Nanking
Corres.
Priest, Elsie 1927 Aug-Dec

TRANSFER

Nelson, N.H.
Aug. 1, 1977

Nanking

Dear Mr. Garside:

Thanks for enclosures in your letter of July 30. I have not read them yet but will try to do so tonight. I am glad to have copies. Inasmuch as they are marked "Mr. Bowen" I wonder if he should not have them - and as I shall see him next week, I can give them to him.

Re. Miss Darcel: I suppose she would be entitled to clergy rates for the time she was in our employ. I imagine they paid her through August on the field - but with no travel allowance. That is our usual ruling for one year people hired on the field, as she was last year. It is a difficult question without knowledge as to the date she was considered "off" of the payroll. That makes me wonder if you have not received a detailed list of salaries paid from China, but if so, she might not be included. Would you consider Miss Munn entitled to clergy this month - if she had requested it? Perhaps Miss Darcel could be considered in the same way. Frankly, I do not know, and can only say Miss Darcel joined the staff either August 15 or Sept. 1st, coming to us from Kobe Japan with the definite understanding it was for a year. She is a woman over fifty years old, and lost everything she had in the earthquake of 1923. She saved her trunk, I believe, from Nanking. Beyond that I am at loss to give any information.

Thanks for your kindly wishes. I trust the way may be "ping an" not only enroute but in Shanghai. At least, I hope it will not be a "wild goose chase".

Cordially yours,
Elsie Priest.

Nelson, N.H.
Aug. 2, 1927.

Dear Mr. Garside:

I am glad to have a copy of the letter written by Mr. Cern regarding the staff payments: I hope this helps you in making adjustments, although I noticed a few additional problems! Anyway, I believe it will give you some much needed information.

There is one more thing:- Mr. J.B. Griffing has asked me to secure through your office the following:

Two copies of "Cotton" by J.B. Brown
published by McGraw Hill Co.

Mail one copy to

Mr. Chang Yuen Wei
University of Nanking,
Nanking China

and the other to

Mr. Chen Yen Shan
University of Nanking
Nanking China.

Under no circumstances should they be mailed together, but in separate wrappers. There's a reason!

Charge to J.B. Griffing - can take from salary O.K.

Why he did not write to you direct is beyond me, but I am glad to 'pass it on'!

Mail from China today gives indication of a number of new problems, and from a letter from a friend on the Yenching staff. Nanking does not have them all! They surely had a very interesting time in Yenching over Commencement - but of course you know all about it.

Best wishes,

Cordially yours,

Elsie Priest

That list will probably be mailed you from Dr Bowen - there are a few questions I need to have him answer.

TRANSFER

Nelson, N.H.
Aug. 4, 1927

Dear Mr. Garside:

Today I have received a letter from Bertha Gless. I enclose the first page which gives her problem in her own way. I have sent her a note, advising her that I knew you would send her the 250. less any thing she received from Un. in Mexican. If her 200. really came as a personal gift from Bishop Birney, we have nothing to do with it. She may go back some day connected with Bishop Birney, and has always been considered a "Methodist" although one of the Un. supported staff. You will know from your list. I forwarded my copy to Dr. Bowen or else it has gone in my trunk. I also told her to feel free to write to you frankly, and if four months' salary — per rate of Trustees — was not sufficient, to say so. I still feel both Miss Gless and Miss Russell are entitled to six months. However, you recall the meeting and reaction to the suggestion.

Apologies for this hurried note. It has been a full day as all last days are likely to be. My packing is nearly completed now, etc.! I hope our staff members will soon forget that it is necessary to have a middle man and write you direct — they seem to have gained something from China at least!

Best wishes.

Cordially yours,
Elsie Priest.

Seattle, Wash.
Aug. 15 1927.

TRANSFER

Nanking

Dear Mr. Garside:

In regard to the list of Board supported men who have or soon will secure positions thus releasing certain funds for us. The arrangement is 2600. Mex. (1300. gold) (in lieu of a regular supported man) to be paid by the cooperating Boards. Dr. Bowen and I worked out the list and he will send it. I believe the following is correct:

Hospital:

Presbyterian
Dr. J.H. Daniels — has been working for some time in Minneapolis — off of Bd support.

Methodist
Dr. C.S. Terrill — do not know. should be regular furlough year.

U.C.M.S.
Dr. R. Slater — just went out last year. Believe still in Orient. If in some other work — question as to our part.

So. Presby.
Dr. A.C. Hutcheson — probably still under Bd. He may have difficulty finding work here as has been in Orient over 20 years

University General:

Presbyterian
J.C. Thomson — still in China
J.H. Reisner — " " "
J.L. Buck — " " "
J.E. Williams — Mrs. W. to receive support for a year I believe. Better check up.
J.M. Speer Jr. — Probably off Bd support soon. should be collected for our current use.

Methodist:
N.I. Wilson — question — believe off support. should be collected
F.A. Dietrich — In Japan in Boys school. Inquiry as to definite plans should be made.
J.T. Selich — Question if he ever returns to U.
~~G.E. Litchy~~ — Off staff I believe — Sept 1st. as he has position in Cleveland.
A.N. Steward — I know they have not been under Bd since July 1st. Shd. be collected for current use.
W.F. Hummel — Question here as he has no position yet and a large family.

8-15-27

M. S.

E. Ritchey — I believe they go off staff Sept 1st. should be collected.

G.W. Savio — No question. Mission Bd. to supply funds from July.

Ben Holroyd — Expect he is off already as I hear he has a position under church organization

C.A. Hamilton — They were on furlough which would naturally extend to Jan. 1928. Well to raise question.

Sears Bates — Still in Japan - returning to China in Sept. per letter today from J.W.R.

Miss Wixon is a special case and is still in Orient anyway.

I fear this is not very clearly stated but with Dr Bowen's letter may give information you need.

All ready to sail in the morning at eleven o'clock. Shall be glad to have it over with! I was very sorry Miss Lincoln did not send me the information I asked for care of Dr Bowen as the Owens did come in the 11th and when I knew, it was too late to meet them. Your office is usually so courteous in such matters but it is too late now and I suppose the affairs can be adjusted by correspondence instead of conference.

With best wishes,

Cordially yours,

Elsie Priest

Sep was such good Samaritan

over

Miss Simpson
Miss Hoite
Miss Lowe

Nanking

American Mail Line

STEAMSHIPS
PRESIDENT GRANT
PRESIDENT MADISON
PRESIDENT JACKSON
PRESIDENT McKINLEY
PRESIDENT JEFFERSON

TRANSFER

Monday August 22, 1927.
Halfway to Japan

Dear Mr. Garside, and the rest of the Central Office group:-

This is not a request or a 'go-between' letter or anything of like nature, but just a note to say how grateful I was to you for your letter of August 12th which I found on the boat at Seattle.

The first two days were rough and true to my reputation I remained in my cabin, wondering why I had been such a dunce as to start across the Pacific again. Since then we have had fairly smooth seas and I have been on deck much of the time. Yesterday we passed the Aleutian Islands, and found it a relief to have the vast expanse of tumbling water broken by the blue mountains. When I looked

8-22-27

for them about four o'clock I found gray seas, cloudy skies and our mountains lost behind a sea of mist with only the seagulls to remind us that land was not far away.

There are about ninety passengers but only about ten who are crossing for the first time. The "old timers" prefer a book and a quiet corner, so on the whole it is a quiet trip. Dr. and Mrs. MacCracken and family are returning to St John's. The Foochow Gilletes are returning, the Forbes of Peking Y.M., Dr. J. T. Proctor (but I have not yet seen him around) Mrs. Mateer - Shanghai. The rest are for Japan, Korea, etc. as far as I remember or know!

The news as we left Seattle was not very reassuring and we are impatiently waiting for radio news from Japan. It was discouraging to hear Chiang Kai Shek had become weary of his role and I hope our news may not have been correct.

I am sure we will not hold a monopoly on problems in China, and

I assure you all we shall endeavor to work out our difficulties to the mutual advantage of everyone. The trail is rather rocky but I am sure each day will bring its own solutions.

With warmest personal greetings to each one,

Most cordially yours,

Elsie M. Priest

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

TRANSFER

INDEXED

Nanking

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

September 8, 1927.

Mr. B. A. Garside,
150 Fifth A ve.,
New York.

My dear Mr. Garside:

After a comfortable trip, I arrived in Shanghai on September 1st on a very hot day. We had a few days to remind me what heat in China was like, and then it became cooler.

Mr. Owen left things in good condition, closing the books as far as possible until the New York statements arrived. Of course, he could not balance them, and I am hoping to do so without too much delay. Mr. Sie, who has been carrying on the work in Nanking most efficiently, intends to come down as soon as it is possible, but conditions are so uncertain these days that I shall not be able to depend upon his help at present. It takes five or seven days to make the trip which we used to make in seven hours.

It seemed wise to all of us to have the budget arranged in final order, as a matter of record if we are not able to operate under it. I enclose a copy for your files. One copy will be sent to Dr. Speer, one to Mr. Carter and one to Dr. Bowen. I should not think it would be necessary to send the entire budget to the trustees, but you might like to send the summary sheetto them-which gives all the information. As matters stand today, we do not think it will be possible to continue on the basis planned earlier in the summer, in which case, we shall make up another budget to cover the actual expenses and anticipated expenditures for perhaps three months. We are waiting until after the 15th to make this final decision. However, it is better to have the records complete in case someone is able to take it up next year or at some future date.

Put in Trus Rec Budget file

The last w ord we had from any of our staff in Nanking was August 31st when they said our "guests" were still with us. You know, of course, that the Seventh Army officials took over our college buildings in August. The boats refuse to take mail from Nanking due to the cholera epidemic which is taking a heavy toll of soldiers and civilians this year, especially as they have practically no medical aid there.

To go down Nanking Road one would think business was "as usual" and would never imagine the country was in the midst of a Revolution. In fact the only change that I have noticed in Shanghai is the style of the Chinese woman's dress. She has adopted a long "i-shang" not unlike the one worn by students and seems to have discarded the old style entirely.

The future does not look very bright, and it is hard to know which path to follow. Shanghai College is opening with a record enrollment, I suppose, as they will have all the "overflow" from the Yangtze Valley. I hear all

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

8-8-27

B.AG. No. 2.

Northern schools will probably open so Shantung is undoubtedly one of them. We do not expect to open on time but it may be possible to open the colleges a few weeks late. Ginling is scheduled to open the 22d but like all the rest of us is waiting. Our Middle School will not open - probably not this year.

There has been no opportunity to check up on funds, but I am starting to do so today. I believe we have sufficient money to take care of the September expenses, but if school does not open we shall need to draw from you after that date. You will be notified in due time.

We have one room in the Y.M.C.A. building, and own one desk and chair. The rest of our furniture is borrowed and for the most part is makeshift tables, etc. We do not wish to put any money into equipment for Shanghai at least until we know how long we shall be here - we take our office for one month at a time. Everyone is using the greatest care with expenses economizing in every way possible - we do not have a chit coolie but do all our own errands which in China is a bit unusual you know!

With kindest regards to the office staff,

Cordially yours,

Elsie M. Priest

P.S. I am assuming that you received my letter from Seattle regarding the cash equivalent of staff quotas furnished by the different boards. We shall need that money to carry us through the year, and you are undoubtedly taking it up with the different boards.

University of Nanking

September 12, 1927

My dear Miss Priest,

I believe I haven't indicated to you just how we decided the distribution of your time from Sept. 1926 to April 1927 among the various colleges. I pass on that information now, with the thought that you may be interested. - - We charged West China and Yenching the full amount of your salary, including regular furlough salary and C. O. supplementary allowance. On this basis we soaked West China $206.50 and Yenching $49.00. This left Nanking a balance of $220.50.

I note your memorandum says it doesn't particularly matter how the question is decided "as long as the Central Office is within the amount budgeted on the Nanking budget". Our June 30th balance sheet shows that the C.O. considerably exceeded the M.$3,000.00 allowed in the 1926-27 Field Budget. The remarkable thing is, though, that we stayed as close to earth as our figures show. You can appreciate the great increase in the volume of work and corresponding expense for Nanking because of the emergency conditions which have existed since March. Part of these appeared in the June 30th summary, but a still larger proportion will have to come in the 1927-28 fiscal year. It is obvious that these heavy unforeseen expenses can't be squeezed into the limits of the budget allowance.

I quite agree with your Nanking principle that all overdrafts and deficits must be carried forward to haunt one's pathway until they are decorously laid by the use of uncompromising economy. But it is going to be a physical impossibility for us to catch up for a long time on the present basis, unless the Nanking budget makes a larger allowance which is likely to be out of the question. What about making these additional costs a charge on the emergency fund? Are there any other possible courses for us?

I find in checking over the budgets of our five Universities that all of them together provide less than 75% of what our budget for the current year estimates they must furnish. Cheerful situation, isn't it? At that the C.O. will come out about a hundred dollars or so ahead of the approved budget for the year - and that in spite of the fact that you turbulent heathen Chinese have forced up the volume of work from a fourth to a third this year. Hope you folks on the field don't feel too critical of our lazy, extravagant ways. You could drop in the office most afternoon at six p.m. and find at least half the office force still at it - and often the lights in the office are still going at nine p.m.

BAG/G

Cordially,
B A GARSIDE

COPY

UNIVERSITY OF NANKING
Office of the Treasurer
Nanking, China

Nanking

September 13, 1927.

wy Reisner 9/16/27

My dear Miss Priest:

Your kind letters dated 3rd and 9th inst., together with the 1927-1928 budget were duly received. I was so glad to read them as if I faced to you. From your words, I knew very well that you must be busy all the time in Shanghai office. I felt regretful that I have left lots of work undone since I returned to Nanking.

The University officially opened on 9th of September and the enrollment of students has, up to this day, listed about two hundred and some more in number. We received the cash from students not more than five thousand dollars. This affects us to organize a financial committee with the aim to meet the financial difficulties, that is, we shall resolve, if possible, the problems of how to keep the budget smoothly going on under the poor conditions. I am appointed as the chairman of this committee. This year, we still utilize the guarantor system as before. The following is the term for the unpaid students:

In order to seek a guarantor, students must first of all pay one-third of his tuition and other charges of school. It is decided that the length of delaying payments is six weeks. Guarantor must be responsible in case the students delay their payments and must also be the university man.

What the financial committee can do at present is to take more attention to the cash requisition payment. Probably every department has its representative in our committee to study the case. Owing to the present situation largely political, the Pehmenchiao bank does not accept our deposit. I am told that the bank has received a telegram from Shanghai instructing them to do so. Will you ask the bank for special privilege that we can transact the business with them. I hope I shall hear good news from you.

The Severance Hall is largely lodged by the Seventh Army of Kuomintang as their office. So we are bound to remove our Treasurer's office to Dean Reisner's office where we can do our work peacefully and quiet as well. But the safe is in Severance that we feel inconvenient to use it by our will. They shall leave us within next week, some one says so but not reliably.

Nanking was prevailed of cholera that so many died by its almighty! Thank you that my family are all healthy.

Sincerely yours,

(Signed) Harry H. Sie.

COPY

UNIVERSITY OF NANKING
Office of the Treasurer
Nanking, China

September 13, 1927.

My dear Miss Priest:

Your kind letters dated 3rd and 9th inst., together with the 1927-1928 budget were duly received. I was so glad to read them as if I faced to you. From your words, I knew very well that you must be busy all the time in Shanghai office. I felt regretful that I have left lots of work undone since I returned to Nanking.

The University officially opened on 9th of September and the enrollment of students has, up to this day, listed about two hundred and some more in number. We received the cash from students not more than five thousand dollars. This affects us to organize a financial committee with the aim to meet the financial difficulties, that is, we shall resolve, if possible, the problems of how to keep the budget smoothly going on under the poor conditions. I am appointed as the chairman of this committee. This year, we still utilize the guarantor system as before. The following is the term for the unpaid students:

In order to seek a guarantor, students must first of all pay one-third of his tuition and other charges of school. It is decided that the length of delaying payments is six weeks. Guarantor must be responsible in case the students delay their payments and must also be the university man.

What the financial committee can do at present is to take more attention to the cash requisition payment. Probably every department has its representative in our committee to study the case. Owing to the present situation largely political, the Peimenchiao bank does not accept our deposit. I am told that the bank has received a telegram from Shanghai instructing them to do so. Will you ask the bank for special privilege that we can transact the business with them. I hope I shall hear good news from you.

The Severance Hall is largely lodged by the Seventh Army of Kuomintang as their office. So we are bound to remove our Treasurer's office to Dean Heisner's office where we can do our work peacefully and quiet as well. But the safe is in Severance that we feel inconvenient to use it by our will. They shall leave us within next week, some one says so but not reliably.

Nanking was prevailed of cholera that so many died by its almighty! Thank you that my family are all healthy.

Sincerely yours,

(Signed) Harry H. Sie.

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

TRANSFER

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

September 19, 1927.

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

INDEXED

My dear Mr. Garside:

I was glad to have your letter of August 27th; and will take up the items therein as far as I am able to do so.

Caldwell Salary account: This question is on my list for early attention, and I regret that I am unable to forward the necessary information. We have all the current books in Shanghai, but have not the transfer ledgers or books covering the particular period called for in looking up this account. All such records are still in our vault in Severance Hall in Nanking. Of course you know that the Seventh Army haspossession of Severance and our men are unable to enter the vault. As a matter of fact they have hidden it by means of maps, furniture, etc. in order to prevent the soldiers from attempting to break in, and naturally they cannot go to it for any kind of records at the present time. Just as soon as Mr. Sie can have access to it, he will secure this information for me. Meanwhile, the matter will have to stand.

(See letter B 9/22/27) (See ~~attached~~

S. J. Mills account: You will recall we had some conversation regarding the Mills account with Dr. Scott. I find the Presbyterian Mission paid the full amount of travel for the Mills family when they returned to U.S.A. in April. The Asst. M. Treas. office tells me the amount advanced was G$1,694.40, but the Presbyterian Board will have the detailed amount with any refunds, etc. The University is to pay a proportion of the round trip and the Board to pay the balance. You have a copy of the minute in relation to the arrangement regarding the Mills. Will you kindly adjust the account with them? Also, please adjust the salary account. We are to pay the Presbyterian Board on the Presbyterian basis, not the basis used by the University. From the records here, I find we have paid the account up to the time the Mills left China in April which will mean you will need to adjust the account from the date of arrival in the United States. It has been our custom to do this quarterly, There would be a question involved if the Mills receive more than six months salary from the Presbyterian Board but do not expect to return to the University. Will you please guard against that point also? ~~I do not think he will likely return to us as we do not anticipate the need for a language school will warrant keeping that department open in the future.~~ Apologies! Perhaps this was too general a statement and I have not time to recopy.

1926-1927 emergency deficit: I am working on the detailed statement of this account and hope to have it ready to send home within a few days. The NewYork office owes us a large amount to cover travel, expenses, etc. advanced from various funds hefe which must be replaced, but I shall give you due warning before drafts are drawn. We are proceeding very cautiously here, and our Nanking coworkers all realize the importance of keeping the expenditures within income. However, there are many things that enter in entirely beyond our control to make it a very difficult matter.

..G. No. 2. 9-19-27

Please accept my thanks for your efforts to find out the arrival of the Owens in San Francisco. The letter has never reached me. I was keenly disappointed that I did not see them especially when I found that it would have been possible to have spent two days with them if I had known the correct date of their arrival. They were so confident that I would meet them that there were a number of items such as bank transfer authorizations etc. which have caused us both a lot of extra correspondence. They had planned on a conference to settle and explain a number of items which are rather a problem to manage by letters. Then, too, as they are among my most intimate friends, and we realized it may be many years before our paths cross again, it was a bit disappointing. However, such is life! I appreciate your efforts anyway.

It does not look very promising for any of us to return to Nanking - in fact our Chinese staff as well as the Chinese staff of Ginling have requested that the foreigners remain in Shanghai for the present due to the prevailing conditions in the city. You will know from the correspondence of the many difficulties we are facing on the field, of the opening of school with its many problems, of the failure of the Nanking conference to end the revolution, and appreciate all it means from your knowledge of "things Chinese." We are facing the great problem of transferring funds to Nanking as the local banks have closed their doors leaving us a bit helpless. I guess I will have to carry it up in Sun Yat-sen dollars myself!

Shanghai is the same as ever - we always hope for the change for the better here but it never comes! I am temporarily living in the French concession not far from the American school near Ave. Joffre. It is about five miles from the office, and we are dependent upon taxi service which is rather a nuisance.

As a matter of information, the New York home administration cost a great deal more than was appropriated last year, amking a problem to find funds to cover it. I am trying to find some unused funds that can be applied there, but it is a bit like the old needle in a haystack.

With best wishes to the staff,

Cordiall y yours,

Elsie M. Priest

P.S. There is the item from the China Medical Board to collect. I am sure you have this in mind, but as it has not been recorded as yet, and as Miss Eggleston indicated the willingness of the Board to pay one-half to June 30, 1927, I thought it might be worthwhile to mention it. We shall need it to close the books for the hospital - salaries were all paid through June.

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

September 23, 1927.

Mr. B. A. Garside,
150 Fifth Ave.NYC

Dear Mr. Garside:

I enclose copy of a letter which I have just written to the National Savings & Trust Co. regarding the payments which they are to make to you for our Famine Funds account. Please note the new schedule. We have cash on hand and you have considerably over ten thousand in New York, so it did not seem wise to us to have as much paid in this autumn as was first planned. While it has been appropriated, it reduces capital that much and we are trying to keep the original grant as intact as possible.

While I am writing about Famine Funds, may I remind you that we must have a division of monthly bank balance interest for this account. I know it will cause a bit of work to figure it out, but it is only fair to the fund to have it recorded properly, and I will appreciate hearing from you regarding the exact amount due Famine Funds for the year 1927-1928.

With kind regards and best wishes to the C.O. staff,

Cordially yours,

Elsie Priest

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

Nanking

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

TRANSFER

September 29, 1927.

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

My dear Mr. Garside:

In balancing the accounts for last year and closing out the various items, I find one item which is reported as follows on the New York statements:

November 1926 statement;
"111b - 1st S.S.M.E.Church Neponsit - thru M.E.Board 24.14"

entered under "Cash awaiting investment" on the statement.

Will you kindly give me the details concerning this amount?

Nearly every year this church sends us small amounts to be used for student relief, scholarships, etc. as Dr. Bowen decides is necessary, and I feel rather certain there must be some mix up to have it placed this time under p rmanent funds as it has always been treated as a special gift for a definite special purpose. We have placed it in our deferred accounts awaiting word from you. Please advise as promptly as possible.

In the future, kindly have all expenditures placed in the correct columns on the statements - for instance, all famine funds expenditures under Famine Funds. I believe Miss Lane put all expenditures during the spring in one special account, and it has been no end of work to correct it out here. We decided that was the best plan during the spring, and perhaps it was at the time, but for the future please have all items listed properly in the respective columns so designated. I do not yet know exactly how much gold is represented by our mexican equivalent in the New York office balance for famine funds, but hope to have the figure in a short time.

Thanking you for your help in these matters - there are still a number of others in my list to be reported later.

Cordially yours,

E. M. Priest

TRANSFER

Nanking

University of Nanking

September 30, 1927

Miss Elsie M.Priest, Treasurer
University of Nanking
Room 526, 20 Museum Road,
Shanghai, China.

My dear Miss Priest:

In accordance with the suggestion in your letter of August 25th addressed to Miss Lane, our office has checked up to see just how we stand on the salary of Dr.R.A.Peterson.

Dr.Peterson went off the University of Nanking budget and was taken up by the Methodist Board for the West China Union University as of July 31st, 1927. This arrangement is in accordance with the directions contained in a letter written Dr.North on January 31, 1927 by Dr.Allen C.Hutcheson. A copy of this letter should be in your Nanking files. On May 11 and May 26 Dr.North wrote three memoranda in which he gives the date for discontinuance of Dr.Peterson's Nanking salary as of July 31. I find, however, that he did write a letter to President Beech on May 11th in which, by mistake, he states that Dr.Peterson goes on the West China budget after July 1st. This is probably where the misunderstanding arose. I have checked up with the Methodist Board and find that they took up Dr.Peterson's salary after July 31st.

All of the above facts seem to indicate that our records are correct in charging Dr.Peterson's July salary to the University of Nanking.

I note that in your letter of June 16,1927 addressed to Mr.Owen you request the financial statements of the first six months of the fiscal year 1926-27. I believe we have not as yet received these statements so probably Mr.Owen had left the field before your letter arrived, and the request went unanswered for that reason. If these financial statements have not as yet been supplied we would be glad to receive copies for our New York office.

In the hope that the work of the Field Treasurer of the University of Nanking is not proving too burdensome, I am

Very cordially yours,

B A GARSIDE

BAG-H

THE UNIVERSITY OF NANKING

NANKING, CHINA

Nanking

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

INDEXED

TRANSFER

October 5, 1927.

Mr. B. A. Garside,
China Union Universities,
150 Fifth Ave. New York.

My dear Mr. Garside:

One of the items on my list to clear was the item concerning the visiting science professor who was supported by the China Medical Board. I have checked through the account and enclose two copies - one to be forwarded to China Medical Board and one for your files. Will you kindly attend to this for us? You will note we have on hand Mexican $479.25 and will be glad to know the wishes of the China Medical Board concerning this balance. Please find out if they wish to have the money returned, or if it is to be transferred to some other account.

Will you kindly look up your records and see how the account for the Science equipment stands? All the records in connection with the grant from the China Medical Board for this special equipment are in Nanking and we are unable to tell from our meagre records here just how much was to be paid in by them. You will have complete files of the original agreement. They have paid ten thousand gold which sold for eighteen thousand six hundred and eleven dollars and sixty-four cents mexican dollars, and this amount has been nearly all expended. I am under the impression that the grant was in mexican, but I shall need to depend upon your files this time - at least until such time as the Seventh army find more palatial headquarters and leave us in peace! see attached

There is one other account with the China Medical Board for the gas plant for which they gave two thousand seven hundred and sixty-two dollars and fifty cents gold dollars which sold for four thousand nine hundred and seventy-two dollars and fifty cents mexican dollars. I am under the impression this appropriation was for five thousand mexican dollars. I have mentioned it at this time to avoid any confusion in settling the above accounts, in case this particular item was not labelled "gas plant" on your records. (#2682)

I shall send you the statement for the year 1926-1927 within a short time. The books are nearly completed and the auditor will finish his work on them shortly. I am sorry to say we shall close with a deficit.

With kind regards and best wishes to the Central Office staff,

Cordially yours,

Elsie M. Price

UNIVERSITY OF NANKING

NANKING, CHINA

Nanking

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

STATEMENT OF ACCOUNT WITH CHINA MEDICAL BOARD
Prof. Whitman - Science professor

RECEIPTS

September 1925	Gold 1,710 00	Mex. 3,045 51	
November 1925	1,800 00	3,245 40	
March 1926	1.740 00	3,246 84	
May 1926	1,590 00	2,989 20	12,526 95

EXPENDITURES:

Special interview in New York	2 70	
Travel and outfit	3,244 35	
Salary on the field, Gold 3,700 00	6,863 03	
Travel - return to U.S.	1,887 62	
Adjustment of house rent	50 00	12,047 70

Balance on hand ..... Mex $479 25

October 5, 1927.

UNIVERSITY OF NANKING

NANKING, CHINA

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

Nanking

STATEMENT OF ACCOUNT WITH CHINA MEDICAL BOARD
Prof. Whitman - Science professor

RECEIPTS

September 1925	Gold 1,710 00	Mex. 3,048 81	
November 1925	1,800 00	3,213 40	
March 1926	1,740 00	3,246 84	
May 1926	1,590 00	2,929 20	12,526 95

EXPENDITURES:

Special interview in New York	2 70
Travel and outfit	3,244 35
Salary on the field, Gold 3,700 00	6,865 03
Travel - return to U.S.	1,887 62
Adjustment of house rent	50 00 12,047 70
Balance on hand	Mex $479 25

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

Nanking

TRANSFER October 5, 1927.

Mr. B. A. Garside,
China Union Universities,
150 Fifth Ave. New York.

My dear Mr. Garside:

As you know Dr. Stephen J. Corey is now in the Orient, and when he was here the other day, a copy of the statement of the account with his mission board was given to him. I feel sure you have attended to this long before this time, as it was one of the items we talked over, and about which I later wrote in July, but I am enclosing the statement for your information. I trust you have already collected the amount of Gold $272.00!

x guaranteed 2 for 1

The U.C.M.S. have assumed the appropriation to be Mexican 8,000 00 instead of Gold $4,000.00x and naturally it makes a good deal of difference at this time when exchange is favorable. I have indicated the shortage if their assumption was correct.

That reminds me that I have not seen any items for the exchange shortage from the other boards for the past year. This statement was prepared for Dr. North, and should have been collected by him. If it has not been done, please arrange to have it paid as early as possible. We shall need every cent we can collect to carry us through this year, and these items are long overdue. There will not be any further items of loss of exchange to be collected for 1926-1927 as exchange has averaged a trifle over two for one for this period.

I hope you are taking steps to collect from the boards the cash equivalents of their representatives. We hear from a number that they have been completely dropped from their boards which would mean we should have a bit more income!

With kind regards,

Cordially yours,

Elsie M. Priest

UNIVERSITY OF NANKING

~~OFFICE OF THE PRESIDENT~~

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

W.E.W. Priest
10/5/27.

STATEMENT OF ACCOUNT WITH UNITED CHRISTIAN MISS. SY.

Amount due July 1, 1926 on account of loss in exchange M $ 365 45

Receipts during 1926-1927;

1st quarter	Gold	1,025 60	Mex $ 1,998 49
2d "		908 00	1,943 12
3d "		888 20	1,976 24
4th "		906 20	2,001 62
		3,728 00	7,919 47

The appropriation should be 4,000 00 annually, with exchange guaranteed 2 for 1. On this basis the shortage in gold for the year is $ 272.00.

Assuming that the appropriation is Mex. $8,000 00 the shortage for the year is 80.53.

Copy for Mr. Garside.
Original given to Dr. Corey.

UNIVERSITY OF NANKING
OFFICE OF THE PRESIDENT
NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 528
SHANGHAI, CHINA

Gerald Winter
4/26/27

STATEMENT OF ACCOUNT WITH UNITED CHRISTIAN MISS. SY.

Amount due July 1, 1926 on account of loss in exchange M $ 565 45

Receipts during 1926-1927;

1st quarter	Gold	1,025 60	Mex $ 1,998 49
2d "		908 00	1,942 12
3d "		888 20	1,976 24
4th "		903 20	2,001 62
		3,728 00	7,918 47

The appropriation should be 4,000 00 annually, with exchange guaranteed 2 for 1. On this basis the shortage in gold for the year is $ 272.00.

Assuming that the appropriation is Mex. $8,000 00 the shortage for the year is 80.53.

Copy for Mr. Garside.
Original given to Dr. Corey.

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

TRANSFER

October 8, 1927.

Mr. B. A. Garside,
New York.

Dear Mr. Garside;

CALDWELL ACCOUNT

Mr. Sie - our assistant treasurer in Nanking - secured permission from the Seventh Army officials to go to our vault in Severance Hall the other day and secured some papers that we needed. He also looked up the item concerning the Caldwell salary account and reported that we paid Mr. Caldwell his salary for the month of October 1921 but have no record of any earlier payment to him. He also sent me items concerning the travel account as follows;

Travel	Gold 1,067 40
Freight	58 58 59.58

which I mention merely to aid you in checking the items on your books. I am sorry I could not do the searching myself, as I believe there must be other items which he failed to locate, but I trust this will enable you to close the account.

If from your records they received September salary - which they likely did as we usually pay one month in advance, dating the salary from date of sailing - the six months home allowance would end with February 1927. However, if no salary was paid them during the month they were enroute to China in 1921, their claim for one month additional allowance is of course in order.

I think this completes the various items I was supposed to check on the field, except the emergency deficit, etc. which will be forwarded as soon as the auditor completes his work. I decided to wait until he had approved the statements before sending them home.

E.V.JONES ACCOUNT: It appears from correspondence with Dr. Jones and from our records that Dr. Jones was not paid the excess cost of living in Shanghai during the few days they remained before sailing for home. The account was for Mexican $58.10 of which the Jones' were to pay Mexican $20.00 leaving $38.10 to be paid by the University and charged to the emergency account. Will you kindly pay this amount to Dr. Jones in gold? I would suggest that you use 2.20 for exchange as that was the amount in effect that time and the rate used in settling other accounts with various staff members.

17.32
2.20) 38.10
220
1610
15.40
700
660
40

With best wishes,

Cordially yours,

Elsie M. Priest

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

October 8, 1927.

Mr. B. A. Garside,
New York.

Dear Mr. Garside;

Your letter of September 12th regarding the cost of the home administration was delivered just as I was finishing a letter to you on the same subject. In view of your letter, I will not send mine to you as it only repeats what you already know.

The total amount spent in the New York office for the year 1926-1927 was Mexican $5,761 43 or $2,761 43 over the amount budgeted for the home administration. I have felt that 3,000 00 was too low, and you will see that in the budget for 1927-1928 the amount budgeted is for Mexican $4,000 00. However that does not alter the fact that last year the budget was for 3,000 00.

In view of the extra work last spring, it seemed only fair to charge Mexican $1,000 00 to the emergency deficit, and the balance of the over-expenditure has been absorbed in our field deficit. I will say that if the New York office had not overspent their appropriation, we would not have closed with a deficit last year.

Will you please advise me the proportion of the Central Office that is charged to the University of Nanking? At one time it was 42%, but I am under the impression that Dr. North told me it was about 35% prior to the Nanking incident. We need to know in making plans for the future.

I realized that it would be impossible for your office to carry the deficit with any hope of reducing it and for that reason I charged it off this year. However it seems only fair that as far as the field budget is concerned that the home administration keeps expenditures within the appropriation allowed. We insist upon that here, and the departments have gone so far as to make plans to accept cuts in salaries to keep <u>within their income</u> - not budgeted amount. We will not have much "face" if the New York end spends more than the budget appropriation in view of the attitude in Nanking.

It is true that the office in New York has been severely taxed for the past six months, but with so many of the staff members going off staff within a short time and the very few orders that we are asking you to attend to for us, I do not think we shall require more than the usual amount of time; - in fact, I anticipate within a short time, that we shall require less rather than more, as we shall not have money to make any purchases for some time to come. At present we are only buying the absolutely essential equipment required to carry on class work. I am sure the office force in New York works long and late - but so does the China staff! Personally, I think you have a difficult problem in administering the office on the available income, and there is the question of future policy involved that makes it even more difficult. If the Chinese take over our schools what will their attitude be toward home administration?

10-8-27

No. 2.

Things are moving slowly as far as the military is concerned - they still enjoy our hospitality in Nanking much to our discomfort. In spite of it all, school is being conducted, but just how much constructive work is being done is a question. They are doing the best they can under the circumstances.

I am sure this will be a most difficult year and I am very greatly concerned when I think of the money we shall need and the money that we have - the gap is entirely too wide to make us easy. Shanghai costs a lot, but Nanking seems out of the question at present so we are continuing here from month to month with no plans for the future.

The items after June 30th mentioned in your letter will have no to be charged to the year 1927-1928 as the books are closed and we have no money left - except a balance on the wrong side of the books!

I am sorry this is so long -

Cordially yours,

Elsie M. Lacist

No. 2.

Things are moving slowly so far as the military is concerned - they still enjoy our hospitality in making much to our discomfort. In spite of it all, school is being conducted, but just how much constructive work is being done is a question. They are doing the best they can under the circumstances.

I am sure this will be a most difficult year and I am very greatly concerned when I think of the money we shall need and the money that we have - the gap is entirely too wide to make us easy. Meanwhile costs a lot, but drifting seems out of the question at present so we are continuing from month to month with no plans for the future.

The items after June 30th will have to be charged to the year 1927-1928 as the books are closed and we have no money left - except a balance on the wrong side of the books!

I am sorry this is so long -

Cordially yours,

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

Nanking

TRANSFER

Oct. 12, 1927.

Mr. B. A. Garside,
New York.

Dear Mr. Garside;

Enclosed you will find our official receipt covering five thousand gold dollars which we drew against Famine Funds. Please express to Miss Lane my apologies for the same old draft forms, but I could not do otherwise than to use them. I am not sure that the bank will consider changing the forms at the present time - as they have been forced to close a good many branches and are not expanding even to the extent of new forms these days - Throughout the entire year we used only nineteen drafts and in view of this fact, it would be hardly worthwhile to have our own forms printed - at least until we can see the future a bit more clearly defined than it is at present.

For your information we have closed the Famine Funds accounts for last year with a balance of Mexican $17,539 46 to be carried forward to the year 1927-8 made up as follows;

Gain on exchange	9,142 09	
Unexpended approp. to be cancelled	8,397 38	17,539 46

see J. J. memo

This amount will be adjusted through the final payment from the Trust Co. upon advice from us, copy of which will be forwarded to you. The certified copy of the statement will be forwarded to you as early asit is signed by the auditor. I believe he is nearly through with the accounts.

By the way, when you send letters to Nanking to any of the staff - especially concerning accounts or orders, do you not think it would be just as easy to send us a copy? There must have been an order cancellation or a letter sent directly by your office to the library which has caused me no end of trouble, and I have not yet untangled it. If I had received a copy of your letter, it would have been a simple matter to adjust. We try to give you that courtesy, and will appreciate having it reciprocated. It is our plan that all letters and correspondence concerning orders of any kind should go through this office.

Mr. Reisner is away for a brief holiday - they took the round trip to Dairen on one of the German boats - but upon his return steps will be taken to go ahead with the reorganization plans. The cable, letters minutes, etc. all arrived at the same time, and we were glad to receive them and to know the splendid way the Trustees were handling the problem - or rather allowing the field to handle it!

With best wishes to you all,

Cordially yours,

Elsie M. Priest

Nanking

University of Nanking

October 14, 1927

Miss Elsie M.Priest,
Room 526 20 Museum Road,
Shanghai, China.

My dear Miss Priest:

We received your letter of September 8th written just after you arrived in Shanghai. Assuredly you reached China under conditions that were anything but encouraging. It has been my own experience that arriving in China is a most depressing event under the most favorable conditions so I can imagine how you must have felt when you landed and discovered that affairs in Nanking had become even more muddled during the month you were travelling westward. Our latest news seems to indicate that the University did manage to get started off in some sort of fashion in spite of difficulties. I hope that it will have a more successful year than seemed possible a month ago.

There are several matters in processof clearance between your office and ours. I will review them briefly because I am not sure just what information you have available, or how far you have gone in clearing up these matters. All of these items I have taken up with Mr.Owen but the facts he has available in this country were not sufficient to enable him to reply.

First - Question of furlough salary for Mr.Leonard H.Caldwell for February 1927. I believe I went over this matter with you before you left the New York office and you made a note to look it up on arrival in Shanghai. You will remember that Mr.Caldwell received from our New York office, in accordance with instructions from Mr.Owen, five months furlough salary, beginning September 1, 1926 and ending January 31, 1927. Mr.Caldwell feels that he should have received six months furlough salary including February 1927. I understand that the decision regarding this sixth month salary is dependent upon the date at which his original salary on the field began.

Second - Amount of advance travel allowance paid Mr.A.G.Small. Mr.Owen's letter of July 7th states that Mr.Small was advanced gold$500. before he left China for which an accounting is to be rendered. Mr.Small states that his records show he received only $450. travel advance to be accounted for. Can you clear up this matter with the Associated Mission Treasurers and find which was the correct amount so that I can make a final settlement with Mr.Small?

Third - Travel of Mrs.M.L.Hancock. Mr.and Mrs.M.L.Hancock have just arrived in Canada, having returned from China via England. Because of their roundabout journey it seems that the fair method of settling their travel account is to allow each of them gold $500. We have not been able to make settlement of their travel because we do not have available the cost of Mrs.Hancock's transportation from Nanking to England via Suez. Will you please send us the amount of the Associated Mission Treasurers' bill for these travel accommodations?

Fourth - Medical bill due B.L.Griffing. In recent correspondence Mr.B.L.Griffing says that when he left China Nanking owed him a medical bill amounting to Mex.$20., but that this item seems to have been lost in the confusion. Do you have any record of such an item?

We are much relieved to learn from your letter that you probably had sufficient funds on hand to care for the September expenses. I suppose that we must soon be expecting some draft from you. The September cash statement and trial balance which will be reaching you in this same mail shows quite vividly how our cash situation stands. Our emergency disbursements total over $21,500. and our receipts are just a little over $9,000. This deficit of $12,500. has only been met by practically exhausting the surplus on hand from our Famine Fund account. At the present time we are skating on exceedingly thin ice. We are calling a meeting of the Emergency Campaign Committee early next week and I hope they may be able to devise some plan for helping us out, but then such a little matter as a deficit of twelve thousand is quite insignificant compared to some of the problems which you folks in China must face. Certainly you have reached the extremity of economy if you are keeping the office going without the assistance of a chit coolie.

We are, of course, taking up with all the different boards the matter of their providing cash equivalent for vacancies on their staff quotas. I hope we shall have no difficulties in clearing up this matter satisfactorily.

With best wishes, I am

Very cordially yours,

BAG-H

B A GARSIDE

over

TRANSFER

Nanking

University of Nanking

October 15, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

Yesterday, in commenting on the general financial situation as regards Nanking, I stated that we were skating on pretty thin ice. This morning your letter of September 23rd made our predicament look more interesting than ever. Let's hope that your cancellation of Mr.Owen's instructions to the National Savings & Trust Company and the substitution of a new schedule doesn't add enough weight to our burden to give us all an icy ducking.

Naturally it is no news to us to know that the Famine Fund has a substantial credit balance on our books at the present time. As I mentioned yesterday, that is absolutely all that has kept the good ship afloat during recent months. This fact must be obvious to you from all our recent financial statements. Our July trial balance and cash statement, which met you on the boat, shows that our Emergency Account was already overdrawn six thousand dollars and the deficit was rapidly growing. The August statement, which should be reaching you about now, shows the Emergency account over eight thousand in red and the current general about five thousand on the wrong side. September shows a slight improvement in emergency, thanks to several substantial donations and the unselfishness of a member of the Nanking staff, but current general is seven thousand in. If now we get no more famine funds until our present balance is exhausted it will mean that we face a shortage of over ten thousand dollars with no hope of meeting it except the alternative of negotiating a loan at some bank. We will do everything possible to collect all current income as soon as it falls due, and will try to stir up the Emergency Campaign Committee to devise means to clear off the present deficit of about twelve thousand dollars as well as to prevent a growth of this deficit. But at best it is going to take Nanking a good many months to get back on a sound financial basis, and in the meantime we are going to have to move cautiously and get our hands on every dollar we can honestly claim.

We quite agree to the principle of crediting the Famine Fund account with interest on credit balances, though from the standpoint of accounting we feel we should keep to our present practice of doing this quarterly rather than monthly. To be consistent we ought to credit to Famine Fund account interest for the average balance on hand, charging where necessary the accounts that have been overdrawn during the period covered. The great difficulty with this course lies simply in the fact that all that is added to your Famine Fund

account by this method is thereby deducted from your Current General funds, which points to the sad fact that has to be kept in mind in all of our accounting, - wherever one department gains, another loses thereby. It is very easy to see only the gains and to forget that there are necessarily equivalent losses. For example, I notice in a recent letter from the field, in which the whole question of the present emergency deficit is referred to, the statement is made that the Famine Fund and the Hospital accounts will be able to carry their share of the deficit, and that is all that is said. We cannot lose sight of the fact that other departments that fall behind are going to have to get help somewhere.

Very cordially yours,

B A GARSIDE

BAG-H

TRANSFER

Nanking

Nanking University

October 17, 1927.

Miss Elsie M. Priest,
20 Museum Road, Shanghai.

My dear Miss Priest,

Your letter of September 19th is at hand. I will take up its various items:-

1. Caldwell Salary Account. This we will keep as is until we hear from you further.

2. Account of Mr. and Mrs. S. J. Mills. This I am taking up with the Presbyterian Board for adjustment. I'll try to get Mr. Carter to consent to our holding up on the payment of what we owe them, for payment of this account would just about wipe out the remaining cash in our Nanking treasury.

3. Emergency Deficit, 1926-27. We note that you will have a detailed statement soon. Mr. Reisner's letter of the 23rd of September mentions a probable total of M. $71,000, of which the Trustees will be expected to provide about M. $46,000. Lets hope the Trustees won't be expected to stand and deliver in full at a moment's notice.

4. Miscellaneous. The China Medical Board contribution to the Hospital, January to June, 1927 was received on August 19th and is shown in our Cash Statement for August.

Your gentle reminder that "New York home administration cost a great deal more than was appropriated last year" is duly noted. We abjectly apologize for continuing to encumber the earth. I expounded at length on this topic in my letter of September 12th, so there is not much use breaking loose on it again. We sent Mr. Reisner a copy of the minutes of our Supervisory Committee meeting of September 30th, with its report for the year and its financial summary. You may have seen the report. I quite agree as to your difficulty in meeting any overdraft on your present budget, and suggested the possibility of making the excess a charge on emergency expense, where in reality it belongs. I am trying not to read into your comment any implied criticism of the New York office, for if Nanking is kicking after what the office has been attempting to do for her these last six months, then indeed our whole task is hopeless and little short of loathsome for all of us who have a hand in it.

Too bad your problems of transferring funds to Nanking are proving so burdensome. I am sure that for you to carry all needed funds to Nanking in Sun Yat Sen dollars would make you popular with the Nationalists - while the dollars lasted.

BAG/G

Cordially,

pwk

University of Nanking

October 25, 1927

Miss Elsie M.Priest,
Room 526, 20 Museum Road,
Shanghai, China.

My dear Miss Priest:

We have your letter of September 29th and will take up the various items you mention therein:

1 - Contribution of $24.14 through the Methodist Board. I think you will find complete information on this matter already in your files, contained in the following letters: Mr.Owen's letter of Feb.21st to Dr.North; Dr.North's letter to Mr.Owen of April 1st, and Mr.Owen's letter of June 6th.to this office.

The $24.14 was received through the Methodist Board in the form of two gifts from the Sunday School of the First M.E.Church of Neponset, Ill., designated as "for the endowment fund of Nanking University". The correspondence between Mr.Owen and Dr.North seems to have satisfied both the field and the home base that this was a proper designation. Of course, our office has no authorization to place this money anywhere else without the specific approval of the donors and that could not be secured without more trouble and expense than the small amount justifies.

2 - Placing of all expenditures in the correct columns of our monthly statement. I am not quite sure where your office has been put to "no end of work" in figuring out the correct columns for the various expenditures listed on our monthly cash statements. It is quite true that during the spring and summer most of the emergency salary payments were listed first under Current Special because most of them involved distribution among several different accounts. However, at the end of each month detailed journal vouchers were made out showing the correct distribution of such fractional parts of salaries as should be charged to Current General, Agricultural and Forestry, Famine Fund and Current Hospital. Since copies of all these journal vouchers accompanied our monthly cash statements and trial balances we have thought your office would not have any difficulty in quickly and correctly enterint all these various items. The present month of October will see the closing out of practically all these salary accounts so the procedure from this on will be much simpler. We will try to see that this office makes as large a proportion of its charges as possible direct to the proper accounts and thereby eliminates the journal vouchers which are a nuisance both to you and to us.

3 - Mexican equivalent, For Famine Funds balance in the New York office. You state that you are working out these figures and will be sending them in a short time. You will note that our September balance in the Famine Fund account was gold $13,508.74 but how this is to be affected by exchange rates is a question we leave in your efficient hands to solve for us.

We are expectantly awaiting the "other matters" which you state you still have on your list and will be reporting later.

Very cordially yours,

BAG-H

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

October 25, 1927.

Mr. B. A. Garside,
New York.

Dear Mr. Garside:

Just a word regarding the monthly statements from your office.

The Trustees voted to assume the deficitfor the emergency expenses caused by the evacuation of Nanking in March, but you will recall that all salaries were to be arranged for under the regular budget beginning with July 1, 1927. I am afraid that Miss Lane does not quite understand this as she is still entering salaries under the special account. It will be much easier for me if she will enter all accounts where they belong - according to departments as usual.

When payments are made for any individual staff member and deducted from the salary, please indicate the gross amount and the payment on the statement. When just the net amount is entered it causes confusion, and upsets our budget accounts as we must enter against the appropriation the gross salary paid. It can be a note attached, or just indicated on the statement - anyway so that it appears will be satisfactory.

Just as soon as I can find the time, I will go through all the statements and indicate in gold the correct amounts to be transferred on that special account because it must be cleared into the proper accounts. At present the field work is more pressing.

Thanking you all for cooperation in these matters,

Cordially yours,

Elsie M. Priest

You really do not need to waste money on air mail for China for it always comes via the slow boat and would make better time ordinary mail.

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

October 26, 1927.

Mr. B. A. Garside, Secy,
University of Nanking,
150 Fifth Ave., New York.

Dear Mr. Garside:

I enclose the financial statements of the University of Nanking for the year ending June 30, 1927. You will note this statements have the signature of the auditor - Thomas D. Begg - and cover the entire year 1926-1927.

The detailed report of the emergency expense account is also enclosed. This report represents the Mexican equivalent of all expenditures to June 30th, 1927. There will be a number of additional items after July 1st.

I wish to especially call your attention to the statement of the present deficit of the University. Please refer to page 3 of the statement of assets and liabilities. Inasmuch as you are not familiar with the ancient history of the University, a word of explanation may be in order. About seven years ago Boston University agreed to support one professor in our department of business Admnistration, and for a year or two they paid the required amount promptly, but finally they became weary of the project and as it was more or less a student proposition, the whole thing was given up when those particular students graduated from the school. Therefore, we have been forced to carry the deficit of Mexican $10,089.11 for these past years. Your files will give you the necessary details. In regard to the Bailie Hall deficit; we will bring this to the attention of the Board of Managers and recommend the transfer of undesignated property funds to cover this shortage in the construction of the building. The current budget deficits for the two years need no further explanation, and the detailed report of the emergency deficit will give the information regarding that item.

No record of any unpaid pledges here. Appr. see letter of 8/27

The Famine Funds statement will be forwarded to the National Savings and Trust Co. as usual, and adjustment of the amount of money to be applied to 1927-8 budget appropriation will be made through the May payment. The copy of this letter will be forwarded to you as usual. You know, of course, that all correspondence of this kind is handled directly from the field to the National Savings and Trust Co.

Undoubtedly there are a number of items that should have a word of explanation, but the accounts are so familiar to me it is difficult to anticipate the questions of others. Please feel free to make any inquiries, and I shall gladly send you the information as far as I am able to do so.

For your information, copies of the statement have been forwarded to Dr. Speer, Mr. Carter, Dr. Bowen and Mr. Owen.

With best wishes,

Cordially yours,

Elsie M. Priest

Nanking

University of Nanking

November 7, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

Thank you for your letter of October 8th dealing with the accounts of Mr.L.H.Caldwell and Dr.E.V.Jones.

We have checked over our old financial records to see whether Mr.Caldwell received anything in addition to travel and freight expenses of his outgoing journey. Our records show no evidence of his having received salary from this office either for August or September 1921. It seems to be perfectly in order therefore for us to make payment of salary for February 1927 and we are doing so. I do not quite understand the following paragraph in your letter:

> "If from your records they received September salary - which they likely did as we usually pay one month in advance, dating the salary from date of sailing - the six months home allowance would end with February 1927. However, if no salary was paid them during the month they were en route to China in 1921 their claim for one month additional allowance is of course in order."

The question Mr.Caldwell originally raised was whether he should receive salary for February 1927; since our office, in accordance with instructions from Mr.Owen, terminated salary payments as of January 31, 1927, the payment we are at this time making to him represents salary for the month of February. The last sentence in the paragraph just quoted seems to imply that Mr.Caldwell might be entitled to another month's allowance, that is, for the month of March. Since I understand that the February salary was the most that Mr.Caldwell asked for, and apparently the most that is allowed by the Nanking regulations it seems that the only course of procedure is to consider his account fully settled now that this month of February is paid.

In accordance with your instructions, I am today settling Dr.Jones's item of Mex.$38.10, using the 2.20 rate of exchange you suggest, and sending him a check for gold $17.32.

Very sincerely yours,

BAG-H

University of Nanking

November 9, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

I have your letter of August 5th and am taking up the various matters discussed therein.

1 - Account with the China Medical Board on the visiting professor. We are sending to the Rockefeller Foundation the statement of account you enclosed covering the receipts and expenditures on behalf of Professor Whitman. The four gold remittances made by the China Medical Board were estimated to the amount of Mex.$3,000.00 each, according to the rate of exchange on the date of issuance. Therefore the China Medical Board has heretofore shown a charge of only Mex.$12,000. on this account. We see that your method of estimating the Mex.equivalent of these gold remittances, based apparently on the rate of exchange on the days these remittances were received on the field shows a larger Mexican total, viz: Mex.$12,526.95. Since the expenditures on behalf of Prof.Whitman were Mex.$12,047.70, it is an interesting question whether we owe the China Medical Board Mex.$479.25 or they owe us Mex.$47.70. I am putting all the facts before Miss Eggleston and asking her to give us the Board's decision. Since Mex.$15,000. was appropriated for this purpose and about $3,000. still remains unused, I hope that the China Medical Board will be willing to take the more generous view of the matter and consider their remittances at the Mexican figure they have used so as to give us the benefit of Mex.$526.95.

2 - China Medical Board appropriation for science equipment. Our records show that action #2581 of the China Medical Board was as follows:

> "Resolved that the sum of$15,000. be and is hereby approved of which so much as may be necessary shall be used to purchase $25,000. Chinese silver currency for additional equipment for the science departments of the University of Nanking."

Your letter states that thus far you have received Mex.$18,611.64 on this appropriation and this amount is now nearly all expended. There thus remains Mex.$6,388.36 to be received from the Rockefeller Foundation. If you will inform us when and how this amount is to be needed we can take up the question of securing it from the Foundation.

3 - China Medical Board appropriation for gas plant. This appropriation, C.M.2582, our records indicate was made for the amount of Mex.$5,000.

Nanking

INDEXED

University of Nanking

November 11, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

In your letter of October 8th you ask what proportion of the Central Office expenses was charged to the University of Nanking. Probably you have already seen Mr.Reisner's copy of the minutes of the Supervisory Committee of the Central Office on September 30th, but in case you have not done so I will state that the University of Nanking paid 28% of the net charges to the University for 1926-27. This amounted to G $2,526.02. This does not include the additional disbursement made by Nanking to cover your supplementary allowance while employed here in the office. This extra charge to Nanking was $220.50 (a total charge of $348.25 less reimbursements to Nanking by Yenching and West China for the time you devoted to them, $127.75).

We note that you have charged Mex.$1,000.00 overexpenditure of the New York office to Emergency Deficit. I see no particular reason why the entire overexpenditure was not charged to the Emergency Deficit while you were about it because certainly half of the work done by the New York office for Nanking during the last year has been directly or indirectly a result of the emergency situation. The real emergency in Nanking, of course, began long before March 24th.

Of course the figures for our Central Office expenditure afe for the fiscal year ending September 30th. I presume the figures to which you refer are for your fiscal year ending June 30th. In that case it is impossible to accurately compare the two totals.

I believe you are familiar with the method used by this office for estimating the charges made to the different Universities. A record is kept of the actual work done for each institution and charges are equitably apportioned on this basis. You will at once appreciate the fact that under this system the cost to each University of our Central Office is a matter that is determined on the field rather than here in New York. During the year we render whatever service we are called upon to give, and render it on as economical a basis as possible. The various institutions pay only for the service they receive. If an institutions asks for more service it received it and pays more. If it asks for less service it saves money thereby. I know that in some of our five Universities, particularly in Shantung with which I have been best acquainted, some complaints have been made over this arrangement, simply because before our Central Office was organised this service was rendered practically gratis by the various mission boards here in

New York so that there was practically no demand made on the University budget for work of this nature. I believe it was largely because the Secretaries of the different Boards in New York, responsible for the home administration of the various institutions, felt they could no longer carry the burden themselves that our Central Office was called into being. Naturally when the Universities were called upon to carry the expense of this work themselves all of them felt they had just ground for complaint. Unquestionably the mission boards got off very lightly on the arrangement for they have assumed only about 20% of the cost of the Central Office where under the previous arrangement they carried at least three-fourths of the cost without making any direct charge to the University budget. I am pretty sure, however, that it would be out of the question to persuade the cooperating boards to ever take back the work that they have now passed over to us, so about the only thing the Universities can do will be to put up with us as gracefully as they can.

Very cordially yours,

BAG-H

B A GARSIDE

TRANSFER

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

INDEXED

Nanking

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

531

November 11, 1927.

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

Dear Mr. Garside:

Your letters of October 14th, 15th and the September statement arrived today - just after our Board of Managers' meeting. I note the criticism of the change made in the remittance of Famine Funds but I am sure you do not realize the entire circumstances connected with these trust funds.

As far as thin ice is concerned, I fear you are the one who is on dangerous ground if you continue to use the Famine Trust Funds to finance the general University. Naturally, I have known all the time that your office was doing so, and I believe Dr. North recognized the dangers of the practice last spring, but it has been the line of least resistance and has been continued. I realize it is most difficult for you to know all the ancient history connected with the University of Nanking, but I do think you should take time to read over the trust agreement connected with these particular funds, and especially the paragraph that very clearly states that the funds cannot be used in any way for administration of the University. We have been very careful on the field to guard this point, and it was for this reason that we considered the Famine Funds as a separate unit, with distinctl separate books, bank accounts, etc. We have a separate auditor's statement for the fund and it has not in any way been confused with our University accounts. Personally I feel very strongly that the New York office is violating the trust agreement when they fail to keep the fund in a separate bank account, and fail to make a separate accounting for it.

I agree with you that it makes a much easier problem for you to be able to use this money to finance the University during these trying months, but I question the wisdom of the same. It allows ground for criticism, and we feel we must administer these funds in the most careful way in order that there may be no foundation for these criticisms from the the outside. It would be vastly easier for me to take our Famine Funds here on the field to carry the University over the next two months when our finances will be at a very low ebb, but such a course has never entered into our thoughts as we feel it would be a violation of a trust that has been given into our hands in good faith for a definite purpose. When the books were closed for the year, I found we had over seventeen thousand dollars left over from last year, and it certainly did not seem right to allow the principle of the fund to be touched merely for the purpose of financing the University.

I am sure it is no easy task to finance the University at this time, and I have not drawn any money on New York for our general funds because we could manage up to the present time with funds on the field. However, I fear I shall be obliged to draw before long. Of course, the Trustees assumed the full obligation of the emergency deficit, and they must have realized that it would mean provision for the funds - they certainly were advised it would amount to approximately gold $30,000 00 and to date it is well within that figure. I fully expected it would mean borrowing - it will probably mean borrowing on the field as well - but I do not feel we should jeopardize our integrity connected with these special funds in order

11-11-27

No. 12.

to save the Trustees from borrowing at the banks. At home you can borrow for 6% but you know it will be most difficult for us to borrow for less that 7% or 8% these days.

As far as the interest is concerned - it does not matter to me when it is paid as long as it is paid. I find no interest was allowed during 1925-6 and to date no interest has beenreported for Famine Funds to the end of June for the year 1926-7. It is a matter I can figure out on the field, but it should be done by your office and reported in the proper way as a credit for Famine Funds. One of the questions which the auditor asked was the item of interest on money on deposit at home, and I would like to have it cleared. It seems to me that the Emergency account should pay to Famine Funds account the equivalent of interest which Famine Funds would have received if the money had been in the bank.

I shall need to draw part of the Hospital money as the Hospital owes the University over 1,600 00 and as the hospital funds on the field were invested in fixed deposits, I have been waiting to have the money paid in by the China Medical Board before making the adjustment. I will advise you later.

I trust the matter of the Famine Funds is explained satisfactorily and sincerely hope you have not published very broadly the fact that you have been financing the University from Famine Funds - a nice juicy morsel for certain people we know!

Please note that the Hospital and the Famine Funds have always been treated as separate units both with a great deal of interesting ancient history! We have never considered that we had moral right to use hospital funds for any purpose other than hospital matters. As far as the two colleges are concerned, it is quite a different matter, with one fund controlling the whole general University accounts.

In regard to the other matters in your letter;- the Caldwell matter has been reported, but the others will need to be checked over and reported later. We have today closed our Board of Managers meeting after a two and a half day session, and have a further meeting tomorrow of the Executive Finance committee with possible meetings much of the next two weeks, as the first steps for registration are due November 30th. It means a great deal of work, and I am writing this at home to save time - hence apologies for the lack of information to reply to the questions raised in your letter.

Please note we are moving to room 531 in order to save money - it is a much smaller room, but we feel we must economize in every possible way and so are making the change.

With best wishes,

Cordially yours,

Elsie M. Priest

1100

University of Nanking

November 12, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

We have your letter of October 12th with its official receipt covering the draft for $5,000.00 drawn on the Famine Funds. This draft has been presented and accepted. The payment of this draft left the Nanking funds at a very low ebb but fortunately we have obtained authorization from our bank to negotiate notes up to $20,000. if and as needed. We sincerely hope that we shall be able to carry on through the present crisis without actually making borrowings, but we recognize the necessity of keeping the work on the field as adequately supplied with funds as we can.

We note that you closed last year's books with a balance in the Famine Fund accounts of $17,539.40, and that this is being carried forward into the account for the present year and will be adjusted through final payment from the Trust Company upon advice from the field.

We note your request that when letters are written to Nanking to any member of the staff, particularly where accounts or orders are involved, we send a copy to your office in Shanghai. We will be glad to follow this procedure. A little later on in the same paragraph you say, "It is our plan that all letters and correspondence concerning orders of any kind should go through this office." Do you mean by this that we should address all our correspondence on such matters direct to your shanghai office, enclosing a copy for you to forward on to Nanking? We will be glad to follow either plan you prefer. That is, we can either reply direct when orders come to us from Nanking, sending a copy of our reply to your office, or else we can send all replies to your office even though our requests come direct from Nanking, and ask you to forward on to Nanking whatever letters or copies of letters you think they should have. Please make clear which method of procedure you prefer.

Very cordially yours,

BAG-H

B A GARSIDE

mcr

University of Nanking

November 14, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

I have taken up with the U.C.M.S. the question raise in your letter of October 25th concerning payment of loss in exchange. They have suggested that it would be wisest to await the return of Dr.Stephen J.Corey since he will have the full information as to the issues involved. I hope very much you have been able to persuade Dr.Corey that the U.C.M.S. should agree to guarantee the 2 to 1 rate of exchange in making payments to the University of Nanking. You will remember that the Trustees of the University of Nanking on November 1, 1921 voted to request all the cooperating boards of the University of Nanking to make their appropriations in gold at a guaranteed 2:1 rate so that the University would not lose anything if the exchange fell below this ratio but would, on the other hand, profit by any favorable fluctuation in exchange. The U.C.M.S. has consistently refused to accept this action, stating that they have not made any guarantee for their other work in China and it would not be fair to make such a guarantee for the University of Nanking. As far as I can find, they have always made their remittances on the Mex. basis, assuming the loss when the rate fell below 2:1 and retaining the profit when the exchange rose above 2:1. We may be able to collect from them, under the terms of their present agreement, any small losses to the University due to fluctuations in exchange between the time Mex. equivalents were figured in the U.C.M.S.office and the time the remittances reached the University of Nanking. Before we can collect from them the larger amounts we are requesting on the guaranteed 2:1 agreement, it will be necessary for them to agree to the principle of this method of payment, something they have not done in the past.

In this same letter you state, "It reminds me I have not seen any items for the exchange shortage from the other boards for the past year. This statment was prepared for Dr.North and should have been collected by him. If it has not been done please arrange to have it paid as early as possible." I assume that by "the past year" you mean the fiscal year 1925-26 since, during the fiscal year 1926-27, I believe there has been a generally favorable rate of exchange and there should be no losses in exchange where Boards paid the full amounts of their appropriations in gold. Are we correct in this assumption? We have looked through our records and have inquired of Dr.North whether he remembers receiving any such statement from any source, but so far have not had any success in unearthing such a statment of losses in exchange. Was this statement to which you refer prepared on the field or was it worked out by yourself when you were here in the New York office?

We will continue looking for such a statement among our records but I would suggest that it would be wise for you to forward us a duplicate of such statements if you have them in the office of the Field Treasurer or even to prepare new statements if no record of previous ones are available.

It seems that this whole question of the rate of exchange the co operating boards are to use in their payments to the University of Nanking is in a rather unsatisfactory state. Some of the boards have formally accepted the proposal made by the Trustees in 1921. Others have not formally accepted it but have followed it in general. Others, like the U.C.M.S., have definitely refused to approve of such a basis for making payments.

Very cordially yours,

B A GARSIDE

BAG-H

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

Nanking

TRANSFER

INDEXED

November 14, 1927.

Mr. B. A. Garside,
N.Y.C.

Dear Mr. Garside:

Replying further to your letter of November 14th;-

1. Caldwell This has been taken care of in my former letter.

2. Small The account stands as follows: Advance to A.G.Small, travel 500.
" " " 450.

The Smalls went home on the special refugee boat on which the passage was 200. per adult and 100. per child, so their passages would amount to exactly 500.00, and it would seem that Mr. Small was correct in stating he received only 450.00 as an advance for travel. However, it was not surprising that Mr. Owen became confused over the two items.

3. Hancock Mrs. Hancock went to England from Shanghai second class as is customary and I find her ticket cost Mexican $681.91. Mr. Hancock was given Gold $500.00 which exchanged that day for Mexican $1,100.00. In settling with them, may I suggest that you use this figure in making the adjustment assuming the amount that would have been paid if Mrs. Hancock had been with her husband. In this case the account would be as follow s

Due Mrs. Hancock	G$500.00	Mex $1,100 00
Actual advance		681 91
Due Mrs. Hancock in		Mex $ 418 09
Or at the rate of Mr. Hancock's acct.		Gold $ ~~199.13~~

As far as I know we have never had any family with children make the trip via Europe so have no former precedent to follow, but I would suggest that we allow them 10% of the 500.00 allowed the adult, or Gold $50.00 for Macklin who was under two years of age. The charge across the Pacific is 10% and we would have paid that amount if they had returned via U.S.A. If you agree with this proposal - which you understand is only a suggestion as a fair settlement - the Hancocks would be entitled to Gold $249.13. This is a definite charge against the emergency account.

I think this clears the slate once more - except the Griffing medical bill. I have no record of any such item in my files, but please do not interpret that to mean that it may not be there! There are a good many things that I have not been able to check over as yet, but a hurried search failed to reveal any such account. Mr. Griffing is a very modest person about accounts, and I would be willing to take his word for the veracity of this item. I will leave it to your judgment to adjust.

We had a very pleasant week end in Hangchow - having less than eighteen hours to spend there due to the pressure of work these days - but it was very refreshing to find there were still mountains in China and the calm peaceful West Lake was refreshing. The train was comfortable and ten minutes ahead of schedule last night!

With best wishes,

Cordially yours,

Elsie M. Priest

1105

TRANSFER

Nanking

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

20 MUSEUM ROAD, ROOM ~~528~~ 531
SHANGHAI, CHINA

November 14, 1927.

Dear Mr. Garside;

Your letter of October 17th has just come in and I think the various matters have been or are in the process of being adjusted.

I am very sorry to read the last paragraph in which you make the suggestion that I am critical of the work you people have been doing. I certainly have not intended to give that impression and if I have written to you frankly, it was because I thought you preferred to have all the facts. There certainly should not be a undercurrent of criticism in either your letters or in my letters to you - especially when there is so much from the outside these days. We shall have to face the cost of home administration through the eyes of our Chinese administrators before very long, and I find I dread the ordeal. They have very decided opinions on the subject, and we shall need to be very careful. I have to preach economy all the time in every letter or every conversation I have with our men from Nanking, and it means we must practice what we preach these days if we intend to have definite results!

There have been many times when I have been extremely sorry that I returned to China, many times when I have wondered if it was worth the effort it requires, but we have to read between the lines and remember that mission work carries little merit on this earth.

There is a great deal of work before us to have the school properly registered and all the rest, and it will cost a great deal more than we have funds in our budget, but Dr. Chen has accepted the appointment as president, as you know, and we are making some progress with the rest of it. It is not entirely smooth sailing, and the role of treasurer carries some definite problems these days - especially when we have no money. You will note from the minutes that the Board of Managers have given me permission to borrow 15,000.00 to carry us through December and January if we find we shall require it and I anticipate we shall! You do not have undivided monopoly on financial problems these days!

not yet yes

Assuring you that I have no desire to have anything but the spirit of cooperation existing between the two offices and hoping that you may not interpret any letters that I may send to mean criticism in any way -

Cordially yours,

Elsie M. Priest

University of Nanking

November 16, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

Herewith we are sending you a copy of a letter which is today going to Dr.Hutcheson. On October 29th Dr.Hutcheson wrote asking that we reimburse him for two amounts paid out by him personally for items which he feels are really University business. The first item, as you note, was a charge of $10.50 for a medical magazine which has been going to the University Library. Dr.Hutcheson has assumed responsibility for the subscription after September 1927, but feels that the University should pay for it before that time.

The second item he raises is a request that he be reimbursed for customs charges on a package addressed to him which arrived in Shanghai after he left and was, I believe, distributed among the refugees in the city. We quote below what Dr.Hutcheson says on this subject. Will you please advise us what action, if any, should be taken by this office?

> "Another small matter is one covered by the letter from our Treasurer in Shanghai, namely this. After we had all sailed from Shanghai in March and April came a package of various articles for the 'hospital refugees'. This included Dr.Daniels family, mine, and the other foreign members of the staff. Miss Warner sent this out but it came too late and none of us saw one item of it. It came, however, in my name and though I had already sailed from Shanghai via Europe the package was claimed and charges made to my account, by the mission treasurers. It seems only fair that these things which were never received by any of us personally but were used by other refugees in Shanghai, I presume should not be to my personal account. Of course, the mission treasurers have to hold some one responsible and I am the logical one as they came in my name. It would seem only right that this small item be taken care of by the funds of the University hospital as I do not feel in position to take on any more than I can handle. I lost everything I had in China and have so far received nothing to cover any loss and simply have to be careful not to take on more than I can help. I think you can arrange this item of Mex.$7.35 as legitimate hospital expense as it was sent definitely to hospital refugees and not to me personally at all. I would greatly appreciate it then if you will send me cheque in U.S.currency for $10.50 to cover hospital part of subscription to the Journal and if you will instruct someone to pay the account in Mexican of $7.35 as called for in this note in the letter from Mr.Smith."

Very cordially yours,

BAG-H

TRANSFER

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

December 2, 1927.

Mr. B. A. Garside,
New York.

See binder

My dear Mr. Garside;

I enclose our regular budget statement of November 1st which in the case of the New York office represents the quarterly statement. I have indicated the expenditures for the three months against the appropriation for the year, and regret that this year has to carry so large a proportion of "left-over" items from last year. Under the new by-laws each department receives a quarterly statement (it has been our custom for years) and so I am sending it to you by way of information as far as your office item is concerned. I do not know that the rest of the statement will ~~of~~ be of special interest to you - because of the unusual financial problem this year, we are sending monthly reports to each department and this is the summary sheet.

Thanks for the information regarding the item from the Neponset Church. I am sorry it caused you any inconvenience, but I am sure you must know that our files are not in Shanghai, but are in Nanking, so we are dependent upon your records for such items at times.

I believe all the various items have been cleared except the one regarding the statement of January 1, 1927. I asked Mr. Sie to look it up but he has not found it yet and there does not seem to be a copy on record here. I am afraid I have not time to go back and do the work over, so perhaps it had better be cancelled for the time.

The statement for October 1st will be included with the minutes of the Board of Directors meeting.

There is one item on the September statement that I fear may cause confusion if it represents an item charged to the emergency fund for rent and light. The item stands as follows;

76 - Rent and Light Special 50.35

I can readily understand your point of view in making such a charge against the emergency office if you are treating it as a separate office, but there is danger of it being a double charge - I question if the charge made against the University of Nanking for overhead should not cover the emergency office account as well. You may say that it is an item entirely within your own office accounts, but that is not quite true when it appears on our statement, for any item reported to the field becomes a part of our accounts, and we must consider the New York office accounts as subsidiary to our entire accounts to be incorporated in our final statements. I fear it has been stated very badly, but I shall be glad to know exactly what the item covers. As far as special stationery, etc. for the campaign are concerned, there is no question at all about it being a legitimate charge, but I am not sure ~~there~~ an item for rent and light should stand. Should this work not be considered as part of the New York office for Nanking business?

12-2-27

We have completed our plans for re-organization and while there is a great deal of work to be done before they are in shape - still they have been accepted, the Board of Directors have convened and we are all operating under the new regulations and new leadership. It was necessary to re-write the by-laws but we all feel quite sure that the ones adopted are far better for our purpose than the ones presented at the meeting in the summer.

We were very glad that the Presybterian Board sent us word about their action regarding the staff quotas - in lieu of Dr. Williams, Mr. Speers and Dr. Daniels. It came in time for the meeting and was an encouraging item to report. We were also glad to have Mr. Day's letter that he was continuing his gift to apply against my salary.

How about the other boards?

With best wishes to the office staff,

Cordially yours,

Elsie M. Priest

We have completed our plans for re-organization and while there is a great deal of work to be done there is hope - still they have been accepted. The Board of Directors have convened and we are all operating under the new regulations are now formally. It was necessary to re-write the by-laws but we all feel quite sure that the ones adopted are far better for our purpose than the ones presented at the meeting in the summer.

We were very glad that the Presbyterian Board sent us word about their action regarding the steel quotas - in like manner, Mr. Higgins, Mr. Spotts and Mr. Daniels. It was a time for the meeting to use an encouraging item to report. We are very glad to have Mr. Day's letter that he was continuing his visit to apply pressure in Mr Dewey's.

Has about the air raids

With best wishes to the Prince of Peace.

Sincerely Yours,

THE UNIVERSITY OF NANKING

NANKING, CHINA

PLEASE SEND REPLY TO
SHANGHAI OFFICE.

20 MUSEUM ROAD, ROOM 526
SHANGHAI, CHINA

INDEXED

December 9, 1927.

Mr. B. A. Garside,
New York.

Dear Mr. Garside;

This will acknowledge receipt of your letters of November 7th, 9th, 11th, 12th and 14th together with the October statement. There are a number of items to take up with you in reply to these letters, but some need further details from Nanking so I will postpone my reply until the next mail.

I enclose an order on the American Church Mission - Mr. Lewis B. Franklin, Treas, 281 Fourth Ave. New York City - for seven hundred twenty-two and 15/100 gold dollars. Will you kindly collect this money and credit it to our University Hospital account? I shall probably draw a special draft for this sum during January. It covers hospital supplies which we had in Shanghai and were able to sell to St. Luke's Hospital.

There is one item which I will mention in this letter and that is in regard to the exchange items for 1925-1926. Mr. Owen sent the statement to Dr. North who showed it to me at the time we were working on the Methodist special contribution last year. Undoubtedly there is a copy in Nanking, but I shall make out a new one just as soon as I can and forward it to you. There are a good many things to "be made out" these days and inasmuch as the volume of work in November was nearly twice what it was in October, there are altogether too few moments in the day.

I shall have a detailed emergency statement to forward by the next mail - it is not quite completed and the mails close tonight. You are interpreting the action of the Trustees' meeting in June somewhat differently than I have inasmuch as you are charging to the emergency account the difference between field and home salaries. If you are correct, we shall be most delighted as it will relieve us of a great deal of anxiety in making "both ends meet" this year, and I shall gladly make the corrections on our books. However, the statements which I prepared for the Trustees, the budget that was approved by the Managers and forwarded to the Trustees and all our expenditures have been based on the other interpretation; namely, that the field was responsible for all salaries after July 1st, and the only charges for the emergency fund were the unusual allowances, such as medical, rent, outfit, freight, etc. I am sure that Dr. Bowen had the same understanding that I did in regard to salaries, but if you are correct we shall be very happy to make the changes and accept the difference in cash!

With best wishes,
draft for 722.15 enc

Cordially yours,

Elsie M. Priest

Nanking

University of Nanking

December 13, 1927

Miss Elsie M.Priest,
20 Museum Road,
Shanghai, China.

My dear Miss Priest:

Yesterday's China mail brought your letter of November 11th and your two letters of November 14th. I have already written to Mr.Reisner with regard to the famine funds account to which you refer in your letter of November 11th and am enclosing a copy of that letter, so I need not comment more fully on these famine funds.

I am adjusting Mr.Small's account and Mr.Hancock's account according to the information you give in your letter of November 14th. I am very glad to get these two long outstanding items finally cleared up and I know that Mr.Small and Mr.Hancock will be glad to get these extra remittances in time for the Christmas holidays.

I am glad to learn from your second letter of November 14th that comments in earlier correspondence were not intended to sound critical. Certainly we must all feel free to write to each other frankly and to fully present all the facts that must be faced. It is not always easy for the recipient of a letter to know where facts end and criticism beging. While I was in China I know that I frequently commented on the critical tone of much of the correspondence coming out of New York. During the last few months I have been amazed at the apparently critical tone of many of the letters we have received here. I suspect that all of us missionary folk try so hard to be patient with our Chinese colleagues and our other co-workers that we unconsciously give vent to our suppressed feelings in our correspondence. If our correspondence from New York has been guilty of that tendency we abjectly apologize.

The Christmas holidays will be over before this reaches you but at least it will be in order to wish you a most happy and prosperous New Year.

Very cordially yours,

B A GARSIDE

BAG-H