Ave.,
New York City.

My dear Mr. Garside:

I have not sent you formal acknowledgment of a number of your recent letters although some of the matters have been cleared in various letters sent to you. We have received the following; December 21st, 26th and 27th, 1928 and January 5th, 7th, 21st, 24th and 28th.

We are also in receipt of the circulation vote of the Founders taken December 18th, 1928 and of the minutes of the Founders of the meeting of January 9th. The usual forty copies have been received as yet, but we expect to receive them soon and will distribute them as usual to the Directors.

A telegram has been received from Miss Grace Bauer stating she has arrived in Shanghai and will be in Nanking this afternoon.

There is one matter in relation to the "Speers' Residence Fund" which I wish to take up at this time. You will recall the Presbyterian Board gave us this fund, which amounts to ten thousand five hundred and fifteen and 78/100 dollars Chinese currency, for the purpose of erecting a residence for the use of Mr. James M. Speers and his family. The fund has been in our hands for some time and we have been thinking about it lately and wondering how to make the best use of the money but we have not yet reached a final decision.

The housing problem for our staff is quite acute and we would like to use this fund to build residences which would not be necessarily for Mr. Speers as we have no knowledge that he will return to us in the immediate future. In case Mr. Speers or a substitute for him should come to the University we will plan to give him one of our best residences.

As you know quite a few residences were burned during March 1927 and it will be necessary to rebuild them entirely. If we can use the Speers fund for residences for our staff members, we feel we could relieve the present serious condition and at the same time make ample provision for all our staff members supported by the Mission Boards. Will you please secure the approval of the Presbyterian Board for the use of this fund to relieve our acute housing problem at the present time? We shall appreciate it very much if you will able us their decision as early as possible in order that we could start building to have the residences available at the earliest possible date.



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B. A. Garside - 2

In your letter of the 28th you ask definitely concerning the Emergency deficit. Miss Priest tells me that she sent you a detailed statement of the emergency deficit under date of February 1st, but in order to be sure that you have the full information we are enclosing another copy of the statement. You will note this covers the entire deficit of both field and your office to the date of December 31, 1928 and in Chinese currency. I hope this will clear the matter on your records.

There will be a number of additional matters which I will write you a little later.

With best wishes,

Sincerely yours,

Y. G. Chen
Y. G. Chen

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UNIVERSITIES
MAR 26 1955
JOINT OFFICE

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UNIVERSITY OF NANKING

NANKING, CHINA

EMERGENCY EXPENSE ACCOUNT FROM

March 24, 1927 to Dec. 31, 1928.

General University

All amounts in Chinese currency

Emergency campaign:

Expenses to June 30, 1927	M\$ 1,171 17	
" to Dec. 31, 1928	<u>660 41</u>	1,831 58

Re-outfit allowances for staff:

A. J. Bowen	1,094 38	
M. H. Purcell	550 00	
Harry Clemons	1,528 45	
Lewis J. Owen	1,009 88	
B. L. Griffing	1,490 70	
A. G. Small	1,469 65	
M. L. Hancock	1,092 06	
Alex. Brede	1,090 70	
E. V. Jones	1,090 70	
H. G. Robson	1,635 50	
Jane Munn	745 35	
Marion Hedrick	745 35	
Maude Whipple	543 50	
Mrs. A. T. Mills	200 00	
L. F. Abbott	545 35	
E. M. Priest	<u>250 00</u>	15,081 57

Travel, freight, etc. Nanking to U.S.A.

Dr. and Mrs. A. J. Bowen	1,865 75	
A. G. Small and family	2,165 94	
Harry Clemons and family	3,437 38	
L. J. Owen and family	3,696 69	
H. G. Robson and family	3,427 27	
M. L. Hancock and family	2,262 01	
M. H. Purcell	1,085 15	
B. L. Griffing and family	2,086 13	
Marion Hedrick	1,062 67	
Maude Whipple	654 00	
Mary N. Mills	1,100 00	
Proportion of Misses Gless		
Munn and Darcell	584 59	
Freight for Alex. Brede	768 67	
" for E.V.Jones and ex.	<u>128 50</u>	24,325 25

Salaries, rent allowances etc

Dif. between field and home basis;		
For the month of May 1927	810 53	
For the month of June 1927	880 56	
To December 1928	365 09	
A. J. Bowen - May and June 1928	700 00	
Rent allowed to staff in 1927-8	<u>1,388 44</u>	4,144 62

Appropriation made to Hillcrest School		1,000 00
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University of Nanking,
Emergency expense account
to December 31, 1928. -2-

Proportion of extraordinary expenses, N.Y. Office:		
to July 1, 1927	1,000 00	
To Dec. 31, 1928	<u>1,500 00</u>	2,500 00
Maintenance of office in Shanghai to June 1927 only		1,095 02
Extraordinary medical expenses for staff		1,218 92
Ransom paid to Chinese friends to refund money expended on behalf of staff on March 24, 1927		636 55
Extra living expenses, miscellaneous items, travel of Chinese staff for conferences, etc.		<u>2,937 20</u>
Total expenditures for emergency....M\$		54,770 71

Less receipts:

Campaign in U.S.A.	27,316 47	
Am. Baptist For. Miss. Soc.	6,000 00	
Refund from Miss Mills	204 89	
Less money adv.	<u>200 00</u>	4 89
Refund on insurance 1927	<u>374 18</u>	<u>33,695 54</u>

EMERGENCY DEFICIT DECEMBER 31, 1928.....M\$ 21,075 17

Note: this does not include the emergency expenses for the University Hospital staff or for the staff supported by Famine Funds. Both departments were able to provide for the expenses involved from special funds on hand.

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University of Toronto
Emergency Expense Account
December 31, 1988 - 2-

1,500 00	Proportion of extraordinary expenses, N.Y. Office:
1,000 00	to July 1, 1987
500 00	to Dec. 31, 1988
1,085 08	Maintenance of office in Shanghai to June 1987 only
1,218 88	Extraordinary medical expenses for staff
838 52	Personnel to Chinese friends to refund money expended on behalf of staff on March 24, 1987
8,937 30	Extra living expenses, miscellaneous items, travel of Chinese staff for conferences, etc.
54,770 71	Total expenditures for emergency.....

Less received:

37,218 47	Refund on insurance 1987
6,000 00	Less money div. 800 00
4 89	Refund from Miss Williams 304 89
37,218 47	AM. Pacific for. ins. 700.
33,895 84	Campaign in N.Y.
31,075 17	

Note: This fund not facing the emergency expenses for the University Hospital staff or for the staff supported by Training Funds. Both departments were able to provide for the expenses involved from special funds on hand.

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University of Nanking

TRANSFER

March 4, 1929

President Y. G. Chen,
Dre A. J. Bowen,
Miss Elsie M. Priest,
University of Nanking,
Nanking, China.

Dear Friends:

I have been very much chagrined to learn from the letters you wrote on January 31st and February 1st that you misinterpreted the statements in our January 28th cablegram in regard to the income to be received from the Hall Estate endowment. At the time I sent the cablegram I thought from the cable Dr. Ferguson sent earlier in the month that all of you on the field had probably learned from press dispatches appearing in the Chinese paper the full details of the distribution of the Hall Estate and the amounts given to each of our Universities. Also, I thought that the letter we sent Dr. Bowen on January 7th would have arrived, or would shortly be arriving in Nanking, so that you would have that information from our office as to the amount of Nanking's share in the Hall Estate endowment. I tried, however, to make it quite clear in my message that the Gold \$300,000.00, direct endowment to the University, is quite distinct from the Gold \$300,000. held in trust for the University by Harvard-Yenching Institute.

I sincerely hope that within a few days after our cable reached you you learned from my letter to Dr. Bowen and from the other letters and minutes we sent you during January, that Nanking's share was Gold \$600,000.00 rather than merely \$300,000.00.

During the last two months I have been constantly aware of the fact that in Nanking and in the other Universities you have been in the midst of your struggle with next year's budget and that you have been very anxious to get all possible information in regard to the income to be received from the Hall Estate next year. I have very much regretted, therefore, that this information has been so long delayed. As a matter of fact, however, we have been unable to send you this information earlier because it has been necessary for the Trustees of Harvard-Yenching Institute and the Trustees of the University to take action before we have been in a position to make any authentic statements. Even now, much information we still need is lacking.

On February 8th the Board of Trustees of Harvard-Yenching Institute took action stating in general that, for the present, they will pay over quarter by quarter the income on the trust funds they are holding, with no

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other requirement than that the various Universities use this income for maintaining and strengthening their work in the departments of the Chinese language, history and culture. As yet I have only received informal information as to the nature of the action taken by the Institute Trustees. Dr. Eric North is using his good influences to get a formal notification of this action into our hands so that I can bring it before the various Boards of trustees. I hope that before the end of this week I will have a formal notification which I can bring to the Trustees with a request that they take the necessary action. I will then try to get a meeting of the Banking Executive Committee at the earliest possible date to have them re-study the financial situation for next year and see what increases, if any, can be made in the budget which you are now sending. I am not sure whether it will be feasible to call a special meeting of the Trustees to pass on these points or whether it will be more desirable to wait until the annual meeting of the Board next month. At all events, I will try to get word to you on the field as rapidly as we possibly can.

Very cordially yours,

B A GARSIDE

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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

Ack 4/24/29

March 6, 1929

Mr. B. A. Garside
China Union Universities
150 Fifth Avenue
New York City



TRANSFER

My dear Mr. Garside:

Ack

We have received letters in regard to the Hall Estate grant and all of us concerned are very pleased to read conditions in making this grant. We have not, as yet, received any instruction concerning that part of the fund under the direction of Harvard-Yenching Institute. I have the impression also that the interest would start from January 1, 1928. I am wondering whether this is actually the case, as the impression is an old one. If it is so, I believe it would make quite a difference to our this year's budget.

Comment

I am writing a letter to Dr. Adolph and enclosing a copy to you, asking him to join our Chemistry Department. We hope we can get both Dr. Jones and Dr. Adolph for our Chemistry Department, if this can be arranged. As I understand it, Mr. Wheeler is not in a position to return immediately. Our chemistry staff will need help very urgently. Besides, Mr. Thomson's furlough is also due. Then, in case Dr. Jones cannot come, we might have Dr. Adolph. Of course, we would like Dr. Jones to come under any circumstances. I understand Yenching University is also considering Dr. Adolph, but I think they have a very strong Chemistry Department, while we are in a very difficult situation. I hope that the Yenching authorities will be willing to consider our position, in case they are not so urgently in need of Dr. Adolph.

Very cordially yours,

Y. G. Chen.

Enclosures.
YGC/FP

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Nanking

TRANSFER

University of Nanking

March 12, 1929

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

We enclose herewith confirmation copy of a cablegram sent March 7th. This wire was sent after about six weeks conferences with the Methodist Board. In spite of all the correspondence you and Dr. Bowen have been sending from the field, and in spite of the best efforts of Mr. Reisner and myself, the Methodist Board has not been able to see its way clear to provide for the outgoing expenses of more than one further member of its quota this year. Since Dr. and Mrs. Illick have at last stated that they will be willing to return to Nanking this fall, it seems that they are the ones whom we should plan to send out. Mr. Steward will not be finishing his doctorate in time to be present for the autumn semester, so it seems logical to have him wait until 1930. We understand that this will be satisfactory to Mr. Steward though we have been very much hoping that we will be able to get him started back to China soon after January 1, 1930 so that he will be on the campus for the work of the spring semester.

The Methodist Board has consistently adhered to its decision that it would not be able at this time to undertake the support of Dr. and Mrs. E. V. Jones because of the fact that many of its own missionary personnel are very inadequately provided for.

On March 8th we received your cable which we have interpreted as follows:

"CANNOT TOO STRONGLY URGE ON YOU THE NECESSITY OF CHEMISTRY TEACHER. WE STRONGLY RECOMMEND ADOLPH OR JONES REPRESENTATIVE OF PRESBYTERIAN CHURCH IN U.S.A."

As far as Dr. Adolph is concerned, there seems no possibility of arranging for any appointment to Nanking since he has, within the last week, accepted an invitation to Yenching University, and this appointment has been made by the Executive Council of the Presbyterian Board.

I will try to arrange for a conference with Dr. George T. Scott during the next day or two to take up informally the question of Dr. Jones' appointment by the Presbyterian Board. This is a matter we shall have to approach rather carefully for everyone knows that we have

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been trying for the last year to have Dr. Jones' support assumed by the Methodist Board with which he would more naturally be allied since he is himself a Methodist. The fact that the Methodist Board has not given favorable consideration to this request will undoubtedly exert a certain amount of influence on our friends across the street. We will, however, use every means to arrange for such an appointment by the Presbyterian Board.

Mr. Reisner has recently informally raised the question of whether it might be satisfactory to the University, to Miss Priest, and to the Presbyterian Board to have the Presbyterian Board appoint Miss Priest as one of its regular quota on the Nanking staff. Without having raised this question with the Presbyterian Board, it seems to me that they would be very happy to make such an arrangement. I know that everyone in the Presbyterian Board has a warm affection and a keen admiration for Miss Priest and would be happy to number her among their missionaries. Also, from a financial standpoint, the Presbyterian Board would gain substantially from such an arrangement. I would be glad to have your judgment on whether the University and Miss Priest would welcome such an arrangement. Of course, the cash grant made by the Presbyterian Board for its vacancies on the staff is somewhat more than the actual salary of an unmarried missionary, but by the time travel expenses, medical bills and incidental costs are included, this saving is not likely to be very great. In the case of Miss Priest, a part of the salary is already contributed to the University by Mr. Dwight H. Day who would probably wish to make his contribution to the Presbyterian Board if her salary were paid by that organization. Possibly, however, Mr. Day might be persuaded to continue his gift for some other of the University's urgent financial needs. We must, on the other hand, recognize the fact that the Presbyterian Board will not be likely to continue indefinitely paying cash grants in lieu of vacancies on the Nanking staff. It has been the experience of all our Universities that where vacancies continue for a number of years the Mission Boards tend to reduce the size of their accepted quota to the actual number of missionaries supported in the institution.

We leave to your judgment the question of whether it is worth while to bring these matters to Miss Priest's attention.

Very cordially yours,

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~~YENCHING~~

Nanking

TRANSFER

~~Yenching University~~

Nanking

March 18, 1929

Dr. Y. G. Chen,
University of Nanking
Nanking, China.

My dear Dr.Chen:

We are enclosing herewith a confirmation copy of a cablegram sent you this morning.

A few days ago Mr.Reisner received word from Dr.Hutcheson that the Southern Presbyterian Board has not as yet been able to resume his support for work at Nanking. I have not as yet received full details of the position of the Southern Presbyterian Board so I do not know whether there is still a chance that it may within the next few months take a more favorable stand. Dr. Hutcheson's suggestion to Mr.Reisner is that if the hospital could assume a portion of his salary, say perhaps G\$500.00 a year, he would be responsible for the remainder which would be provided either from personal funds, or partial support from the Southern Presbyterian Board, or other sources.

This morning I received a brief note from Dr.Hutcheson in which he tells of his eagerness to get back to Nanking. He confesses that he finds it somewhat embarrassing to have the question of partial support by the hospital raised in this way. He feels, however, that this is about the only possibility of his getting back to China in the near future.

We have all been very much concerned by the increasing uncertainty of ^{the} political and military situation in and around Nanking. I certainly hope that by the time this letter reaches you the threat of trouble which now seems to be in the air will have safely passed by.

Very cordially yours,

BAG-H

B A GARSIDE ^r

Enc.

CC: Dr.Bowen

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NANKING

TRANSFER

University of Nanking

April 1, 1929

Dr. Yi G. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

We enclose herewith confirmation copies of cablegrams dated March 26 and March 28.

We were all very much distressed to receive your cablegram of March 25th reporting the death of Dean Kuo. As this cablegram reached us it read as follows:-

"DEANKUO GNIRKAIVOK"

We decoded the first one and a half words to read as follows:

"WE REGRET TO REPORT THE DEATH OF DEAN KUO AFTER A SHORT ILLNESS"

The last half of the second word could not be decoded and a request to the telegraph company for a repeat on this word did not help. We thought of three possible interpretations:-

AIVAK	UNIVERSITY HOSPITAL MANILA
AIVUV	UNIVERSITY OF NANKING
AIVUX	WHAT IS YOUR ADVICE OR RECOMMENDATION

Since Mr. Reisner thought the possible meaning was that you expected him to make such recommendation as to carrying on the work Dean Kuo has been doing, we sent you the second cablegram of March 28th asking for a repeat on the second word.

We all appreciate the fact that Dean Kuo's death has been a very serious blow to the University. I can assure you that all members of the Board of Founders are sincerely grieved at the loss of such a talented and earnest Christian leader.

Very sincerely yours,

BAG-H

Enc.

B A GARSIDE

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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

April 4, 1929.

Nanking

Mr. B. A. Garside,
New York.

My dear Mr. Garside:

TRANSFER

We had the meeting of the Board of Directors on March 29th and 30th. As it was the annual meeting of the board, most of the time was spent in relation to the budget and the various reports which are presented annually. I will send you the minutes as soon as they are ready. There are a few matters that I wish to take up today.

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5/3/29*
Secretary for College of Agriculture and Forestry. I know that Mr. Reisner is very anxious to be able to secure a secretary for the college and the Board of Directors have taken action authorizing Mr. Reisner to secure a secretary for the college. I am sure Mr. Reisner will be anxious to have this word.

Return of Dr. Hitcheson. It was voted to ask Dr. Hitcheson to return to the hospital immediately as follows:

"Voted to authorize that a cable be sent in the name of the Board of Directors inviting Dr. Hitcheson to return to the University Hospital at the earliest possible date.

Voted to invite Dr. Hitcheson to become the Vice-superintendent of the University Hospital and to incorporate this message in the cable to be sent as stated above."

In accordance with this action we cabled you as follows:

HITCHESON AJAEXHEKED UPAXDFUVUT WUIKKYFPES SUROHALESK KUO
HEGIMUCUAX.

or

"Advise Dr. Hitcheson at once. The Board of Directors wish you to return immediately during the month of April (as assistant superintendent. The need is urgent. The political situation has improved (and there is) no cause for alarm."

I hope this message was clear to you and that you have been able to transmit it to Dr. Hitcheson.

Death of Dean T.S.Kuo. Mr. T. S. Kuo, co-dean of the College of Agriculture and Forestry was taken ill on March 9th with influenza which later developed into pneumonia with complications and on March 23d he died. We immediately cable to Mr. Reisner and received the cables of sympathy from Mr. Reisner and from the Trustees. We were somewhat puzzled to receive the cable asking us to repeat the first word of our cable sent on the 25th. The first word was Mr. Kuo's name. However, we included the message in the above cable as follows:

"Kuo died. Have you anyone to recommend."

This was intended primarily for Mr. Reisner.

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4-4-29

In view of the fact that Mr. J. L. Buck is returning to the United States in June and has been extremely busy with his new book which will soon be ready for publication, we have not been able to secure his permission to serve as acting co-dean although we would like very much to have him do so. From all sides Mr. Buck seems to be the very best person for the position, but he does not feel he can take on this additional work at this time. Instead of being co-dean we have asked him to be the chairman of the Executive committee of the college of Agriculture and Forestry, hoping in this way to be able to provide for the administration of the college.

We shall write you again soon in relation to other matters connected with the minutes.

Very cordially yours,

Y. G. Chen

Y. G. Chen

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In view of the fact that Mr. J. L. Brock is returning to the United States in June and has been extremely busy with his new book which will soon be ready for publication, we have not been able to secure his resignation to serve as acting co-chair although we would like very much to have him do so. From all sides Mr. Brock seems to be the very best person for the position, but he does not feel he can take on this additional work at this time. Instead of being co-chair we have asked him to be the chairman of the Executive Committee of the College of Agriculture and Forestry, hoping in this way to be able to provide for the administration of the college.

We shall write you again soon in relation to other matters connected with the minutes.

Very cordially yours,

Y. G. Chen

RECEIVED
 UNIVERSITIES
 MAY - 3 1929
 JOINT OFFICE

UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

April 22, 1929.

Mr. B. A. Garside,
New York.

My dear Mr. Garside:-

TRANSFER

I have received your letter dated March 12th and I am glad that Dr. and Mrs. Illick have found that it is possible for them to return to Nanking this fall and that there is a possibility of the Stewards returning in 1930.

We are very sorry that Dr. and Mrs. Jones cannot be placed under the Methodist Board quota, and we are waiting to hear if it is possible for you to arrange to have him sent out under the Presbyterian Board. As you know we have asked if it would be possible to have Mr. Frank Price and Mr. Wheeler appointed to the two vacancies in the Presbyterian Board, but we understand that it will be impossible for Mr. Wheeler to return at present, so it may be possible to have Dr. Jones appointed in his place if you think such an arrangement would be acceptable to the Presbyterian Board. Mr. Thomson of the Department of Chemistry is planning to leave for furlough next autumn so if Dr. Jones can come it will be a great help. Otherwise the department will be in a most difficult situation. Mr. Thomson has a relative connected with the wireless of the one of the U.S. boats now stationed in Shanghai who has kindly offered to transmit messages for us with very little cost. We have therefore asked him to send you a message which in general is as follows:

If there is still a vacancy in the Norther Presbyterian Board quota we most urgently wish you would continue your efforts to secure Dr. Jones. Our need for him cannot be overstated.

// Concerning your suggestion, or perhaps Mr. Reisner's suggestion, to have Miss Priest placed on the Presbyterian Board quota, we believe the idea is a very fine one, but there are two factors which make us somewhat hesitant to recommend such action. In the first place, the gift of Mr. and Mrs. Day is involved and in the second place, we have been in the custom of having the families supported by the boards instead of the single women, thus making the fullest use of the Board contribution. Of course, if there is no other possibility of filling the quota, we will have to resort to this method. Another point is that the traveling expenses for Dr. and Mrs. Jones as well as their salary, if supported by the University, would be quite a heavy item for the University to undertake. We are still hoping that Mr. Frank Price will become one of the Presbyterian members and if possible Dr. Jones will fill the other vacancy. If the latter is impossible, we hope that the Presbyterian Board will appoint a member who can teach English, preferably advanced courses or else other languages - French and German. //

I am enclosing a copy of the letter just written to Dr. Kaufman and also to Mr. Peehr as well as confirmation of the cable we have just sand as follows:

"We strongly recommend you to secure Kaufman (by) 1st of September of this year. Result of investigation satisfactory."

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4-22-29

Will you kindly forward the letter to Dr. Kaufman as we do not have his address? We are sorry to have delayed our answer to your inquiry so long, but it has been difficult to receive definite details about his work. I was glad to receive a copy of his academic training records and we have also received a letter from his mission coworkers in China from whom we have learned that he has been a very energetic worker in the field and would be heartily in sympathy with the different cooperating missions and with the faculty of the University of Nanking. We hope that it will be possible for you to make arrangements with him and his mission so that he will be on the field by the first of September of this year ready to begin work.

Very sincerely yours,

Y. G. Chen
 Y. G. Chen.

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Nanking

TRANSFER

University of Nanking

April 2⁴, 1929

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I have not formerly acknowledged your letter of March 6.

In connection with the Hall Estate grant, you asked whether there is any possibility that interest could be collected from January 1, 1928 as we at first hoped. I think that my recent correspondence has made it clear that these funds were turned over in such a way that interest actually began on January 1, 1929. This is another illustration of the fact that one can never count on income until it is actually in hand. Last year it seemed ninety per cent sure that we would get income from the Hall Estate for all, or at least a part, of the year 1928.

I am sorry that there has been so many disappointments in our efforts to send reinforcements to the Western staff at Nanking. Dr.Adolph has for a great many months been considering an invitation to return to Yenching rather than to go back to his work at Shantung. He reached a final decision to accept the Yenching invitation a short while before your cablegram regarding him reached us. Until the present time we have not been able to make any progress in securing the appointment of Dr.Jones because of the uncertainty of Mrs.Jones' health. Mrs.Jones is having another health examination in the near future and there seems to be a possibility that her medical advisers may pronounce her able to return to China this fall. If such is the case we will certainly do all that we can to secure Dr. Jones' appointment under either the Methodist Board or the Presbyterian Board.

Yesterday we received your cable of April 23rd in regard to Dr.Ed G.Kaufman. I am afraid that here too the prospects for securing Dr.Kaufman are quite slender for, as I wrote you before, Shantung made a bid for his services about six weeks ago, and at this time practically all arrangements for his going to Shantung have been completed. The Shantung Board of Governors, at its meeting on April 8, formally invited the Mennonite Board to join the other organizations participating in Gheeloo, and invited Dr.Kaufman to join the staff of the School of Theology

I am sending in this same China mail the minutes of the Nanking meeting held on April 22.

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Very cordially yours,
B A GARSIDE

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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

*Cleared in letter
of July 1, 1929 and
ack letter*

April 25, 1929.

Mr. B. A. Garside,
China Union Universities,
New York City.



TRANSFER

My dear Mr. Garside:

I am in receipt of your letters dated March 28th and April 1st and I wish also to acknowledge the receipt of the cable sent from the Board of Founders expressing sympathy for the death of Dean T. S. Kuo. We forwarded the cable to Mrs. Kuo immediately. I am sure the questionable word in the first cable has been cleared by this time. In the cable sent to you on March 25th the last half of the second word was intended to ask "What is your advice or recommendation?" but when you asked us to repeat the cable we understood that you meant to repeat the first word. However I believe the second cable made everything clear to you and Mr. Reisner.

In addition to mailing you forty copies of the minutes of the last meeting of the Board of Directors, we have sent you, under separate cover one copy. There are a good many pages this time, due largely to the attached budget for the year 1929-1930. There are a few items that I wish to mention at this time.

In Action D-204 you will note that the Board of Directors have expressed our very deep appreciation of the gift of the Hall Estate Endowment. We have been a bit hesitant to know whether the field, either the Board or the administration on behalf of the Board, should write a letter to the Trustees of the Hall Estate directly expressing our appreciation. I shall be very glad if you will act on behalf of the Board of Directors in this matter. I am sure you have already done so on behalf of the Board of Founders. If you feel it would be better for us to write directly expressing our appreciation, we shall be glad to do so upon further advice from you.

I will say just a brief word about the budget for 1929-1930. It has been very carefully studied both by the budget committee and by the special committee appointed by the Board of Directors. It seemed necessary to make some increases this year on account of the fact that for the past two years the standard of living in Nanking has increased very greatly due largely to the influx of many people. The population of Nanking has been increased by about one-third, and the mode of living has changed considerably. It is generally admitted that it costs more to live in Nanking than even in Shanghai at the present time. Our staff members have been feeling this pressure considerably during the past year and it seemed absolutely essential that some changes should be made.

It was our intention to add strength to the Cultural Study courses but as a matter of fact we have only been able to maintain them this year with the grant from the Hall Estate for this purpose. There was not enough to strengthen them very greatly this year because our efforts

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were largely to clear our present deficit in order to make the way clear to start a capital fund campaign in the near future. Besides there were a few items like the gas plant, some special repairs, etc. that we felt must be taken care of this year and of course these all took funds. As time goes along we shall be able to eventually put more funds into the Cultural Courses. As far as the restricted Hall funds for Chinese Cultural courses are concerned, you will see we have definitely and clearly used this income to "maintain and strengthen" this part of the work, and have budgeted M\$30,000 00 as anticipated income assigned to the College of Arts and Science for the Cultural Study courses.

It has seemed to us that the departments of Economics and Education which are two of the important departments of the cultural study group, must be somewhat strengthened. We have received the impression from various letters from you that income on the restricted portion of the Hall Estate will be available for the first six months, and it was with this in mind that we are tentatively counting on using M\$2,700 00 for these departments in accordance with action SF-8.

Inasmuch as we have not received a special request from you in relation to the appropriation for the New York office, it has been left at the same figure as formerly.

There are some definite problems concerning the personnel question. Dr. Bowen has shown me a letter from Mr. Alexander Paul in regard to the appointment of Dr. Marvin Schafer. We are glad to know this appointment has been made. So far we have only Mr. Bates and Dr. Smythe to represent the United Christian Missionary Society group, and we feel it is most important to have every vacancy filled at the earliest possible date. Our English Department must be strengthened at once. As you know we have been very anxious to secure Mr. Edwin Marx who has had considerable experience in teaching English in the University. He is now working as field secretary for the United Christian Missionary Society and has been very sympathetic to our need. We are very anxious to know if the Board could arrange to release him from his present work and assign him to the University for our Department of English. Will you do all you can to take this matter up again? I am writing to Dr. Frank C. Garrett and hope that he can push the matter from this end through the mission channels.

Just a further word regarding Dr. Jones. He has done very splendid work in the Chemistry department and we feel he would fit into the work very well indeed. However, in case it is absolutely impossible to have him appointed under the Presbyterian Board, we realize it will be impossible to push the matter further. It might be possible for us to secure Mr. Earl Otto of the United Christian Missionary Society. Mr. Otto was in China a few years ago. I have mentioned these two men - Mr. Marx and Mr. Otto as possibilities to fill the quota, but it may be that Mr. Reisner has some other suggestion for one of the vacancies. It has been generally understood that one of the board quota members should be in the College of Agriculture and Forestry.

Very cordially yours,


Y. G. Chen.

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TRANSFER

University of Nanking

April 30, 1929

President I.S. Chen,
Dr. A.J. Bowen,
Miss Elsie M. Priest,
University of Nanking,
Nanking, China.

AIR MAIL

My dear Dr. Chen, Dr. Bowen and Miss Priest:

We attach hereto copies of the minutes of the semi-annual meeting of the Nanking Board of Founders held on April 22. This letter will comment on such actions as seem to require notice.

Communication from Harvard-Yenching Institute. "Appendix A" quotes the letter received from the Chairman of the Harvard-Yenching Institute under date of March 31, setting forth the conditions under which the Institute will pay over the income on the three hundred thousand dollar trust fund they are holding. You will note that for 1929-30 they provide that the income from this trust fund shall be used for the purpose of strengthening the work of the University in the departments of Chinese Language, Literature and History, and other purposes which are incidental thereto. From informal conversations with Dr. Eric North and others of the Institute Trustees I understand that the Institute does not wish to make more rigid conditions for next year than they are required to do by the terms under which the trust fund was turned over to them by the Hall Estate Trustees. The Board of Founders was very anxious, however, to meet both the letter and the spirit of the conditions set forth by the Institute, so they instructed me to correspond with the Institute and ask whether the proposal they make in action F-408 regarding the use of the income to be received previous to July 1, 1929 is acceptable to the Institute. If the Institute agrees to action F-408 we will be able to apply toward the work of the departments of Chinese within the 1928-29 budget the income to be received from the Institute this year, amounting to approximately \$36,800.00. This will release an equivalent amount of general University funds which can then be applied as provided in action F-410 to meet the field deficit on the 1927-28 budget caused by shortage of income from the Trustees, to balance the field budget for 1928-29, and to reduce the emergency deficit existing in the field account. I am corresponding with the Harvard-Yenching Institute as provided by action F-408 and will report to you as soon as we receive any reply.

For 1929-30 the income from the Institute trust fund will be approximately \$318,000.00. The Founders voted by action F-411 that the

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field authorities be informed of the conditions for the use of this income. In taking this action the Founders felt that only the field is qualified to decide how this \$16,000.00 can be used for the best interests of the University as a whole. In this action you will undoubtedly be interested in what our other Universities are planning to do with their income from the same trust funds during 1929-30.

Yenching University is using the entire amount of their income for carrying on the work they are doing in the undergraduate Chinese departments and other purposes incidental thereto, just as this work was projected when the 1929-30 budget was prepared several months ago. Since Yenching has been receiving income from the Hall Estate for some years, it was felt that these departments had already been strengthened and that the income from the trust fund can rightly be used to maintain work already built up as a result of financial assistance from the Institute and from the Hall Estate.

In Shantung Christian University the Board of Governors reserved one-third of the trust fund income during 1928-29 to be used next year for strengthening the work in the Chinese departments, and has tentatively provided that for 1929-30 sixty per cent of the income from this trust fund will be used for carrying on the present work in the Chinese departments and purposes incidental thereto, and forty per cent will be used for strengthening and increasing the work in these departments.

The Fukien Board of Trustees have provided that for 1929-30 eighty per cent of the trust fund income will be used for maintaining the work already being done in the Chinese departments, and purposes incidental there, and twenty per cent will be used for strengthening and increasing this work.

We leave to the judgment of the field the percentage of trust fund income which you should use next year for maintaining the work already being done in the Chinese departments, for further strengthening these departments, and for a reserve fund, if any, to be set aside for future developments. It is probable that the budget for 1929-30, which we hope will be arriving at any time, will give some indication of the desire of the field regarding the use of this income. However, the more detailed statement requested by action F-411 will still be needed to enable the Founders to make a satisfactory report to the Institute.

Treasurer's Supplementary Report. This report is attached to the minutes. It does not require any extensive comments.

Correlated program for Christian Colleges in China. The Board of Founders expressed its continued approval of the work being done by the Committee for Christian Colleges in China and approved in principle the conduct of a joint promotional campaign as an appropriate method for assisting in financing the China colleges. It also approved assistance in the financial support of the Committee for Christian Colleges in China during this period of preparation when it is difficult for the Committee to make a public appeal for its support. The Board provided, however, as have all the other college Boards, that final consent to participate in such a campaign must be given later after the correlated program has been formulated and adopted in China, and has been given careful study by the Board of Founders.

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It may be said in general that our Committee for Christian Colleges in China and the governing Boards of the various China colleges have now gone about as far as they can for the present. The next move must be made by the colleges themselves through the final formulation and adoption of a satisfactory correlated program. Everyone here in America is agreed that such a program must be formulated in China rather than in the West. As we study the situation in China, it appears that the northern, southern, western and central areas have agreed in general to accept the program of correlation, though there are certain details yet to be worked out. We are all very much concerned, however, over the fact that East China is having greater difficulty in working out a correlation satisfactory to our East China colleges. We earnestly hope that by the time of the meeting of the Council of Higher Education in July such a correlation for East China can be worked out. It would be a very serious tragedy for all Christian higher education in China, and particularly for our colleges in East China, if the Council, at its meeting in July, should be unable to formulate a correlated program which is satisfactory from an educational standpoint and would meet with the approval of the colleges concerned.

Reorganization of the University. Actions F-418 to F-424 deal with the reorganization of the University and the readjustment of relationships between the Board of Founders and the Board of Directors. In taking these actions the Founders tried to proceed in a way which they felt would be acceptable to the Directors and would complete, as far as possible, the long process of reorganization which has now continued for about two years.

You will note in the first place that the Founders approved the proposal of the field that there be one Constitution of the University including all the material required for both the Board of Founders and the Board of Directors. In following this plan the Founders copied almost exactly the Constitution as approved by the Board of Directors at the meeting held on November 9 and 10, 1928 and as transmitted by Dr. Chen under date of November 29. The only material change was that in Article IV "Board of Directors". We simplified considerably the material which in the field draft of the Constitution was included in Sections 5, 6, 7, 8, 9, and 10. It was the feeling of the Board of Founders that a great deal of this material belonged rightly in the By-laws of the Board of Directors rather than in the Constitution of the University. As long as it remains in the Constitution the process of amendment is rather complicated and requires the approval of the Board of Founders. By placing it in the By-laws of the Board of Directors, however, the field is able to amend as it chooses so long as the amendments are in harmony with the Constitution, without referring the proposed amendments to the Board of Founders. In the Constitution as adopted by the Founders you will note the following changes from the form of Article IV as submitted by the Board of Directors. In Section 3, "Declaration of Purpose", the form approved by the field was adopted by the Board of Founders without change. The Founders requested, however, that the Secretary inquire of the Board of Directors whether it would cause any embarrassment to add the phrases "the object of the University", and "of the constituent mission boards" as suggested by action F-418. If such an addition cannot be made without embarrassment to the field the Founders do not wish to press the point. In Section 4 "Composition of Board of Directors", the Board of Founders made one material change. In the first paragraph at the top of page 5 the second sentence reads as follows: "All

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members shall be in cordial sympathy with the object of the University and the declaration of purpose of the Board of Directors, and at least three-fourths of the members shall be professed Christians of evangelical faith".

It was the feeling of the Board of Founders that this provision that at least three-fourths of the Directors should be professed Christians will meet the desire of the Directors that provision be made for outstanding men who are in general sympathetic toward the purpose of the University but are not professed Christians, and will, at the same time, reassure our American missionary organizations cooperating in the University, which are extremely anxious that the Christian character of the institution shall be continued through having a predominantly Christian Board of Directors.

In Section 5 we have added to the first sentence one phrase as follows: "The Board of Directors shall direct the policies and have control of the management in China of said University of Nanking in accordance with the object of the University and its declared purpose to maintain", etc. It was the feeling of the Committee on Reorganization and of the Board of Founders that the inclusion of the Phrase "in accordance with the object of the University" should not cause the Directors any embarrassment. We would appreciate it, however, if you would inform us quite frankly if this addition is objectionable.

You will note that Section 6 "Meetings of the Board of Directors" is considerably condensed in the form adopted by the Founders. This was done in order to permit the Directors to make more detailed provisions for meetings in their by-laws without the necessity of referring back any changes to the Board of Founders. Section 7, "Officers and Committees", combines Sections 7 and 8 in the draft as submitted by the field, and makes only a very general statement, again leaving to the Directors the incorporation in their By-laws of more detailed provisions. Section 8 "By-laws" is also stated in more general terms than in the form proposed by the Directors. Section 9 "Amendments" is somewhat reversed but the essential meaning of the Section as approved by the Directors is retained.

Article V "Ginling College Committee" is materially changed to incorporate the changes in relationships and procedure adopted by Ginling College in connection with its reorganization.

No essential changes were made in the By-laws of the Board of Founders except the one shown in action F-421 dealing with the quorum necessary for the transaction of business. The Founders have frequently been embarrassed by the fact that a legal quorum as defined in this section is very difficult to obtain, so have hit on the idea providing for circulation vote where a quorum is not present. Just how this will work out I do not know. I certainly hope it will not encourage the members of the Board to remain away in the expectation that they can later cast their votes on actions taken.

The Founders agreed that the Board of Directors are authorized to make and amend their own By-laws without formal action of approval by the Board of Founders so long as these By-laws are in harmony with the Constitution. The Board notes the By-laws of the Board of Founders as they appeared on pages 8, to 18 of the "By-laws of the University of Nanking"

4/30/29

adopted by the Directors on November 9-10, as forwarded by President Chen on November 29. It was agreed that these By-laws are quite in harmony with the Constitution of the University and that therefore no formal action need be taken. The Board did suggest, however, that our office informally call the attention of the Founders to two points:

1. Apparently no provision is made for the continuance in office of the officers of the Board of Directors after the regular date for the expiration of their term. It sometimes happens that it is impossible for the Board to re-elect officers at the stated time, so it appeared to the Founders that it would be wise to have some provision inserted, perhaps similar to that appearing in the By-laws of the Board of Founders, whereby the officers would continue to serve until their successors had been appointed.
2. It was noted that there is no provision in Article V of the Directors By-laws, requiring that amendments to these By-laws should be in harmony with the Constitution of the University. The Founders suggested that, if it meets with the approval of the Directors and would not cause any embarrassment, it might be in order to add such a provision to this Article.

The Founders gave rather careful study to the agreement between the Board of Directors and the Board of Founders. This agreement was presented to the Founders in practically the same form as it was drafted by the field a year ago. A few minor corrections were made by the Committee on Reorganization. The only material change made, however, was in Section III "Property Lease" where the five year period for the property lease was defined as beginning July 1, 1927 and ending June 30, 1932. The draft submitted by the field proposed that this five year period be considered as beginning July 1, 1928 and ending June 30, 1933. In Section IV "Staff" the Founders voted to delete the third paragraph of this section as submitted by the field. This paragraph provided that "It is understood that when a teacher has been appointed by the Board of Founders to fill a designated position he shall not be required by the Board of Directors or any officer of the administration to undertake work of instruction outside of his designated field, except upon his written consent". It was thought by the Board of Founders that this provision hampers the Board of Directors and the President of the University in their relationship with appointees of the Board of Founders.

The Founders noted that the following three schedules are yet to be included in the agreement:-

Section III, 4. List of grounds, buildings and equipment, and provision as to the percentage of cost which shall each year be set aside for repairs, replacements and insurance.

Section III, 6. Basis for determination of assignment of residences to the University staff.

Section VI. Rent schedule of residences on University campus

We would appreciate it if the Board of Directors would work out

0492

4/30/20

these schedules for us sometime in the near future so that we can submit them to the Board of Founders for approval.

Staff items. All members of the Board of Founders were sincerely grieved over the news of Dean Kuo's death. I will transmit in care of President Chen a letter to Mrs. Kuo communicating the memorial minute adopted under action P-425.

The Founders were deeply troubled by the urgent need for additional English teachers as described in Dr. Bowen's letter of March 17, and asked that I again bring this urgent need to the attention of the Mission Boards. I will this week correspond with the Mission Boards and will also follow my request by personal conversation wherever possible.

Use of funds for the James M. Spears' residence. I am today cabling you the report that the Presbyterian Board has approved the use of funds for the James M. Spears' residence for the other housing needs of the University. A confirmation copy of this cable is attached to Dr. Chen's copy of this letter.

Very cordially yours,

BAG-H

B A GARSIDE

Enc.

CC: Dr. Bowen
Miss Priest

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UNIVERSITY OF NANKING

TRANSFER

May 13, 1929

Dr. Y. G. Chen ✓
Dr. A. J. Bowen
University of Nanking
Nanking, China

My dear Dr. Chen and Dr. Bowen:

This letter will report recent developments and efforts to secure further personnel for the University of Nanking.

I reported to the last meeting of the Nanking Executive Committee that Dr. Hutcheson was unable to return to China due to unwillingness of the Southern Presbyterian Board to support him and that he had therefore taken a position as City Physicial of Houston, Texas. The Executive Committee suggested that possibly the Northern Presbyterian Board might be willing to support Dr. Hutcheson if he could so arrange his plans as to return to Nanking. Dr. Scott stated that he would be glad to present this proposal to the Presbyterian Board if Dr. Hutcheson found it possible to return, so I at once wired Dr. Hutcheson to ask if he could go out under Presbyterian support. He wired back saying that he greatly appreciated the offer but found it impossible to go now. At the same time he wrote me as follows:

"I assure you that I appreciate very much your interest in this matter and your feeling that I am greatly needed in Nanking at this time and that there is a real piece of service for me to perform but after having accepted the position of city health officer I feel that it would be like running away from my duties to leave this position certainly at this time.

You realize that I shall always be interested in our Nanking work and regard it as a tremendous piece of service but having put my hand to this plow now in Houston I do not think I could rightly turn my back upon it. It may be that at some future date a Nanking call may come upon me again."

A few days ago I was very much distressed to receive word from Dr. Dodd of the Presbyterian Board that Dr. Daniels return to Nanking would probably be delayed by another year by the unfortunate state of

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Dr. Chen
Dr. Bowen

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5/12/29

Dr. Daniels health. Recent examinations have shown Dr. Daniels that he is threatened with a duodenal ulcer and should therefore guard his health very carefully for at least a year and avoid any situation where he would be under a considerable strain. Dr. Dodd has a slight hope that Dr. Daniels condition within the next few months may be such that it would permit his return to Hanking this fall, but is not very optimistic.

A fortnight ago it looked as though we might be able to persuade the Northern Methodist Board to arrange for the support of Dr. and Mrs. E. V. Jones or if the Methodist Board could not provide for such an arrangement, could make arrange

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Dr. Chen
Dr. Bowen

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5/13/29

Dr. Daniels health. Recent examinations have shown Dr. Daniels that he is threatened with a duodenal ulcer and should therefore guard his health very carefully for at least a year and avoid any situation where he would be under a considerable strain. Dr. Dodd has a slight hope that Dr. Daniels conditions within the next few months may be such that it would permit his return to Hanking this fall, but is not very optimistic.

A fortnight ago it looked as though we might be able to persuade the Northern Methodist Board to arrange for the support of Dr. and Mrs. E. V. Jones or if the Methodist Board could not provide for such an arrangement, could make arrangements with the Presbyterian Board. I therefore wired Dr. Jones in regard to the proposal but he telegraphed back that Mrs. Jones health is such that the Doctors advise their remaining in America for at least another year.

I have been communicating with the different missionary boards regarding the need for additional teachers of English. I am very hopeful that the Presbyterian Board will be willing to support a man or woman if we can find the proper person. We are now searching and have several possible candidates in mind. As soon as any development materializes I will communicate further.

Reisner has been having a pretty tough time during the last fortnight and just at this time he is still in the hospital. Probably he or Mrs. Reisner have reported the situation to you. He had an operation on his nose about ten days ago and after two days in the hospital returned home, but a couple of days later had a rather severe hemorrhage which necessitated his return to the hospital for a week or ten days.

I am sorry that this letter is such a report of disappointments but hope that before long we may have more cheerful news to convey.

Very cordially yours,

Secretary.

B A GARSIDE

BA/EN

c.c. to Dr. Bowen

0496

UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

May 16, 1929.

Rec'd 6/19/29
Nanking

Mr. B. A. Garside,
New York.

My dear Mr. Garside;

TRANSFER

This will acknowledge your letter of April 15th informing me about the inability of Dr. Hutcheson to return to Nanking. We regret very much that Dr. Hutcheson cannot come as he would have been able to give most valuable help to the hospital if it had been possible for him to have returned to us.

In regard to Miss Jeffrey - we have just received your cable which states

"Miss Jeffrey proposes to return to your mission arriving early in October. Do you approve?"

C. G. Garside
I am glad that Miss Jeffrey finds it convenient to come at last. We were sorry that it was not possible to make arrangements so she could have returned before and I hope there may be no such hindrance this time. We would appreciate it if either she or you would let us know definitely as to the boat and date of her arrival in China. //

Inasmuch as Dr. Hutcheson is not returning, it makes us feel that the return of Dr. Daniels is more urgent than ever before, and we hope nothing will prevent him from returning to the hospital this fall. We believe that Dr. Daniels could help a great deal in the administration of the hospital. This is a very important phase of the hospital work, and besides Dr. Daniel has had much experience in handling Chinese patients. Everyone likes him personally and all who know him are anxious to have him here. It will be a tremendous loss to the work if Dr. Daniels does not return this fall.

Regarding the teacher for the Chemistry Department - they are still very anxious to have Dr. Jones appointed under the Presbyterian Board. I know you have been trying very hard to have him appointed under the Methodist Board, and also working on the proposition of having him appointed under the Presbyterian Board. I realize it is a very difficult task to make such shifts and in case you feel it is impossible to push the matter further, will you please use your judgment in handling the situation? If Dr. Jones cannot come we would like to recommend Mr. Earl Otto to be appointed under the United Christian Missionary Society in place of Dr. Jones. We enclose a copy of a letter just written to Mr. Otto. Will you please follow the matter up in the way that you think most suitable in settling the problem?

// This will leave one other vacancy in the United Christian Missionary Society quota, and we are hoping to have Mr. Edwin Marx appointed to the University to fill this place. This would mean that all the United Christian Missionary Society vacancies are filled for the College of Arts and Science which is not at all intentional, but a matter of practical use of the men available. However there are two members of the Presbyterian Board who are in the College of Agriculture and Forestry - and perhaps there will be a larger proportion than two when the quota is filled - so we hope that the distribution may therefore balance the whole matter.

Very sincerely yours

Y. J. Chen

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TRANSFER

May 23, 1929.

Dr. Y. G. Chen,
Dr. A. J. Bowen,
University of Nanking,
Nanking, China.

My dear Dr. Chen and Dr. Bowen:

We have just received a supply of the minutes of the meeting of the Board of Directors held on March 29, 1929, together with minutes of several other meetings of committees of your Board of Directors and the appended financial documents. We are distributing this material to the Board of Founders at this time and are particularly calling their attention to the proposed budget for next year. I hope we may be able to arrange for a meeting of this budget committee during the next ten days.

I will not attempt at this time to comment on the various important matters covered by these minutes. I would like, however, to express my gratification over the progress being made in cooperation between Nanking and the other universities in East China in the formation of the "East China Federated University". We have all been watching with keen interest the developments taking place in East China this year and feel that the actions taken indicate very encouraging progress.

As I wrote you several months ago, everyone in America has been striving to avoid over-influencing the institutions in China as to the nature of the program of correlation we hope they will adopt. There is very widespread and profound interest in America in the effort to correlate the work of all our Christian higher educational institutions in China and I believe there is general agreement that this correlation is absolutely necessary if our institutions are to continue their growth and are to secure the support they will require. But we feel very strongly that only the institutions themselves can map out the program they are to follow. Any attempts at dictation from the outside, even though they produced a plan that looked well on paper, would be predestined to utter failure unless they were supported by the hearty cooperation of the institutions concerned.

Without doubt both of you have seen copies of the minutes of the Committee for Christian Colleges in China meeting held on April 12, 1929. You will note that the Committee at that meeting continued the

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Dr. Y. G. Chen,
Dr. A. J. Bowen.

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5/23/29.

policy it has always followed of refraining from any effort to suggest to the field just what type of program they should adopt. The meeting was devoted chiefly to the discussion of the problem of correlation in East China and there was a very interesting discussion of the report received from the Committee of Educational Counsel. Everyone felt, however, that while it was quite in order to send to the field, as a matter of information, such of this material as was likely to prove of interest, the Committee should not attempt to express at this time its judgment as to which plan it would be wisest to adopt.

For all of our East China colleges to get together this year on a sincere and whole-hearted program of federation will be one of the most important forward steps in our whole correlated program for China. I am sure that for East China to demonstrate to the other sections of the country that it is able to effect such a correlation will greatly stimulate the whole effort of correlation. Should East China for any reason fail to adopt some such program of coordination it would be a very serious blow to the whole undertaking.

We are all awaiting with keen interest the approaching meeting of the Council of Higher Education at Shanghai in July. It seems we have made about as much progress in America as can be made until the colleges in China have completed the final formulation of the correlated program and have indicated their willingness to adopt it. During the last few months there has been a growing uneasiness that the July meeting might fail to agree upon a satisfactory program but the encouraging news from East China has done much to remove our fears on this score.

After two years here in the New York office I am more than ever convinced that correlation of educational program and of financial support are both indispensable for our China colleges. Particularly in the field of financial support, which is occupying an increasingly large proportion of the thought of our Boards of Trustees here in America under the reorganization of our colleges, it is becoming clear that coordination is absolutely necessary. Let it be understood at once that no one in America is offering any financial prize of some millions of dollars as the reward of correlation. We cannot at this stage guarantee any sum of new money or state when such money would be secured. We look at the problem rather from the opposite viewpoint. As matters stand now, the expense of operating our universities even on their present scale of work is mounting much more rapidly than their support is increasing. The mission boards have not substantially increased their contributions of cash or personnel for a number of years and it seems unlikely that they can - or should in fairness to their other work - make any large increase in the immediate future. Unsolicited gifts from individuals and organizations are practically nonexistent. It is almost impossible for an individual institution to make a successful financial appeal without a very expensive and prolonged publicity and promotional campaign. During the last five or six years at least, only

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Dr. Y. G. Chen,
Dr. A. J. Bowen.

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5/23/29.

two of our institutions in China have had any real success in practical work - Yenching and Lingnan. Each has spent several hundred thousand dollars in connection with their campaigns and has been assisted by Boards of Trustees made up to a considerable extent of business men who have been sincerely interested in the institutions and willing to give largely of their time and money to help these institutions go forward. Both Yenching and Lingnan are feeling the growing difficulty of individual effort of this sort and I believe it would be next to impossible for any of our other institutions to succeed if working alone. If it had not been for the endowments secured from the Hall Estate, practically every one of our China colleges would today be forced either to seriously curtail its work or else to close its doors entirely. Fortunately this windfall has tided us over for a few years but it is obvious that if the present rise of costs in China continues we will find ourselves in an extremely serious financial condition within a very few years. These are factors that point inevitably toward coordination of our financial efforts. How much greater success can be obtained under united effort rather than separate appeals, only experience can demonstrate.

I have written at length on these points because I feel that East China is the focal point of our correlated program and that the University of Nanking is the focal point of East China. I know that both of you will lead this summer in every effort that looks toward increasing the service of our Christian churches to the people of China through more effective use of the resources now available and more effective efforts to increase these resources.

I hope that within the next few weeks we may have a meeting of the Executive Committee, following meetings of the Budget Committee, to take action on all the matters in the Board of Directors minutes requiring attention here at the home base.

Very cordially yours,

B A GARSIDE

BAG:A

P.S. In reading over the above I note I have spoken only of the future of financial promotion in the west. All of us here in America in discussing the correlated program have had very definitely in mind the hope that our China colleges will also be able to secure in future a large and rapid increase in support from Chinese sources. I believe such an increase is indispensable to the success of continued financial promotion here in the west. It seems to us that a campaign for financial support in China could be more successfully conducted under a plan of united effort than if each institution worked entirely alone. I will be glad to have your opinion on this point.

0500

Nanking

TRANSFER

University of Nanking

June 19, 1929

President Y. S. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

This will acknowledge receipt of your letter of May 16. This letter deals chiefly with Nanking personnel.

Miss Jeffrey. Immediately after receiving your letter I cabled to Miss Jeffrey in Scotland, telling her that the University will be glad to have her return this autumn. I sincerely hope that she will this time be able to return to the University. We were all very much disappointed that she was prevented from carrying out her intention of returning earlier.

Dr. Hutcheson. I have already reported Dr. Hutcheson's inability to return to China at this time. I believe the Presbyterian Board would have been willing to assume his support, particularly since it has become clear that Dr. Daniels cannot go back for another year at least.

Additional staff member for Chemistry Department. I have also reported within recent weeks that Dr. Jones cannot return because of Mrs. Jones' health. In accordance with the suggestion in your letter, I am corresponding with Dr. S. J. Corey of the United Christian Missionary Society in regard to Mr. Earl Otto. As soon as I hear from Dr. Corey I will report further.

Mr. Edward Marx. I believe there was some discussion last year of the possibility of Mr. Marx's appointment to the University staff, but at that time nothing was done. I will write Dr. Corey regarding this proposal also. Mr. Reisner has already asked me to raise with Dr. Corey in a general way the question of whether the U. C. M. S. has any available man who would fit into the work of the College of Agriculture and Forestry.

Very sincerely yours,

BAG-H

B A GARSIDE

0501

5629 University Avenue,
Chicago, Illinois, U.S.A.

June 20, 1929.

Dr. Y. G. Chen, President
University of Nanking,
Nanking, China.

TRANSFER

My dear Dr. Chen:

Your letter addressed to me at 1108 Highway Avenue, Covington, Ky. has been forwarded to me here in Chicago. I came here last week and I expected to spend a quarter here in order to complete some work which ought to prepare me for my Ph. D. degree examination. Unless my plans are changed I will be here until the last week of August. After that I expected to be at home in Covington for a couple of weeks and then go to my school, Ashland College, Ashland, Ohio.

My plans were that I would write you and Mr. Garrett within the next few days and tell you of the correspondence I had had with Dr. Jones, my choice of Chemistry courses and my general plans. Today your letter appeared. I am glad now that I neglected writing you. Your wishing that I might be available for this fall opens up many questions again. I had hoped that during this coming school year I could get the question of a position in China for next year (1930) completely settled. I had not thought it possible to consider on for this year. For that reason I accepted a position with Ashland College. Besides abrogating this contract there are other things which must be considered. My work towards my Ph. D. could not be completed by the time I would have to leave here to get to China by September 10 or even October. (By the way I told Mr. Garrett that my fiancée would not complete her nurses training course until October. A month more would be necessary for the travel to China.) After my writing Mr. Garrett my fiancée told me that she has to take state board examinations in December. Of course it would be possible for her to take them in Peking, I presume. Just today I had a letter from her and she said her three years will be up on Sept. 18 instead of in October. That still would not permit our getting out to China before school started. We would like more than a month in which to travel because her home is in Switzerland and she has not been there for six years. It would be too much to ask her to forego the pleasure of a visit home until after we had completed one term in the University. The best that could be done, it seems to me, is to arrive in Nanking for the second semester. Even that would require our coming by the way of Siberia unless it were absolutely sure she could take her state board examination in Peking. Travel at that time thru Siberia would be uncomfortable, I fear. I think it would be best for us to leave here soon after Sept. 18 for Europe, spend some time in Switzerland and then come on to China by the Suez Canal. That would get us there just about in time for the second semester. I should have time the first part of September to take my Ph. D. examination in case we did not try to get to China until the second semester. If my services could be spared until next year I would have better chances on my Ph. D. and also have a year's salary that I otherwise would not have. There is just one more possibility I might suggest. We could get to China about the middle

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of October, if absolutely necessary. We could leave here as soon as my fiancee's time is complete in September and come by the way of the Pacific, providing we would be supplied with the ways and means of getting to Switzerland next summer for a month or so. That would be possible, if we could go and return by Siberia.

Now with regard to my letter from Dr. Jones. I intended to bring it here with me so I could send it on to Mr. Garretz. Dr. Jones stated that his wife had had a major operation and that it would be impossible for him to return for another year or more on her account. He also stated that there was a question of his being financed by one of the church boards. I explained to him that I in no way wished to supersede him at the University of Nanking, but that if he had no intentions of returning I should like to apply there first. He then stated that he could give no absolutely definite answers about his return, but added that he did not want to prevent the University from getting a man for the department. You may take this for what it is worth, but I want you to know that I do not wish to displace Dr. Jones.

May I say with regard to the courses I prefer that I enjoy teaching Quantitative, Organic, Qualitative and General in the order mentioned. I have had experience in all these and in Industrial. I have not taught Physical, but by the end of this summer I may feel that I would be capable of doing so.

I think that I have covered all points brought up in your letter. I will write the New York office tomorrow and will also try to get an amateur wireless operator to carry most of this message to you. I have no idea as to whether or not it will go thru.

Please give my best regards to Lawrence Liu for me.

Sincerely yours,

(Signed) Earl Otto.

P.S. These suggestion of solutions I have offered lack the approval of my fiancee. I have not yet had an answer from her with regard to them.

E.O.

0503

C O P Y

Deer Creek, Okla.
June 21, 1929.

My dear Dr. Garside:

Regarding my going to China as a teacher in one of the Christian Universities there I have the following to report:-

The MISSION divided the question into two parts: (a) The official affiliation of our Board with one of the Christian Universities in North China. They voted against this proposition. (b) The leaning of myself as a teacher in one of these Universities. The Mission had no objection to this if the Board wanted to do so.

After the Mission divided the question the BOARD also considered the matter in that way with the result that: (a) Official affiliation was dropped for the present, and (b) my going as a loaned teacher was consented to with the conditions, first, that the matter be reconsidered after a year's trial, and second, that my salary be the same as that of our missionaries in the interior, namely \$1100.00.

As for myself, I had informed the Mission and Board early in the year that arrangements pertaining to our going back should be completed by May 1st, I however waited until June 1st before informing the Board that we could wait no longer and were looking for another position. I accepted a position with Bluffton College, Bluffton, Ohio, one of our Mennonite Schools. The above referred to action by the Board was therefore received somewhat late and furthermore was so unsatisfactory that we could not accept their proposition as we felt there should be hearty support both on the part of Board and Mission in an undertaking of this kind.

We greatly appreciate the call from both Shantung and Hanking Universities and trust that you will inform them of our regrets for not being able to accept their invitation. Most of all we wish to thank you for your efforts in the attempt to bring about a proper consummation of these negotiations. We are very sorry indeed that we had to give up our China plans. I believe sooner or later our Mission and Board will come to some such arrangement as was planned. The main reason for lack of support and opposition from some quarters seems to be the fear of "modernism". The Union Universities in China as the Federal Council in America are looked upon with suspicion by some of our older people. Furthermore my attending the University of Chicago puts me into the same category. Even though the matter is dropped for the present we hope that, for the sake of our mission, it may yet materialize at some later date. Should you care to communicate with our Mission in China, Rev. S. J. Gearing, Kai Chew, Chihli, China, is the person to write to. Dr. J. W. Kiewer's address, as you know, is Newton, Kansas.

With sincere regrets, I beg to remain,

Very respectfully yours,

/s/ ED. KAUFMAN.

0504

Nanking

TRANSFER

University of Nanking

June 26, 1929

Dr. Y. S. Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I enclose herewith a copy of a letter just received from
Dr.Ed G. Kaufman under date of June 21, together with my reply thereto.

I know you will regret that the Mennonite Board has not found
it possible at this time to enter into cooperation with one of our China
colleges. Dr.Kaufman intimates that there may be some hope of more fa-
vorable action a year hence. Those of you on the field are in the best
position to judge whether it would be worth while to continue negotiations
with the leaders of the Mennonite Mission to whom Dr.Kaufman refers in his
letter.

Very cordially yours,

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B A GARSIDE

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Nanking

*received July 1/29
for Chen 7/29*

University of Nanking

July 1, 1929

Dr. Y. G. Chen,
Dr. A. J. Bowen,
Miss Elsie M. Priest,
University of Nanking,
Nanking, China.

TRANSFER

My dear Dr. Chen, Dr. Bowen and Miss Priests:

We enclose herewith copies of minutes of a joint meeting of the Executive Committee, the Committee on Budget and the Committee on Audit held in the afternoon of June 25. You will note that these committees transacted some very important business, most of it relating to the current accounts of the University for 1928-29.

Analysis of current financial situation at the close of 1928-29
Appendix A gives an analysis of our Nanking finances at the close of this fiscal year as we see them here in New York. You will note that at the home base we have a small surplus of \$476.05 due to a small surplus in income on our endowment funds above five per cent, plus a small surplus on the Emergency Fund. However, this surplus is more than covered by overexpenditures in the Central Office and the special appropriation for the Committee for Christian Colleges in China. The Founders are applying the home base surplus to these two items and for the present are carrying forward the deficit remaining.

Our estimates as to the financial situation on the field at the close of this fiscal year are, of course, quite tentative. We hope, however, that you will not find them seriously wrong. As far as we can judge there is still a balance remaining on the emergency deficit amounting to Mex. \$4712.57. It appears also that the shortage in the 1927-28 budget of \$10,000, due to the non-payment of alumni pledges, is still outstanding as is the deficit due to the shortage of income from the Trustees during 1927-28 amounting to \$6,277.95. We hope that your Field Treasurer's books will show a fairly substantial gain on exchange this year which can be applied to some of these outstanding deficits. You will notice that the Committees in action ERA-459 formally made the suggestion that any gain on exchange during 1928-29 be thus applied to the outstanding deficits.

We are still uncertain whether the Trustees of the Harvard-Yenching Institute will agree to our applying the income received from them previous to July 1, 1929 toward the expenses of the Departments of Chinese studies in the 1928-29 budget. If they will permit this use of the money we have already received from them it should create a surplus for this same

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amount on the 1928-29 budget. The Board of Founders would like to use such a surplus as indicated in action EBA-440 (1) to meet the balance of the emergency deficit existing on the field; and (2) to meet the deficit of Mex.\$6,277.95 remaining from the fiscal year 1927-28 due to a shortage of income from the Board of Founders. The Committee informally expressed their disinclination to make any contribution either directly or indirectly which would meet the shortage of \$10,000.00 created in 1927-28 due to the nonpayment of alumni pledges. They feel that this \$10,000.00 should be secured on the field by the Board of Directors, either from the alumni themselves or from other sources quite outside the regular channels of income for the current work of the University during the past year or the coming year.

Budget for 1929-30. The most immediate problem confronting the Committee in dealing with the 1929-30 budget was that of the use of the income from the Harvard-Yenching Institute Trust Fund. The action of the Institute which we quoted in the minutes makes it quite clear that the Institute strongly desires that the income from this Trust Fund shall not be used outside the departments of Chinese language, literature and history and other work directly allied thereto; and furthermore, shall be used in these departments largely or wholly in addition to the funds which in the past have been appropriated to these departments from general University funds. As we examined the estimated expenditures for 1929-30 and studied in particular the "exhibit of estimated budget for Chinese cultural departments appended to the minutes of March 29-30 meeting of the Board of Directors, we could find even with the most liberal method of estimating, only an increase of Mex.\$9,997.40 in 1929-30 over what was spent in 1928-29 in these departments. We arrive at these figures as follows:

Department	Budget Est.	Budget Est.	Increase
	1928-29	1929-30	1929-30 over 1928-29
Chinese	Mex. 6,600.00	\$7,600.00	\$1000.00
Chinese history	0	1,940.00	1,940.00
Philosophy	1,156.00	2,802.00	1,666.00
Library Science	990.60	1,891.00	900.40
" Books	0	1,500.00	1,500.00
Share in administration	0	2,991.00	2,991.00
			Mex.\$9,997.40

This \$9,997.40 appears to be absolutely all of the items totalling \$34,194.00 in your "exhibit" which can possibly be considered as falling within the limitations laid down by the Harvard-Yenching Institute as to the purposes for which the income from its trust fund shall be expended. As a matter of fact, I think we have stretched the Institute's interpretation too far in including the item of \$1,666.00 for Philosophy since this department is probably too far afield to interest the Institute. Assuming, however, that the above items totalling \$9,997.40 will be acceptable to the Institute, we still have an unexpended balance of Mex.\$21,152.60 remaining from the estimated trust fund income of Mex.\$31,150.00. The Trustees have asked the field to make recommendations for using this money in developing still further the departments of Chinese cultural studies. Several members suggested informally that it might be desirable to spend a large part of this \$21,000 plus for such objectives as additional books for the library along the lines of Chinese language, literature and history. Hanking has

7/1/29

been building up its library quite rapidly during recent years, but we do not know how large a proportion of its books is in this field. I believe the Founders feel quite definitely that it would be unwise to expand too rapidly on personnel and courses which the University is offering in the field of Chinese cultural studies because too rapid expansion is likely to throw these departments out of balance with the rest of the University and to create a great many serious problems for future solution. The more desirable procedure would be to build up these departments gradually over a period of several years.

You will note that the Founders have adopted the 2.10 to 1 rate as their basic rate of exchange in estimating next year's budget. This is in accordance with the policy being adopted by practically all the other Universities. As far as we can foresee at this time, this rate of exchange should still leave possibilities for a considerable gain on exchange during the year.

You will note that the Founders are continuing the policy of estimating income on endowment at the rate of five per cent. They have, however, defined their wishes as to the disposition of future surplus of income above five per cent by creating an "emergency and retirement fund". We hope that this fund will make possible for us during the next few months the completion of the long discussed plan to provide retirement allowances for Western members of staff supported by the University direct.

You will note that the Committees approved an estimate of \$2,500.00 for Home Base Administration next year. As a matter of fact, the annual cost of Home Base Administration has, for a number of years, been about \$2,500.00, so this is not in reality any increase. As the University grows, as its endowment funds increase, and as the Central Office gradually takes over new duties and ~~and~~ responsibilities not previously required of it, the cost of the Home Base Administration inevitably increases. You will note from the analysis of the current financial situation that this \$2,500.00 less than \$2,000.00 actually goes toward the work of the Central Office. The remainder of something over \$500.00 is spent on such additional expenses as the annual audit of our books, cablegrams, etc.

Once more the Committees reminded the Methodist Board that they have fallen sadly below the level of full cooperation in support of the University, and reminded the United Christian Missionary Society that, in insisting on making their payments in local currency, they are falling behind what the other Boards are doing. I hope that these actions may produce results, but am not too optimistic.

Action BPA-448 formally defines the contribution of the Board of Founders toward the field budget for 1929-30. You will note that they assume direct responsibility for sending out general funds amounting to Mex.\$90,112.40. The details as to the source of this income are given in Appendix B. The Board of Founders further defines the special contributions of the cooperating organizations and friends, which will be forwarded as received, as amounting to Mex.\$147,591.00. Here too the details are given in Appendix B.

On the above basis there is an apparent deficit in the budget as drawn, amounting to \$20,056.80. The Committees did not attempt to make

7/1/29

any formal suggestions as to the steps it will be necessary for the Board of Directors to take in order to make the budget balance as they felt that such suggestions are not necessary and probably not in order under the present organization of the University. However, in studying the proposed expenditures of 1929-30 the Committees expressed the hope that, with the actions already taken or in prospect for clearing off the deficits standing on the field, it would be possible to take out of the budget entirely the item of Mex.\$16,000.00 for "proportional share of deficit." If this could be done the shortage would amount to only Mex.\$4,056.60 and we trust it will be possible for the Board of Directors to make minor adjustments here and there to avoid this shortage.

1927-28 Audit. We earnestly hope that our Methodist friends may be persuaded to define somewhat more clearly the status of the one hundred thousand dollar trust fund they are holding for us. Since some of the other cooperating missions have turned over in part or in whole similar endowment funds they have given to the University, it is a bit embarrassing that our Methodist friends have not clearly stated that they considered this hundred thousand dollars as a part of the permanent endowment of the University of Nanking.

Sherwin Scholarship. We are very sorry that action D-87 of the Board of Directors has gone so long without a definite decision by the Board of Founders. We sincerely hope that minute KBA-454 clears up this matter in a way quite satisfactory to the field. The Secretaries of the Baptist Board stated that, since the Sherwin Scholarship fund belonged to the University of Nanking, they felt that the Baptist Board could not rightly take formal action regarding it. Informally, however, they discussed with their legal counsel the best methods of using the income from this fund along the lines indicated by Mr. Sherwin. As an outcome of that discussion action KBA-454 was taken. The two conditions which are added to the Founders' approval of D-87 should not prove embarrassing because they apparently do not seriously restrict the Board of Directors in any way. The first condition, that the South China Mission of the American Baptist Foreign Mission Society continue to be given opportunity to nominate as beneficiaries of the fund, of course, does not imply that other students not so nominated may not also benefit from the fund. The second condition reminding the University authorities of Mr. Sherwin's desire that the fund be used for needy students whose resources are insufficient to meet their expenses of study seems quite innocuous.

Matters arising from recent Directors' minutes. The Committees gave very careful consideration to the minutes of the Board of Directors of the Executive Committee meeting held on March 28 and to the minutes of the fifth meeting of the Board of Directors held on March 29-30. I believe that the actions taken do not require any particular explanations or comments. These minutes were sent to all members of the Board of Founders some weeks ago so everyone had an opportunity to study the material quite carefully before the meeting. I heard many expressions of gratification over the steady progress being made by the University.

We are sending this letter by air mail and will send forward in the next China mail 55 copies of these minutes to supply the Board of Directors.

Very cordially yours,

BAG-H
Enc.

B A GARSIDE

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TRANSFER

University of Nanking

July 9, 1929

President Y. G. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

In accordance with the cablegram we received from you on June 21, we at once got in touch with Mr. A. N. Steward to see if it would be possible for him to return to Nanking this fall. Mr. Steward wrote, however, that "We are definitely obligated to Harvard University until June, 1930, within which time I hope to complete the requirements of my Ph.D. degree so it will not now be feasible to attempt arrangements for our return earlier than next summer". It appears, therefore, that it will not be possible to arrange at this time for any material change in Mr. Steward's plans. We are sorry that this is the case although Mr. Steward's reply is about what was expected since he informed us several months ago that if he entered into arrangements with Harvard for next year, it would mean that he could not honorably withdraw from these arrangements later, if the situation on the field changed in a way that would have made his earlier return possible.

I am sending Mr. Cartwright of the Methodist Board copies of my correspondence with Mr. Steward and will have a personal talk with Mr. Cartwright at the earliest opportunity to urge that he do everything possible to sustain Mr. Steward's interest and assure him of Methodist support whenever he is able to return to the field.

I will report Mr. Steward's decision to you by cable either today or tomorrow.

Very cordially yours,

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University of Nanking



TRANSFER

July 10, 1929

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

AIR MAIL

My dear Dr. Chen:

In response to a cablegram we received from you on July 8 we sent you a reply yesterday as per the attached confirmation copy.

For the last three months both our office and the office of the Candidate Secretary of the Presbyterian Board have been carrying on a diligent search for a suitable English teacher to be sent out to Nanking under the Presbyterian Board. During this time we have examined the papers of three married men and their wives, one unmarried man, and four single women, all of whom have definitely applied for the work at Nanking. I have also looked through our Central Office records and Mr. Hadley has looked through the Presbyterian candidate files in hope that we might find someone who had applied for appointment elsewhere, or without designation, but who might fit into the work at Nanking. Thus far, none of our efforts have produced any satisfactory results. It is getting very late for completing an appointment in time to have the appointee on the Nanking campus at the opening of the autumn semester, but we are still continuing our search and hope that either this autumn or a little later someone can be sent out. Both Mr. Hadley and I have been very much distressed at the difficulty we have had in finding a suitable appointee for the position in English at Nanking. We have felt, however, that it is far better to continue our search until the right person is found than to send out someone who would probably not prove satisfactory.

As soon as we received your correspondence in regard to Mr. Otto I wrote Dr. S. J. Corey of the United Christian Missionary Society. On July 8 we received a letter in which Dr. Corey makes the following comments in regard to the possibility of Mr. Otto's appointment:-

"Your letter of June 19, dealing with Mr. Otto, who formerly served under our mission in China and whom Dr. Chen mentions as a successor to Dr. E. V. Jones, who is unable to return to the University, is also noted. I had a conference with Mr. Otto last night, likewise with the young woman to whom he is engaged. She is finishing her nurse's training course and will not be through until the end of the year. He is taking a position in Ashland College, Ohio for the coming year and they cannot possibly go to the field until the fall of 1930. With regard to Mr. Otto aside from his delay, we

0511

7/10/29

have the question of finances to face. Whether we could send him out next year (that is in our missionary year beginning January 1, 1930), I am not sure. As I wrote you a short time ago in connection with a request for an English teacher, it seems to us that we will need to go rather slowly with regard to adding western men to the faculty. Our own conviction is that there should be plenty of time and readjustment before we run the risk of a possible over-staffing from the West. I know you have this in mind, because you mentioned it in a former letter."

In this same connection we should report also Dr. Corey's comments in his July 8 letter in regard to Mr. Edwin Marx:-

"Dr. Chen has also written you about Edwin Marx as a man for the University. He is Secretary of our China Mission and we are passing through a very critical period. I do not see how we could possibly release him for the University of Nanking. Our Oriental Secretary is now on the field and we will soon be hearing from him with regard to the China situation. I know you will keep us in touch with all developments."

As soon as we received your cable in regard to Mr. A. N. Steward we wrote him asking whether it would be possible for him to consider return to Nanking this fall. He at once replied that he had made a definite commitment to Harvard University of continuing until June, 1930. It will not be possible, therefore, to plan for his return before the autumn of next year. I was very much concerned to note in Mr. Steward's letter an undercurrent of doubt as to whether Nanking is particularly anxious for his return, and whether an appointment to the University, if made, would be continued for any extended period of time. Obviously he is facing a question that has ~~so~~ seriously troubled many of our younger married men as they face the call for their return to China. They ~~are~~ seriously question whether or not, within five or ten years when it would be more difficult for them to re-establish themselves here in America, they may not find themselves without work in China, without any reserve funds to provide for the needs of their family, and with very little chance of securing a satisfactory position here in the West. Under these conditions they are quite naturally reluctant to break away from attractive positions they have either secured or have had offered them here in America. I have found, however, that in practically every case these younger members of the missionary force have eagerly turned their faces toward China again if they have been convinced of the earnestness and the sincerity of the call to them to return. I am sure that all of you on the Nanking campus will do everything possible to reassure Mr. Steward on this score. I am also asking Mr. Cartwright of the Methodist Board to give him such reassurance from the standpoint of Board support as he can.

We have within the last few days received a letter from Miss Margaret D. Jeffrey stating that she is planning to leave for Nanking as early as possible in September. We are therefore sending her a draft for the equivalent of \$500.00 to cover her travel expenses to Nanking. This advance is made with the understanding that she will have the usual health examination and will be pronounced in satisfactory physical condition for return to the field.

BAG-M
Enc.

Very cordially yours,

0512

Nanking

TRANSFER

University of Nanking

July 15, 1929

Dr. Y. G. Chen,
Dr. A. J. Bowen,
Miss Elsie H. Priest,
University of Nanking
Nanking, China.

My dear Dr. Chen, Dr. Bowen and Miss Priest:

I am sure that you are already acquainted with the plans being made for the formal dedication of Yenching University September 27 to October 1. Quite a group of friends of Christian higher education in China are planning to visit Yenching at the time of the dedication, and most of this group will later go by rail from Peking to Shanghai with stop-overs at Tsinan and Nanking. The itinerary prepared for the Yenching University party provides that the party shall leave Peking on October 4, spending the next four days in visiting Tsinan, Taishan and Chufu; leaving Chufu on October 8 and arriving in Nanking on October 9. The itinerary provides that they will be in Nanking October tenth and eleventh and will go on to Shanghai October 12. From my conversations with different members of the party, however, I suspect that the group will not remain in one party after leaving Peking but will probably pass through Nanking in several parties during the first half of October.

Since most of those in the party are not familiar with the Orient they would very much appreciate any assistance in travel that may be given by representatives of the other Universities who will be in Yenching at the time of the formal dedication. I am sure that Nanking will have representatives present for the dedication, and we hope that it may be possible for some of you to accompany the party on its journey to Nanking. I am at this time writing to Chealoo to see whether someone from Tsinan will be available to escort the party from Peking to Tsinan and to accompany it on the visit to Taishan and Chufu. Will you please get in touch with Dr. Stuart and also with Dr. Randolph Shields to find what plans they are making?

Very cordially yours,

BAG-H

CC: Dr. Stuart
Mc. McBrier

B A GARSIDE

0513



INDEXED

TRANSFER

University of Nanking

July 19, 1929

Dr. Y. G. Chen,
University of Nanking,
Nanking, China

My dear Dr. Chen:

Miss Purcell has been in New York for two or three days during the early part of this week and has now continued her journey toward the West Coast and Nanking. When I asked about her routine health examination preparatory to returning to China, she told me that shortly before she left England Dr. E. D. Jackson, who formerly practiced in Shanghai, gave her a thorough examination and pronounced her fit to return to the field. I asked her to give me a memorandum on this subject for our files and for your information. I am attaching a copy of this memorandum hereto.

Very sincerely yours,

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B A GARSIDE

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C O P Y

New York, July 17, 1929

Dear Mr.Garside,

As I did not obtain from Dr.Jackson in London a statement in regard to my health, I shall report briefly my understanding of the results of his examination.

My heart and lungs are sound and there is nothing organically the matter with me. My blood pressure is not high.

The removal of four dead teeth had the effect of relieving the neuritis in the back of my head and neck, from which I had been suffering continuously from the beginning of November, 1928. The teeth were extracted in the middle of March, 1929, since which time my health has been improving steadily. I am well now but feel it will take a little time yet to throw off entirely the effects of the infection from bad teeth.

Dr.Jackson vaccinated me in June and also gave me a typhoid inoculation. His name and address are as follows:

Dr.E.D.Jackson,
1 Queen Anne Street,
Cavendish Square,
London, W.1, Eng.

He was in private practice for many years in Shanghai so is familiar with conditions there in China.

Sincerely yours,

(Signed) Minnie H. Purcell

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UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

Arch 9/18

July 31, 1929.

Mr. B. A. Garside,
China Union Universities,
New York City.

My dear Mr. Garside:

I am in receipt of your letter of July 1st and note that you have written at some length in relation to the annual budget and financial situation for 1929-1930.

In regard to the Harvard-Yenching appropriation;- Our Board of Directors passed their action regarding the use of these funds based on the interpretation of the statement in your letter of March 4th, namely;- "..... use this income for maintaining and strengthening the work in the Department of Chinese language, history and culture". We also interpreted the term "culture" to include sociology, economics, education, philosophy and some phases of political science in addition to Chinese history and library science. We have further based our decision from a letter received from Dr. J. Leighton Stuart also giving us similiar word as was in your letter of March 4th. As these two sources were the only ones available, we made our plans and the corresponding budget on the strength of that interpretation

Extracted for Garside
I would like to say a word concerning the Alumni pledge of ten thousand dollars contribution, or rather the current fund contribution of this amount from Chinese sources. The matter was very carefully considered by the Board of Directors who decided to assume obligation for plans to start a campaign for a capital fund at the earliest possible date which would mean prospect of realizing much larger interest as well as funds. It was also the feeling that the change of the administration of this university was done in a most abrupt manner and there have been many many problems arising from this abruptness, so that even after two years we have not been able to find an adequate solution. The final decision of the directors was that to start a current fund financial campaign at just this time would be wrong psychology which would effect our larger interest as well as very greatly handicap the work of the administration. In light of these two reasons the directors have definitely assumed responsibility for the current fund deficit which we have been obliged to carry for these two years, and have further assumed the responsibility to carry on a capital campaign in China, very likely joining with the Joint Financial Campaign of Christian Colleges in China. The directors also felt that we should have a clear budget and it was for this reason that they made the effort to care for the deficit as they did, feeling that our position would be much stronger if our deficit was cleared. Of course if the Board of Founders feel that we have been absolutely inconsistent with the purpose of the Harvard-Yenching grant, we must modify our budget in accordance with your instructions. I have no definite proposition to report to you at this time but shall write you later and shall appreciate your opinion after we have worked this matter over again.

In regard to the return of Dr. Jones and also of our request for Dr. Otto;- Inasmuch as neither of them can arrange to come to China this year, creates a somewhat different situation from our decision sent you a few weeks ago. We need someone for this fall and when we thought that Dr. Jones could not come and Dr. Otto could come our invitation to Dr. Otto was entirely on the basis of having some help for this fall. However, that it is out of the

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No. 2.,

question now and the Chemistry Department would like to have preference given to Dr. Jones to return to Nanking next year under someone of the mission boards. If that fails again, we will approach Dr. Otto to come to the department. I am sorry that this problem has been sent back and forth so many times and I know it is a difficult one to solve.

I realize how difficult it is to secure people to return to Nanking as so many of the staff members were forced to leave under trying conditions and now difficulties on both sides of the Pacific are centered around this abrupt change. I certainly hope that this time we shall be able to complete arrangements for Dr. Jones, and if he definitely refuses to return then I believe there is nothing to do but to proceed with Dr. Otto, asking him to return next spring or the fall at the very latest.

We are still greatly handicapped in the English Department, as we are not definitely certain whether or not the Presbyterian Board is sending us any one for this work for next fall.

Very sincerely yours,


Y. G. Chen

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UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

August 2, 1929.

Mr. B. A. Garside,
China Union Universities,
New York.

My dear Mr. Garside;

TRANSFER

It is just a year since we were able to secure possession of our hospital, and it has required a good deal of work "to set the house in order." As far as the finances are concerned, with the payment from Mission Boards and the Rockefeller Foundation the hospital has been able to place another ten thousand in the reserve fund. According to the annual statement from our treasurer's office we had a reserve fund of M\$26,919 60 a year ago and closed our books this year with a surplus fund of M\$37,993 32. We will send you a more detailed report of the finances a little later.

However in the matter of personnel we have been seriously handicapped. With the inability of Dr. Hutcheson to return and the postponement of Dr. Daniels, the hospital staff is feeling the strain very seriously. Our present superintendent has resigned which was in accordance with our agreement and quite the natural sequence. It is very important that we secure more help who have advanced training. Both our former and our present staff of Chinese doctors have only local training and no advanced standing so some of the medical work cannot be done to the best advantage. On the other hand the demand has been increasingly greater especially as the population has increased very radically during the past two years.

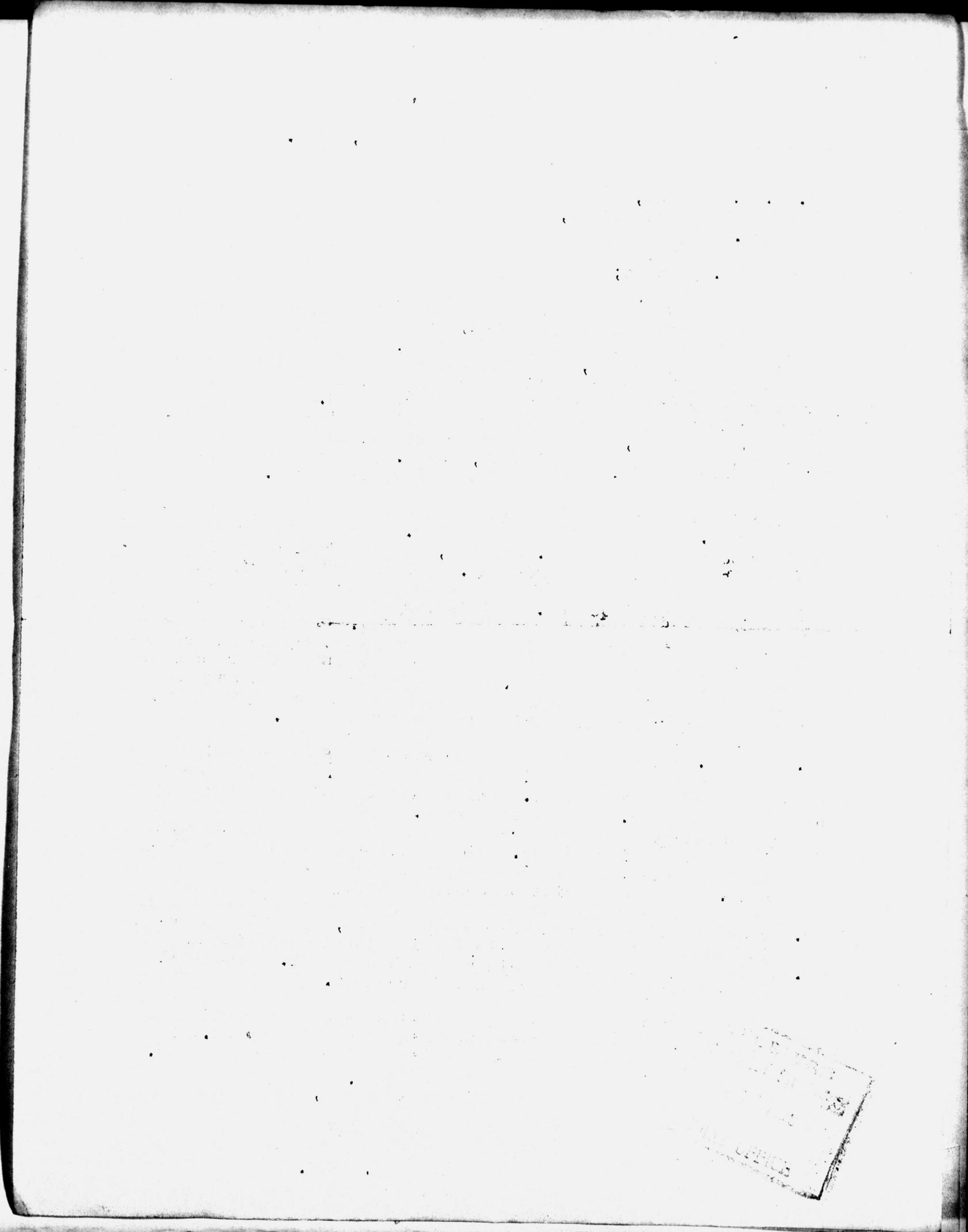
Mr. Ralph C. Wells of the China Council of the Presbyterian Mission in China has suggested that we ask Dr. Julien Price to come as a substitute for Dr. Daniels until such time as it may be possible for Dr. Daniels to return. This seems to us to be a very excellent solution especially as the Prices are so well acquainted in Nanking and Dr. Price will be able to adapt himself to the situation here so much more easily than any new man could. I hope it will be convenient on your part to do everything you can to secure from the home board the release of Dr. Price at the very earliest possible date, with the understanding that he is appointed to Nanking until such time as Dr. Daniels may be able to return to the hospital. We shall appreciate your prompt report on this request.

Enclosed you will find a copy of the minutes of the meeting of the Executive-finance committee held in Shanghai July 3d. I will send you the usual number of copies under separate cover.

Very sincerely yours,


Y. E. Chen.

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TRANSFER

University of Nanking

September 14, 1929.

Dr. Y. G. Chen,
Dr. A. J. Bowen,
Miss Elsie M. Priest,
University of Nanking,
Nanking, China.

Rate of Exchange - 1929-1930

Dear Friends,

Several of your recent letters have raised questions as to the rate of exchange (2.10 to 1) adopted by the Founders in estimating their contribution toward their 1929-30 budget. This joint letter will attempt to explain, so far as I can, the considerations the Founders had in mind in adopting this rate.

Desire of Founders to make the largest possible appropriation to the Field budget.

When the Founders made a study of the budget for 1929-30 as submitted by the Board of Directors, they were all sincerely desirous of guaranteeing to the field as large a contribution toward the budget as the financial situation of the Founders would permit. Since the field budget is prepared in Mexican currency, the contribution of the Founders is expressed primarily in Mexican currency. Under the present financial policy of the University, the cost to the Founders in Gold is only incidental, so far as the field is concerned. In placing the rate of exchange at the highest figure they considered to be safe, the Founders felt they were in reality assisting the field in a very material way. As you will notice on page 2 of Appendix "B" of the June 25, 1929 meeting of the Executive Budget committee, the amounts of general University funds which the Board of Founders expects to disburse in Gold to the field during 1929-1930 are as follows:-

Methodist Board - General -	Gold \$ 2,000.00
Presbyterian Board - " -	4,000.00
Baptist Board - A & F -	1,500.00
Presbyterian Board - Hospital-	750.00
Methodist Board - " -	750.00
Baptist Board - " -	75.00
Swasey Fund income -	2,500.00
U.C.M.S. Fund income -	2,000.00
Miscellaneous Funds -	51.20

0520

Dr. Y.G.Chen
Dr. A.J.Bowen
Miss Elsie M. Priest

-2-

9/14/29.

Hall Estate Endowment -	\$17,500.00
Methodist Fund for Agriculture and Forestry -	<u>5,000.00</u>
	\$22,500.00
Less home base administration -	<u>2,500.00</u>
	\$20,000.00

If the Trustees had estimated their appropriation on a 2 to 1 rate of exchange, they would have been able to guarantee to provide as proceeds from this \$20,000.00, only the amount of Max.\$27,252.40. Using the rate of 2.10 tal, however, they were able to guarantee to send the field as the equivalent of these funds the sum of Max.\$70,625.02. By using the higher rate of exchange they therefore increased their guaranteed appropriation on this fund by Max.\$5,362.62.

All of our China college boards here in New York have used this same estimated rate of exchange of 2.10 to 1 in preparing estimates of their appropriation toward the 1929-1930 budgets. One or two of the other colleges have protested vigorously but their protests have been exactly opposite to yours in that the other colleges stated that we should have placed the rate of exchange higher - some of them proposing as high as 2.30 to 1.

Use of any gain in exchange above 2.10 to 1.

We must keep clearly in mind that under the present financial relationships between the Board of Directors and the Board of Founders, the Board of Founders no longer approve the field budget in toto and thereby assume responsibility for any deficits which may be incurred by the University operating under this budget. Instead, the Board of Directors prepare, approve, and assume responsibility for the budget and the Founders simply state what their contribution toward the budget is to be. The direct responsibility of the Founders is therefore limited simply to the amount they guarantee to send the field as their contribution. If, during the year, the field receives more from the Founders than they guarantee to provide, the Founders reserve the right to have a voice in deciding what will be done with the surplus. Should the Founders find that their income during the year is less than was anticipated, they are responsible for securing from other sources the balance necessary to complete their appropriation for the year.

I am confident that at all times the attitude of the Board of Founders as to the use of any surplus accruing from gain on exchange will be thoroughly sympathetic. If the field will simply report to us the amount of the gain on exchange and the purposes for which they propose this gain to be used, the Founders will as a rule be happy to approve the field's recommendations. Occasionally it might happen that the Founders would be seeking to clear off a deficit incurred at the home base due to shortage of income

0521

Dr. Y.G.Chen
Dr. A.J.Bowen
Miss Elsie W. Priest

-3-

9/14/29.

or would wish to suggest some other use of the surplus than that proposed by the field, and it is for this reason that they have desired to have a voice in the final allocation of any surplus on gain in exchange.

We must remember that every dollar of the funds handled by the Board of Founders is expended for what the Board conceives to be the best interests of the University. All funds received are forwarded to the field with the exception of the small amount appropriated from year to year for carrying on the home base administration and occasionally for carrying on promotional work for the University here in America. You may be confident that the Board of Founders does not "intend to confiscate the difference in exchange between 2.10 and 2.28 or whatever may be the average for the year" (as is suggested in one of your recent letters).

Policy of cooperating mission boards.

Some of your letters indicate a fear that there may have been some change in the policy of cooperating mission boards in making their appropriations to the University. There have been no changes this year in the policy of any of the mission boards and as far as we know, none of them are contemplating any such change. The Presbyterian Board, the Methodist Board and the Baptist Board are making their appropriations in Gold in accordance with the agreement they entered into some five or seven years ago. The U.C.M.S. has consistently adhered to its policy of making its appropriation in Mexican, though we are still urging them to agree to use a Gold basis as do the other three boards.

Very sincerely yours,

B A GARSIDE

BAG:A

0522



TRANSFER

University of Nanking

September 16, 1929.

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

I am enclosing herewith two somewhat formidable letters, one dealing with the status of income on the Harvard-Yenching Institute funds and the other with the rate of exchange for 1929-1930. These letters are addressed jointly to yourself, Miss Priest and Dr. Bowen, because all three of you have mentioned these matters in recent letters.

I hope you will not find the letters too verbose and too formal. We are anxious to keep you on the field fully informed of all that is done and planned here at the home base.

Very cordially yours,

BAG:A
Encs.

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University of Nanking

TRANSFER

September 18, 1929

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

I have not formally acknowledged the receipt of your letters of July 31 and August 2.

I will report to the Board of Founders your explanation as to the present status of the Alumni pledge of \$10,000 made during the fiscal year 1927-28.

I will write again to Dr. E. V. Jones and assure him that the University hopes that it may be possible for him to return to China in the summer. Whether he can return at that time will, of course, depend both on the state of Mrs. Jones' health and the possibility of securing support either from one of the cooperating Mission Boards or from the University direct. I know that Dr. and Mrs. Jones are very anxious to get back to the field and will be eager to start to Nanking at any time the way is open for them to go.

As I have often assured you, all the members of the Nanking Board of Founders and all the other friends of the University of Nanking are profoundly concerned over the innumerable difficulties which have prevented the return of so many Western members of the Nanking staff. We have been particularly disturbed because of the serious decrease of the Western personnel has occurred just at the time when we are all most anxious to convince you of our undiminished interest in and sympathy for the work of the University. We certainly hope that within the coming year the Western personnel at Nanking can be strengthened materially.

With your letter of August 2 is included the minutes of the joint meeting of your Executive-Finance Committee with the Hospital Committee and the Middle School Committee. These minutes have been distributed to the Founders and will be considered by them at the next meeting. We are gratified to note that the Hospital closed the year with its finances in very good condition. We are all deeply concerned over the serious handicap created by Dr. Hutcheson's inability to return and by the postponement of Dr. Daniel's return due to ill health. We know you have been still further disappointed at the recent decision of Dr. Julian Price not to give up his work here in America to accept the invitation in the Nanking Hospital.

With best wishes, I am

Very cordially yours,

B. A. GARRIS

BAG-B

0524



University of Nanking

October 22, 1929

President Y.C.Chen,
University of Nanking,
Nanking, China.

TRANSFER

My dear Dr.Chen:

In checking over our Nanking correspondence of some months ago I note that one point in the agreement between the Directors and the Founders does not seem to have been finally cleared up. You will remember that the first date set by the Directors in proposing a five year lease was that the period of this lease should begin on July 1, 1927. Later the Directors proposed July 1, 1928 as the date for beginning this lease. However, the Founders preferred the earlier date as representing more accurately the time when the new organization of the University actually became effective. The semi-annual meeting of the Founders on April 22, 1929, in approving the agreement between the Directors and the Founders adopted July 1, 1927 as the date for beginning the new lease.

Miss Priest's letter of May 14, which was written before the minutes of the April 22 meeting could have reached the field, refers to July 1, 1928 as the beginning of this five year period. With her letter of May 14 Miss Priest sent a check for Mex.\$1 in payment of rental for the fiscal year ending June 30, 1929.

I believe we have not yet learned whether the field has formally agreed to July 1, 1927 as the beginning of this five year lease. Will you please let us know what is your understanding of the situation?

Very cordially yours,

BAG-H

B A GARSIDE

CC: Miss Priest

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INDEXED

University of Nanking

November 25, 1929

TRANSFER

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

My dear Dr. Chen:

We enclose herewith a confirmation copy of a cablegram being sent you today. I trust that the cablegram is perfectly intelligible. It was a bit difficult to prepare the message because the matters treated do not lend themselves to easy incorporation into the mission code.

The Committee on Instruction of the Nanking Board of Founders met on November 22 and gave careful consideration to the proposed engagement of Miss Grace C. Mertsky as secretary for Mr. Buck and Mr. Reischer, as well as special secretarial work in the Land Utilization Project. The Committee also considered the proposed arrangements with Professor Shaw who is planning to spend about six months at Nanking for research work as a soils expert. Mr. Buck met with the Committee and gave a great deal of information concerning Miss Mertsky and Professor Shaw and the plans being made with respect to them.

In the next mail I will send you copies of the minutes of this meeting of the Committee on Instruction so that you will have full information as to the action taken. It may be stated briefly, however, that the Committee approved the engagement of Miss Mertsky for a three year period, and voted to extend an invitation to Professor Shaw to carry on his special research work at the University, subject in each case to the approval by the field authorities of the University. Mr. Buck tells me that he has already corresponded with you in regard to Professor Shaw and Miss Mertsky. He believes that letters concerning Professor Shaw have already reached you so that you will be familiar with the proposal concerning him when the cablegram arrives. He thinks that the letters he has written on Miss Mertsky have probably not as yet arrived in Nanking though they should reach you during the next few days. Miss Mertsky seems to be unusually well qualified for the position for which she is proposed and would also provide a very valuable link with the Institute for Research in Land Economics and Public Utilities.

Our office has continued its efforts to secure someone for the vacancy in English. We have been endeavoring to have the Presbyterian Board send out a suitable appointee as one of its quota on the University staff. The Board has, however, been unable to find either a married couple or a single man or a single woman qualified and available for this position. There is a possibility that Mr. William Egan, the son of

0526

11-25-29

Dr.Courtney Fenn of Peping, will be available for this position in the summer of 1931. If Mr.Fenn and his wife could go out to Nanking at that time they would bring a very valuable contribution to the University. Since, however, they will not be available for at least eighteen months and there is still some doubt whether they can go even then, we have been trying to find some other arrangement which could care for the need during the next year and a half. The most satisfactory solution seems to be to secure a short term worker, either a single man or a single woman who can go out under direct University support. The cash payment made by the Presbyterian Board in lieu of its quota vacancy will more than cover the salary of such a short term appointee and will leave this vacancy open for a permanent appointee by the Presbyterian Board in 1930 or 1931. Two or three young women and one young man are being tentatively considered for such an appointment. At the meeting on November 22 Miss Bender of the Methodist Women's Board told us of an unusually well qualified woman, Miss Elizabeth C.Bentley, who has had a great many years of experience as a teacher of English in American high schools and colleges. Miss Bender thinks that Miss Bentley might be available for appointment in time to reach Nanking at the opening of the spring semester of 1929-30. The greatest problem in Miss Bentley's case is that she is about fifty-two years of age and we are uncertain whether that is not too old to meet your needs. There are, of course, many things in favor of the appointment of a very mature woman, as compared to a younger person. Much depends on the ability of the individual to adjust herself to new conditions. Miss Bender thinks that Miss Bentley would perhaps be able to adjust herself to new conditions much better than the average person of her age. If the field thinks, however, that a person fifty-two years of age is too old, or if the Candidate Committee on further examination finds it inadvisable to appoint her, there are several younger women who are now being considered. I hope very much that it will be possible for us to secure someone in time to help you during the second term if the need is still as urgent as it was at the beginning of the autumn semester.

The last part of the cablegram was sent at the request of Mr.Buck. I understand from him that Miss Scholen has been considering the call for a secretary in connection with the Land Utilization Project and that Miss Scholen was very satisfactory to Mr.Buck but would probably be able to sign a contract for only one year. Since Miss Mertsy is willing to sign a three year contract Mr.Buck feels that if the field approves her appointment she should be chosen for this work rather than Miss Scholen.

BAG-H

Enc.

Very cordially yours,

B A GARSIDE

0527

MARKING

INDEXED

University of Nanking

December 12, 1929

Dr. Y. G. Chen, ✓
Dr. A. L. Bowen,
Miss Elsie H. Priest,
University of Nanking

TRANSFER

Dear Friends:

Enclosed you will find a copy of the minutes of the meeting of the Board of Founders held on December 5. There was a fine turn-out, everyone seemed to feel free to enter the discussion, and there was a splendid interchange of ideas. Some of the items in the report call for additional comment which we will take up in order.

Treasurer's Report. In the Endowment Section it will be noted that there was \$4,004.89 held as cash available for purchasing securities. It is not to be understood that any such amount of cash is carried on hand for any length of time. It so happened that just at the time the books were closed this cash became available because of certain securities which matured. Within a very few days after the first of July this was invested in new purchases.

Several explanations were made under the Current Account Section due to the fact that our figures conformed to the closing trial balance as of June 30, rather than after the books were closed. We have treated the field deficits in accordance with the communication received from Miss Priest on October 10 with the exception that we have ignored the overdrafts for New York Administration and the Committee for Christian Colleges in China, as these items do not enter into the field deficits. Miss Priest approximated the field deficit to be Mex. \$6,500 after taking care of New York Administration and the C.C.C.C. It will be seen from the schedule in the Treasurer's Report that this deficit does not amount to this figure but has been reduced to Mex. \$5,424.54. As the current deficit was carried forward in this year's budget it will be seen that the field will have much less to raise than it was originally thought. This should be very encouraging. Other items in the Treasurer's Report are perfectly clear in themselves.

Gain in Exchange. Considerable thought was given to this item on the docket and it will be noted that the Board very definitely did not wish to upset conditions as applying to last year's account. Neither did they think it advisable to make any change in the policy during the present year unless it was preferred by the field. Gain in exchange is a much debated subject among all of the China Universities, especially when there

0528

12-12-29

are such wide fluctuations as are being experienced at the present time. Our office has worked out a plan which seems to fit the situation and which gives ample protection both to the field in using at least a portion of the high rate, and of reserving also a portion in case of a reversal of the money market. It is briefly as follows:

1. Keeping Mex. figures in New York to cover all budget remittances. By this process we could know at all times just how much the Trustees have disbursed toward the Mexican appropriation guaranteed toward the Budget. It would not mean a change of bookkeeping at our end, simply an entry on the report at the close of each month when we would summarize the miscellaneous disbursements on the budget and would include furlough

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are such wide fluctuations as are being experienced at the present time. Our office has worked out a plan which seems to fit the situation and which gives ample protection both to the field in using at least a portion of the high rate, and of reserving also a portion in case of a reversal of the money market. It is briefly as follows:

1. Keeping Mex. figures in New York to cover all budget remittances. By this process we could know at all times just how much the Trustees have disbursed toward the Mexican appropriation guaranteed toward the budget. It would not mean a change of book-keeping at our end, simply an entry on the report at the close of each month when we would summarize the miscellaneous disbursements on the budget account, including furlough salaries, furlough travel and allowance, purchases authorized by the field treasurer, all figured at the agreed rate of exchange which, for this year, is 2.10 to 1. The field would make report as to the Mex. realized from gold drafts, and where New York would purchase a Mexican draft for any reason we would have the figures which would naturally automatically show up in the monthly report.

2. General and special remittances. Remittances to the field, not concerned in the budget, or which are transmitted to us in local currency, would be sent to the field at the prevailing rate of exchange. Any purchases made for individuals likewise would be charged out at the prevailing rate. By using this plan all uncertainty at the close of the year is eliminated. We would know exactly the situation at any time as to the relative local currency value of all gold remittances.

Possibly it is not the proper time to bring this question to the front in view of the rather strained situation existing in China, Nanking, particularly. However, it is a subject that should be carefully considered from both ends, but the Board of Founders is not anxious at the present time to make a change unless the field sees the wisdom of adopting the policy we have outlined above. It is possible that we will take this up more in detail later on when conditions are more normal and when the full staff is back at the station. In the meantime the outline gives sufficient information for deeper thought and consideration on your part.

Reduction in U.C.M.S. support. You will note that the Board of Founders expressed considerable concern over this reduction and everything possible will be done to continue the interest of the Society and, if possible, to restore the appropriation to its original figure. We note from a recent letter from Miss Priest that there is some assurance from the field that this reduction will not actually be put into effect. We sincerely hope this is true, and if there is any way in which we can cooperate we shall be very glad to assist.

Hundred thousand dollar Methodist fund. The minutes fully explain the situation which has been repeatedly referred to by the auditors and which has been taken up with the Methodist Board on several occasions. The Board of Founders instructed the office to treat the income from the \$100,000 as income on invested funds which modifies the report of the Treasurer on page 2 which corrections, however, have been made in pen.

0530

12-11-29

Under the several headings regarding the Land Utilization and Population Project, and Visiting Professorships the minutes cover the situation very clearly.

The deep concern expressed by many regarding Nanking's future caused one to inquire of the Chairman as to his own personal opinion regarding the work Nanking is doing, and in an informal way Dr.Speer summed up his impressions in such warm, appreciative words that it inspired all to new confidence and faith in the outcome of the entire project. Mr.Duck also spoke of the work at Nanking, especially referring to the practical problems which are constantly confronting such an enterprise, but it remained to Dr.Franklin to bring to a close a very delightful meeting by calling attention to the seemingly insurmountable difficulties Nanking has overcome and how, out of all of her trials, she has emerged to go on and do greater things in the Master's name. His closing prayer was a plea for guidance and direction, as well as a deeper interest on the part of Christian believers and likewise strength for those who are so nobly bearing the brunt of the burden. We sincerely trust that his prayer will be abundantly answered.

Very sincerely yours,

SAE-H

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UNIVERSITY OF NANKING

OFFICE OF THE PRESIDENT

NANKING, CHINA

December 20, 1929.

TRANSFER

Mr. B. A. Garside,
New York.

INDEXED

My dear Mr. Garside:

At the last meeting of the Board of Directors two actions were taken in relation to the East China Federated University. action D300 was taken that we adopt the constitution and action D301 that we request the Board of Founders to accede to the desire of the Trustees of the East China Federated University as follows:

"That the Board of Founders in America of the University of Nanking be requested to act for the East China Federated University in receiving, transmitting, holding and investigating funds until such time as the Board of Founders of the East China Federated University shall be incorporated under the laws of the State of New York."

As this was the official action taken by the Directors, I will simply add that I hope it may be possible for the Founders to arrange for the same in helping this new University to organize.

The whole question of the East China Federated University has received very careful and thoughtful consideration by our Board members, and I shall try to give you at this time my personal interpretation of their attitude toward the whole matter.

In the first place you will probably note that Action D-300 as finally voted was somewhat different from the recommendation of the Executive-Finance Committee - DEF-246 - There was an additional clause to the effect that we adopt the constitution with the understanding that it should be made more specific and detailed before it was presented to the various Boards in the United States. Later after much discussion in the Board meeting this clause was deleted, as many of the members felt that inasmuch as the plan had been discussed for so many years, it would probably be a great help in getting the University started if we accepted the constitution at this time without qualification. However the problem still remains in the minds of many of the Board members, and is certainly a very perplexing question.

The University of Nanking has been committed to the idea of union since 1910 and for the past nineteen years has been earnestly working for some plan of closer cooperation and union of the denominational institutions as far as seemed practical and possible in the East China area. It is well known that we started union work in Nanking in which three cooperating institutions merged their identity solving the problem of duplication in educational and religious work in this part of China.

The Chinese Advisory Committee started to plan for an East China University with the main theme to solve duplication in a larger way than has been done in Nanking. That is the reason that the centralized university plan was proposed. The Chinese Advisory Committee, of which I have been a member since the plan was proposed in 1926, felt that although it was a somewhat radical step, it was the only way to solve the bigger educational

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Mr. Garside - 2

problem for East China, and this plan seemed to us to make provision for the difficult financial problem as well. It seemed to us that this plan was both the most ideal and the most practical. However, the difficulty and perhaps we might say the only difficulty with the proposed plan or with any plan for further correlation in East China has been the problem of securing agreement from each institution. Four or five plans have been recommended but none of them have been unanimously accepted, although the first one - the centralized plan - has been accepted as far as the Chinese Advisory Committee is concerned. We feel that this matter of federation has been discussed for so long a time that if any institution tries to raise questions at this time, it may hinder the progress of the plan. Certainly the University of Nanking is among the few most interested in promoting federation and correlation although many of the difficulties still remain.

In the first place, the main reason for further correlation or federation has been to attempt to solve duplication in East China, but as far as the present proposal is concerned, it does not attempt to solve duplication at all but rather adds to some extent to the present problem by starting a new university, although the supposition is that sometime in the future it will solve duplication and we hope this can be successfully worked out and perhaps it can be if carefully worked out.

In the second place, some of the Board members feel that it is not specific as far as the present proposal is concerned. The idea has been that the new institution would provide for the graduate school, but in planning for the united campaign, each institution has asked for such a large amount for its own individual needs and especially for the professional schools, which need to be strengthened, the amount for the graduate school seems to be very low and the whole plan is much dwarfed. It was said that the merit of the constitution of the new institution was because of its indefiniteness so that all the views and needs can be taken into consideration. This is probably one way of getting the people together;-- all on an equal basis without regard to the quality of the work done in the past. The whole question has shown everyone the great problem of correlation and at the same time it has indicated how indefinite the whole plan as presented has been.

Personally I feel if we have a good program it is certainly worthwhile to push it for the cause of Christian education in this most important part of China -- which will be the most important part of China probably for the next decades. A great deal has to be done, however, on the plan and I hope it can be worked out satisfactorily to everyone concerned.

Some of the institutions in East China have practically decided that they do not care to participate in any plan of this kind, but our Board members have decided that we will do everything that we can to help provide for some program of federation and correlation. There has been a misunderstanding that the University of Nanking has been holding up the program. This is certainly not the case. We have been in favor of the idea from the first, but we wish to see a good plan worked out, and we feel that the present one is very indefinite. The only thing that has held the program up has been the diversity of opinion, among the various groups in East China. We hope that our Board of Founders will help us in trying to work out a more substantial and satisfactory program. When this is done, it will be very clear that the University of Nanking is ready to enter into the program, and it has never been our idea to refrain from participation. We have continually

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Mr. Garside - 3

asked for more specific details of the plan and feel that possibly our position is somewhat different than other institutions as we have had some years of experience in union work and what we expect from a larger union is guided by past experience. Naturally our opinion and experience is decidedly different from the institutions that have no idea of the problems connected with union work. I do not believe that this attitude should be considered as against correlation!

During the last two years an attempt has been made among the Christian institutions to try to have them more adapted to Chinese environment and with a closer relation to the Chinese background of civilization and yet the present idea is to put this larger university into a commercial center, or rather a concession, like Shanghai. To some of us this would seem to weaken the whole plan for the larger interests of Christian education. There is also another problem and that is that Shanghai is in the Wu district, using the dialect of that section which is very local and limited. It has been our plan to use Mandarin more and more in our school work and it seems difficult to do so in that section.

This has become a rather long letter, but I have tried to give to you the opinion and viewpoint of some of the members of the Board of Directors, hoping that it will help to clarify the whole situation, and enable us to take definite steps for the adoption of the larger plan of correlation.

Very sincerely yours,

Y. G. Chen.

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THE UNIVERSITY OF CHICAGO
OFFICE OF THE DEAN
CHICAGO, ILLINOIS

Dear Sir:

I have the honor to acknowledge the receipt of your letter of the 15th inst. regarding the matter mentioned therein. The same has been referred to the appropriate authorities for their consideration.

I am, Sir, very respectfully,
Yours truly,
[Signature]

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University of Nanking

TRANSFER

December 26, 1929

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

You will be interested in the following statement made in a letter from Mr.Lindsay S.B.Hadley, Candidate Secretary of the Presbyterian Board:-

"I was in Berea, Kentucky, the other day and had a long talk with Mr.and Mrs.William Fenn about the work in Nanking.

"Mr.Fenn plans to take work in English at the University of North Carolina next year, looking toward his Doctor's degree, and both of them are very willing to consider the possibility of appointment to Nanking in 1931. Will you keep this in mind as you go on in your plans, and also give me your judgment regarding it?"

I believe I have already reported to you that the Presbyterian Board has for some time been considering the possibility of appointing Mr.and Mrs.Fenn as their representatives on the University of Nanking faculty under the Presbyterian quota. While Mr.John G.Young is now being appointed for work in English, the thought of the Founders has been that he would receive his support from the University direct rather than through the Presbyterian Board. During the time the Presbyterian Board has a vacancy on their quota, their cash contribution to cover this vacancy will more than provide Mr.Young's salary. However, I believe that the University desires that the various Boards keep their quotas full as far as possible, so no doubt you will be glad to have the Presbyterian Board make an appointment to fill this vacancy and will be able then to continue Mr.Young's salary from general University funds.

Will you please send us the sentiment of the field in regard to the proposed appointment of Mr.and Mrs.Fenn in order that I may report these facts to the Presbyterian Board?

Very cordially yours,

BAG-H

CC: Dr.Bowen

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