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UBCHEA ARCHIVES
COLLEGE FILES
RG 11

Nanking
Corps.
Priest, Elsie 1938 Jan-Jun

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0289

12B Ahlia Building
Hankow
January 3, 1938.

Mr. C. A. Evans,
150 Fifth Avenue, New York.
Dear Mr. Evans:

On November 11th I send by registered air mail a request for you to send immediately a check for US\$178 00 payable to the London Life Assurance Co. Regina, Sask. Canada for Miss Florence A. Kirk to cover life insurance due December 8th. This was to be charged to Ginling College. The company has written that they have not received this check and of course, we were never sure of letters going through, so it may have been lost enroute. If not sent, please send immediately and explain for the delay in order that the policy may not be injured by the deferred payment. In these days of very slow communications we have to repeat many requests. Her policy is No. 212744.

Yesterday and today we received air letters from Mr. Wheeler - the latest dated December 20th.

President Wu of Ginling expected to leave by plane today but for some reason no planes arrived today, so she did not get away. We shall hope she can go tomorrow. She will go to Chengtu for the present.

(I have so little to report - we have written all we know about Nanking and from the newspaper clippings sent by Mr. Wheeler I imagine you have more facts than are being printed in China.)

President Chen and the rest of the administrators, excepting myself, will start for Chengtu within the week. I shall wait for a few weeks, close this office, wait for Mr. Bannon to recover sufficiently to go with us or be sent to Hongkong, and then probably go westward myself. We are trying to discover whether there is any value in remaining in Hankow - there seems little use at this stage.

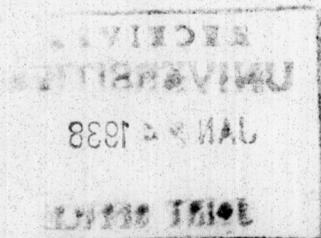
Dr. and Mrs. Thomson, Dr. and Mrs. Brady, Mrs. Lewis Smythe and children, Mrs. C. S. Trimmer and children with other Nanking friends went through here last Thursday, 30th, enroute for Hongkong and eventually Shanghai. They have left Kuling - the American school has been closed and nearly everyone has left the mountain. I will try to keep you in touch with the movements of all staffmembers and hope they may soon become settled somewhere in China!//

In case you wish to reach me in Hankow by cable, use Priest, Lutheran, Hankow I think you had better address everything to Chengtu unless it will reach here by February 1st, 1938. After that date our plans are indefinite and so is the future of Hankow. We think it is safe enough until that date. In any event Miss Anderson will be here through February and can handle any letters that may arrive.

I will enclose a copy of a letter President Chen has just sent to the Board of Directors - please share it with the others in New York who may be interested. A copy has gone to you by ordinary post from Hongkong.

Sincerely yours,

Elmer M. Priest



0290

13B Ellis Building
Hankow
January 3, 1938.

Dear Mr. Evans:
150 Fifth Avenue,
New York.

On November 15th I send by registered air mail a request for you to send immediately a check for US\$178.00 payable to the London Life Assurance Co. Regina, Sask. Canada for Miss Florence A. Kirk to cover life insurance due December 8th. This was to be charged to Gilling College. The company has written that they have not received this check and of course, we were never sure of letters going through, so it may have been lost enroute. If not sent, please send immediately and explain for the delay in order that the policy may not be injured by the deferred payment. In these days of very slow communications we have to repeat many requests. Her policy is No. S12744.

Handwritten notes: "Kirk", "12/15/37", "12/15/37"

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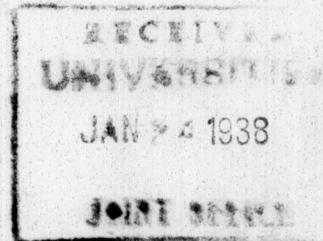
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Sincerely yours,

Handwritten signature: "Fair M. Dent"



1920

2273 Pepper Drive
Altadena, Calif.

Hankow, China
January 11, 1938.

ack 1/25/38

INDEXED

Dear Dr. Garside:

I am anxious to have word from Nanking and the group sent to the various staff members now on furlough, but postage is so costly for individual letters which are not always able to go through anyway that I am taking the liberty of asking if you will have this letter copied and transmitted to the following: Dr. A.J. Bowen, ~~2103 Monroe St. Madison, Wis.~~; F. P. Jones, 2103 Monroe St. Madison, Wis.; B.A. Slocum, 2810 Gleneden St. Los Angeles, Cal. M.W. Arms, 732 St. Marks Ave. Brooklyn, N.Y.; A. N. Steward, c/o V. L. Steward Brooks, Oregon, J.H. Daniels, 3103 Portland Ave. Minneapolis, Minn. Grace F. Riggs, 204 First St. Scotia, N.Y. W.P. Fenn, Berea, Kentucky. J.T. Illick, 2128 Hillcrest Drive, Los Angeles, Cal. Mrs. Oliver J. Caldwell (you have this address but I fail to have copied into my book) Mrs. J. E. Williams (~~W.R.~~ Wheeler ~~also in this book of addresses~~)

152 Grove St. Auburn Mass.

c/ Rev. Charles Holcomb
West Park Drive
Watertown, N.Y.

At last we have received word from Nanking in the following telegram through naval radio from Searle Bates:

"Sheltering thirty thousand refugees. Institutional losses within city moderate. Many residences robbed. Minor injuries staff, more serious in families. Hospital current considerably aided local contributions. Brady needed. Where are he and family. Thanks yours seventh. Bates."

also one from Minnie Vautrin concerning Ginling College:

"Inform Wuyifang and units staff all safe. One servant still missing. Academic buildings not injured. Are now sheltering approximately ten thousand women and children. Many reasons for deep thanksgiving. Have informed Griest. Vautrin."

From the press reports you will all know that the occupation of Nanking by the Japanese was a reign of terror and we have been very sad over reports which have been most meagre indeed. Even now we have no details, but I think you may all be assured that your worldly possessions left in the Capital are now being used by the Japanese army - in fact, it is reported that even furniture was packed on boats and taken back to Japan. I cannot verify this tale! The safety zone saved our buildings from destruction and from all reports the damage has been slight - one shell landed in the hospital compound but I do not know the extent of the damage.

You may know that we left Nanking just before the Japanese arrived - the last group went out of the gates on December 3d - and were a few hours ahead of the bombing of merchant ships on the river, particularly at wuhu. Planes were over our heads often, but no bombs descended upon us and we reached Hankow safely. Bombs still continue to rain down in Hankow - we had a bad raid this morning. The Nanking group were here for only a short time as it seemed best to start them up river and away from this area at the earliest possible date. There were around six hundred people, including relatives and friends of course, in our group and nearly every one is on his or her way now. Peter Bannon was ill with incipient pneumonia and in the hospital for two weeks, but came out today so will be ready to go with me to Chengtu next week. Some of our group are still waiting in ~~Chengtu~~ but our friends have been kind and through graduates and staff we have been able to arrange with the Ming Seng company to take the group on in small lots. The water is low so it takes time to move large groups of people. We were able to bring 483 cases of equipment, knowing that once Japanese occupied Nanking it would be impossible to move anything from the campus and ~~ixix~~ they are all in Ichang. We shall have to leave some of them there, but the most needed items are being packed in trunks as personal luggage which we hope may go through fairly promptly.

The Provincial government of Szechuen is giving us a royal welcome and manifesting their sincerity by erecting four temporary buildings to cost 20,000 00 on the campus of West China Union University. In addition W.C.U.U. is erecting one dormitory for our students - they will need this building later but decided to erect it now so we could have it during this period. We expect to open the University second semester about March 1st. All deans and Dr. Chen are now

on their way to Chungking and should reach Chengtu before the first of February. We are all aware of the great interest the Szechuen people have in the College of Agriculture and expect that we shall emphasize that phase of our work during our exile in the west. We have our complete staff with us - I mean by that, we have planned to have sufficient teachers to carry every department.

West China Union University has asked us to take over their Freshman English and introduce our system of teaching - that seems to be a definite contribution the staff can make and the English staff are planning to do so. It is not clear, of course, how many students will appear! The student body will naturally be very small and we are not counting on more than 200. The Rural Leaders Training School and the Middle School will most likely go to Wanhhsien although it is not yet decided.

I think it is unnecessary to give you any further news from the Chengtu end - after we reach there and start the work, I will try and send another note to you. Peter Bannon, Chao Tung-tsu and I will leave here about the 17th and hope to go through to Chengtu without great delays enroute. We are closing this office except for one assistant for Agricultural Economics Department, who remains here temporarily. Hilda Anderson will remain in Hankow for some weeks as we have loaned her to the League of Nations for a short time. Address all letters to us in care of West China Union University, Chengtu, Szechuen. If important, send by China Clipper - the air letters make good time and there is a good air service between Hongkong and Chungking. If you would like to reach the Nanking group, I suggest naval radio through Washington. We hope it may be possible to send letters into Nanking before long but at present there are no post offices and no way of sending any word through the lines except as individuals manage to get through. Of course we are cut off on account of the booms across the Yangtze below Kiukiang, so the only way we can send anything through is by Hongkong and Shanghai.

The Thomsons, Bradys, Smythe family, Trimmer Family, all went through here a few days ago, December 30th, enroute for Hongkong on the International train. Today brings a letter from the Thomsons indicating most of them have started for Shanghai (the Kuling School has combined with the Shanghai school). Mardie Smythe and the children are remaining in Hongkong for the present and I have no word of the Bradys so do not know whether they went on to Shanghai or not. Nanking group is trying to get in touch with him to return to the hospital - if I can reach him will do so. Everyone is well - the children who came down from Kuling looked unusually well - and while there was great uncertainty as we had not received any direct word from Nanking when they were here, they were in good spirits. Late the day they were to start for Hongkong, a telegram came through stating that all "husbands" were well - we interpreted it to mean that there had been no injuries to any of our Americans there. There were only a few Chinese families left in the city - but the telegram indicates that some of them must have suffered at least severe injuries. We are all eager to have word of our particular homes, of our servants, of our friends, but I fear it may be some weeks before details can come through to us.

The war clouds are gathering over this part of the land just now - nobody can know what each day may bring. Anna Moffet is here working with the International Red Cross. Dr. Wu Yi-fang is now in Chengtu where a number of staff and students have gone. Ginling has another unit in Shanghai and it is now being proposed to open a joint "war" university - Cheeloo, Soochow, Hangchow and Ginling all cooperating, perhaps a sort of correlated institutions. The only drawback is that none of them have any equipment. Eva Spicer is here but may go on to Shanghai before many weeks. Catharine Sutherland plans to stay at Wuchang for the present and if Chung opens, she will help them out.

Greetings to you all - I have wanted to send personal messages but there has been little to report and I knew you would have all the press notices long before we saw them here. One of our best reports came from New York in an air letter!

Thank you very much for sending this out for me through the office.
Sincerely,

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Thank you very much for sending this out for me through the office.
Sincerely,

4920

RECEIVED
UNIVERSITY OF CHINA
8881 2 21 38
SHANGHAI

GINLING COLLEGE

January 11, 1938.

Dep 1/15/38
no 512

Dear Mr. Evans:

Will you kindly deposit one thousand dollars United States currency (US\$1,000.00) in the Central Hanover Bank and Trust Co. to the account which you have opened in the name of President Y. G. Chen. I asked you to deposit US\$3,991.02 to his personal checking account - to be opened by you - charging this amount against the University appropriation. This second amount of 1,000. is to be charged against Ginling College appropriation for the year. I have used the money given in exchange to help finance our trip up river.

I have written a number of times about the loan of 20,000. due the bank early in February. Just recently I have discovered a way of financing it here and if plans continue to work out I shall not need to call upon you for aid.

How about all the emergency money you people are raising for us? I receive glowing accounts that 105,000. and then 140,000. has been raised - we could use a few tens of thousands most easily these days. Let me know - Ginling bank balances are not a heavy burden to the banks these days.

44 "Before I start for west China I will try to prepare and send to someone a new revised emergency budget. Conditions change hourly so budgets have lost their value, but we still figure them out."

Sincerely yours, *Ethel M. Smith*

9920

RECEIVED
UNIVERSITY
JAN 2 1938
1938

GINLING COLLEGE

January 11, 1938.

Handwritten notes:
12/17/37
12/17/37
12/17/37

Dear Mr. Evans:

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Sincerely yours,
Chen Y. G.

Handwritten: *check it*
note 1/31
nankow, January 18, 1938.

Dear Dr. Garside:

Your letter of November 29th reached my desk this morning and I am glad to have the matter of travel for Dr. Chen settled. We are starting for Chengtu this afternoon - all the luggage had gone and I seem to have a few moments that are free so will write this note to go by Clipper today.

The mail just came in with eight letters - the most mail I have had in months! In it was your Clipper letter of December 28th - I will read more carefully on the way. Financially we have struggled along without too much trouble, and I seem to have funds in sight to take care of us for the next four months. Some of our reserve funds came due and we dediced to use them here, fearing currency may change values and so temporarily I shall not need to draw any more funds from New York. This is merely borrowing against funds that we would normally not touch but perhaps it is wiser these days of uncertainty to use our funds in China and reserve the funds abroad.

I wish I was as secure about Ginling College - I find it is increasingly difficult to find enough coppers, but perhaps we can manage some way. Bankers are not too optimistic about China being able to maintain fixed exchange and currency, and some predict a grand slump in about a month - I am not wise enough to know what may happen but we have sent around 70,000. to Szechuen and I believe it may be able to hold at fair value longer than at the ports.

In one letter this morning, someone mentions that Ginling was planning to re-open in Nanking. I smiled at the thought judging from our reports of Nanking. Nobody is planning to open anything in nanking these days. We are filled with fear and apprehension for each day for Chinese forces are pressing hard and it will not be surprising to have Nanking once more the battlefield - and what may happen if Japanese have to withdraw from the city makes us shudder. Nobody can return there - except Embassies. We receive meagre news from the group in Nanking - yesterday a wire came from Dr. Bates:

"...Local problems grave. No banks ordinary travel or communications.

The rest of the cable concerned local problems of staff and money which are of no great value to the rest of the world.

You will know our plans are to re-open for second semester in Chengtu on the West China Union Univesity campus. I think it is impossible to re-open any unit in Nanking for some time to come. As Dr. Stuart wrote privately to a friend in Hankow recently "I would prefer bombs to the agony of the supervision from Japan" - it is spiritual and mental agony, or something to that effect. We fear that would be true especially after the terrible days in Nanking. So we shall try to do some work in West China and go back when the way is open to us. I have arranged to have Nanking messages forwarded through the consulate here, so will continue to be in touche.

Address me at West China from now on - perhaps Clipper letters for anything important. The November statements appeared the other day so we are not too badly behind - or perhaps they were October. These days have been so full of packing once more that I put them away without looking carefully. The trunks and boxes are now off and I shall start immediately. I am glad of the trip through the Gorges - at least some compensation for all these days of turmoil!

Sincerely yours,

Elaine M. Priest

noted M.G.

0297

nanKow, January 18, 1938

Dr. Garbide

Dear Dr. Garbide:

Your letter of November 23th reached my desk this morning and I am glad to have the matter of travel for Dr. Chen settled. We are starting for Chengtu this afternoon - all the luggage had gone and I seem to have a few moments that are free so will write this note to go by Clipper today.

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Sincerely yours,

Linling

Linling

8920

January 25, 1938

Miss Elsie M. Priest
University of Nanking
West China Union University
Chengtú, Szechwan, China

Dear Miss Priest:

Let me acknowledge receipt of your letter of January 11th. In accordance with your request, we are transmitting copies of this letter to all of the friends whose names are listed.

We can not adequately express our admiration for the way in which all of you have been carrying on during these months of ~~great~~ strain. We do hope that this will find all of you living under much more normal conditions in Chengtu. I am afraid that conditions there will be terribly crowded, but we trust that it will still be possible to do reasonably satisfactory work.

The news coming through from Nanking is certainly ghastly, and we realize that many of the worst details must be left entirely to our imaginations. About the only comforting thought we have these days is that by its very nature such warfare can not continue always, and we are confident that when it is all over China will remain and will continue to go forward.

Very sincerely yours,

B A GARSIDE

BAG:MP

0299

January 25, 1938

Miss Elsie M. Priest
University of Nanking
West China Union University
Chengtou, Szechwan, China

Dear Miss Priest:

Let me acknowledge receipt of your letter of January 11th. In accordance with your request, we are transmitting copies of this letter to all of the friends whose names are listed.

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Very sincerely yours,

B A GARSIDE

BAG:MP

0299

January 31, 1938

Miss Elsie M. Priest
West China Union University
Chungku, China

Dear Miss Priest:

I called you Saturday stating that your letter of December 30th, had not been received, wherein you asked us to open an account for Dr. Y. G. Chen. This morning at 11 o'clock your letter came to hand and we immediately went to the Central Reserve Bank and Trust Company and opened an account in Dr. Chen's name. We have sent him a separate letter with the receipt and, also have forwarded check books under separate cover. This permits us to comply with your request as outlined in your letter of January 11th to deposit \$1,000 U. S. of Sinking College money to Dr. Chen's account. We have charged this to the current budget.

I am very glad to know that arrangements have been made to extend the 20,000 local currency loan with the banks, covering the purchase of real estate.

Your inquiry about the funds we are raising is noted, and we are glad to say that the first \$105,000 is in hand at the present time. The \$145,000 has not been secured and the indications seem to be that we must go out and dig up new resources of revenue and new prospects. Thus, you will see it is not as simple as reported cursorily.

I am also answering your letter of January 3rd, which refers to the payment of \$175. to the London Life Insurance Company for Miss Florence A. Kirk. This was taken care of and the policy is still intact.

We were distressed to learn of Mr. Johnson's illness and, from your later letter, that he must be in the hospital for some considerable time. We trust that it will not prove as serious as anticipated.

The letter which you enclosed written by President Chen is being circulated - now being in the hands of Mr. Wheeler.

With sincerest regards, I remain

Yours very truly,

GAB/S

G. A. Brown

0300

January 31, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chongta, Szechuan, China

My dear Miss Priest:

Mr. Garaidé has turned over to me your letter of January 18th from Hankow. This was written just before you sailed up-river, and we note that apparently you have on hand enough cash for the next four months, and that you are following the custom of our other colleges in using your field funds rather than drawing on U. S. dollar accounts in America.

Possibly I have written you regarding the exchange. When Stephen Tsai came through Shanghai early in December, the bankers were confident that the exchange would be stabilized during the following three months, which would carry through to approximately April 1st. The opinion was that after that anything might happen.

I am not sufficiently familiar with the correspondence to know who suggested the opening of Chinling at an early date. Surely none of the communications point in that direction, and from present indications it will be some time before Nanking can be occupied for anything like even sub-normal activities. The news which we receive from Nanking is distressing to the very last degree. No one can understand this situation, and neither can we appreciate the position of the various nations dealing with this horrible problem. I am planning to send a cable through the U. S. Consulate to Mr. Bates to ascertain the condition of the property and how he is able to carry on financially.

With sincerest best wishes to you all, I remain

Very cordially yours,

CAE:RC

0301

WCR
January 31, 1938

Miss Elsie M. Priest
West China Union University
Chengtu, China

Dear Miss Priest:

I am writing you regarding the action taken at the last meeting of the Finance Committee of the University of Nanking. The minutes are not ready for distribution, and for that reason this will have to be a bit longer to give you an idea of the thought of the Committee.

Briefly, \$10,497.91 has been received by Nanking representing its proportion of the Associated Boards' collection on the first \$105,000. Shortly after the first of the month the balance, or a total of \$14,725, will be paid to Nanking. Of this amount, the Committee allotted \$1,000 for emergency travel for the Riggs and Miss Bowen, \$2,634.65 representing balance on medical supplies, and \$4,500 covering three months' appropriation for the hospital. This will leave \$6,590.55 for allocation; and it was voted that we dispatch a Clipper letter to you at once informing you that this amount is available and requesting that you advise us how it is to be used, as it may be used for any allocation which you may designate. The Committee desires you to give this as early attention as possible.

In this connection, it was requested that, as soon as feasible, you give us a statement as to your obligations in Chengtu and that, if possible, you separate the costs of the University of Nanking up to the time you left. We are writing Mr. Bates asking for the cost of carrying on since that time, and what he anticipates will be the expenses for the rest of the year at Nanking. This may be a very difficult thing, but we hope we can secure some sort of an estimate. The Committee also discussed the question as to what will be done with foreign staff if the student body is reduced to a very large degree. Quite naturally, there will be a relative reduction in costs all along the line.

I note in your letter of January 11th, you stated that you would prepare a revised emergency budget, but apparently you have not been able to get this done. We all realize the difficulties involved in moving the University, staff, and student body to Chengtu, and the Committee was reluctant to raise any question at all with reference to the expenditure involved. There was, however, an undercurrent of feeling which developed into an action, as to the responsibilities you all are facing at the present time. No one of you should be called upon to bear the burden of this responsibility, but it seemed apparent that the Board of Managers could not take action without a great deal of delay. It was, therefore, suggested, and eventually voted as an action, that a committee of five be established at Chengtu in case the Board of Managers had not been reorganized; this committee to be responsible for the administrations and for financial expenditures. The committee voted was as follows:- President Y. G. Chen, Miss Elsie M. Priest and Bishop Ralph Ward, with two others which these three may elect - It being the understanding that any two of the three may act in the absence of one of the others in appointing this committee.

0302

Miss Elsie M. Priest

-2-

1/31/38

We know it is very difficult for you to keep in touch with us under ordinary circumstances, but now it will be even more so. The difficulty of communication with Nanking was bad enough, but now, with the additional distance to Chengtu, it will be increased considerably. However, do the best you can, as it is our desire to stimulate this Board in some action, and the more information we have at hand the more interest can be established.

There was deepest sympathy expressed for you all in this great trial which you are undergoing and, I am sure, that everything possible will be done to render assistance.

Very truly yours,

G. A. Evans

CAE/B

0303

INDEXED

February 8, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Changtu, Szechwan, China

My dear Miss Priest:

On January 31st we wrote you that the balance available for the allocation by the field from the \$14,725. accruing to Nanking from the first \$105,000. collected would be \$8,590.35.

In computing this on the basis of actual receipts for emergency, we find that the previous collections we have made must be included, thereby reducing the amount available for field allocation by a similar figure. Therefore, the net figure available for the field is \$4,409.35. If the authorizations of \$1,500. each for November and December are not drawn for the hospital, \$5,000 additional will be available.

The following cable came to hand this morning from Mr. Bates in response to ours of January 31st, reading as follows: "Please report conditions camps and buildings, also maintenance cost and source of funds. Trustees grateful for your devotion."

"YOURS RECEIVED FEBRUARY SECOND IN TWENTY THOUSAND BUT ALL NANKING FARMS DISASTROUSLY DESTROYED LOSSES PERHAPS NINETY THOUSAND HAVE CASH SALE MAINTENANCE TILL MAY ESTIMATE PAYMENT COMING FISCAL YEAR FOUR THOUSAND MONTHLY FOR SKELETON STAFF SERVANTS LABORERS REPAIR ONLY AGAINST ACTIVE DETERIORATION CURTAILED WORKING OF FARMS NO RESTORATION OF PROPERTY HAVE TOOLS AND IMMEDIATE NECESSITIES FURTHER REQUIREMENTS IN DESPERATE FLIGHT OF THIS AREA AND MAINTENANCE OF HOSPITAL WHICH IS FOURTEEN THOUSAND MONTHLY ON PRESENT RESTRICTED SERVICES WHILE LOCAL INCOME PRACTICALLY CEASES ALSO EMERGENCY AGRICULTURE SERVICES ON THE SMALL SCALE POSSIBLE WITH SCANT PERSONNEL REFUGEES STILL NINETEEN THOUSAND SEEKING PARTIAL PROTECTION UNSETTLED CONDITIONS OTHER PARTS CITY AND COUNTRY SIDE"

So far drafts for the \$1,500. appropriated for November and December have not been presented at the New York office, and we do not

0304

know whether or not they have been drawn.

We are now hard at work to try to raise the next \$145,000 in the emergency campaign. Will report to you from time to time on progress.

With sincerest regards to you, I remain

Very cordially yours,

CAE:RC

0305

RECEIVED
UNIVERSITY
MAR 7 1938

Ginling College, Chengtu, Szechuen
February 12, 1938.

ack
3/7

Dep. 2/1/38
534

Mr. C. A. Evans
New York City.

Dear Mr. Evans:

Your letter of January 11th was waiting for me in Chengtu as Miss Anderson had forwarded all letters from Hankow. We are overjoyed to have US\$9,321.75 for Ginling and it has lifted the load for the moment.

Please deposit this money immediately in the Central Hanover Bank and Trust Company for the account of Ginling College. I can handle checks more easily than drafts this year especially as we are so far from Shanghai. Often people wish to buy US currency checks thus giving us a chance to secure local currency quite easily without sending checks through the very uncertain post of today.

A few weeks ago I asked one of our Shanghai friends to consult business men and bankers in Shanghai concerning the present financial condition in China. As a result I have been advised not to sell any more American currency than is absolutely needed. They feel that the country will be able to hold the currency for the present and to quote from the letter "His (Mr. C. R. Bennett, formerly National City Bank and now American Boxer Indemnity Funds) own belief is that the Chinese Government has ample reserves against these (bonds and currency) at the present time and that if they can resist the temptation to sequester these funds for munitions and war expenses, the people will not suffer." There is some danger of inflation and of having bank balances frozen by the government as was done last August to some extent. Therefore, we are trying to be very cautious about changing funds and are using all our reserves in China as far as is possible. When a fixed deposit comes due we use that money, trying to keep in US currency the equivalent to replace these special funds later. Perhaps we are too conservative but war raises such havoc with currency in any land. If you hear we have a fairly large balance left in the Central Hanover Bank and Trust Company, please do not think we did not need the money that was raised but merely realize that we are saving reserve funds in this way - using local currency but keeping the equivalent in New York. I make this explanation in case there may be some question later because I do not intend to sell much of this sum of 9,321.75 at this time unless we have an emergency need not now anticipated.

The land loan that has been hanging heavily over our heads can now be cleared. We received a gift of US\$1,000. from a friend in America, and a loan without interest of £1000 from Miss Spicer. This has enabled us to clear that loan.

Sincerely yours,
Elin M. Priest

Gaining College, Chengtu, Szechuan
February 15, 1938.

RECEIVED
UNIVERSITIES

MAR 7 1938

Mr. C. A. ...
New York City.

Dear Mr. ...

Handwritten notes:
1/20/38
1/21/38

Handwritten signature:
W. D. ...

Your letter of January 15th was waiting for me in Chengtu as Miss Anderson had forwarded all letters from Hankow. We are overjoyed to have US\$9,321.75 for Gaining and it has lifted the load for the moment.

Please deposit this money immediately in the Central Hanover Bank and Trust Company for the account of Gaining College. I can handle checks more easily than drafts this year especially as we are so far from Shanghai. Often people wish to buy US currency checks thus giving us a chance to secure local currency drafts easily without sending checks through the very uncertain post of today.

A few weeks ago I asked one of our Shanghai friends to consult business men and bankers in Shanghai concerning the present financial condition in China. As a result I have been advised not to sell any more American currency than is absolutely needed. They feel that the country will be able to hold the currency for the present and to quote from the letter "Mr. C. R. Bennett, formerly National City Bank and now American Boxer Indemnity Funds) own belief is that the Chinese Government has ample reserves against these (bonds and currency) at the present time and that if they can resist the temptation to speculate these funds for munitions and war expenses, the people will not suffer." There is some danger of inflation and of having bank balances frozen by the government as was done last August to some extent. Therefore, we are trying to be very cautious about changing funds and are using all our reserves in China as far as is possible. When a fixed deposit comes we use that money, trying to keep in US currency the equivalent to replace these special funds later. Perhaps we are too conservative but we raise such havoc with currency in any land. If you hear we have a fairly large balance left in the Central Hanover Bank and Trust Company, please do not think we did not need the money that was raised but merely realize that we are saving reserve funds in this way - using local currency but keeping the equivalent in New York. I make this explanation in case there may be some question later because I do not intend to sell much of this sum of \$9,321.75 at this time unless we have an emergency need not now anticipated.

The fund loan that has been hanging heavily over our heads can now be cleared. We received a gift of US\$1,000 from a friend in America, and a loan without interest of \$3,000 from Miss Spicer. This has enabled us to clear that loan.

Sincerely yours,

Handwritten signature:
W. D. ...

7030

UNIVERSITY OF NANKING
OFFICE OF THE TREASURER
NANKING, CHINA

West China Union University
Chengtú, Szechuen
February 12, 1938.

INDEXED

ack 2/11

Mr. C. A. Evans,
New York City
Dear Mr. Evans:

Your cablegram about Dr. Chen's personal checking account was here when I arrived in Chengtu. Evidently my letter of December 30th went astray and as I have a copy I will enclose it for your information. Later I will send his signature, or we can wait until the bank sends cards. This is entirely personal but to make it easier to manage we are asking you to deposit through the University and Ginling as follows:

| | | |
|----------------------------------|--------------|----------|
| From University of Nanking funds | US\$3,991.02 | |
| From Ginling College funds | 1,000 00 | 4,991.02 |

The odd amount is due to the exchange - he gave me even thousand of Chinese dollars in exchange. Please see that a check book is sent to him together with the signature cards etc.

I have one further staff request: - please send one hundred dollars (\$100 00) to

*Paid 2/11/38
206327*

Mr. S. Y. Ko
c/o Secretary of the Agronomy Department,
Graduate School, University of Wisconsin,
Madison, Wisconsin.

*OK cash
Write
Ko 2/9*

and charge against our current account. His brother has paid me the equivalent in Chinese dollars here.

Dr. Chen and I reached Chengtu two days ago - it rained the day we had to cross the highest mountain so we had to walk through thick mud for some distance, not daring to stay in the bus as it slipped off the road two or three times! Somehow it seemed ridiculous to escape bombs in Nanking only to be pitched down a steep cliff in a very ordinary bus! So our trip was a trifle tedious and very very much delayed, but we finally reached here safely to find some thirty people waiting to greet us. They had waited five hours at the bus station!

Everyone is most cordial and plans are going along very smoothly. Our new buildings will be finished before long and we can then adjust the staff and students. Entrance examinations are now being held as we were anxious to have a freshmen class in order to preserve the continuity of our classes. There are something like 140 taking examinations but I do not know how many they will admit. We have around three hundred students who are expressing desire to come - we may have to limit the number as space is not great. However it will be worked out in time.

The treasurer's office has been assigned - we are on the ground floor of the educational building and have windows on a porch. We are having bars put on the windows and arranging a counter on the window sill, so students will only come onto the porch and not into the office, conducting their business through the window. It will work quite nicely even if not entirely ideally. Other offices are being assigned gradually but we had to start as salaries have not been paid for January and everyone needs money. I was disappointed not to find a letter stating that we had been given some emergency money for use on the field. The letter from Ginling was very cheering and will cover our immediate needs nicely and I covet some gifts for the University. I told the staff in Chungking that if we had word of some emergency gifts, we would not cut salaries further for January, but not having received such word we have sent out notices that we are reluctantly forced to cut another 20%, bringing all salaries down to 50%. It is not easy on staff, especially low salaried members, as they once more furnish a house and start to live in Chengtu. Please let me know just as soon as possible and deposit the money in the Central Hanover Bank and Trust Company. There are a number of things I wish to write but the day is over and I must send a few more letters before night.

Sincerely

Chen M. Pinck

ready

0308

UNIVERSITY OF NANKING
OFFICE OF THE TREASURER
NANKING CHINA

West China Union University
Chengtu, Szechuen
February 12, 1938.

Mr. C. A. Evans,
New York City
Dear Mr. Evans:

Your cablegram about Dr. Chen's personal checking account was here when I arrived in Chengtu. Evidently my letter of December 30th went astray and as I have a copy I will enclose it for your information. Later I will send his signature, or we can wait until the bank sends cards. This is entirely personal but to make it easier to manage we are asking you to deposit through the University and Gaining as follows:

From University of Nanking funds US\$3,991.02
From Gaining College funds 1,000 00 4,991.02

The odd amount is due to the exchange - he gave me even thousand of Chinese dollars in exchange. Please see that a check book is sent to him together with the signature cards.

I have one further staff request: - please send one hundred dollars (\$100 00) to

Mr. S. Y. KO,
Graduate School, University of Wisconsin,
Madison, Wisconsin.

His brother has paid me the equivalent in and charge against our current account. Chinese dollars here.

Dr. Chen and I reached Chengtu two days ago - it rained the day we had to cross the highest mountain so we had to walk through thick mud for some distance, not daring to step in the mud as it slipped off the road two or three times! Somehow it seemed ridiculous to escape bombs in Nanking only to be pitched down a steep cliff in a very ordinary bus! So our trip was a trifle tedious and very very much delayed, but we finally reached here safely to find some thirty people waiting to greet us. They had waited five hours at the bus station!

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Sincerely,
Chen M. Chen

9030

12B Dahlia Building
Hankow
December 30, 1937.

Mr. C. A. Evans,
University of Nanking, New York.

Dear Mr. Evans:

Will you kindly arrange to do a personal favor for me? President Chen would like to open a current checking account personally in the Central Hanover Bank and Trust Company in New York. He has deposited funds with me that are the equivalent of three thousand nine hundred and ninety-one and 2/100 (U.S. \$3,991.02) which amount I wish you to deposit in his name - Y. G. Chen - sending him the usual receipt and a check book. I am attaching a letter to the bank giving his signature for their records. This had better be addressed to him in care of West China Union University, Chengtu, Szechuen, West China.

Please charge this amount \$3,991.02, against our current funds for this year. I am treating the funds in the same manner as any ordinary draft, and will count upon it being charged against the appropriation for the year.

We are busily working on our books, trying to have all accounts recorded to January 1st and the semi-annual statements completed before the staff moves on to Chengtu. There are only about ten persons left in Hankow, all the others having started for Chengtu, although most of them are obliged to wait in Ichang for boats. We are trying to secure a boat to take them on to Chungking and Chengtu but the water is low and it is slow work. President Chen is still here in Hankow.

The word that is coming to us from Nanking fills us with horror and deep concern for the lives of many of our friends left in the city. Today one of the western friends, who remained in Nanking until the evening of the 15th, brings us the first direct word of actual conditions in the city. We have no definite word since that date although we know the 16th and 17th were both terrible days with many people paying the supreme penalty. Mr. Smith tells us that up until the 15th all our property was unharmed and our staff was safe although some had most harrowing experiences. Two of our Chinese staff members were being taken to be shot when rescued by three Americans, but we do not know what may have taken place the following days. The safety zone was observed as far as firing and shelling was concerned. Some shells fell in the southwest corner (the Nanking Theological Seminary campus) but the damage was not great. Just as soon as the soldiers entered the city they violated all laws on international law and order and killed every person in sight until the streets were piled with the bodies of innocent civilians who had the misfortune to have remained in Nanking. About three hundred of the best policemen in the city were left to guard the safety zone and every one was lined up and shot - a number of hundred Chinese soldiers surrendered arms and uniforms and gave themselves up as prisoners of war only to be shot in groups even after Mr. Fitch (who was director of the zone) had pled with leaders to use the usual methods of taking them as prisoners. Since that date we have heard indirectly of the looting of the hospital and houses - we have no details as yet. It is all too barbarous to understand in this century and will be to the ever lasting shame of the honor of Japan.

0310

ISB Dahlia Building
Hankow
December 30, 1937.

RECEIVED
UNIVERSITY OF HANKING

Mr. C. A. Egan
University of Hanking, New York.

Dear Mr. Egan:

Will you kindly arrange to do a personal favor for me? President Chen would like to open a current checking account personally in the Central Hanover Bank and Trust Company in New York. He has deposited funds with me that are the equivalent of three thousand nine hundred and ninety-one and 2/100 (\$3,991.02) which amount I wish you to deposit in his name - Y. C. Chen - sending him the usual receipt and a check book. I am attaching a letter to the bank giving his signature for their records. This had better be addressed to him in care of West China Union University, Chengtu, Szechuen, West China.

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11 E O

18-30-37

Although we have no facts yet concerning the wounded in our own hospital, it has been confirmed that wounded men and women were killed in the hospital beds and all medical attendants shot down.

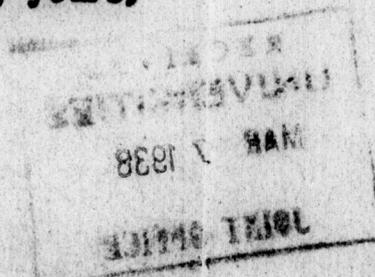
We believe all our American staff who remained are safe although they must be under a terrific strain. Some of us have been hoping that the way might open so some of us could go back into Nanking and relieve the ones who have remained through these terrible days but it is most difficult at present and we are quite definitely cut off from all communications. The Japanese are trying to keep the diplomatic representatives out of the city - we have not heard whether any have yet been able to enter but we can well understand that they may wish to dispose of the thousands of bodies in the streets before any foreign diplomats arrive.

Having had this happen in Nanking we are not willing to leave any of our young men in Hankow for fear the same thing may be repeated. In that case we shall probably not maintain this office for more than a few weeks. You should send all letters to us in care of West China Union University, Chengtu, Szechuen. I presume you are still sending us letters! We have had no word from anyone in the office or our families since early in November. No letters have reached us in Hankow - one cable came through on the 24th but that is the only word we have had. I shall remain here for some few weeks longer especially as Mr. Bannon is ill in the hospital. They are now quite sure he has not tuberculosis as was feared, but has an infection of pneumonia germs, which might develop into pneumonia rather easily unless controlled. We shall keep him in the hospital for three or four weeks, after which time we hope that it will be possible for him to go with us westward. Otherwise we shall have to send him to Hongkong and I suppose back to America. He is very loath to accept this plan and for the present we are counting on taking him up to West China with us.

Today the following families left for Hongkong and perhaps Shanghai eventually; J. C. Thomson and family, R. F. Brady and family, Mrs. C. S. Trimmer and two children, Mrs. Lewis S. C. Smythe and two children. Mrs. Trimmer and Mrs. Smythe hope to join their husbands sometime in the not too distant future - both men remained in Nanking. I will keep you informed as to all the final plans for our staff members. Mr. Caldwell will start for Chengtu next week. The only Westerners who will go to Chengtu are: Miss Hilda Anderson, Mr. Oliver Caldwell, probably Mr. Peter Bannon and most likely myself.

The future is not very clear - we fear this war may last for a long period and while we are making every effort to maintain the nucleus and keep the classes continued, it is not very promising. We hope you are all able to give us some material support during these days. Please share this letter with the rest of the staff in office.

Sincerely yours,



0312

10-30-37

Although we have no facts yet concerning the wounded in our own hospital, it has been confirmed that wounded men and women were killed in the hospital beds and all medical attendants shot down. We believe all our American staff who remained are safe although they must be under a terrific strain. Some of us have been hoping that the way might open so some of us could go back into Hankow and relieve the ones who have remained through these terrible days but it is most difficult at present and we are quite definitely cut off from all communications. The Japanese are trying to keep the diplomatic representatives out of the city - we have not heard whether any have yet been able to enter but we can well understand that they may wish to dispose of the thousands of bodies in the streets before any foreign diplomats arrive.

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Sincerely yours,

RECEIVED
UNIVERSITY
MAR 7 1938
JOINT OFFICE

E I E O

University of Nanking

Chengtu, Szechuan
February 21, 1938

Dear Dr. Garside and Mr. Evans:

740935
Your letters of January 31st arrived today and we are relieved to know that you have been able to grant definite funds for field use. Please deposit the balance of US\$6,590.35 plus 3,000.00 due the hospital which has not been yet drawn or a total of 9,590.35 to our current account with Central Hanover Bank and Trust Co. I shall allow about a month and from that date begin to draw against this money. It is easier for me to handle checks here than drafts as I find we can sell checks through the Salt Gabelle - conveniently for both of us.

3/1/38
6326
It seems to me that the hospital has been given a much larger share of these emergency funds than seems justified. From your statement I note that you have assigned 7,134.65 for the hospital and 6,590.35 for all other units -- probably rather unfair. Probably you will have no objection if we re-assign this money here to make it seem more equitable. Actually we have only drawn 1,500. so far. Let me know on this point. There are many gifts for the hospital - we can appeal for funds to the agencies for that special purpose. We will continue to finance the hospital of course, but we would feel funds raised under the campaign for the China Colleges should be more definitely assigned to the colleges instead of the hospital. Neither the Riggs or Miss Bowen's travel should be considered emergency items - they were due to leave next summer at which time they would be regular budget items and in the usual appropriations. By spending the money a few months ahead of time it does not mean they become emergency items. The only emergency item for travel so far would be for Mrs. Caldwell and baby and for Mrs. Wilson and baby. Probably I can adjust all of this in due time.

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2
2
Just as soon as we can gather together all necessary items we will send you a statement of the cost from Nanking to Chengtu as well as the expenses for maintaining Nanking work at present. Mr. Bates sent you a statement of his estimates for this year together with statements showing repairs etc. Please do not consider these figures as final until after the administrators here go over them and revise them. Naturally the group in Nanking have had no experience in such items and some of their estimates need revision. For instance, they state that the loss on the farms was ninety thousand dollars. This is far from facts for we have never invested any such sum in the farm buildings and equipment. The land remains intact of course, and the buildings were very inexpensive construction. I will go into all that soon and attempt to give you a more or less accurate estimate of the loss if everything was burned. Dean Chang is working on it now.

3
From your cable to Nanking and letters I understand that you are worried over the mechanics of sending money into Nanking. Please do not let that trouble you - we have made arrangements for Nanking and will continue to take care of their needs. In every consideration, the Nanking group has been given first place and it will continue to be so regarded. We left sufficient money in Nanking to carry them through April and will take care of additional needs when they arise.

7
Please guard all your letters to Nanking or to Shanghai - I wish you would warn everyone especially Mr. Wheeler on this point. I hesitate to send details to your office for fear someone in an unguarded moment will publish something that will bring the wrath of our neighbors on the heads of our people in Nanking. We must be careful these days. By the way if you want letters to reach Nanking, do not address them in that way - everything addressed to Nanking is sent to Chengtu to us. Send under separate cover in care of J.C. Thomson, Room 519, 169 Yuen Ming Yuen Road, Shanghai. If he is not there, the China Council will send to some of our staff in Shanghai. Then the letters will go by special messenger service to Nanking.

5
I am interested and pleased to see you have appointed a committee to represent the Founders and will report on details a little later. Did you approve of the move to Chengtu? It was approved by a group of the Directors in Shanghai, which was the best we could do, but I think it should have an official action from the Founders. We kept you informed from August of our intention to move if necessary, but when the time came there were only a few days. I mention this point because Dr. Ferguson raised objection to our leaving Nanking until after official action had been received from the Directors and Founders. Had we waited longer in Nanking most of our staff and students would be in another world by this time, but it brings to us clearly the necessity to have the support of all groups.

2
In your letter of January 31st you raise the question of foreign staff - we have written to Dr. Garside on this point, but let me emphasize it again. Do not

0314

let our mission staff become scattered as they did after 1927. We must have Dr. Fenn here by next fall - Mr. Caldwell is only a short time appointee and as his wife and child are home he wishes to leave in June. You acknowledged the letter in which we asked to have him considered as a Methodist appointee in place of Mr. Jones who goes to the Seminary but no further word has come since that date. What was the decision?

Let me outline to you briefly the situation in the Department of English: Dr. Fenn is in England now I understand, and I will try to send word to him, but wish you would pass this on as early as possible.

1. Dr. Fenn - we must have him with us next fall - if in Chengtu, then here. He will have to plan about his wife and children. My first reaction is to leave them at home for a year.

2. Mr. Caldwell - a short time person anyway and he feels he cannot stay out longer now. His relationship with us in the future is perhaps problematical. Let Dr. Fenn decide.

3. Mr. Bannon: - Seems entirely well again - good spirits, and happily housed here. At best he is rather frail, but I think there is no longer serious alarm over his health. However, he is supposed to study Chinese language next year and unless some plan is made, will not be available for teaching at all.

4. Miss Ward: she is just completing her fifth year in China and is hoping to go home. I have not talked to her about staying another year, but will do so soon. Generally speaking advise her to go home this year - five years is enough for a first term.

5. Miss Turner: I regret exceedingly to say that we fear we shall lose Miss Turner - she will most likely be married before the close of the year. We may be able to persuade her to wait a year, but it is rather doubtful at this time.

Therefore our Department of English vanishes next June! It needs some careful thought and study, especially if we continue here in Chengtu. Our standards are supposed to be rather high and we hate to see them slip because of no staff!

I have one personal suggestion to make, which I wish you would pass on to Dr. Fenn for his judgment: it is most unlikely that the Theological Seminary will reopen next fall in Nanking. Dr. Handel Li, president and Dr. Li Tien-lu, dean, went to Anhwei province after the threatened fall of Nanking, and are caught somewhere in the country. We do not know concerning their personal safety, but can only hope they are not in personal danger. It may be months before they can reach any place like Shanghai. All Seminary staff are widely scattered - some in Shanghai, Mr. Sone in Nanking, etc. I am wondering if it might be possible for Mr. Jones to return next fall and if the Seminary is not able to open then, join us for one year to help in the Department of English. Will you take this up with Dr. Fenn and if he wishes to consider it, follow it through the proper channels? Of course the Seminary may be able to open somewhere but I know they decided against it before the fall of Nanking.

Of course we shall not have our usual student body - we would have many more than we are allowing to come if there was sufficient space. However, I do not find that any of the Chinese group wishes to reduce staff by cutting the mission staff. We felt we must reduce the western staff supported by University funds and Miss Arms was dropped - whether wisely or not I do not know for the pounding of all letters has descended upon me, but we hope Miss Anderson and Miss Turner will be here in time to help with some of it. I am sure you know we dropped something like 100 persons this year keeping only our key men and assistants who seemed dependent upon us. Just as soon as possible I will send revised budgets and statements.

Our postage bills have been so terrible lately that I am experimenting with the use of red ink on one side of the paper - you will probably have a bad time reading this, but I hope you are patient enough to go through with it. Or have some of your many staff re-copy it. *Not very successful - will not try your patience - so sending carbon copy.*

We shall appreciate your advice on all these matters. Actually Clipper mail comes in good time - regular mail is slow, but I note you are sending to Hongkong and then Miss Turner sends to me by air which is much less costly in China. I am doing the same with many letters which should reach you fairly promptly. We received the December statements.

I have only one small request to make and it is for Ginling College: please send a check to New York Life Insurance Co. for US\$206.72 to cover insurance for Esther E. Tappert due on policy No. 814 950 A4 due on April 1, 1938. Charge to Ginling College - I will adjust out here. Thanks for handling these items for us.

Sincerely yours,

Elmer M. Priest

(9.8.14.950 at)

*noted
S.C.*

0315

... We must have Dr. Fenn ...
... You acknowledged the letter in which we asked to ...
... have him considered as a Methodist appointee in place of Mr. Jones who goes to the Seminary ...
... but no further word has come since that date. ...
... Dr. Fenn is in ...
... and I will try to send word to him, but wish you would pass this ...
... on as early as possible. ...
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... to plan about his wife and children. My first reaction is to leave them at home for a ...

... year. ...
... a short time person anyway and he feels he cannot stay out longer now. ...
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... hope Miss Anderson and Miss Turner will be able to help in time to help with some of it. ...
... I am sure you know we dropped something like 100 persons this year keeping only our key men ...
... and assistants who seemed dependent upon us. ...

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... red ink on one side of the paper - you will probably have a bad time reading this, but I ...
... hope you are patient enough to go through with it. Or have some of your staff re- ...
... copy it. ...
... We shall appreciate your advice on all these matters. Actually Clipper mail comes in ...
... good time - regular mail is slow, but I note you are sending to Hongkong and then Miss ...
... Turner sends to me by air which is much less costly in China. I am doing the same with ...
... many letters which should reach you fairly promptly. We received the December statements. ...
... I have only one small request to make and it is for Giling College: please send a ...
... check to New York Life Insurance Co. for US\$208.73 to cover insurance for Father E. Tappert ...
... due on policy No. 814 950 AA due on April 1, 1938. Charge to Giling College - I will ...
... adjust our here. ...
... Thanks for handling these items for us.

Sincerely yours,

John W. ...

9130

over

INDEXED

February 25, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, Szechwan, China

Dear Miss Priest:

We are giving some thought today to the budget figures for 1938-39, feeling assured that one of these days you will be considering what will be the situation next year. We can give no better assurance for income other than that as set up in the current budget, as follows:-

Mission Board Cash Grants

| | |
|--|---------------|
| United Christian Missionary Society..... | \$ 1,500.00 ✓ |
| Board of Foreign Missions of the M. E. Church..... | 1,055.00 ✓ |
| Board of Foreign Missions of the Presbyterian Ch. | 2,929.00 ✓ |
| American Baptist Foreign Mission Society..... | 800.00 ✓ |

Endowment Income

| | |
|--|--------------------|
| United Christian Missionary Society..... | 402.00 ✓ |
| General..... | 40.00 } ✓ |
| Hall Estate..... | 14,188.00 } ✓ |
| Swasey Fund..... | 2,000.00 ✓ |
| M.E. Board - for Agriculture & Forestry..... | 3,000.00 ✓ |
| | <u>\$25,905.00</u> |

From this amount is to be deducted practically \$5,000., representing executive offices, incidentals and promotional expenses for the ensuing year. At the present time we can give no other estimate than this figure as we are not at all sure what our organization for promotional work will be next year.

In the special funds, the Harvard-Yenching Institute appropriation will probably remain the same at \$14,210.52. The Hoover gift will continue as in the past. The United Christian Missionary Society vacancy will be contingent upon its continuance by the U.C.M.S. The special gifts, of course, are all to be disbursed as soon as received by our office. Receipts from Famine Funds as estimated for the coming year are \$20,055. This is merely a guide representing a basis for your figures. The Hospital appropriation will remain as it is at present, namely:-

| | |
|-------------------------|--------|
| Methodist Board..... | \$540. |
| U. C. M. S. | 375. |
| Presbyterian Board..... | 580. |

1295 ✓

0317

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Miss Elsie M. Priest

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2/25/38

The added income from special sources will all be contingent upon the success of the present year's work. Undoubtedly there will be some modifications growing out of the experience of the past year. What our expenses will be we cannot tell at the present time.

Very truly yours,

CAE:RG

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0318

March 2, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, Szechuan, China

Dear Miss Priest:

We have received US\$209.10 from Mrs. Richard J. Walsh, formerly Pearl Buck, which is handed to us as the balance due on her pledge for furnishing a room in the Nanking Hospital. She tells us that the balance due is about LC\$830., and that this check for US\$209.10 balances the obligation.

As this is carried on the books of the field treasurer, we are depositing this amount with the Central Hanover Bank & Trust Company, and it will be available for you to draw it whenever you see fit. With this notification to you, our part in the transaction ceases.

Very truly yours,

CAE:RC

03 19

week

INDEXED

March 7, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, Szechwan, China

My dear Miss Priest:

We are in receipt of your letter of February 21st, and we are replying regarding the financial items. Our letter of February 7th, which apparently you have not received, corrected the amount available for the field disposition, as the Finance Committee voted that the medical supplies should be included in emergency items for the field. In computing this amount it was found that the total amount available for the field would be \$4,409.35, plus such part of the hospital appropriation authorized which has not been drawn. As you state there is \$3,000 due on these appropriations, the total now available is \$7,409.35. We have deposited this amount in your account at the Central Hanover Bank and Trust Company.

There was no thought on the part of the committee that any one section of the University should be favored in the allocation of funds. However, as the first emergency request was for hospital supplies and appropriations, and it represented a liability on the part of the University, it was quite naturally felt that this should be taken care of from emergency funds.

We observe that the travel item of \$1,000 to cover the partial return of the Riggs and Miss Bowen is not to be considered an emergency item. It is quite possible for us to carry this forward as a first charge against next year, and we will do so, if you so desire. Meanwhile, we were directed by the Finance Committee to charge this against emergency, and at the next meeting of the committee, we will present the matter again.

Our conclusions regarding the cable and letter from Mr. Bates were similar to your own - i.e., we could do nothing until after the figures which he presented had been digested and reviewed by those in charge of the budget. As a consequence, we have taken no action whatever.

There has been considerable concern as to the method of handling money in Nanking, and we are glad to be reassured that you can take care of same without difficulty. We have written you similarly regarding the Ginling accounts.

We are very glad indeed to have your suggestion regarding the sending of mail both to Chengtu and to Nanking. We will be governed accordingly hereafter.

The appointment of a committee ^{was} not alone to represent the Founders but as a body upon which more responsibility would rest during the interim when the Board of Managers should be reorganized.

0320

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Miss Elsie M. Priest

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3/7/38

As a matter of fact, the Executive Committee took no action on the move made from Nanking to West China, but at the next meeting of the committee, consideration will be given to that.

The items regarding the foreign staff will be reviewed just as soon as possible, and some effort made to clarify the situation. We will write you just as soon as possible on this matter.

In the concluding paragraph you make the request that US\$206.72 be paid to the New York Life Insurance Company to cover insurance for Miss E. E. Tappert. We will take care of this at once, charging the Ginling account.

This covers the items in your letter of February 21st insofar as we can answer them at the present time. Incidentally, may we say that we are admonishing everyone here in the office regarding the type of correspondence that is going forward to Nanking or Shanghai.

With sincerest personal regards to you, I remain

Very cordially yours,

CAE:RC

0321

March 7, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, Szechwan, China

Dear Miss Priest:

Your letter of February 12th just came to hand this morning, and by this time you will know that we received your letter of December 30th, after our cable was sent to you, and that the account has been opened up as requested. Checkbooks and signature cards were forwarded by our office.

The request to send \$100. to Mr. S. Y. Ko, c/o Secretary of the Agronomy Department Graduate School, University of Wisconsin, Madison, Wisc., is noted, and will be taken care of immediately.

Letters from all of our universities are now filtering in regularly, many telling of the tension under which work is being carried on, and others of the atrocious action as a result of war. It is all too harrowing to dwell upon at any length, especially as we are not in a position to do anything. Wherever we can give voice to protests, it is done, but we are also mindful of adverse circumstances should such procedure be followed too drastically.

These are indeed anxious days. We are still wondering how you managed to transport equipment, students and faculty and families to far-distant Szechwan and accomplish it in such a masterful manner. We are sincerely hoping that it will all turn out for the good.

This is the last letter I have in mind for the Clipper mail tomorrow, copies of which will go forward in the regular mail today.

With sincerest regards to all, I remain

Very cordially yours,

CAE:RC

0322

INDEXED

March 8, 1938

Miss Elsie M. Priest
University of Nanking
Chengtou, Szechwan, China

Dear Miss Priest:

Let me acknowledge receipt of your letter of February 21st, addressed jointly to Mr. Evans and myself. Mr. Evans has already written to you concerning the financial items in the letter, so I will comment very briefly on the personnel items you mention.

Dr. Chen's letter reached us on the same China Clipper as your own, so we are taking up with the Mission Boards and the personnel concerned the importance of planning for the return of the staff members next summer. Of course all plans that we make today are largely dependent upon the events of the months just ahead. Almost anything might happen in the Far East between now and September 1st. But if conditions continue to be such that it is hopeful that the University of Nanking can carry on during 1938-39 either in Chengtu or back in Nanking, we will do everything possible to have the members of staff back at their posts.

I am very much interested in the information you give with reference to the state of our University of Nanking finances. We realize how impossible it has been for you to keep us supplied with accurate and up-to-date figures as to the status of the Nanking budget. Through the Associated Boards we have been seeking to obtain emergency funds which would be adequate to meet the most urgent of the current needs of the Colleges this year. But we have been rather badly handicapped by lack of accurate figures as to just exactly what their needs are. Thus far we have secured about \$150,000. Whether we can secure the entire \$250,000 or \$3,000 which we set out to get is quite a serious problem. The economic recession in America during recent months has greatly slowed up gifts from all sources. The multiplicity of appeals for China has not only confused the minds of people generally but has caused many of them to refrain from giving to anything. Yet we are continuing to push ahead, and hope to get at least \$200,000 before the end of the fiscal year even if we don't quite reach our financial goal. One serious problem now is that of the wisest distribution of funds received beyond the \$105,000 already allocated. Only when we have reasonably accurate figures from each of the Colleges can our Committee on Allocation deal equitably and intelligently with the question of where the rather limited amount of emergency funds we have in hand and in sight can be used to the best advantage.

We are hoping therefore that the revised budget figures which you are preparing may be reaching us within the fairly near future.

While I am writing, let me acknowledge receipt of your letters of November 27th and December 31st. The matters dealt with in both these letters have already been noted and, where necessary, cleared.

Very cordially yours,

B A GARSIDE

BAG:MP

0323

University of Nanking
Chengtou, Szechuen
March 13, 1938.

Dear Dr. Garside:

Will you be good enough to ask someone in the office to do two personal favors for me? I need to send some money to my family and during these strange days, it is better not to try to send checks through the post. Please have sent the following:

Upon receipt of this letter: *Paid 6/21/38 No 6412* \$50.00 (fifty dollars) to my brother
Homer F. Priest,
University of New Hampshire,
Durham, New Hampshire.

In June - before the 30th *Paid 6/21/38 No 6413* \$50.00 (fifty dollars) to my mother
Ethel M. Priest (Mrs. Homer F.)
Nelson, New Hampshire.

These should be charged against the field account and will be adjusted out here from my salary. At present rates, this represents more than two months salary but fortunately our expenses in Chengtu are not heavy so I can manage. These are obligations that I feel must be met in spite of wars and cut salaries! Thank you very much for handling this for me.

These days have been a bit unusual in many ways but we are beginning to feel settled on the campus and classes are going on regularly even if under handicaps of lack of books, chairs and equipment! Everyone has been very cordial to us and we have been welcomed by all groups. If ~~that~~ times a wave of homesickness goes over the group, it is fleeting and on the whole they have been splendid in meeting the emergency. There is much that will never be written and I hope will be forgotten or else filed away until it is too musty to bring out.

What of the future? Our entire group is endeavoring to do constructive work here in an organized way, trying to maintain standards, to make a contribution to Szechuen, but their eyes are ever turned toward Nanking. We expect to start for Nanking just as soon as it is possible to re-enter the city. That has been our purpose in keeping the group organized and together. When the day comes that we can charter a boat and sail from Chungking to Nanking, there will be complete response from all.

Are we at the crossroads of Christian education in China? Is this a great opportunity, or shall we take the defeated attitude and maintain although we may not build? I wish we knew. I feel it is an opportunity but just how to meet it is another question. We are guests in West China and we must be very careful about taking the initiative in all things - ~~there~~ is a deep feeling of provincialism that prevails in every branch of life. The Chinese staff has almost no part in the institution here - in fact, they are conspicuously absent most of the time. It is so different from our organization and I am not venturing to make a statement of the relative merits of the two types. They have some splendid men in their group - eager and alert scientists, and I feel our staff will benefit from contacts with them. We are all jealous for something besides just cordial cooperation to result from all this and I am hoping we may have a prophet among the various institutions who will be able to give a vision of greater things to all these schools now in Chengtu.

There are various office items that must be reported - I will try to send a letter tomorrow. As this is Sunday I am not thinking of the mountains of details that must be cleared! With best wishes,

Sincerely yours,

Ethel M. Priest

0324

University of Banking
Chengtu, Szechuen
March 13, 1938.

Dear Dr. Garbidge:

Will you be good enough to ask someone in the office to do two personal favors for me? I need to send some money to my family and during these strange days, it is better not to try to send checks through the post. Please have sent the following:

Upon receipt of this letter: \$50.00 (fifty dollars) to my brother

Homer P. West,
University of New Hampshire,
Durham, New Hampshire.

Paul 2/28/38
no 4/15

\$50.00 (fifty dollars) to my mother
Mrs. Homer P. West,
Nelson, New Hampshire.

In June - before the 30th

Paul 2/28/38
no 4/15

These should be charged against the field account and will be adjusted out here from my salary. At present rates, this represents more than two months salary but fortunately our expenses in Chengtu are not heavy so I can manage. These are obligations that I feel must be met in spite of wars and cut salaries. Thank you very much for handling this for me.

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There are various office items that must be reported - I will try to send better tomorrow. As this is Sunday I am not thinking of the mountains of that must be cleared! With best wishes,

Sincerely yours,

Carl M. West

5230

March 18, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, Szechwan, China

Dear Miss Priest:

A letter has just come from Miss Edith Turner under date of March 6th which confirms the rumor of her intended venture upon the sea of matrimony. She states that she is planning to be married "sometime this year" but does not give any definite date.

Will you instruct us as to the way in which we should deal with her financial arrangements when the time comes to close out her accounts. Possibly you will be handling all the details on the field, and there will not be a need for any special moves at this end.

Very sincerely yours,

B A GARSIDE

BAG:MP

0326

University of Nanking,
Chengtu, Szechuen

March 21, 1938.

Ans. 5/17/38

INDEXED

Dear Dr. Garside and Mr. Evans:

I feel a bit dismayed that you had to cable about the revised budget and emergency funds. Actually we were prepared to send this information to you on this Clipper mail as we waited to have the meeting of the Emergency Executive Committee. They met on the 15th and we are now in a position to present to you the figures with their support. Many hours were spent in re-figuring the budget and in making our plans and it took longer than I had hoped - but I am quite confident of knowing exactly where we stand today. I waited to have reports and figures ^{upon which} to base our plans for the few weeks or months.

You will find enclosed the summary of the revised budget for 1937-1938. I am not copying all the details, although actually we refigured every salary and every departmental item. It seemed to me to be a time when we should be very careful about all our individual departmental accounts. Let me give you some explanation of various items:

Receipts: You will note we have estimated our student fees on the basis of enrolment figures of last week, for today a few more have appeared. Another thing, note that in order to meet the serious need for students during this period, all fees were reduced and correspond more nearly with fees customarily paid in West China - about one-half of the usual fees. This seemed one way of helping students, and while it applies to all, it had to be so arranged.

Under the receipts from the Board of Founders, we have kept the same figure as last year. Please remember that we included as a regular item of anticipated income the amount of US 5,000. or Chinese 16,500 00 as a probable receipt to result from Mr. Wheeler's campaign work. If all items are thrown into the emergency funds, this will mean we shall be short of current income. I hope you will set aside 5,000. to apply on this anticipated item.

Other income will represent approximate figures for all items. In some cases we have reduced the amount as we have received information of cuts etc. such as the government grant reduced from 35,000. to 26,350. We have included the smergency grant of US 4,409 35 reported in the last letter from Mr. Evans.

Expenditures: We have spent considerable time in re-figuring our expenditures but present these figures with reservations. Until we have had a chance to work on this campus for a few months, we are unable to estimate very accurately the probable cost. This budget includes normal expenses at Nanking, such as maintenance, salaries of staff now there, etc. It does not include anything of an emergency nature or any rehabilitation items for repairs etc. All salaries were cut to 50% beginning January 1st, but it has caused considerable hardship on our staff and we are now proposing to return to 70% beginning March and hope to go through June at this rate. If we find by May that we are running too low to balance within this proposed budget, salaries will be cut once more to 50%. The staff has shown a remarkable spirit of cooperation and real sacrifice in many cases to enable us to do this. When you realize that a large number have lost all their material possessions in Nanking, have spent huge sums to bring their family to safety, have had to re-furnish a house in Chengtu, and are still cheerful on receiving salary at the rate of 50%, you will know what a fine group of people we have on the staff. If you deduct the special emergency grant of 4,409 35 or Chinese 14,550 84 from the receipts and the emergency expenses of 39,883 78 from the expenditures, you will see we will have a deficit on "current expenses" of 1,926.04. This does not include the middle school which I fear will show a deficit. It is eliminated temporarily as we have to wait for figures from Mr. Djang at Wanhsien. Later I will present it as a special item. It is not an accident that we have arrived at a figure that nearly balances this budget but is after long hours of figuring and planning. We had hoped to balance, but at the last it seemed hopeless to cut further so we left this small shortage to be adjusted later. Please remember that this takes into consideration that we anticipate 16,500. from the campaign funds for current expenses, and if that is not forthcoming we shall be short nearly 20,000 00 on current items.

Emergency expenditures: Although incorporated into the revised budget we have listed the emergency expenses on a separate sheet, giving in detail the cost to date. In some cases these items have been estimated, but in almost all you will find actual expenses. It has amounted to a larger total than we had hoped - 39,883 78, but we had not anticipated having to buy entirely new furniture in West China. We found it was impossible to borrow except for a very limited number of things, and so have had made new furnishings entirely.

0327

University of Nanking,
Chengtu, Szechuen
March 21, 1938.

RECEIVED

Dear Dr. Gerardo and Mr. Evans:

I feel a bit dismayed that you had to cable about the revised budget and emergency funds. Actually we were prepared to send this information to you on this Clipper mail as we wanted to have the meeting of the Emergency Executive Committee. They met on the 15th and we are now in a position to present to you the figures with their support. Many hours were spent in re-figuring the budget and in making our plans and it took longer than I had hoped - but I am quite confident of knowing exactly where we stand today. I wanted to have reports and figures to base our plans for the few weeks or months.

You will find enclosed the summary of the revised budget for 1937-1938. I am not copying all the details, although actually we refigured every salary and every departmental item. It seemed to me to be a time when we should be very careful about all our departmental accounts. Let me give you some explanation of various items: Receipts: You will note we have estimated our student fees on the basis of enrollment figures of last week, for today a few more have appeared. Another thing, note that in order to meet the serious need for students during this period, all fees were reduced and correspond more nearly with fees customarily paid in West China - about one-half of the usual fees. This seemed one way of helping students, and while it applies to all, it had to be so arranged.

Under the receipts from the Board of Founders, we have kept the same figure as last year. Please remember that we included as a regular item of anticipated income the amount of US \$,000. or Chinese 16,500.00 as a probable receipt to result from Mr. Wheeler's campaign work. If all items are thrown into the emergency funds, this will mean we shall be short of current income. I hope you will set aside 5,000. to apply on this anticipated item.

Other income will represent approximate figures for all items. In some cases we have reduced the amount as we have received information of cuts etc. such as the government grant reduced from 50,000.00 to 25,000.00. We have included the emergency grant of US \$,000.00 in our last letter from Mr. Evans.

Expenses: We have spent considerable time in re-figuring our expenditures but present these figures with reservations. Until we have had a chance to work on this campus for a few months, we are unable to estimate very accurately the probable cost. This budget includes normal expenses at Nanking, such as maintenance, salaries of staff now there, repairs etc. All salaries were cut to 50% beginning January 1st, but it has caused considerable hardship on our staff and we are now proposing to return to 70% beginning March and hope to go through June at this rate. If we find by May that we are running too low to balance within this proposed budget, salaries will be cut once more to 50%. The staff has shown a remarkable spirit of cooperation and real sacrifice in many cases to enable us to do this. When you realize that a large number have lost all their material possessions in Nanking, have spent huge sums to bring their family to safety, have had to re-furnish a house in Chengtu, and are still cheerful on receiving salary at the rate of 50%, you will know what a fine group of people we have on the staff.

If you deduct the special emergency grant of 4,409.35 or Chinese 14,530.84 from the receipts and the emergency expenses of 39,883.78 from the expenditures, you will see we will have a deficit on "current expenses" of 1,926.04. This does not include the middle school which I fear will show a deficit. It is eliminated temporarily as we have to wait for figures from Mr. Jiang at Wanhua. Later I will present it as a special item. It is not an accident that we have arrived at a figure that nearly balances this budget but is after long hours of figuring and planning. We had hoped to balance, but at the fact it seemed hopeless to cut further so we left this small shortage to be adjusted later. Please remember that this takes into consideration that we anticipate 16,500. from the campaign funds for current expenses, and if that is not forthcoming we shall be short nearly 20,000.00 on current items.

Emergency expenditures: Although incorporated into the revised budget we have listed the emergency expenses on a separate sheet, giving in detail the cost to date. In some cases these items have been estimated, but in almost all you will find actual expenses. It has amounted to a larger total than we had hoped - 39,883.78, but we had not anticipated having to buy entirely new furniture in West China. We found it was impossible to borrow except for a very limited number of things, and so have had made new furnishings entirely.

RECEIVED
UNIVERSITIES
APR 4 1938
JOINT OFFICE

8230

Summary statement: May I summarize for you the financial situation as we see it here? Last June we closed our books with a current deficit of 27,435 16, with the hope that the back dividends from the Hall Estate fund would clear it almost entirely. What has happened about that money - can we count on it? If not we have this debt over our heads. If we receive no further grants from the campaign, (which we hope will not be the case!) and assume responsibility for the emergency expenses in Nanking and enroute to Chengtu, we shall have a further deficit of 27,258.98 by June. This is for current needs and in no way covers any loss in Nanking. Then if you fail to send us the 5,000. U.S. currency or Chinese 16,500. we anticipated a year ago, our deficit will jump again so by the end of June if we look at the darkest possible picture we shall face a shortage of 71,194 14. The other side of this picture is the promise of gifts through the campaign you are conducting in America, and I feel very hopeful that we shall have some substantial gifts from this fund. If not, my hair will be surely much grayer by summer if I have to find money in China to make up this shortage in our current running funds. After all we have to continue on paying out money and to underwrite any such shortage would be a most difficult ~~day~~ task these days in China, especially as we are away from our friendly bankers. I hope I am not painting it too dark, but these are the facts and just now we are counting heavily on you to help us.

In addition will be the Middle School problems and always before us these days is the University Hospital with their urgent need for funds to carry on work that cannot be measured in any adequate terms by me. We cannot let the hospital close, but on the other hand, we cannot produce money when there is none. Let me give you some figures and facts about the hospital.

University Hospital: In Hankow we brought all hospital books to date, made out a detailed report and statement of conditions at that time. I will not enclose it for this letter is growing by pages, but have worked out a summary statement incorporating the official report with some gifts I received for the hospital and bringing it all to date. This will show you that the hospital is in a very precarious financial condition. Please note that they had 5,822 63 on hand, but as I left 6,100 00 in Nanking with the hospital staff, they were actually out of cash December 1st. There are some designated gifts that we have decided can be loaned for current use during this emergency, so I propose that we have on hand 17,135 63 including the US 3,000 00 appropriated by your office for November and December. I have not drawn this money as you know but we want it just the same! Please deposit in the Central Hanover Bank and Trust Co. as I can handle checks more easily than drafts in Szechuen. This sum of 17,135 63, according to the budget made out by the Nanking staff, is not enough for "outside" funds to last through June. It is also most uncertain about raising 28,740. from relief funds. The Red Cross has granted 15,000. but there is no promise from any other source for the balance. I am trying to secure a few thousand from another source but not at all sure about receiving anything at all. Can you find some source of continual income? Is this not the time for the Mission Boards to carry a bit of this load? I would like to see a regular monthly income over all of next year, supported by the Mission Boards. If they could each put in something like 5,000. each that would give us around 50,000 00 and would be a tremendous help both for morale and material support. We could then go to some of these relief funds to see if they could match it in some way, etc. Enough on this subject - I know you will do your best to help us. May I sound one note of warning? I feel the hospital is a most urgent need, but it must not over-shadow all the rest of the University. The training of youth is vital just now - we must look toward the future and have some young men ready to become leaders in the long period of re-construction that will be before us when this war is over. Some people predict this will be a war of 20-30 years - that I cannot say, but under any circumstances we must go on building and must have the support of the boards and all of you in doing so. I see a far more difficult period next year, and the next year - already the suffering is intense, so let us keep before us the need of the whole institution and the contribution of every part.

Budget for 1938-1939: Sorry we have fallen down in getting into your hands our budget for next year. It simply could not be accomplished this year, but we shall do it in May and send to you to reach you as early in June as possible. We must work a bit on this campus before we can begin to plan for next year. Also the report for the Harvard-Yenching Institute has not been sent, although we sent letters begging for leniency, and I am happy to tell you we hope to mail it on the next Clipper.

Missing statements: Although much mail has appeared these last two weeks that was accumulated we are short a few things and wish for duplicates. Please send the University

Office - 2
My statement: May I summarize for you the financial situation as we see it here?
Last time we closed our books with a current deficit of \$7,435.16, with the hope that
the back dividends from the Hall Estate fund would clear it almost entirely. What has
happened about that money - can we count on it? If not we have this debt over our
heads. If we receive no further grants from the campaign, (which we hope will not be
the case) and assume responsibility for the emergency expenses in Wanking and outside
to Chengtu, we shall have a further deficit of \$7,258.98 by June. This is for current
needs and in no way covers any loss in Wanking. Then if you fail to send us the \$1,000,
U.S. currency or Chinese 18,000, we anticipated a year ago, our deficit will jump again
so by the end of June if we look at the darkest possible picture we shall face a short-
age of \$11,194.14. The other side of this picture is the promise of gifts through the
campaign you are conducting in America, and I feel very hopeful that we shall have some
substantial gifts from this fund. If not, my gain will be surely much greater by sum-
mer if I have to find money in China to make up this shortage in our current running
funds. After all we have to continue on paying out money and to underwrite any such
shortage would be a most difficult task these days in China, especially as we are
away from our friendly bankers. I hope I am not painting it too dark, but these are
the facts and just now we are counting heavily on you to help us.
In addition will be the Middle School problems and always before us these days in the
University Hospital with their urgent need for funds to carry on work that cannot be
measured in any adequate terms by me. We cannot let the hospital close, but on the
other hand, we cannot produce money when there is none. Let me give you some figures
and facts about the hospital.
University Hospital: In Hankow we brought all hospital books to date, made out a detail-
ed report and statement of conditions at that time. I will not enclose it for this let-
ter is growing by pages, but have worked out a summary statement incorporating the de-
tailed report with some gifts received for the hospital and bringing it all to date.
This will show you that the hospital is in a very precarious financial condition. Please
note that they had \$3,332.00 on hand, but as I left \$1,000 in Wanking with the hospital
staff, they were actually out of cash December last. There are some designated gifts
that we have been promised for current use during this emergency, so I propose
that we have the \$2,332.00 designated by your office for November. I have not drawn this money as you know but want it just
in case. I have deposited it in the Central Bank and Trust Co. as I can handle
checks and cash. This sum of \$2,332.00, according to the
budget made by the Wanking staff, is not enough for "essential" funds to last through
June. It is uncertain about raising \$2,740.00 from Wanking funds. The Red Cross
has granted \$1,000.00 but there is no promise from any other source for the balance.
I am trying to secure a \$300 thousand from another source but not at all sure about receiving
anything at all. Can you find some source of continual income? Is this not the time
for the Mission Boards to carry a bit of this load? I would like to see a regular
monthly income over all of next year, supported by the Mission Boards. If they could
each put in something like \$3,000.00 each that would give us around \$90,000.00 and would
be a tremendous help both for morale and material support. We could then go to some of
these relief funds to see if they could match it in some way, etc. I know on this sub-
ject - I know you will do your best to help us. May I sound one note of warning? I
feel the hospital is a most urgent need, but it must not over-extend all the rest of the
University. The training of youth is vital just now - we must look toward the future and
have some young men ready to become leaders in the long period of re-constitution that
will be before us when this war is over. Some people predict this will be a war of 20-
30 years - that I cannot say, but under any circumstances we must go on building and
must have the support of the boards and all of you in doing so. I see a far more dif-
ficult period next year, and the next year - already the suffering is intense, so let
us keep before us the need of the whole institution and the contribution of every part.
Budget for 1938-1939: Sorry we have fallen down in getting your hands our budget
for next year. It simply could not be accomplished this year, but we shall do it in
May and send to you to reach you as early in June as possible. We must work a bit on
this campus before we can begin to plan for next year. Also the report for the Har-
verd-Yenching Institute has not been sent, although we sent letters begging for leniency,
and I am happy to tell you we hope to mail it on the next Gipper.
Missing statements: Although much mail has appeared these last two weeks that was ac-
counted we are short a few things and wish for duplicates. Please send the University

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UNIVERSITY
APR 4 1938
OFFICE

0030

Nanking a duplicate of October statement. Also Ginling College for the same month. Please ask the Central Hanover Bank and Trust Co. to send us a duplicate for the University of Nanking of the September bank statement. I realize the cancelled checks will have been lost but that cannot be helped and if we have the items we can check our account. For Ginling College we are short the bank statements for the months of September, October, November and December. I fear these have gone to Shanghai and are lost. Please send the October statements by air mail, but if the bank statements are too heavy, send to Hongkong and ask them to send by air from there. You know Miss Turner has joined us in Chengtu, but Dr. W.M. Curtiss, 25 Dina House, Duddell St. Hongkong will take care of such letters for us.

We have not received the January statements but I think you need not send duplicates yet for they may appear one of these days. Actually the mail we are now clearing is dated mostly November and early December.

Losses in Nanking: Within a short time I hope to bring together all the losses that have been reported from Nanking, but today I am enclosing only one statement. The committee in Nanking gave a possible figure for the losses on our experimental farms as 90,000.00. I wrote you this was a trifle too high, and have asked the men who were in charge of the farms to re-figure this loss. We have done two things (1) the loss according to actual cost of say a period going back as far as twenty years, and (2) the cost of replacing this equipment based on market values when we left Nanking or rather before the war started. This seems to us to present the loss rather fairly and to give a careful picture of that loss. It is nothing compared to the loss of the crops which will represent more than twenty years of careful research. Unless we can manage to have them harvested, and we do not know yet the condition of our fields which were planted before we left - we shall be very sad for years and years of building up grains will have been lost and in many cases we shall have to start again. Fortunately we have some of our most valuable seed in other places.

On the other hand, in one statement from Nanking they estimate the cost of re-conditioning of buildings and repairs will be 20,000 00. I feel this is much too low. We have 63 residences and if we spend an average of only 500. on a house, it will amount to 31,500. for the residences alone to say nothing of buildings on the academic campuses where refugees have been housed for months. I need to write for more details but would place this figure at around 50,000.00.

I mention these items to show you that we shall have a serious financial problem when the day comes that we turn toward Nanking again. None of this is included in the budget estimates.

Funds: I have written before, but let me repeat that we are using some of our funds in China against the day when Chinese currency may not be as valuable as now, and saving all the possible funds in U.S. currency. Therefore we are counting on you to deposit our funds in the Central Hanover Bank and Trust Co. and if you find we have a fairly large balance, do not be concerned as it will mean we have used some reserve funds that would normally have been kept intact, and have kept that money in American currency for the present. I think this policy is understood, and hope you will deposit regularly the funds as they come due. I know the emergency grant of 4,409.35 plus the 3,000 00 for the hospital will have been deposited, but also any other money due the field should be placed in this bank account for our use.

This has grown much longer than I anticipated but I trust you will have the information you need for the financial side of the institution. Slowly we are catching our work up to date and before many weeks I think we shall be ready to send financial statements to date. With the interruptions of weeks things piled up a bit badly.

If I wrote you that Olive Bowen was to receive only 4/5 of travel expenses, I must have been writing during a bad air raid! We paid full travel of course, but felt the furlough allowance should be 4/5 instead of the usual figure of 80. per month. She had served only four years, and even at that, her allowance was far higher than our field salary! May I suggest that you insist upon a most careful medical examination for Miss Bowen? Her health record was rather low - we think it must be checked before plans are made for her return to China.

With best wishes,

Sincerely yours,

Elsie M. Priest

Elsie M. Priest.

0331

NOTE: See Minutes, University of Nanking, Board of Directors, an individual subject folder.

金 陵 大 學 會 計 處

UNIVERSITY OF NANKING
OFFICE OF THE TREASURER
NANKING, CHINA

Chengtou, Szechuen
March 25, 1938.

Dear Dr. Garside:

You will find one copy of the minutes of the meeting of the Emergency Executive Committee which was held on March 15th. I trust they are clear and need no further explanation. We are sending by air to Hongkong, and then ordinary post to America. I shall not send you further copies, or rather I shall send only one further copy also following the same procedure. I am enclosing copies of recent letters sent to you by Clipper.

We are typing today the official report for the Harvard-Yenching Institute, and I have plans to send it off on Monday. If it is not too bulky, we will send Clipper, but if it seems costly that way, we will follow the above method. Our postage bill is running into tens of dollars! *Perhaps "Clipper" to Cambridge only.*

I have to acknowledge the following letters from your office: March 7, (3 letters) 8 (2) 9, and 10th - some to President Chen. We will reply in a few days.

Sincerely,

Elain M. Priest

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INDEXED

April 8, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, Szechwan, China

Dear Miss Priest:

We are enclosing herewith the Trial Balance, Cash Statement, and Budget Analysis of the University of Nanking. We note from previous correspondence that these statements have been delayed, but we hope now that conditions are such that they will go through more quickly.

In studying the Balance Sheet, we are inclined to comment on several situations. The cash awaiting investment in the endowment section is very largely Famine Funds. We have discussed the situation with the Finance Committee on several occasions and with the Treasurer who is at the Bankers Trust, and the general opinion is that it would be unwise to make investment on a short-term basis, as so little is realized in income, and there is a very large chance that there will be considerable fluctuation in the market. This attitude has proven to be wise, as the recent decline of 25% in the bond market, and 50% recession in the stock market would indicate what would happen to the fund had we put it out at interest. But actually, this amount of money would not be accepted by savings institutions. The profit on sale of securities in the Nanking Account is always a source of satisfaction, but when one considers the tremendous losses we are facing in the International Hospital property, the sense of satisfaction disappears.

The International Hospital is now occupied by the W. P. A., there being a rental of \$1500.00 per year now being paid. However, before releasing same, the government required that a fire escape be attached - costing approximately \$500.00 - and taxes this year will run somewhat above \$500.00. Therefore, the out-lay for the current year will hardly be covered by the income from rental.

Under Plant, there is cash amounting to \$3,035.91. This is entirely contained within the amount solicited for and contained within the Freshman Dormitory. Undoubtedly this will not be used for some time, and it is quite possible to place this small amount in a Savings Bank Account. This will be taken up at the next meeting of the Finance Committee which will be held sometime next week. Turning to the Budget Analysis, we find that income from various sources has maintained an average rate for the period just closed. The Baptist Board has paid their entire appropriation for the year. The other board appropriations will be coming on very shortly. The estimated income on endowment funds will probably run slightly above the amount set forth in the budget. It can hardly be more than two or three hundred dollars, but even that will be of some assistance when one considers the total of the deficits, even any small savings will be very welcome.

Under Class B, Special Funds, we have hesitated to make large deposits in your bank account, as there is no particular point and advantage in so doing. We have, however, been in communication with the bank, and they

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Miss Elsie M. Priest

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4/8/38

will keep us informed of how the account is being handled. We will discuss this situation at the meeting next week.

You will note that the Hoover gift has not been received as yet. Neither have we been able to secure any reaction from the U.C.M.S. Their first answer indicated that their consideration might have in hand the next year's budget. We wrote them again, however, but have received no reply. There is not much cash available in the Famine Fund Section, but the amount carried in the Endowment Section is ample for present needs.

There is no need to comment upon the hospital situation. The appropriations from the various boards have been received as usual.

Under the Board of Founders, the appropriation of \$7,000 is promotional expenditures. This has caused considerable concern to Mr. Wheeler who feels a direct responsibility for raising sufficient funds to care for this charge. Quite frankly, he has been unable to do this, presumably because of the emergency situation. But, it is doubtful if gifts for current expenses, either promotional or administrative, could have been secured in any sizable amounts, even under normal circumstances. As we have said in another letter, the Finance Committee has stated quite definitely that this is an obligation of the Board of Founders, and that funds must be secured by the Board to make payment.

The Current Special carries in Suspense Account the balance of Aluminum Company preferred dividends amounting to \$9,450.00. The Finance Committee undoubtedly will make some recommendations regarding the use of this cash. At the present, however, it is held awaiting the action of the Executive Committee.

It is our purpose to keep in closer touch with these balance sheets, and have more frequent meetings of the Finance Committee. The Committee, sometime ago, requested that a security list be mailed bi-monthly which has been done. This does not produce any action however, and the thorough-going review of securities is the only way to arouse interest. This is done from time to time, and it is the only method whereby the entire Committee will galvanize itself into action, so that there is now resultant good.

We are endeavoring to have the Committee meet downtown, making it more accessible for business members rather than the trustees of the various cooperating boards meeting together uptown, and close to our own headquarters. This should be productive of more interest in the entire University as there has been recent evidences. A greater knowledge is desired on the part of these people who are not in close touch with the workings of the University. Hanking presents an exceedingly pathetic picture at the present time. This is no more so than Ginling, but the question is often preponderated as to what will be the future of these organizations. You, in the field, or the Board of Founders in New York, are not in a position to answer this question, and it would seem that time only will find the solution.

The assassination of Dr. Herman Liu on the streets of Shanghai

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Miss Elsie M. Priest

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4/8/38

yesterday indicates the extent to which war will go in its effort to reach its own end. We have been shocked beyond measure, but there is nothing we can do at this end, with the exception of pointing out to our constituency the great sacrifice that is being made by the Chinese people, and the tremendous contribution which is being made by the foreign staff members carrying on as they have done. Apparently, there is no measure of security anywhere in North China at the present time, and whether or not it is worth while to make the effort to rehabilitate these areas before the end of the war is a serious question.

I am afraid that the Board of Governors will be compelled to look to your leadership in helping solve these problems.

With kindest regards, I am

Very truly yours,

C. A. Evans.

CAE/B
KRS.

0337

Ginling College,
Chengtu, Szechuen
April 16, 1938.

INDEXED

Miss Rebecca W. Griest,
Mr. C. A. Evans,
Board of Founders, Ginling College,
New York City.

file @
8/16/38

Dear Miss Griest and Mr. Evans:

I am sending you a joint letter concerning the revised budget for this current year. I hope you will not feel we revise our budget rather too frequently, but this is an attempt to bring into one picture all the various items for this year. I have now received the statements from the New York office to January 1st, 1938 and as we shall have few outstanding invoices, I think this is a fair estimate for the year.

Please note that we are combining the emergency items and gifts in this budget and an attempt has been made to make notes so various items will be clear to you. In every case we have tried to be conservative in making our estimates, both as to receipts and expenditures.

The total amount estimated for emergency items during the year is Chinese \$6,050 00. This includes travel, rent, extraordinary items of one kind and another as well as preparations for dug-outs, fire prevention flags, etc. in Nanking. It is an attempt to cover adequately all the items and I have a feeling it is over-generous. For instance, it is not likely that Miss Vautrin will spend as much as 1,000. in Nanking for so-called emergency items during the months December to June.

Under salaries we have included the items for the restoration of the salaries covered by the special gift as stated under receipts. You will note a special item for this increase for July and August. When we figured the changed salaries, it seemed wise to cover the year through August so this was done and now provision is made for this item in this budget.

No attempt has been made to cover the losses in Nanking due to the Japanese soldiers or to the occupation by refugees. It is possible to give some estimates to date, but they would not be final at all for who knows what each week may bring. I have roughly estimated that it may cost about 8,000.00 to restore our buildings after the refugees leave the campus - this is not accurate and is only based on what it would cost to do over walls etc. based on former prices.

Another item not included at this time is an estimate for the travel of the staff to bring the two groups together. This will be about the same figure regardless of where the final college group is located as the number of staff in Chengtu is about the same as in Shanghai.

I wish to remind you that the college has a deficit from last year amounting to CH\$ 15,523 93. When you take this figure into consideration the "surplus" is rather small. As a matter of fact this year of emergency has been a great help financially to Ginling College, but there are other things to add into the balance which cannot be measured by dollars and cents.

I hope this may prove of value to you as you face the next few months in planning for the college.

Sincerely yours, *Edwin M. Priest*

* Jan. Statement covers Nov. 1937.

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GINLING COLLEGE
CHENGTU SZR

Summary of Budget for the year July 1937 - June 1938

Revised April 1, 1938.

Receipts:

| | | | |
|------------------------------------|--------------|-----------|------------|
| Cooperating Boards | | 63,190 00 | |
| Pledges, contributions, gifts | | 30,230 50 | |
| Student fees: | | | |
| In Chengtu. | 2,274 00 | | |
| In Nanking (entrance etc) | 380 00 | | |
| In Shanghai - tuition & fees | 3,264 00 | | |
| " " from others | 348 00 | 6,966 00 | |
| Emergency campaign funds: | | | |
| Special gifts - united campaign | US\$9,321 75 | 30,761 78 | |
| Special gifts - restoration sal. | 2,596 00 | 8,633 58 | 139,781 86 |

(Note: there may be some additional gain in exchange, but for the present all items are estimated at the official rate of 3.30)

Expenditures:

| | | | |
|---|--|-----------|------------|
| Administration | | 16,628 50 | |
| Operation and maintenance | | 10,020 00 | |
| Instruction: | | | |
| Salaries of instructors - June 30 | | 55,270 72 | |
| Salaries - reserve increase July & Aug | | 3,471 96 | |
| Departmental expenses | | 3,000 00 | |
| Departmental equipment | | 2,200 00 | |
| Practice School | | 1,150 00 | |
| Library | | 5,211 00 | |
| Non-instructional: | | | |
| Boarding department | | 9,646 00 | |
| Student service | | 500 00 | |
| Faculty service | | 6,568 80 | |
| Shanghai unit (per Miss Chester): | | | |
| Tuition & fees to other schools | | 1,785 00 | |
| Rent - classrooms, library, gym | | 1,416 10 | |
| Furn. equipment, service, etc. | | 345 00 | |
| Emergency expenses: | | | |
| Dugouts, flags, travel etc. | | 2,400 00 | |
| Rent for staff (Shanghai, Wuchang, Chengtu) | | 1,000 00 | |
| Wuchang special items | | 150 00 | |
| Chengtu (inc. 500. for changes in bldg) | | 1,500 00 | |
| Nanking (since Dec. 1, 1937) | | 1,000 00 | |
| (total emergency est. to June - 6,080.) | | | 123,263.08 |

Surplus funds to be carried forward to 1938-1939 16,518 78

139,781 86

Note: No estimate is made for losses in Nanking due to the war. Miss Vautrin estimates this loss at not more than 200 00.

The second item not included in re-conditioning of buildings - 5000.

April 21, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, Szechwan, China

Dear Miss Priest:

There are several items in your letter of March 21 regarding the bank statements and deposits which require clarifying. First of all, the Nanking and Ginling bank statements and checks for September have been held by the Bank, and will be forwarded to our office to be sent out in tomorrow's mail on the Jefferson. The October, November and December bank statements will be duplicated, as the originals and checks apparently were forwarded and have been lost. These will be sent to Hong Kong in care of Dr. W. M. Curtiss, asking him to send same by air mail to you.

Your letter of April 21 requested that we deposit regularly the Nanking funds as they come due. We discontinued depositing salaries after October, as it appeared that were we to continue there would be an overdraft in the current account. This conclusion was justified as, at the present time, when other charges from the field have been included the current appropriation is nearly balanced. At that time also, there was such a large balance in the account that there did not seem to be justification for adding to it the expense of an overdraft. We recognize the fact that the Famine Funds have been greatly under-drawn, and that the Harvard-Yenching Institute receipts have not been wholly advanced to the field. We are, therefore, depositing to your account the balance of Harvard-Yenching Institute funds available, amounting to \$5,657.89, which will still further increase your balance, which on March 31 was \$12,036.87.

The \$5,000, appropriated for the University hospital, was deposited in the Central Hanover Bank and Trust Company per your letter of February 21, 1938.

Along with the bank statements for September, we are sending October balance sheets for Nanking and Ginling dated October 31, 1937.

Under date of January 24, Dr. Wu alluded to the emergency gifts for Ginling. These were deposited March 7, as per your letter of February 12, this being acknowledged March 7.

Your letter of April 21 refers to instructions regarding travel and salary for Miss Olive Bowen. Miss Bowen's travel was paid in full, and, according to your instructions, we have been paying four-fifths of the eighty dollars per month.

We are writing you under separate cover regarding the Finance Committee meeting held yesterday.

Very truly yours,

C. A. Evans.

CAE/B
ENC.

0340

April 22, 1938

President Y. G. Chen
Miss Elsie M. Priest
University of Nanking

Dear Friends:

Five copies of the minutes of the Finance Committee of April 20 have been mailed to the field under separate cover, and two copies are enclosed herewith. The Committee had before it the letter from Miss Priest dated March 21, 1938 and had given very careful study to it and the accompanying schedules as well as a review of deficits from the field and at home. Very frankly, there was a deep sympathetic feeling throughout the entire meeting. There is not a single person on the Board of Founders that does not appreciate beyond expression all that has been done by the University and the Hospital Staff. True, there have been questions raised regarding the moving to Chengtu, but, so far to a man, the Board has upheld the field and it is a thing in which we should find a great gratification.

US\$5,000 From Promotional Work

Reading this Action, one might think that what I have said might be considered of little value. On the other hand, when the \$5,000 was put in the budget it was a mere gamble on the part of the field, and in view of the attitude of our Board, Action 970 is a rather tame comment. As a matter of fact the Committee immediately talked itself into recognizing that while Mr. Wheeler through individual effort has not secured \$5,000, yet under normal circumstances what he did raise could have been applied to the current budget, provided the Trustees would find other means for paying his expenses. As things turned out, none of the emergency funds could be used against expenses, and all current gifts from living donors were credited to emergency. As a result, \$5,000 in the Governors Budget was not raised and the promotional expenses were not provided for. If I may be so rash as to make a suggestion, it would be not to anticipate funds from the Trustees which are not in sight.

Emergency Deficit

Upon reading this, you will note immediately that the Committee recognized the limitations in raising funds for the current budget through ordinary channels and included the \$5,000 alluded to above, as an emergency item which is quite natural. The emergency field budget, and the local current deficit were included as well as the Hospital supplies and appropriation, making a total expenditure for emergencies of \$25,628.60 - this leaves a balance of \$5,096.40 from the \$30,725. received through the Associated Boards and from designated gifts. As soon as the Executive Committee acts upon these Minutes, we will issue authorizations to cover the full amount of these appropriations.

0341

President Y. G. Chen
Miss Elsie M. Priest

-2-

4/22/58

University Hospital

It was felt that the \$9,315.65 appropriated under Action 971 represented about the total designated for Hospital use or given through appeals for the Hospital. It was not felt, however, that funds from the Associated Boards should be used beyond this amount for the Hospital. As all mission boards doing work in China are making appeals for emergency relief, it was felt only proper that a very strong appeal should be addressed to the cooperating mission boards, asking for their assistance in taking care of the Hospital deficit.

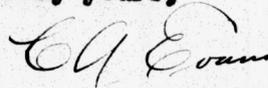
Board of Founders Deficit

This action covers the appropriation of as much of accumulated dividends from Aluminum preferred as shall be necessary to clear deficits on June 30. As there appeared to be no other way of caring for the expenditures authorized by the Board, last year this seemed the most logical course.

* * *

Very soon you will hear still more regarding the amount of money available for next year's budget, as the Executive Committee will give thought to this subject.

Very truly yours,



C. A. Evans.

CAE/B
ENCS.

0342

Mr. C. A. Evans,
University of Nanking,
New York.

Chengtu, Szechuen
April 28, 1938.

Handwritten notes:
Mr. C. A. Evans
University of Nanking
New York
April 28, 1938

Handwritten notes:
Note
Cookingham
5/21 OK

Dear Mr. Evans:

It is impossible to send any money to Peiping these days so we have asked Miss Cookingham at the Yenching University to advance funds to our Crop Improvement Station located on the Yenching campus. She has been very helpful in handling this matter for us and we have now heard from her concerning our repayment to Yenching for the money advanced.

She writes "it seemed best to us to exchange sufficient U.S. currency to produce L.C. \$1000.00. The rate of exchange which we were able to get from the National City Bank of New York today was 375 and we have sold US\$266.67 for your account. Will you please write Mr. Evans or Mr. Gar-side and ask that they deposit this amount in our Yenching University account at the Central Hanover Bank and Trust Co. in New York. We shall be very glad to pay to Mr. Shen any amount you authorize."

Handwritten note:
Paid 5/13/38
No. 6376

Please make this deposit to the Yenching account of \$266.67 (US currency) and charge against our Famine Prevention Funds account for this year. I presume you will notify Miss Cookingham in due time that this has been done and it will appear on our statements. If we need to have further payments covered by Yenching I will notify you. Perhaps this will be enough to continue the station work through June - we are waiting to hear from Mr. Shen on this point.

I find there is quite a demand for United States currency among local merchants as they need to meet their foreign invoices, and we can secure quite favorable rates. Yesterday I sold some of the hospital funds, which I asked you to deposit in the Central Hanover Bank and Trust Co. for us, at 3.80. A few days ago we sold a small amount for 4.00. Perhaps in this way we may be able to secure a few extra dollars for the hospital. As a matter of information we have just received 8,000 00 for the hospital for current needs. This brings the total gifts to about 25,000 00, but this will not last long! I am not quite sure of the next step for the control of the hospital funds - whether now is the time to make some of their own staff responsible for it or if I should still keep track of it all through statements. I shall try to come to some decision about it in a short time. For the work in Nanking, other than hospital, they send us monthly reports which are incorporated on our books and thus we have a complete record at all times. We may decide this is best for the hospital as well. I wish I could be in both places for part of the time.

Sincerely,
Elie M. Quest

0343

Chengtu, Szechuen
April 28 1938

Mr. C. A. Evans
University of Banking
New York

Please give to
Mr. C. A. Evans
of accounts
and see me in person
in letter this week.
P. M. S. Thanks.

Mr. C. A. Evans,
University of Banking,
New York.

Dear Mr. Evans:

It is impossible to send any money to Peiping these days so we have asked Miss Cookingham at the Yenching University to advance funds to our Crop Improvement Station located on the Yenching campus. She has been very helpful in handling this matter for us and we have now heard from her concerning our repayment to Yenching for the money advanced.

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Recd 5/12/38
No. 2376

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University, Peiping

4440

University of Nanking,
Chengtu, Szechuen.
May 7, 1938. *ack 4/9/38*

INDEXED

Dear Dr. Garside:

Today is a holiday - it is a custom at W.C.UU to hold a field day for two days invit~~ing~~ all the high officials, a band and all the rest. All university students on the campus are competing and our lads are running away with all the honors - perhaps today will turn the score, but probably we have spent more time on actual field work in athletics than has been done up here. The spirit is splendid and I think it will not make any great difference if U of N does have a score that is higher than others. Last night our students and the Ginling girls put on a student concert which was well done. They worked very hard on preparations and did it all themselves excepting for some help from Miss Ward. The hall was packed and the enthusiasm was high. They are feeling very pleased today for they have been asked to repeat parts of it over the radio, broadcasting from Chengtu for the rest of the world. I mention this to show you that we are very normal and doing the usual things on the campus. It does not mean that our group has forgotten the war, but merely means they are conducting a healthy normal life on this campus, doing good work and doing it in a splendid spirit of cooperation.

I am enclosing a copy of a letter that Dr. Chen is sending in this mail to Mr. Cartwright. You will know that Dr. Illick has resigned and in advising us of that fact, Dr. Cartwright suggested that he would like to try to locate a man to fill the vacancy, having him arrive for language study in Peiping this fall, ready to begin definite work by the fall of 1939. We are replying immediately by Clipper mail and indicating the type man we need to fill this vacancy. You will see we have given four choices for to find technically trained men for the mission field is no small task. We would welcome any one of the four, but I hope it may be one of the two listed for the College of Science. This particular vacancy really should go to the College of Science, although Dean Wei is very glad to have the man sent to Agriculture should that prove to be the person available at this time. We wish you would suggest, as we have, that Mr. Reisner be consulted about the choice of the candidates especially for agricultural work. He knows our group and we consider his advice will be valuable. We are writing to him in a few days.

How about pressing the U.C.M.S. for their candidate at this time? Could they fill one of the vacancies listed - only we would like to keep in mind that we want to have one man for the College of Science and one for the College of Agriculture. If the Methodist man is appointed for agriculture, then the UCMS man must be a science person. It makes no difference to us, but that is the situation to keep in mind. We have no choice as to which mission sends to which college - that seems of no importance, but we would not like to have the Methodists and the UCMS both send us a man for agriculture for that might create a problem! Perhaps we can send a letter to the UCMS soon and give you a copy.

Personally I feel this is the time to strengthen our mission support - it needs to be kept at a high level during these days of depression. The support from the Western staff is of great importance just now and I am longing to have a few more members here to help carry some of the load. These are hard days in China - the battles that are lost cause great sorrow and ~~there have been a good many of them, I am sorry to say.~~ This life and death struggle in Shangung at present may turn the tide, but it may turn it the

0345

wrong way! There was some thought that I might return to Nanking for a time during the summer to help out while some of them had holidays, but I doubt if I try it now. It is a long trip and very costly these days as we have to go through Hongkong. I cannot be away long from Chengtu anyway so I shall probably stay here and try and manage the accounts by mail. It is no small task to keep track of finances at a distance, and scattered all over the map of China but we are managing fairly well.

When I came to Chengtu I had no idea of attempting to do anything more than to keep our own two institutions running along smoothly as far as finances are concerned. However I have been asked by West China Union University to help them in their bursar's office, especially to put into their office the Arnett system of accounting. I have been giving them from two to four hours daily for the past three weeks and expect to continue to do so for the next months. The first task is to bring their accounts to date, and by July 1st we shall hope to install the new system. One of our senior staff members was not needed in our office under present circumstances in Chengtu, so I have "loaned" him to the WCUU for the time we are in Chengtu. He is capable of handling all their daily routine and they seem to like his work. Of course they have taken over the support of Mr. Sie but President Chen and I have told President Dsang and Dr. Lindsay that the hours I may give are a contribution to them in a small partial re-payment of all their courtesies to us. It will take us about all summer to bring the books into shape and into a new system. My part in it will be "sub-rosa" for one of their own group will be acting treasurer during the absence on furlough of Mr. Albertson. As I understand it now, I will keep my eye on it all but not appear in "print". However I give you due warning - there are some changes that I plan to recommend very definitely to the New York office! I presume you will know certain things that do not appeal to me at all as being quite fair to WCUU. That will all come in the course of time. For the moment we are trying to bring back work to date. I hesitated to take on another institution - it seems to me the battles of two are about all I can manage - but I could hardly refuse under the circumstances.

We are working on the budget and I expect to have it ready for presentation to our Emergency Executive Committee on the 16th. It will be ailed to you immediately after that date. I hardly know what to do this year - the funds are so definitely cut and unless we can count on you people to continue to send us some special funds during these years in China, I fear we shall be in a serious situation. As soon as the University budget is off the slate I will start on Ginling's - you may know they have closed out the Shanghai unit at the end of the semester and are coming here. Impossible to carry on any satisfactory work divided into parts. It seemed the wise thing last fall but it was a very unwise decision and has harmed Ginling seriously. We hope we can make up for the nightmare of this past year by doing a constructive piece of work here next year. If only we had vision to see what decisions made in earnestness would mean! Dr. Wu returns to Chengtu on the 11th and then we will pain for next year.

We have some good pictures taken showing our activities in Chengtu - our "buildings" etc. I am waiting for a map to be finished and then will send a set to the office for use there.

Everything goes along smoothly here - I am rather proud of the record of our group. I hope it lasts! I will write a few other items in Dr. Chen's letter so will not repeat in this one.

Sincerely yours,

Elie M. Priest

OFFICE OF THE PRESIDENT

University of Nanking
Chengtu Szechwan

6th May, 1938

Dr. Frank T. Cartwright,
Board of Foreign Missions
of the Methodist Episcopal Church,
150 Fifth Avenue,
NEW YORK, U. S. A.

Dear Dr. Cartwright:

I have your letter of March 14th advising us that Dr. Illick has decided to resign from the University and accept a position at Syracuse University. We are sorry to lose the Illicks from our staff, especially as they have been with us for a great many years. We had recently written to Dr. Illick suggesting that he return to join us at Chengtu in September, but from your letter I presume the decision has already been made.

We appreciate very much your suggestion that the Methodist Board will try to find a professor to replace Dr. Illick on our staff and if possible will have the new appointee sent to Peking for language study next September. We shall be very glad to have you follow out this plan and hope it may be possible in order that we may have at an early date a representative from your Board in replacement for Dr. Illick. We do not wish to have a teacher of Natural Science and, because it is rather difficult to find technically trained men who desire to come to the Mission Field, we are listing four vacancies. We should be very happy to have a man sent who could fill any one of these positions. This will give you a bit more freedom to find the right person. First, the College of Science: (1) A Chemical Engineer with practical experience, specializing in vegetable oil, rubber, rayon, or other chemical industries. (2) An Electrical Engineer, specializing in radio and communication or power. Secondly, the College of Agriculture: (1) A professor in Farm Mechanics. (2) A professor with training in irrigation and drainage work. It is possible that one man might be found to combine these two important phases of the work.

We would place the need for the College of Science as the most important need at this time, but if it is impossible to find either one of the two men listed for the College of Science, we shall be very happy to have this professor sent to the College of Agriculture. If you decide to send us a man to the College of Agriculture, will you be good enough to take up the question of the decision with Mr. John H. Reisner, we value his opinion in choosing a man for this particular work.

0347

Dr. Cartwright - 2

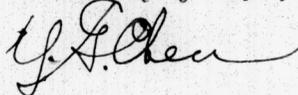
We hope you may have no difficulty in finding a young man who will be interested in joining our staff at this time. Conditions in China may cause a new candidate to hesitate, but if we could convince anyone who is interested that in spite of the war the educational work is considered most important and is being continued in spite of all the problems that exist, there will be no serious hesitation. It is quite possible for a person to carry on their language study in Peking without serious difficulties at the present time and we would like very much to have the professor ready to join us by the fall of 1939. Please keep us informed of your progress in finding this person to fill the vacancy.

We have written quite fully concerning Mr. Jones and are counting on having him join us in Chengtu this September. I hope very much that there may be no question about it for we need him very badly. We will write to Bishop Hamaker outlining to him our plans and will appreciate anything that you can do to enable Mr. Jones to come to us at least for next year. It seems to us of great value to have some of our older staff members with us during this year we are in Chengtu. We are expecting Dr. Steward to join us in Chengtu. We have not heard of an official decision, but from all previous letters I think there is no question about his joining us. In one letter, to Miss Priest, he mentioned that he would like to spend six months in studying the language, but we have asked him to delay this study of the language to some future date, as we would like him here in Chengtu and we feel he is very much needed. His department is planning to make very extensive collections while we are here and at the same time there may be one or two projects that may be carried out by men in his department and we would like to have him here to assist in this unusual work. At a later time we should be glad to make arrangements so that it would be possible for him to spend six months in language study.

We appreciate your many kindly letters of encouragement during these days. There have been most serious problems and some of them seem almost impossible to solve. Just now the work on this campus is going along very smoothly and we expect to finish the semester without any serious difficulties. Reports from Nanking indicate some improvement in conditions within the city, although there are still many refugees living in the University buildings.

With kind regards,

Sincerely yours,



Y.G. Chen

YGC:MT

0348

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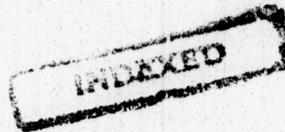
With kind regards,

Sincerely yours,
Y. G. Chen
Y. G. Chen

YGC:MT

6430

University of Nanking,
Chengtou, Szechwan.



14th May, 1938

OK 8/1/38

Mr. C.A. Evans,
Associated Boards for Colleges in China,
150 Fifth Avenue,
NEW YORK,
U. S. A.

Dear Mr. Evans:

Your letter of March 24th has just reached me. I am very sorry there was a delay in sending you the budget for the emergency needs and for the current needs of this year. I am sure that it must have reached you long before this time and I hope it gave you the necessary information. We move slowly, especially in exile.

The main purpose of this letter to-day is to make a report on the medical supplies that were sent into Nanking. In your letter you state that all the supplies which you purchased were received by the hospital. According to a letter from Miss Bauer to me I am finding very great difficulty to reconcile this statement with the urgent plea from Nanking to check up on medical supplies. There seems to be a discrepancy somewhere. We have made a very careful list of all the supplies that were sent out from Sharp and Dohme. According ~~from~~ a letter from Miss Bauer and a note from Dr. Trimmer the supplies which have been received were a shipment made on October 13th, totalling US\$3,238.50. It is true that this was the largest part of the whole shipment, but the rest totals considerably over \$1,000 and we feel should be carefully traced and checked. We are listing for your information the dates of shipment, the invoice number and the details of each lot that failed to reach the hospital. Will you please check this through with the company and see what can be done? This report from the hospital has arrived in a letter dated May 3rd, so I feel is the latest word on these supplies. I have no copy of the list sent to you by Miss Bauer, and she has not mentioned it in any letter to me, but I can only assume that you are talking about the large shipment which had reached Nanking safely.

We shall be very glad to receive the September bank statement from the Central Hanover Bank and Trust Company for both institutions. You state that this was held by the bank, but will be posted to us now. We have received all other bank statements to date, excepting for the month of January. I wish you would send us a duplicate for that month, but you need not send us a

0350

Mr. Evans - 2

duplicate for any other month. Statements from your office for both institutions, to the end of February have all reached us. Perhaps if we have sufficient patience the whole thing will be cleared, but I am anxious to have the statements before the close of the year, in order that we may finish up our reports and get the Regent's statement off at the earliest possible date.

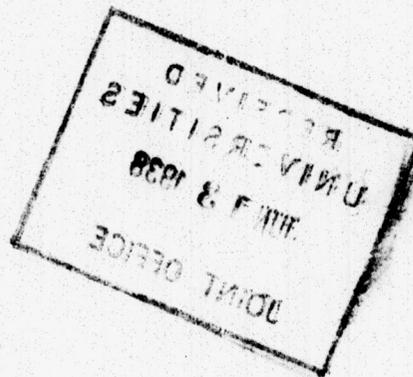
We are having a meeting of the Emergency Executive Committee on May 16th, at which time the annual budget for 1938-39 will be considered. I am expecting to put into the post on May 16th one copy of this budget in order that it may reach you around June 1st. The letter concerning the meeting and any actions that may be taken will have to be delayed for a few days. We are very anxious to hear from you concerning the actions taken at the annual meeting.

Sincerely yours,

Elsie M. Priest

Elsie M. Priest

EMP:MT



0351

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Sincerely yours,

Elaine M. Priest

Elaine M. Priest

EMF:MT

RECEIVED
UNIVERSITIES
MAY 3 1938
JOINT OFFICE

SHARP AND DOHME

| | | | | |
|---------------------|---------|--|------|--------------------|
| October 20th, 1937. | AB78549 | 500 Capillary tubes 10 vaccinations each (5,000 vaccinations) | | |
| | | Smallpox Vaccina, M450-58. | .05 | 250 00 |
| | | 100 Ampul vials Diphtheria Antitoxin 10,000 units super-concentrated | 2.00 | <u>200 00</u> |
| | | | | 450 00 |
| | | Air Express from Alameda to Hongkong | | <u>206 86</u> |
| | | Total | | 656 86 |
| October 22nd, 1937. | EV78548 | 50 Ampul Vials 10 CC (10 Immunizations) Diphtheria Toxoid Alum Precipitates Refined M239-226 | 1.20 | 60 00 |
| October 26th, 1937. | AB78557 | 100 Vials Diphtheria Antitoxin 5,000 units | 1.10 | 110 00 |
| October 11th, 1937. | EV78362 | 15 Vials Tetanus Antitoxin Human 5,000 Units-Date Expir. | 1.90 | 28 50 |
| | | 150 Vials Tetanus Gas Gangrene Antitoxin Mixed Date of expiration 10-10-39. | 1.67 | <u>250 50</u> |
| | | | | 279 00 |
| | | Air express to Hongkong | | 95 76 |
| | | Total | | <u>374 76</u> |
| October 13th, 1937. | AB78361 | 2550 Vial Tetanus Antitoxin Purified Globulin 1,500 units | .65 | 1,657 50 |
| | | 85 Vials Tetanus Antitoxin Globulin 5000 units | 1.90 | 161 50 |
| | | 850 Vials Tetanus Gas Gangrene Antitoxin mixed | 1.67 | <u>1,419 50</u> |
| | | | | 3,238 50 |
| October 18th, 1937. | EV78493 | 5lbs Iodoform. Powder | | 27 04 |
| | | Parcel Post & insurance | | <u>2 23</u> |
| | | | | 29 27 |
| October 15th, 1937. | AB78359 | 450 Vials Tetanus Antitoxin Purified Globulin 1500 units | .65 | 292 50 |
| | | Air express to Hongkong | | <u>53 76</u> |
| | | | | 346 26 |
| | | Grand Total | | <u>G\$4,815 65</u> |

RECEIVED
 UNIVERSITY
 JUN 13 1938
 BEER & CO.

Per letter from *Miss Bauer*
 May 3, 1938 and C.S. *Trimmer*
 same date, only these drugs
 reached Nanking safely.

4530

SHARP AND DOHME

Gene Bauer

| | | | |
|-----------|---|---------|---------------------|
| 250 00 | 500 Capsules (2,000 vaccinations) each (5,000 vaccinations) | AB78249 | October 20th, 1937. |
| 200 00 | 100 Ampul vials Diphtheria Anti-toxin 10,000 units super-concentrated | | |
| 450 00 | | | |
| 200 86 | Air Express from Alameda to Hongkong | | |
| 656 86 | Total | | |
| 60 00 | 50 Ampul Vials 10 CC (10 Immunizations) Diphtheria Toxoid Alum Precipitate Refined MS39-226 | EV78248 | October 22nd, 1937. |
| 110 00 | 100 Vials Diphtheria Antitoxin 2,000 units | AB78257 | October 26th, 1937. |
| 38 20 | 15 Vials Tetanus Antitoxin Human 2,000 Units-Date Expir. | EV78365 | October 11th, 1937. |
| 250 20 | 150 Vials Tetanus Gas Germsene Antitoxin Mixed Date of expiration 10-10-38. | | |
| 276 00 | | | |
| 25 76 | Air express to Hongkong | | |
| 374 76 | Total | | |
| 1,627 20 | 2550 Vial Tetanus Antitoxin Purified Globulin 1,500 units | AB78861 | October 13th, 1937. |
| 161 20 | 85 Vials Tetanus Antitoxin Globulin 2000 units | | |
| 1,419 20 | 850 Vials Tetanus Gas Germsene Antitoxin mixed | | |
| 3,238 20 | | | |
| 27 04 | 515 Iodoform Powder | EV78493 | October 18th, 1937. |
| 2 23 | Parcel Post & Insurance | | |
| 29 27 | | | |
| 302 20 | 450 Vials Tetanus Antitoxin Purified Globulin 1500 units | AB78359 | October 15th, 1937. |
| 23 76 | Air express to Hongkong | | |
| 346 26 | | | |
| 64,812 62 | Grand Total | | |

RECEIVED
UNIVERSITIES
JUN 13 1938

JOINT OFFICE
The letter from the General
May 3, 1938 and G.S. ...
same date, only the change
needed regarding supply.

INDEXED

Chengtu, Szechuen.
May 16, 1938.

Recd 6/7/38

Dear Mr. Evans and Dr. Garside:

You will find enclosed a copy of our budget for 1938-1939. The Emergency-Executive committee is meeting this afternoon, after which time we will report to you concerning minutes and recommendations. However I do not anticipate any changes in this budget and unless it is posted this afternoon, it will have to be delayed for about ten days for the next Clipper mail. Therefore I am enclosing the budget at this time for your use to have it in your hands by June 1st as stated in an earlier letter. There will be another copy sent by ordinary mail after the meeting.

Please note that we have increased the cost of the New York administration from 10,000. to 16,600. according to your letter - it seems like a large increase for this year of exile!

Please note we have followed the income figures given by you in every case except that we have asked to have US\$3,000. furnished for the field from campaign funds for next year. Not knowing your plans for promotional work, we are not able to judge the wisdom of asking for more, but as we have the heavy deficit before us, and will require 35,000. to return to Nanking sometime, we hope you are making definite plans to aid us with these items.

With the exception of this item of US\$3,000. the budget is balanced for next year, but it means that we have had to continue the salaries on 70% for the entire year. After the meeting we will send full details commenting on various items in accordance with the decisions of the committee. There are serious questions concerning the hospital finances.

I am waiting anxiously for word concerning the annual meeting and plans for promotional work. We sent you our emergency needs - the day is approaching when we shall be hard pressed to finance the work unless we have some more funds. What amount has been granted to the University? Also what are you planning to do for next year in the promotional field? We feel there should be some substantial gifts in return for the very heavy expenditures to continue the promotional work. So far the University has received 4,400. from the Board of Founders. We do not count the gifts for the hospital which has always been considered as a separate unit and in no way under the general university funds. The Mission Grants are made separately to the hospital as well as all other grants. I have mentioned this before, but it seems wise for you to realize the difference at this time. We see reports in print that the University has received some sum like 16,000. from the united campaign, while in reality we have received the sum of 4,400. A vast difference when you are trying to balance your budget!

The spirit of the group has been splendid in cutting this budget to meet all the extra costs. You will realize we have a heavy item to continue the care of the plant and some of the work in Nanking, much of which has to be duplicated in Chengtu, especially as far as operation and maintenance and cost of running a plant is concerned.

We are not mimeographing the budget this year - it is very costly up here, so we are managing with a typewritten copy only. Only two copies will be sent to New York, so if you need more, please make your own plans to have it mimeographed there.

Sincerely yours,

Elin M. Priest

0355

82/1/38
1938

Chengtu, Szechuan.
May 16, 1938.

INDEXED

Dear Mr. Evans and Dr. Garbidge:

You will find enclosed a copy of our budget for 1938-1939. The Emergency-Executive committee is meeting this afternoon, after which time we will report to you concerning minutes and recommendations. However I do not anticipate any changes in this budget and unless it is posted this afternoon, it will have to be revised for about ten days for the next clipper mail. Therefore I am enclosing the budget at this time for your use to have it in your hands by June 1st as stated in an earlier letter. There will be another copy sent by ordinary mail after the meeting.

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Please note we have followed the income figures given by you in every case except that we have asked to have US\$3,000. furnished for the field from campaign funds for next year. Not knowing your plans for promotional work, we are not able to judge the wisdom of asking for more, but as we have the heavy deficit before us, and will require 55,000. to return to Hankin, sometimes, we hope you are making definite plans to aid us with these items.

With the exception of this item of US\$3,000. the budget is balanced for next year, but it means that we have had to continue the salaries on 70% for the entire year. After the meeting we will send full details commenting on various items in accordance with the decisions of the committee. There are serious questions concerning the hospital finances.

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UNIVERSITY OF CHENG TU
OFFICE
1938

Sincerely yours,

Eric M. Quint

9530

Information of Directors
CLAIMS OF LOSSES -- UNIVERSITY OF NANKING

3 copies

Section of letter by President Chen to M. S. Bates, dated Mar. 22
from Chengtu.

"This is a fundamental problem that must be settled, not only by us but through every other institution that is owned by the American Board of Founders. All buildings and land are definitely American owned property. For the present we can say this: as far as the farm equipment is concerned, it was purchased by American funds. Of course we have used the proceeds from sales of crops for the running expenses of the farms, but all equipment, buildings, and machinery was purchased with the Famine Funds - certainly American funds, controlled by the Board of Founders. Our books will prove this point most conclusively. So for the farm losses, I think there need be no question.

"Miss Priest talked with Bishop Ward concerning the general question. His reaction at this conference was to consider all property, including equipment, as American owned. I feel others will support this viewpoint. So we must leave to you to make decisions. We have sent you a very carefully prepared list of the losses on the farms, and will enclose another copy with this letter for fear the first may not have reached you."

0357

CLAIMS OF LOSSES -- UNIVERSITY OF MANKING

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RECEIVED
SOUTH WESTERN UNIVERSITY
MAY 23 1938
JOINT OFFICE

8530

May 18, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, Szechwan, China

Dear Miss Priest:

We enclose herewith a copy of a letter we have just written Mr. Creighton Lacy thanking him for a gift of \$125 just received from Swarthmore College. Mr. Lacy first wrote us about March 1st, asking whether within our National Emergency objective there were any special projects to which Swarthmore contributions could go. He suggested that the Swarthmore group would be particularly interested in some kind of Swarthmore scholarships. I had just received President Chen's letter appealing for "a special fund to help students who have lost so heavily that it is impossible for them to continue their college work." I sent excerpts from this letter to Mr. Lacy for him to use with the Swarthmore group.

We hope that the University can make some special use of this \$125, within the general framework of our current financial needs, which will make it possible for President Chen to send some word of appreciation indicating the use to which the Swarthmore money had gone. We try to relieve our friends in China of the tedious task of writing innumerable American donors telling them what has become of their individual gifts. But in this case it seems that a specific recognition of this gift from Swarthmore may be worth the trouble involved.

Very cordially yours,

BAG:MP
Encl.

See letter sent to Mr. Lacy 5/18/38.

0359

Dear Dr. Garside:

Chengtū, Sze.
May 23, 1938.

*ack 5/22
to
Chen*

enclosed
This letter sounds a bit harassed - but do not blame the poor president. The day seems to have been rather warm and full of many things so the letter failed to have the usual leisurely hour. I hope it covers the important facts and that you will have the minutes in sufficient time to make the covering letter of some value to you.

I am much concerned to know how much we have been granted for this year from the campaign. We have vague reports - more than 30,000. in one letter while in the next it indicates some 8,750. is to be paid to the Associated Boards and is not there fore anything but an Indian gift. Just what is the amount that is to come to us for current expenses - not counting the hospital-in the proportionate share due us from the campaign. It was a tremendous fight to have the hospital recognized as part of the University when I was in New York a few years ago, on the ground that it was not part of the program under the correlated scheme, while now the rest seems to be fading into the background. I wish I could have a clear picture of the whole situation and thus clear some of the questions raised.

The work is going along calmly enough - no great excitement in Chengtū or on our campus. Fierce fighting around Nanking does not make us too happy.

I asked you some weeks ago about the back dividends from the Aluminum stock - can we have this money to apply on our deficit? It should go to that source for the deficit was created when income fell off so sharply a few years ago and now if that same income is re-instated it should be morally returned to refund that shortage. I realize that this campaign is costing a tremendous amount of money but it seems to me we should not confuse our issue but should take that money from funds raised this year, not from funds that rightfully belong to the field. I would appreciate a reply before we close our books in June.

This is all the paper I dare use and send this letter for 1st unit postage!

Sincerely yours, *Elise M. Riebt*

RECEIVED
MAY 20 1938
COMMUNICATIONS SECTION

2
2
2
3
7
5
2

May 25, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, China

Dear Miss Priest:

We are enclosing copy of a communication received from the Sun Life Assurance Company of Canada which is self-explanatory.

We all feel greatly relieved that the contract is of such a nature that those already in will not suffer by this reduction. We have known for a long time that annuity earnings and rates were being drastically modified by the old line companies. This is due, of course, to the fact that income is so greatly reduced that companies cannot continue to write on the old basis.

May we call your attention, however, to the fact that we have between now and December 1st to file any new applicants who may desire to join the plan as it now is. We shall, of course, continue with the company, and have requested the manager to call at our office, at his convenience, to make arrangements for this step. First of all, we could not get any better rates elsewhere; secondly, probably no company would take a small number, even if the rates were more attractive; and lastly, it is of infinite advantage to us to continue along the same line as we have been working, and with the same group which has done so well by us.

It would seem advisable to survey the situation and make such recommendations to your faculty as seems wise under the conditions, and we will take the matter up with the insurance company.

Very truly yours,

G. A. Evans

CAE/B
ENC.

0362

University of Nanking,
Chengtu, Szechuen.
May 25, 1938.

INDEXED

Mr. C. A. Evans,
University of Nanking, New York.

Dear Mr. Evans:

I have been sorting over some of the material that has been accumulating in the office and wish to know if we have a complete file of the various minutes sent out from your office. I will list the ones that have arrived and wish you would ask someone to check them over and if we lack any official minutes, will you kindly have a copy sent to us so the files will be complete?

| | | |
|--|-----------------------------|--------------|
| Minutes of Committee on Promotion of Associated Boards | - November 22, 1937 | ✓ |
| Report of the treasurer, Board of Founders | | |
| Minutes of Executive-finance Committee | November 5, 1937 | ✓ |
| Minutes of Finance committee | November 9, 1937 | ✓ |
| Minutes of Executive-finance committees | January 21, 1938 | ✓ |
| Minutes of Finance, Property & Investment | January 27, 1938 | ✓ |
| Minutes of Finance committee | January 28, 1938 | ✓ |
| Minutes of Promotion Committee | February 4, 1938 | ✓ |
| Minutes of Executive committee | March 16, 1938 | ✓ |
| Minutes of Finance committee | March 31, 1938 | ✓ |
| Minutes of Finance Committee | April 20, 1938 | ✓ |
| Minutes of Executive committee | April 22, 1938 | ✓ |

Clergy certificates: Please find enclosed two sets of clergy certificates for staff members. Western and Eastern for

Mr. Chia-ping Ying
c/o Mr. Yao Tz-yang,
Tabaqueria Philipina Ltd.,
165 Nanking Road, Shanghai

Kindly send the certificates directly to this address. Mr. Ying hopes to leave China in August for study abroad.

Ex W Clergies applied for 7/1

note

Also for Miss Imogene Ward, both Western and Eastern certificates. Miss Ward has not decided yet on her boat, but as soon as we know I will send you word. Perhaps the best procedure will be to hold her certificates in New York until we notify you definitely - she will not leave until after the close of the semester, July 15th.

Ex W Clergies applied for 7/1

note

Contract for Dr. Curtiss: In the rush of packing I seem to have overlooked some files that are needed in settling various items. Perhaps the easiest method will be to ask you to send me definite word on this question, and if you send by Clipper it will be in time to make necessary adjustments. The Curtiss arrived last fall but have been in Hongkong all the time, and it seems unwise to him to attempt to go to Chengtu. Besides there are some questions about having him do so at this time as the work of the department is well cared for with six professors, all well trained and able to carry the teaching adequately. So it becomes a case where the department is quite willing to accept the proposal from Dr. Curtiss that he return to America this autumn. This was the decision reached by Dr. Curtiss some weeks ago and stated in a letter to us.

How did you word the contract? You see it becomes a case of Dr. Curtiss breaking his contract with the University for we would take him on the staff here, if he was willing to come, even although the need is not very pressing under present conditions. If you worded it in the usual way, which I presume was true, we are not responsible to pay travel back to America for them. On the

0363

other hand we do not wish to run the risk of making a statement that we are unable to support, so I wish you would send me the copy of that part of the contract with Dr. Curtiss so ~~we~~ may adjust the whole problem with them.

It is rather unfortunate for everyone speaks most highly of Dr. Curtiss and he has been very helpful in Hongkong, but of course it has not been the type thing he had expected to contribute to the institution. He has been working on a textbook - and his time has not been entirely wasted, but I fear it has been a most unsatisfactory year for him. He felt it was impossible to leave his wife and small child and did not wish to bring them into the interior, so we see no choice but to allow them to return to America this year.

Let me acknowledge various letters that have arrived recently: March 18, 24 and 31, April 1, 4, 8, 22 and 25. In a few cases letters have reached us by ordinary post whereby stated originals by Clipper, which have not arrived. This was true of the April 25th letter. I believe most of them come through. We now have all the bank statements, and all the New York office statements to April 1st. Also your letters of April 7 and 8 are here.

Please continue the magazine American Mathematical Monthly, having it sent to us at this address; University of Nanking Library, Chengtu, Szechuen. and be sure it is sent so our files are complete. We need all these technical magazines for our classwork and as our books are limited we need to keep current subscriptions in order.

We will send this letter to go from Hongkong ordinary post, but I will send you a Clipper letter acknowledging in more detail various points in the above correspondence.

Your correspondence keeps referring to "the deficit in the Hospital" and I have been trying to find some letter I sent that reported a deficit. I presume it is just a mis-statement and what you mean is the "proposed shortage" of funds for the future. Actually there is no deficit yet in the hospital - but there are so few funds in sight for continuing that particular work that we are deeply concerned. I think it is stated fairly clearly in all the material that goes with the minutes of the meeting of May 16th. You know our University Hospital has been almost self-supporting for years and has been ending each year with a very nice surplus especially during these past years when the demand for hospital care has come from rather well-to-do people in modern Nanking. You cannot possibly operate a hospital on ward patients who may pay 80 cents a day - but must depend upon the private wards at from 3.00 to 15. per day. Everyone knows this is true everywhere in the world. We are now faced with the proposition of having only ward patients, many of whom cannot possibly pay even 80 cents per day - thus making it impossible to finance the work. There is money in sight for the present but perhaps I have insufficient faith for I fear the need in other parts of China will over-shadow the need for civilians in Nanking, who have had some months in which to recover from the first horrors of occupation. Therefore we are trying to look ahead to the day some months hence when funds will be very low. Funds may continue to pour in from various sources and every effort will be made to raise the money locally - but there are so many calls. You will note that we have indicated that we may require about 125,000 00 for the hospital this next year, if continued on the present very restricted basis. When Dr. Daniels returns he will take up the whole problem and will "cut his pattern to fit the cloth" I am sure, but even so, he must have some help and we fear the local people of Nanking will not be able to do very much. Actually we have on hand today something over forty thousand dollars for the hospital but this will not last very long.

Sincerely yours,
Chas. M. Priest

*Noted
H.M.*

0364

other hand we do not wish to run the risk of making a statement that we are unable to support, so I wish you would send me the copy of that part of the contract with Dr. Curtiss so we may adjust the whole problem with them.

It is rather unfortunate for everyone speaks most highly of Dr. Curtiss and he has been very helpful in Hongkong, but of course it has not been the type thing he had expected to contribute to the institution. He has been working on a textbook - and his time has not been entirely wasted, but I fear it has been a most unsatisfactory year for him. He felt it was impossible to leave his wife and small child and did not wish to bring them into the interior, so we see no choice but to allow them to return to America this year.

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JUN 3 1938

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Sincerely yours,
Curtiss

5930

University of Nanking,
Chengtu, Szechuen
May 27, 1938.

Dear Dr. Garside and Mr. Evans:

When I went to luncheon the other day, the members of my household asked what had happened - "you look as if you had discovered a gold mine" - so you see the effect of your letters and minutes was very apparent to my friends. I replied it was better than a gold mine to me at just this time to receive word from the Board of Founders that they were caring for the deficit for emergency and this current year. I cannot tell you what a tremendous relief it is to have this word, or express too deeply my personal appreciation. It is so difficult to have these debts hanging over your head as you try to make plans for the future. Just lately we have had to bring pressure on our group enforcing the idea that we were very hard up and they must not branch out too much in Szechuen - it is a great temptation, and now with this word, we can let them go on with some of the projects about the province.

Will you express my personal thanks to all the group, as well as the deep appreciation of the entire administrative staff, for this timely aid? Just as soon as it is decided officially through the proper channels, please deposit the money in the Central Hanover Bank and Trust Company, sending me word of the deposit.

I know we havenot drawn all our money from America but we will do so before long. I wrote you that we were keeping funds in American money but using up certain reserves in China, feeling this was a safer procedure at this time when the future of Chinese dollars is rather uncertain. However there is not much left in sight, so we will need to sell rather large amounts before many days and thus reduce our balance with you or in the bank.

There is one thing I wish you would do for us. We are trustees for some special funds and as 15,000. came due the other day we used it locally, but I do not feel quite easy about this particular fund and would like to have you set aside for us in a savings bank account US\$4,600 00, which is about the equivalent at par rates and thus keep intact this sum for future investment in China when conditions are changed. You may take this money from the famine funds appropriation for this year. There may be other funds that we will have set aside in America - I will see what is best in relation to them. Some are local items that can be used here without any serious obligation, but when we are merely appointed as trustees of funds, the interest only to be used, I prefer to have them in some tangible form in a special account.

I was a bit shocked to learn that the deficit on the Board of Founders' promotional account, guaranteed at US\$7,000 00, was about US\$8,700. In other words, Mr. Wheeler has not raised any amount for his expenses to say nothing about help for the field. We do not know your plans for him for next year but it seems to raise a very serious problem in our minds. It takes a considerable amount of money from field funds to support him and if his efforts do not give any returns at all when put into a summary form in cold dollars and cents, something seems a bit out of line. I doubt the wisdom of continuing this kind of promotional work, and wonder if we should not throw more energy into the united efforts and less in individual effort. We are far away and know little about it all, but the results are shouting rather loudly and it is this part that enters into our picture

0366

these days.

Thank you for including the "old" field deficit in making your plans. I have been feeling for a long time that the Aluminium money should be used to pay off this debt - it seems to me that it was created from the fact that our income fell off so radically the years that dividends were withheld on this stock. We have worked faithfully to reduce this heavy deficit and have done our best to operate economically to eliminate it from our records. On the other hand we realize that the Founders have to find some money to pay for the cost of the obligations assumed for Mr. Wheeler during the past year and so it becomes one and the same thing, for I expect they would assume it was their privilege to take field funds to clear off this deficit if this extra money had not been paid in on the aluminium stock. If we can have the balance for this field deficit it will reduce our debt by some twenty thousand dollars. According to your data the amount anticipated from the stock is as follows:

| | |
|--|-----------------|
| Payments paid or anticipated | 12,500 00 |
| Less founders deficits US\$7,688 10 | 7,688 10 |
| Balance available for the field deficit...US\$ | <u>4,811 90</u> |

At present, exchange is about 4.50 - whether it goes down or remains at this figure is beyond me, but today it is at this rate. If you could assign this balance to us within a reasonable length of time, we would be able to realize around 20,000 00, thus reducing the deficit to something around six or seven thousand dollars. Will you consider this and let me know?

Of course you realize that the Chinese dollar is lower than it was when you fixed the amount to be considered the emergency deficit. I note you used 27 but if we have the money within a short period, we can realize something a little over 22 - the last quotation to reach me was 21-15/16, but the official rate is given at 23-1/2 and we may be forced to sell to the banks at this rate. I shall try to sell privately, but the demand may not be great up here. When we gave you the emergency figures they had to be estimated in a number of instances, and we shall need to send you actual figures a little later. I am afraid the furniture and freight items are running quite a bit over my estimates. It was very hard to tell at that time just what would be needed.

Will you please keep your contributions for the emergency deficits at the figures given in your letter and minutes US\$11,312 95, and allow us to use any amount that is gained by lower exchange to bring in the boxes of equipment now in Manila and Hongkong. We had sent our annual orders as usual, the goods arrived and we have been forced to hold them in storage all these months. We need the goods and are trying to find money to bring the things into Chengtu - you know it is very costly business. If we could realize as gain on this emergency contribution, enough to cover this transportation, it would still be in line with emergency needs and would fill a very important need. The difference may be around 7,000 00, and this would be enough to bring in about 1/3 of the boxes of equipment. By careful choosing, we would be able to have the most needed items of equipment and supplies. I hope this will meet with your approval. Of course should the value of the dollar change, and there is no such "gain in exchange" we could not bring in the equipment but it is so greatly needed I hope you will agree to this proposal.

Thank you very much for your generosity in giving us the five thousand

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dollars "anticipated from the Board of Founders". We have duly read the minutes calling our sins to our attention, and I am sorry. It troubled President Chen very much - but probably the major amount of blame should fall on my shoulders. It is all a matter of interpretation I suppose, for had we entered the item "estimated amount to be raised" you would not have questioned it at all. At no time did we consider this was a promise from the Board of Founders - it was merely a request. I am sure you would be greatly surprised and perhaps a trifle disappointed if we did not appeal to you for help practically every year. Anyway we have again indicated that we hope you will send us US\$3,000. against our current needs again this next year. We took action to request these gifts, and it seems justified in the eyes of our group in China. When we pay out so much money for promotional expenses, it seems as if some results should accrue to the field. When all is said, I can only express our deep appreciation for your generous acts in giving us this grant. Just as soon as it comes to us, I hope to sell that amount and if there should be any gain over estimated amounts, to have this to clear up various items that we have had and which could not be anticipated earlier in the year. It is no small task to estimate the expenses on a new un-tried campus, and have any idea of amounts that will be needed to meet our expenses. I can assure you that all our plans have been made very carefully with an idea of keeping our deficits at the lowest possible figure.

In your letter of April 8th you report that you are holding US\$3,035 91 for the freshman dormitory. I hope you will place this amount in a savings account, designated only for this purpose and when it is possible at some future date to go on with this building, we shall call for it. Actually we have purchased a good deal of the building material for this building, but there will be no construction carried out during these days.

Memo 4/21
I wonder if you could write to Mr. Hoover and ask if he is in a position to make the payment of the gift of US\$500. which was never promised as a certainty but "I shall try to make a gift of 500. annually".

It will be a great pity if the UCMS fails to make good their promise to pay for the vacancy on the staff. They are only supporting two men and we feel this should be considered as a definite obligation. We would be glad to have the professor but until he is here we have to provide for certain teaching, and this is not the time to reduce the support from mission boards. We know the losses to this mission have been heavy, but that should not change their obligations to work that is being continued.

I was much interested to read of your problems in the field of investments and to be in touch with some of the difficulties you are facing. I have not been able to keep up with the stock market at home but from vague radioreports understand it is rather precarious. We shall draw all the money that was appropriated for famine funds this year. If it has not been drawn it is only because we used other funds here that do not belong in current funds and need to be replaced in due time. Please be prepared to meet our needs for the full amount of the appropriation. I note you are carrying a small balance in the famine funds for last year - I must check this back and see why, for we closed it out with one item. Perhaps there was a draft not in, and then charged to the current items by error - anyway it will be checked and I will write you later.

With best wishes and many thanks for your consideration,

Sincerely Yours, *Elmer M. Priest*

0368

University of Nanking,
Chengtú, Szechuen.
May 27, 1938.

INDEXED

Dear Mr. Evans:

According to your minutes dated April 20th, there will US\$5,096 40 left in the emergency grant for the University needs.

May I ask that \$3,000 00 of this amount be earmarked to cover the needs for next year. We have balanced our budget except for this one item, which we hoped might be secured from the Board of Founders in due time. If you could definitely assign this amount to next year, our budget will be balanced, until we commence to receive word of cuts here and there especially in local grants!

I would like to suggest that the balance, US\$2,096.40 be held for the present until we can tell what may happen next year. We were obliged to make a good many cuts in askings for next year and some of them may need to be restored - or perhaps we should apply it on the middle school accounts. For the present do not assign it to the middle school but let them work on their own accounts. It may sound rather hard-hearted, but I know the group and they need this inspiration! We estimate they will be short 20,000. by the end of June but I am hoping some of this may be found locally - there is a chance, but should they think it was all coming from America, the efforts would cease. We shall not let our "younger brother" suffer, but we like to help him to stand alone.

Our great need today is to restore salaries, and I am hoping some local grants may be found to help us on this problem. You may realize that the cut in salaries will total around 60,000 00, and it was because of this amount that we felt we had to continue the cut - otherwise it would throw us into a terrible deficit. The spirit of the staff is most excellent and there is no complaining, but I know of a number of cases where there is suffering and I would like to see them in a position to live a bit better. Chengtu is rather crowded these days and our families are living under most crowded conditions as they feel it is impossible to do otherwise. I am not asking you to find this money, but if you help us on the other deficits, we may be able to go out after some local money to relieve the situation. It is not definite as yet but one is ever hopeful especially as more and more the nation is becoming conscious of the necessity to continue "behind the lines" in a normal way and to develop this rich province so it may serve other parts of China.

Please let me hear from you on the above suggestions. Then we shall need to face the expense of returning to Nanking, which we hope may be next year - one year up here. The prospect is gloomy just now but we must be optimistic and look forward to a better day for East China. We believe 35,000. will be needed to take us back to Nanking - again this is a guess, but it is based on experience and facts.

Sincerely yours,

Elsie M. Priest

Elsie M. Priest.

0369

University of Nanking,
Chengtu, Szechuan.
May 27, 1938.



Dear Mr. Evans:

According to your minutes dated April 30th, there will
US\$5,000 left in the emergency grant for the University needs.

May I ask that \$3,000.00 of this amount be earmarked to cover the needs
for next year. We have balanced our budget except for this one item,
which we hoped might be secured from the Board of Founders in due time.
If you could definitely assign this amount to next year, our budget will
be balanced, until we commence to receive word of cuts here and there
especially in local grants!

I would like to suggest that the balance of US\$2,000.00 be held for the
present until we can tell you what we need for next year. We were obliged
to make a good many cuts in asking for next year and some of them may
need to be restored - or perhaps we should apply it on the middle school
accounts. For the present do not assign it to the middle school but
let them work on their own accounts. It may sound rather hard-hearted,
but I know the group and they need this inspiration! We estimate they
will be short 20,000.00 by the end of June but I am hoping some of this
may be found locally - there is a chance, but should they think it was
all coming from America, the efforts would cease. We shall not let our
"younger brother" suffer, but we like to help him to stand alone.

Our great need today is to restore salaries, and I am hoping some local
grants may be found to help us on this problem. You may realize that
the cut in salaries will total around 60,000.00, and it was because of
this amount that we felt we had to continue the cut - otherwise it would
throw us into a terrible deficit. The spirit of the staff is most ex-
cellent and there is no complaining, but I know of a number of cases
where there is suffering and I would like to see them in a position to
live a bit better. Chengtu is rather crowded these days and our families
are living under most crowded conditions as they feel it is impossible
to do otherwise. I am not asking you to find this money, but if you
help us on the other deficits, we may be able to go out after some local
money to relieve the situation. It is not definite as yet but one is
ever hopeful especially as more and more the nation is becoming conscious
of the necessity to continue "behind the lines" in a normal way and to
develop this rich province so it may serve other parts of China.

Please let me hear from you on the above suggestions. Then we shall
need to face the expense of returning to Nanking, which we hope may be
next year - one year up here. The prospect is gloomy just now but we
must be optimistic and look forward to a better day for East China. We
believe 35,000.00 will be needed to take us back to Nanking - again this
is a guess, but it is based on experience and facts.

Sincerely yours,

Elaine M. Priest

Elaine M. Priest.

07E0

處計會學大陵金京南
UNIVERSITY OF NANKING
OFFICE OF THE TREASURER
NANKING, CHINA

Chengtou, Szechuen.
June 2, 1938.

Duplicate assumed

Dear Mr. Evans:

I am checking over the things that need to be completed during this year. I shall need your help with some of them.

Regents Report Blanks: If not already sent, please send immediately to be forwarded from Hongkong by air mail, sufficient blanks for both the University and Ginling. We have extra blanks in Nanking but I do not find them here, so fear they were left behind. Since our office was moved into vaults, and packed away, I cannot easily instruct the group in Nanking to send these blanks to us - it might take them hours to go through all that material.

Final statement for June: Please send the final statements at the earliest date possible so we may close our books and try to have the accounts completed. I am very anxious to have this early for under the plan now, we shall inaugurate the new system at West China Union University and there may not be many extra hours during the summer. If we can complete the University and Ginling books promptly I believe it can be done without causing great difficulty to anyone.

Bank balance in New York: When you ask for the bank balance from the Central Hanover Bank and Trust Co. that does not mean that we have that much money to spend. You quote a figure of 12,000. odd as being to our credit. The assistant treasurer and I had a good laugh over this balance for our books showed we were a bit overdrawn! Apparently what has happened is this; we have sold a number of checks to people who were very anxious to have their money converted into American dollars. They are evidently holding their checks and not presenting them for payment. It gives us a very substantial bank balance in the bank but actually we cannot use this money again. So do not be guided too much by the report from the bank. I am not surprised - it was rather gratifying to have many Nanking people ask us to take care of their money as they had more confidence in the integrity of the University than in the safety of the Chinese banks!

Balances to our credit: Please deposit them to our account, or else reserve against future deposits. In case we are slightly overdrawn in the current section or in the hospital section, transfer from famine funds to close the accounts so there will be no deficit in the field accounts. For the special grants, am I to understand that the minutes of the Executive committee constitutes the authority to draw this money? What does Harvard-Yenching Institute mean by the letter they sent indicating they had appropriated US\$75,000. for all institutions for a period of three years? Does this change our figure as given in your letter some weeks ago?

I am sending a separate letter reporting on outstanding orders.

Sincerely yours,

Elie M. Priest

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RECEIVED
UNIVERSITIES
JUN 29 1938
JOINT OFFICE

The enclosed letter from the Treasurer of the University of Nanking, dated June 28, 1938, is being forwarded to you for your information. The letter contains a report on the financial condition of the University and a request for your assistance in the matter of the University's financial affairs. I am sure that you will be able to advise me as to the best course of action to be taken in this regard.

I am sure that you will be able to advise me as to the best course of action to be taken in this regard. I am sure that you will be able to advise me as to the best course of action to be taken in this regard. I am sure that you will be able to advise me as to the best course of action to be taken in this regard.

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I am sending a separate letter regarding outstanding orders.

Sincerely yours,
Ben M. Davis

ETEO

check

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June 7, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, China

Dear Miss Priest:

Miss Stella M. Graves is in the office today and making arrangements to sail on the Coolidge leaving San Francisco July 29.

According to your instructions, Miss Graves was to receive only \$150.00 travel for the return to China, but the condition under which she is returning is much different than at the time this authorization was given. For instance, it is necessary for her to buy through to Hongkong rather than Shanghai. There are possibilities that she will be required to go to Chengtu by way of Yunnan. In this case there will be additional expenses. The around the world ticket was on the Dollar Line, and the only boat sailing which would afford accommodations in time for her to reach the field is the Coolidge which is an extra fare boat. After considering the situation very carefully, we have decided to give her \$100.00 extra with the understanding that she is to report in detail when she arrives on the field.

The passport conditions are such that she will be required to report to the American Embassy in Tokyo and procure the latest news and instructions at that point. They will determine whether or not she will go to Nanking or to Chengtu. Our understanding is that she is desired at Chengtu, as apparently there will be no unit in Shanghai this year.

The doctors have Miss Graves' medical papers under advisement at the present time and will notify us before the day is over as to their opinion. The one who has been treating her this summer gives his unqualified approval for her return. These treatments together with an inspirational Oxford Group conference at Stockbridge, Massachusetts apparently have been a great benefit. We have talked rather seriously with her about the physical condition, and trust that this condition will prove permanent.

It is quite possible that we will withhold a portion of the travel allowance for payment later on before Miss Graves leaves the United States, but that will be determined by her own attitude and desires, and we will notify you definitely later on.

0374

Miss Elsie M. Priest

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6/7/58

We sincerely trust that we have acted in accordance with your own judgment, but we have taken this course as it seems perfectly proper to consider any extra amount for travel as an emergency which could rightfully be taken care of from any emergency funds collected next year.

Very truly yours,

C. A. Evans

CAE/B

0375

over

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June 7, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengt'u, Szechwan, CHINA

Dear Miss Priest:

We have for acknowledgment your letters of May 7th and May 16th.

Letter of May 7th. In this you begin by discussing the problems of the western staff of the University of Nanking who are in America this year. The problem has become somewhat complicated due to health factors, together with the obvious difficulties of sending families out to China at this time, and of appointing new recruits to go into the midst of situations which are difficult even for the veterans.

Successor to Dr. Illick. Mr. Cartwright has assured us that the Methodist Board is seeking for a successor to Dr. Illick, but I believe that as yet no one is definitely in the field. Mr. Cartwright has promised that he will correspond direct with the field as soon as he has any suggestions worth discussing.

noted
H.M.

Dr. and Mrs. Albert N. Steward. Here a series of health problems has blocked the way for a return this fall. Dr. Vaughan has expressed doubt as to whether Dr. Steward is in physical condition to return and has definitely vetoed Mrs. Steward's return this fall even if she could go back to a perfectly normal situation. Our only hope in this case is that Dr. Steward himself may be able to go back later in the fall, leaving the family in America if the situation at that time makes it necessary.

Dr. and Mrs. Fenn. Dr. and Mrs. Fenn have been struggling with the problem of a family separation which would be involved if Dr. Fenn goes back alone, or whether the difficulties involved in taking the entire family back to China at this time are too great. The Presbyterian Board strongly advises against taking Mrs. Fenn and the children now, because of the general uncertainty of conditions, the expense of a journey to Chengtu where a part of the travel would almost certainly have to be by air, and the overcrowding on the Chengtu campus which would be further accentuated by sending in any more families. When I talked with Dr. Fenn yesterday morning, he expressed his willingness to go back to China along this summer, leaving for future decision the question of when he and his family can get together again.

Mr. and Mrs. Slocum. I believe that Dr. Decker has written to President Chen direct with regard to the Slocums. Normally their furlough does not end until January, and the question of when it would be best for them to return to the field is one which Dr. Decker wished to clear direct with President Chen.

Dr. Francis P. Jones. The question of whether Mr. Jones might return to the University of Nanking, rather than the Nanking Theological Seminary has been pending for some time. The Methodist Board now informs us definitely

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Miss Priest

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June 7, 1938

that Mr. Jones has been assigned to the Theological Seminary and so will not be available for the University of Nanking. I am cabling this word to Dr. Chen today, along with information as to some of the members of staff.

We all recognize the seriousness of the problems which you are facing for the fall due to these losses and delays in the return of the western staff. It seems that in every case, with the possible exception of the Illicks, the Nanking staff members are eager to get back to the field, but the factors we have described above have caused serious difficulties.

We have known all along that you were carrying at least two people's work, so we are amazed to discover that you have found it possible also to assist W.C.U.U. in their bursar's office. For your eyes alone it might be commented that the West China field accounts have from time immemorial been in a hopeless mess, and it would be a missionary service of the first order if you could bring any order into them. But we certainly don't want you to kill yourself off in the process.

Emergency Funds, 1937-38. Up to the present moment the amount of the emergency funds secured for the University of Nanking through the joint efforts of the Nanking Founders for the Associated Boards is US\$30,725. This includes, of course, both the hospital and the general university. We are hoping that substantial additional gifts will be available before June 30th. The amount actually in the hands of the Treasurer of the Nanking Board of Founders in the emergency account is \$19,882.15. The balance of the \$30,725 will certainly be available, however, by the end of the current fiscal year.

In some way the Nanking Founders and the field authorities have not yet gotten together on the question of how and when these emergency funds are to be paid over to the field. Mr. Evans has been handling both the minutes of the meetings where these questions have come up and also the correspondence with you concerning these funds, so I will leave the discussion of details in his hands. We can assure you, however, that from the standpoint of the Associated Boards, we have throughout this year recognized that Nanking has by far the most urgent financial emergency of any one of the Colleges, and have asked for larger amounts for Nanking and paid over emergency funds more rapidly to the Nanking Founders than to the Trustees of any other institution.

Costs of New York Activities. I am sure that with all the financial worries you have borne in Chengtu and Nanking these days you have your shoulders weighed down enough with problems without adding any of the financial worries which we here in New York are constantly struggling with. Both the Associated Boards and the Nanking Founders are trying to get out to you this year, in addition to the regular appropriations which were guaranteed before the fiscal year began, sufficient emergency funds to meet the situation created by the Japanese invasion. Next year, unless the whole economic situation in America becomes quite impossible, we ought to be able to get more substantial emergency funds than we have secured so far this year. We all recognize that we have had to spend more money in America during recent years than we have liked to spend. This has been particularly true of the University of Nanking where we have had the expense of a Nanking promotional representative as well as Nanking's participation in the united program. But most

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June 7, 1938

of us have felt that the only way in which we could maintain the existing income of the University of Nanking and build up substantial additional income for the future has been along our general lines of procedure. The decision is, of course, one which our friends on the field must leave to the wisdom - or foolishness - of the Board of Founders. From the standpoint of the field, the Founders have always paid over promptly and fully the appropriations which they undertake from year to year to supply to the University, and are now beginning, for the first time since the death of Dr. Williams to secure substantial additional amounts for capital or special needs. That, after all, is about all that any one could expect the Board to do.

Dr. Chen's Letter of May 7th. While I am writing direct to Dr. Chen in response to his letter of May 7th, there is one point on which I would like to comment direct to you. It is this:- All of the members of the Board of Founders are thoroughly indignant at the way in which Dr. Ferguson has been harping on the subject of the University's removal from Nanking last fall. While there were varying shades of opinion last fall as to some of the details of the removal, the Board was unanimous in its agreement that the administrative authorities of the University had done the best they possibly could under conditions of the greatest emergency and even in the presence of serious physical danger. I am sure that no hint of criticism from any member of the Board of Founders has been sent to any individual anywhere in China. It is foolish for anyone to harp on the desirability of meeting all the rules of procedure in an emergency condition. My own personal comment on Dr. Ferguson's first letter of criticism was that it reminded me of the story of the young Britisher who was sent to an up-country railway station with orders to do nothing out of the ordinary without first reporting to the general manager of the road and asking for specific instructions. The first word the general manager had from him was a telegram reading:- "Passenger on the platform being eaten by tiger. Telegraph instructions."

We understand that Dr. Ferguson has now stated that so far as he is concerned the matter is now closed. The Founders have written him acknowledging his statement that the matter is closed, and indicated that they are glad to let it rest at that. Both Dr. Decker and our office have been trying to send Dr. Chen every assurance that the Board of Founders have been backing him and the other administrators of the University 100% in all they have done this year. I am sending Dr. Chen renewed assurances of this hearty and unanimous endorsement. If there is anything further we can do at this time to show our complete confidence in the hsiao chang, please let us know and we will try to do it.

Your letter of May 16th. I find that in the above paragraphs I have commented on some of the items in your May 16th letter. I will continue on certain other items not mentioned above.

Budget for 1938-39. We are grateful to you for sending us this material, which Mr. Evans is now putting into shape for action by the Nanking Founders. Within the next year we must transmit to the Associated Boards a statement of the emergency needs which must be provided for Nanking next year in addition to the regular sources of income.

0379

Miss Priest

June 7, 1938

We hope that the closing weeks of this academic year will be reasonably peaceful, and that you will find at least some time in the summer for rest and recreation from the strenuous months just behind you - and preparation for the possibility of even more strenuous months just ahead.

Very cordially yours,

BAG:MP

0380

June 8, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, China

Dear Miss Priest:

The following letter has been received from T. O.
King:-

"Some time ago I directed a letter to you and had a reply from Mr. Evans during your absence regarding an account of Yuan 111.14 which Miss Elsie Priest was holding to settle a storage bill with Marden and Company in Shanghai. Please be advised that I have settled the bill in full with Marden's representative in San Francisco and would now appreciate receipt of the above amount from Miss Priest, if you can obtain a release from her. I have directed letters to Miss Priest but have not received replies. Probably transportation interruptions have prevented the delivery of my letters. Should you receive any word from Miss Priest on this matter, I can be reached at the above address."

If you have not written regarding same, will you not comply with his request. We wrote you regarding this on March 5th.

Very truly yours,

C. A. Evans

CAE/B

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June 13, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, China

Dear Miss Priest:

We have secured an adjustment with the Sun Life Assurance Company of Canada covering Margaret Arms annuity policy, but without the certificate. The company requests, however, that if possible same be secured and forwarded to them as soon as possible. Miss Arms states that it is in the ^{Nanking} Yenching safe, and we are wondering if by any chance all of that material was taken to West China.

If there is any way of getting the certificate and having same forwarded to us, it will be greatly appreciated.

Very truly yours,

C. A. Evans

CAE/B

0382

June 21, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtu, West China

Dear Miss Priest:

We just received a letter from your mother, calling attention to \$50.00 which she should have received some time ago. In some unaccountable manner, the letter was filed without being properly attended to, and we sincerely apologize for the delay.

We have sent a check to your mother, and also have forwarded one to Homer F. Priest at the University of New Hampshire, although we do not know whether it will perform the service which you intended.

This is one of the unaccountable things which occur and which cannot be explained, and our apologies are about the best we can offer. It is our hope, however, that we will be more careful in the future.

Regretfully yours,

C. A. DYARS

CAE/B

Via China Clipper

0383

check

INDEXED

June 21, 1938

Miss Elsie M. Priest,
University of Nanking,
Chengtou, West China.

Dear Miss Priest:

I am hurrying off by today's China Clipper mail a statement of just where we stand on Nanking general and emergency budget matters as we approach the close of the fiscal year.

To date the Nanking Founders have received, through their own efforts and that of the Associated Boards, a total of US \$56,725 in emergency funds for the current year. These gifts may be summarized as follows:-

| | |
|--|-----------------|
| From Rockefeller Foundation, available for either University or Hospital Expenses | US \$26,000 |
| Gifts designated definitely for hospital | 4,429 |
| Gifts designated for scholarships and student aid | 731 |
| Gifts without special designation, and thus avail- able for either the University or the Hospital | 25,565 |
| | <u>\$56,725</u> |

Attached hereto is a copy of the action which a special committee has prepared for approval by the Executive Committee. That committee will not take final action for another three days. But since the matter has been thoroughly reviewed and the special committee was given the option of taking final action if it so desired, we are reasonably confident of Executive Committee approval. If there is any substantial modification of this action, I will cable you. In the absence of any cable, you can consider this action to have been approved.

Briefly, the action disposes of this US \$56,725 as follows:-

| |
|--|
| \$33,663.92 is made available for the general budget of the University |
| 18,683.08 is made available for the Hospital |
| 4,378.00 is held to meet the increased expenses of the Founders. |
| <u>\$56,725.00</u> |

So far as we can estimate from the letters and statements you have sent, the appropriations to the field should be adequate to cover the emergency needs of the University, all emergency needs of the hospital to January 1st and two-thirds of the needs of the hospital from January to June, the deficits carried forward by the University and the hospital since 1936-37, and then to provide a balance of US \$10,492.20 "to meet emergency

0384

June 21, 1938

expenses not yet specified" related either to the general university or to the hospital. We understand that the hospital will be getting some help for its needs from sources in China, and so have allowed for 1/3 of its special needs from January to June being met from this source. Of course our allowance may be too large or too small, but you have plenty of leeway to make adjustments. You should also have a margin on exchange, for earlier actions were taken on a 27¢ exchange, and the latest U.S. currency equivalents are computed on a 25¢ rate.

It is the hope of the Founders that these appropriations will enable you to close your books on June 30th, 1938, with all regular and emergency expenses for this year fully met, with deficits for the past year cleared, and with a rather substantial margin on which to begin the new year. You will note that Action E-1011 asks that as promptly as may be feasible you send us a report showing how expenditures were divided between these three classifications.

Please note the enclosed copy of the letter from the Rockefeller Foundation. It is important that you prepare and send to us as promptly as possible a fairly detailed statement as to just how their grant of US \$26,000.00 has been spent. The case we presented to them encompassed the needs both of the University and of the hospital, so the expenditure of this grant can be shown as divided between them on any equitable basis. Also, it would be very helpful if you can show that this entire \$26,000 was needed in the fiscal year 1937-38. That is to say, all emergency expenses for this year which are not covered by specific gifts from other sources are properly chargeable against this Rockefeller Foundation appropriation. But at the same time we should not include items which the Foundation might consider inconsequential or unjustified. If we cannot make a clear case for having spent this \$26,000 during 1937-38, we can show its expenditure before September 30, 1938, and still have it counted within the fiscal year 1937-38. And after October 1st, we can still use any unrequired balance, counting it in 1938-39. The importance of an early and satisfactory report to the Foundation is not only our desire to keep faith with them, but also an even more practical consideration - We have intimated to the Foundation that we will probably have to come back early in 1939 for another gift to help the Colleges through this crisis, and the Foundation officers have intimated unofficially that they are likely to be favorable to such a request if we can make a satisfactory report from all the Colleges as to the use of this present grant.

According to our records, the following gifts, which we are counting within the \$56,725.00, have been sent direct to China by the donors:- Two gifts from the Presbyterian Board, totalling US \$600, designated for the Hospital, sent through the Presbyterian/China Council. Please deduct this \$600 when computing the amount you are to draw from our office for the hospital, for while it does not actually appear on the accounts of the Founders it has been taken into account in computing the total of our emergency funds.

We will await your instructions as to the disposition of the balances of these emergency funds. When we close our books on June 30th, we will carry forward all undrawn balances as credits to your account and subject to your order.

BAG/G
Enc. 2

Sincerely,

P.C. copy of this letter

0385

NOTE See letter to T. O. King dated June 22, 1938.

June 23, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, China

Dear Miss Priest:

As requested in your letter of June 4th, we have sent a check to Mr. T. O. King for \$33.16 representing the balance due him on his deposit of \$60.00 after deducting local expenses. In previous correspondence, we have notified you that he paid the bill himself - consequently, this closes the transaction.

The other items in your letter have been taken up with the various companies. The one covering order No. 8998 with the American Instrument Company has been filled and the goods are on hand with the Methodist Board of Foreign Missions awaiting instructions.

We note your reference to allowance to be made to Miss Olive Bowen. Before writing her, I shall endeavor to obtain a decision from the Executive Committee, and it is quite possible that a meeting will be held in the very near future.

Very truly yours,

C. A. EVANS

CAE/B

0386

Actions of Executive Committee, Nanking Founders

June 24, 1938

E-1010 VOTED that the Executive Committee of the Board of Founders of the University of Nanking hereby re-defines, as set forth below, its appropriations toward the general budget and the hospital budget of the University for the fiscal year 1937-38, this action amending and, where necessary, superseding the following previous actions - Sections (a) and (b) of HF-904, F-944, F-945, F-971, F-974, E-976, and E-978:-

(a) That the Board of Founders inform the Board of Directors that, in addition to the members of staff supported by the cooperating mission boards, the Board of Founders will contribute toward the general budget, 1937-38, the sum of US \$70,711.92, as follows:-

(1) Budget of the Board of Directors

| | | | |
|---|------------------|-----------------|--------------------|
| (i) Original budget appropriation | | | |
| As defined in HF-904 | \$20,804.00 | | |
| Less adjustment for increased expenses, Bd. of Founders | <u>4,378.00</u> | \$16,426.00 | |
| (ii) Increases in original appropriation | | | |
| For the regular budget - | | | |
| To cover item included by field | 5,000.00 | | |
| To replace reduction in original appropriation | 4,378.00 | | |
| To meet anticipated deficit | <u>544.32</u> | 9,922.32 | |
| For Emergency Expenses - | | | |
| For emergency budget as itemized by field | 10,768.61 | | |
| To meet emergency expenses not yet specified | <u>10,492.20</u> | 21,260.81 | |
| To meet field deficit, 1936-37 | | <u>6,858.79</u> | <u>38,041.92</u> |
| Total appropriation, Bd. of Directors | | | \$54,467.92 |

(2) Budget of the Board of Founders

| | | | |
|---|-----------------|-----------------|-------------------------|
| (i) Activities of Nanking Founders | | | |
| Promotional program | \$7,000.00 | | |
| Administration, incidentals | <u>494.00</u> | \$7,494.00 | |
| (ii) Services rendered to Nanking by the Associated Boards | | | |
| Administrative services | 3,540.00 | | |
| Promotional services | <u>5,210.00</u> | <u>8,750.00</u> | |
| Total appropriation, Bd. of Founders | | | <u>16,244.00</u> |
| Grand total | | | \$70,711.92 |

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It is anticipated that these funds will be received from the following sources:-

| | |
|-------------------------------------|------------------|
| Mission board cash grants | \$ 6,275.00 |
| Income from general endowment funds | 19,630.00 |
| Back dividends, Aluminum Pfd. | 6,765.00 |
| Emergency gifts | <u>38,041.92</u> |
| | \$70,711.92 |

(b) That the Board of Founders further inform the Board of Directors that, in addition to the members of the hospital staff supported by the cooperating mission boards, the Board of Founders will contribute toward the hospital budget, 1937-38, the sum of US \$19,978.08, as follows:-

| | |
|------------------------------------|-----------------|
| Original budget needs | \$ 1,295.00 |
| Emergency needs | |
| Supplies, Oct. - Dec. | \$4,815.65 |
| Operating Exp. Oct.-Dec. | 4,500.00 |
| 2/3 Anticipated needs, Jan. - June | <u>9,120.97</u> |
| Hospital deficit, 1936-37 | 18,436.62 |
| | <u>246.46</u> |
| | \$19,978.08 |

It is anticipated that these funds will be received from the following sources:-

| | |
|---------------------------|------------------|
| Mission board cash grants | \$ 1,295.00 |
| Emergency gifts | <u>18,683.08</u> |
| | \$19,978.08 |

E-1011 VOTED that the Executive Committee request the field authorities, immediately upon the closing of the 1937-38 accounts, to send a detailed report to the Board of Founders showing what expenditures of the above appropriations have been made for

- (1) The 1937-38 budget, including emergency expenses incurred during the current fiscal year.
- (2) Clearance of past deficits.
- (3) Advance appropriation for 1938-39.

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June 27, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, Szechuen, West China

Dear Miss Priest:

Your letter of May 27th brought a great deal of pleasure to us, in view of the relief which emergency funds have afforded. We are hoping that with the passing of time when the present undeclared war is finished and the reconstruction period begins our organization will so present the China Colleges to the American people that there will be continued growth in funds available for the field. We will have an Executive Committee meeting very soon at which time your personal gratitude will be presented.

We recognize the very commendable action of the field in using up local currency balances rather than drawing additional funds from America. This is understood and, as a matter of fact, is being followed in other China Colleges as well.

As requested, we are depositing US\$4,600.00 in the Bowery Savings Bank Account #47,985 - it being our understanding that you desire the interest to accrue on the principal or else you will give us instructions to forward same to the field.

The Board of Founders and its Committee have been floundering around all of the year facing the \$7,000.00 deficit caused by Mr. Wheeler being on the staff. As a matter of fact the consideration and discussion centering around this problem would fill a good sized book. When the Associated Boards' funds began to come in with sufficient volume to assure that the field would be taken care of, it was felt perfectly within reason to authorize using certain portions of the Aluminum dividend to take care of any deficit which the Board of Founders faces on June 30th. I take it that, in view of the amounts that are being made available of which Mr. Garside wrote you several days ago, you will be agreeable to this procedure of the Aluminum dividends. As a matter of fact, the action of the Nanking Executive Committee is making sufficient funds available to take care of all of the needs which have been expressed.

It was with some little difficulty that the committee was persuaded to allow twenty-seven cents to remain as the exchange item - but, that has been approved.

The action of the committee regarding the 5,000. was to be expected in view of the attitude of the committees and assumption that funds are to be received by including them in the budget as anticipated income, seems to affect some people in the same manner as the proverbial red flag in front of the bull. On the other hand, the simple request for an amount not included within the budget oft times is rejected. It would seem to be the best wisdom

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Miss Elsie M. Priest

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6/27/38

of the field to set up their budget with a deficit and make an appeal for funds to cover same. I am quite sure the Board of Founders will not be backward in voicing its reaction.

Your suggestion regarding the placing of the Freshman Dormitory Fund in the Savings Account has been noted, and we will present same to the Finance Committee for its endorsement. I will let you know later what has been done with same.

As requested, we are writing a diplomatic letter to Mr. Hoover taking up the question of the \$500.00 gift.

We will study the U. C. M. S. situation still further with the hope of securing additional support, but their resources this last year do not seem to be encouraging.

There are other letters to be acknowledged, but these will be taken up at a later date.

Very truly yours,

C. A. EVANS

CAE/B

Via China Clippes
6/28/38

0390

INDEXED

*Am Copy attached
LCE*

Chengtu, Szechuen.
June 27, 1938.

Dear Mr. Evans:

This letter will deal with problems connected with the Western staff:

Imogene Ward: please send the clergy certificates to meet the President Wilson due in San Francisco on August 18th. I will settle with Miss Ward through August for salary, but beginning September 1st pay her at the rate of 4/5 regular salary or US\$64.00 per month. She has served only four of the regular term of five years. Please note that Miss Ward has not been considered a regular member of our staff, not having been appointed or approved by the Board of Founders. We wish to have her appointment made regularly and request that the Candidate Committee follow the usual procedure - in consultation with Dr. Fenn. We have invited her to return after furlough and it needs to be put into regular form, especially regarding the type of study that she follows on her furlough year. Please take this matter up very carefully with Dr. Fenn, and ~~she~~ that she is given a regular contract stating clearly that her next term of service will be for six years as usual for all second term people. Also offer to her the privileges of the insurance which she has not received as her appointment was from year to year.

We have decided to pay her 4/5 of the round trip ticket and I think it may be best to attempt to clear it up here - however if that is not possible I will ask her to make a refund to you with a clear statement later.

Oliver Caldwell: there is no change in his plans and his clergy certificates should be sent to meet the Empress of Japan due in Vancouver on August 9th. Mr. Caldwell is a field appointee and has no connection with your office, so I will close his account in full on the field unless it seems impossible to figure the travel business - in which case there may be a refund, but I will let you know later. I believe we will adjust it here so you should have no further accounts with him. He is not being invited to return to the University. As I wrote you previously, he requested that his home allowance for his family should be stopped with June 1st and full salary paid to him here. I trust no misunderstanding arose on this request - if so, you will have to collect the money from him.

W.M. Curtiss: The Curtiss' sailed on June 24th after ten months in Hongkong and will get in touch with you very soon after arrival. He broke his agreement to stay two years as he did not wish to bring his wife and child into the interior. When I tried to settle the account with him I found I did not have a copy of the contract but with all the confusion thought it might have been left in Nanking so wrote asking him to send me a copy of his contract, which brought the following reply:

"Through someone's oversight, probably in the New York office, we were not offered a contract to sign when making arrangements to come out here. However, we intend to be perfectly fair in settling our account. Since we began our negotiations with Mr. Evans in New York, and it was he who probably overlooked the contract, we have written him about it and will take it up with him immediately on our arrival in the States. I hope this will not cause you any inconvenience." How did this ever happen? Of course I should have caught it long ago, but the mail was very greatly upset all fall that I did not note the omission.

Now it will be a question of adjusting on the same basis as was adjusted for Dr. Raeburn who also broke his contract after one year and some months and before the completion. Fortunately he had a contract with this clause very clearly stated and the same condition must apply to Dr. Curtiss - who as a matter of fact has not given anything like the amount of service that was rendered to us by Dr. Raeburn, although this was no particular fault of his own except for his determination not to join us in Chengtu. Dr. Buck

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will be in the States, but his connection with the University is so slight these days that he is not in a position to make this decision about Dr. Curtiss. The facts are these; we paid US\$700. for travel for Dr. and Mrs. Curtiss, which is the allowance for one way for two people. Dr. Curtiss has broken his contract with the University - although there was no contract. so I should say his agreement, which was understood by everyone to be for two years. Therefore under our usual regulations he is not entitled to further allowance of any kind. I have paid him full salary to complete twelve months at US \$3,000. per year and that is also a closed account - nothing more should be paid. Please be careful about adjustments on this account as it will affect others.

Margaret Arms: Why are you charging to our field account insurance for Miss Arms? This should have been settled long ago and no further charge be made for her account, in fact, the amount put in by the institution should have been returned unless some other arrangement was made by your office. Under no circumstances should we be asked to pay this insurance after October 1937. Miss Arms will not be asked to return to China so do not hold over any item thinking we will ask her back. Let me have a copy of the settlement you made with her.

Imogene Ward: Miss Ward will be studying for some of the year but it has occurred to me that perhaps you might like to know that she is willing to help with various activities connected with promotion etc. for the institution. She is the only person that we can recommend to you that is leaving this year on furlough but we think you would find her helpful for some occasions. Will you pass this word on to Dr. Garside?

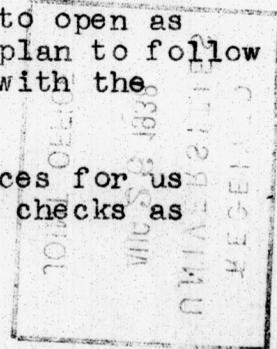
President Chen has been appointed a delegate to the special conference being called in Hankow - Kuo Ming San Djen Hwei (which freely translated means the Peoples Congress to advise the government at this time) He will be leaving in a few days to be away for some weeks. There are two hundred delegates from all over China - both President Chen and President Wu are among the delegates. It is easy enough to secure air transportation to Hankow but very difficult to secure a return ticket - however conditions made improve before the close of the conference. This congress is to meet every three months, this being the first meeting.

We have many problems at the close of the year - I hardly know which one to touch first, and on top of it all or overshadowing it all is the tremendous task of trying to bring some kind of order in the bursar's office of West China Union University. The reports from Nanking indicate conditions are easier but the group sounds weary and discouraged - some illness among them lately which has not helped at all. We are leaving Dr. Bates and Mr. Riggs in Nanking but bringing Dr. Smythe to Chengtu this autumn. Dr. Thomsons who has been in Shanghai is also joining us in Chengtu. We shall not open before October 24th so there is time enough for people to gain a bit of rest before the beginning of classes. The Ministry of Education has ordered that all schools are to open on or about November 1st - some had planned to open as usual for incoming freshmen but we had not felt that was a wise plan to follow and now with this new order our plan seems to have been in line with the great official minds!

I trust you have deposited all the emergency funds and our balances for us as I am drawing checks against them. We are trying to sell our checks as opportunity offers here - very indefinite from time to time.

Sincerely yours,

Elmer M. Rust



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6-27-38

will be in the States, but his connection with the University is so slight these days that he is not in a position to make this decision about Dr. Curtis. The facts are these; we paid US\$700. for travel for Dr. and Mrs. Curtis, which is the allowance for one way for two people. Dr. Curtis has broken his contract with the University - although there was no contract. I should say his agreement, which was understood by everyone to be for two years. Therefore under our usual regulations he is not entitled to further allowance of any kind. I have paid him full salary to complete twelve months at US\$5,000. per year and that is also a closed account - nothing more should be paid. Please be careful about adjustments on this account as it will affect others.

Margaret Arma: Why are you charging to our field account insurance for Miss Arma? This should have been settled long ago and no further charge be made for her account, in fact, the amount put in by the institution should have been returned unless some other arrangement was made by your office. Under no circumstances should we be asked to pay this insurance after October 1937. Miss Arma will not be asked to return to China so do not hold over any item thinking we will ask her back. Let me have a copy of the settlement you made with her.

Imogene Ward: Miss Ward will be studying for some of the year but it has occurred to me that perhaps you might like to know that she is willing to help with various activities connected with promotion etc. for the institution. She is the only person that we can recommend to you that is leaving this year on furlough but we think you would find her helpful for some occasions. Will you pass this word on to Dr. Garstide?

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I trust you have deposited all the emergency funds and our balances for us as I am drawing checks against them. We are trying to sell our checks as opportunity offers here - very indefinite from time to time.

Sincerely yours,

Chen M. ...

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UNIVERSITY
MAY 26 1938
JOINT OFFICE

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June 28, 1938

Miss Elsie M. Priest
University of Nanking
c/o West China Union University
Chengtou, Szechuen, China

Dear Miss Priest:

Some inquiries which you raise in your letter of May 27th have been answered in previous correspondence. For instance, the sending out of funds to the University, as per the action of the Executive Committee will put within your hands the entire amount of emergency funds on the books. I sincerely hope that this will not be an embarrassment to you, or that it will curtail the efforts of the staff members to secure funds in China.

We are making up estimates for special needs for next year and presumably we will submit these to the Field Treasurer for further comment or modification. If the need actually exists for the use of emergency funds this year, it would seem advisable to fill that need. The Associated Boards and special representatives of cooperating boards are laying plans now for next year's work, and it is hoped there will be generous results.

We can imagine the difficulties under which you are all living. Possibly, you will say, however, that imagination cannot do this. Something should be done, nevertheless, to relieve the congested living conditions. On the contrary, you will probably say that any permanent relief will only cause additional expense. Trying to comment on a situation like this reminds me of what often occurs in some of our meetings when a discussion has been carried on for an hour or so and then someone speaks up and remarks how little we know about the situation. Likewise, we must depend upon the good judgment of the field.

Just as soon as any news is received regarding the allocation of funds, I will write you immediately.

Very truly yours,

C. A. EVANS

CAE/B

(Via China Clipper)

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