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MINUTES OF JOINT MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
WITH BUDGET COMMITTEE
TRUSTEES YENCHING UNIVERSITY

12:30 P.M., Wednesday, May 21, 1930

150 Fifth Avenue, New York City

List of Members

G. G. Barber, Chairman	* Mrs. Wm. Boyd
* L. R. Rounds	* Mrs. J. H. Finley
* E. M. McBrier	* F. H. Warner, ex officio
* S. D. Gamble	Van S. Merle Smith
* A. L. Warnshuis	Frank D. Gamewell
* G. M. Duff (General Alternate)	Mrs. L. O. Lee
A. J. Stock (General Alternate)	Pres. Ellen F. Pendleton

Those whose names are starred were present, together with O.D. Wannamaker, B.A. Garside, and C.A. Evans. Excuses for absence were presented from G.G. Barber and Dr. F.D. Gamewell.

L.R. Rounds, Vice Chairman, presided.

The meeting was opened with prayer by Dr. Warnshuis.

REPORT OF AUDITORS

The first item on the docket referred to action T-2809 of the Trustees, wherein the report of the Auditors, Lybrand, Ross Bros. and Montgomery, was accepted and referred to the Finance Committee for consideration and study. The report was presented, and there being no criticisms by the auditors and no differences other than reconciliation of remittances with the field, it was

FB-2833 VOTED to approve the Financial Report for 1928-29 as presented by Lybrand, Ross Bros. and Montgomery, auditors, same to be placed on file; and to authorize the Treasurer's office to pay the charge of \$491.56.

REPORT ON HONGKONG AND SHANGHAI BANK

A letter from Dr. Galt was presented which stated that the Hongkong and Shanghai Banking Corporation had been used as a depository for a part of the Wheeler Chapel funds because of its strength and also because it gave a slightly higher rate of interest on fixed deposit.

In view of the explanation, it was felt inadvisable to change deposits already placed with the Hongkong and Shanghai Banking Corporation.

APPROPRIATION TO 1930-31 BUDGET OF ADDITIONAL INCOME

The Board of Trustees on April 23rd by action T-2824 voted

"To refer to the Budget and Finance Committees with power for further consideration items 3 to 8 of the extra budget list of needs submitted by the field, together with the allocation of any addi-

tional income not included in the preceding actions, and the question of distribution of charges for operation and maintenance of the physical plant."

It was pointed out that the chief item of additional income not allocated to the budget by the Board of Trustees is the income of G\$25,000 on the second half-million dollars of endowment for Natural Science. Two schedules were presented showing

A. Revised Summary of Income and Expenditures, College of Natural Sciences.

B. Reallocation of additional income to meet extra budget needs.

These schedules are attached to these minutes as Appendix A.

After giving sympathetic consideration to special requests from the field which might be met from additional income, it was felt that before final approval could be given, the 1929-30 revised budget as sent from Peking should be reviewed. An analysis of this revised budget is attached as Appendix B. It was noted that the new budget showed an increase of LC\$23,717.00 over the original, while the increased income very largely represented adjustments to conform with figures approved by the Trustees. After allowing the 12½% salary increase, there appeared to be a deficit of \$7,997.00. In view of this fact it was

FB-2834 VOTED to approve the reallocation of additional income as listed in Section B of Appendix A, but only after first deducting any deficits on 1929-30 budget as may appear between actual expenditures and funds authorized by the Trustees, the items to be cared for in the order as appearing on the list and no expenditures to be authorized beyond funds available.

WARNER GYMNASIUM

It was reported that a letter from Dr. Galt contained a request to forward authorizations for the G\$25,000.00 balance for the Gymnasium. As the field indicates the possibility of using a portion of the G\$25,000.00 for purchasing equipment in America, the Committee was of the unanimous opinion that it would be inadvisable to authorize the entire amount. It was

FB-2835 VOTED that the Treasurer's office be instructed to authorize the field to draw G\$20,000.00 on the Warner Gymnasium account on the following dates:- May 1, G\$5,000.00; June 1, G\$5,000.00; July 1, G\$5,000.00; August 1, G\$5,000.00.

CAMPUS IMPROVEMENTS

A letter from Dr. Galt was presented, also a report from S.J. Chuan, Chairman of the Landscape Committee on the field. It requested authorization to spend G\$4,000.00 additional for campus improvements and to retain the balance of G\$5,000.00 from the Marmon gift for "various campus and landscaping improvement projects," "which we understand is already on hand in New York". It was pointed out that this fund was donated for this purpose, but on the other hand total expenditures for "Land Improvements" have reached G\$62,078.41, whereas receipts are only G\$41,637.04, leaving a deficit of G\$20,441.37, and that authorization to spend this additional amount will mean adding just so much more to the deficit. The Committee did not have complete information at hand as to the use of the previous gift of \$10,000.00, and it was

FB-2836 VOTED to defer action on the request to authorize G\$4,000.00 for Campus Improvements until the Treasurer's office can make a detailed study of the use of funds previously sent to the field.

RELATION OF WOMAN'S COLLEGE TO UNIVERSITY

The progress that has been made on the field toward uniting the financial administration of the Woman's College finances with that of the rest of the University was revealed to the Committee through two letters, one from Mrs. Frame and the other from Dr. Galt, and final judgment was asked on the working out of certain details. It was felt that no action should be taken until a conference could be held with Dr. Stuart. It was

FB-2837 VOTED to postpone action on the request from the field to adjudicate certain details in the uniting of the administration of the financial department of the Woman's College with the University until Dr. Stuart can be conferred with and further investigation made.

EXCHANGE CONTRACT FOR BOYD GYMNASIUM

The following cable, received on May 13, was submitted to the Committee:-

"WILL BOARD AUTHORIZE CONTRACT RATE OF EXCHANGE BALANCE YEN-CHING COLLEGE GYMNASIUM FUND PERIOD FROM NOW UNTIL DECEMBER 31 OF THIS YEAR"

The status of the fund was reported upon, and after due consideration it was deemed advisable to submit the question to Mr. and Mrs. Boyd. It was

FB-2838 VOTED to request the Treasurer to confer with Mr. and Mrs. William Boyd with regard to the proposed contract rate of exchange for the balance of the Boyd Gymnasium funds, with the understanding that the Finance Committee will approve whatever decision is reached at this conference relative to the proposed contract.

(Following the meeting, Mr. and Mrs. Boyd expressed themselves as unfavorable toward a contract on exchange. They feel it is more desirable to follow the trend of the market in transmitting the balance of the Gymnasium funds.)

BONDS OF MANHATTAN RAILWAY

A letter from Roosevelt and Son was submitted. It was reported that Mr. Philip Roosevelt stated that the primary reason for sending the letter out was to warn those whose major income was derived from this bond, which occasioned many heavy holders to liquidate. Roosevelt and Son are conducting a thorough investigation and promise to keep us well informed relative to any changes. It was

FB-2839 VOTED to refer the Manhattan Railway Bond situation to the Investment Committee with the instructions to keep in touch with developments.

GIFT OF G\$1,000.00 FOR PROFESSOR CHOU

The Committee was informed that the Hattie M. Strong Foundation has donated G\$1,000.00 toward the 1930-31 salary of Mr. Chou, who is interested in Student Welfare and is substituting for Mr. Richard Ritter now on furlough. From another source G\$200.00 has been contributed to round out the salary, and from the same anonymous donor the salary for the following year is pledged. It was

FB-2840 VOTED that gifts toward the salary of Professor Chou, who is interested in Student Welfare work, be accepted, that the sincere thanks of the Committee be expressed to the donors, and that these funds be transmitted to the field for the purpose designated.

BOND FOR PHILIP LIN HO

A letter from Dr. Stuart stated that Philip Ho will probably graduate from Yenching this coming June and desires to enter Harvard Graduate School of Business Administration. Dr. Stuart recommended him to Harvard and suggested that the Finance Committee give favorable consideration to Mr. Ho's request for a bond. In view of previous actions of the Committee under similar circumstances, it was

FB-2841 VOTED to approve and authorize the execution of the bond to Harvard University in the sum of \$500.00, in favor of Mr. Philip Lin Ho.

PROMOTIONAL OFFICE MATTERS(a) Support.

Previous consideration of this topic culminated in the suggestion that the Treasurer's office, in consultation with the Promotional Director, study the University Endowment funds in an effort to allocate income from available sources toward the expenses of the Promotional Office. Mr. Wannamaker reported that such a study had been undertaken and, after a conference with the Assistant Treasurer, recommended that no action be taken regarding a change in the policy of caring for promotional expense

- (1) because of the fact that the Trustees have already adopted the budget for the coming year, and
- (2) because of the hope that a united campaign for all colleges is to be instituted at no distant date, necessitating other arrangements for support.

It was, however, recommended and

FB-2842 VOTED that the Promotional Office Budget be submitted to the Budget Committee of the Trustees for consideration and action along with the University Budget.

(b) Campaign Results.

Mr. Wannamaker reported on the results of activities in the Promotional Office as applying on the 1929-30 campaign.

Total cash receipts including \$250,000 for
Natural Sciences from Rockefeller Foundation \$273,629.00
Additional pledges 30,300.00
\$303,929.00

Expenses include \$9,955.12 paid Pierce and Hedrick plus additional travel and office expense as might be applied to the period represented in the campaign.

(c) Sub-committee on Promotional Matters.

At the request of Mr. Wannamaker, it was

FB-2843 VOTED that a sub-committee of the Finance Committee be appointed to be known as the "Sub-committee on Promotional Matters" same to consist of Mrs. J. H. Finley, Chairman, Mr. Franklin H. Warner, and Mr. E. M. McBrier.

COST OF LAND FOR NASH RESIDENCE

It was recalled that the field included the cost of land in the \$7,500.00 approved for the Nash Residence, and that this Committee in action F-2749 disapproved this charge, assuming that the Residence is to be erected on University-owned property. A letter from Dr. Galt indicated that the Residence is being erected in "South Residence Compound" on land not previously owned by the University, and that Mr. and Mrs. Nash had urged the University to secure it for the purpose. The Committee noted and accepted the explanation without further action.

ANNUITY RATES

(a) Reference was made to several inquiries received relative to annuity rates used by the University. As no schedule of rates has been adopted, the Promotional Office is unable to quote figures except upon action of the Finance Committee. It was

FB-2844 VOTED that the University temporarily adopt the annuity table used by the Methodist Board until such a time as revision seems to be in order, the rates to be:-

Including 40 and under	4%
41 to 80 (inclusive)	one-tenth of age
81 and above	8%

(b) Rate for Mrs. Fannie B. Look.

Approval of the Committee was asked to accept \$5,000.00 from Mrs. Fannie B. Look of Los Angeles, California at 7.3 rate. It was

FB-2845 VOTED to accept the annuity gift of Mrs. Fannie B. Look of Los Angeles at 7.3% and that necessary papers be executed, and further, that any additional principal given this calendar year above the \$5,000.00 mentioned be accepted at the same rate.

LETTER FROM ROCKEFELLER FOUNDATION ON \$250,000.00 GIFT

Mr. Wannamaker reported that a reply had been received from the Rockefeller Foundation in response to a communication from Dr. Stuart asking their attitude regarding the use of the funds. The letter was read and is as follows:

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"May 8, 1930

"Dear Dr.Stuart:

"I presented to the Executive Committee at its meeting today your communication relative to the action of the Trustees of Yenching University in regard to the investment of endowment funds.

"I was authorized by the Executive Committee to acknowledge the receipt of this information, to thank you for it, and to reply, in answer to the specific request by the Trustees of Yenching University, that the Foundation as a matter of policy does not express its approval or disapproval of the financial management by institutions of appropriations which have been made to such institutions by the Foundation.

"I may add personally that the aims and desires of the Trustees in proposing investment of the funds mentioned in China seemed to have the understanding appreciation of members of the Executive Committee.

"Sincerely yours,

/s/ Max Mason"

REQUEST TO REMIT G\$250,000.00 TO CHINA

It was reported that, in view of the prevailing very favorable rate of exchange, Dr.Stuart had suggested that the Rockefeller gift of \$250,000.00, held here in America pending his return to China, be sent out immediately in care of Mr.Bennett of the National City Bank in Peking. Advantage would thus be taken of the very favorable present exchange rate and still payments to Mr.Chou's bank be withheld until negotiations had been completed.

It was felt that the Committee could not intelligently act until more information regarding the exchange situation could be secured, and it was

FB-2846 VOTED to refer the request to send \$250,000.00 Rockefeller Foundation gift to China to the Treasurers and Mr.Rounds.

MATTERS GROWING OUT OF GROUNDS AND BUILDINGS COMMITTEE MINUTES
FROM THE FIELD

The Secretary reported that the following minutes have been received from the field. Items calling for special attention were taken up in order.

Grounds and Buildings, Executive Committed, January 13,1930.

Estimates for Boyd Gymnasium apparatus were considered and action taken on proceeding with the Warner Gymnasium. Noted.

Grounds and Buildings, Executive Committee, January 22, 1930.

Action was taken approving the purchase of a small plot of land east of the East Compound at \$1,000.00 L.C. from funds advanced by residents of this Compound, the loan to be paid back by the University over a period of three years. Noted.

Received bids for Boyd and Warner Gymnasium equipment. Noted

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Grounds and Buildings, Executive Committee, February 26, 1930.

Plans for Nash Residence discussed. Noted.

Estimates for Warner Gymnasium were received and approved at a total cost of \$91,911.00 L.C. Noted.

Pumping Station to be installed by using a 11 H.P. Kerosene Engine on hand. Noted.

Grounds and Buildings Committee, February 28, 1930.

Urge installation of Pumping Station and request action from New York. (This project has been temporarily tabled by the Finance Committee.) Further urging of action by New York on machinery for Power Plant. Noted.

Steps toward solving the residence shortage were instituted by voting to ask financially independent divisions (Harvard-Yenching Institute and Princeton-in-Peking) to supply accommodations for their staff and to appeal to New York for additional funds for University residences. Noted.

Warner Gymnasium Exchange Contract was reported closed at 2.89 - 1 to yield \$101,150.00, contract for building to be closed at \$91,911.00. Noted.

Funds donated by visiting Trustees have provided for the purchase of various plots of non-University land within the campus with the prospects of acquiring two other plots adjoining the Woman's College. Noted.

Grounds and Buildings Executive Committee, March 7, 1930.

Selection of Tung Li Yuan as contractor for Warner Gymnasium, also voted contracts for Hardware, Heating and Plumbing. Noted.

Location of Athletic Field discussed. Noted.

Mr. C. F. Chou elected to Landscape Committee. Noted.

Changes in telephone wiring, location of Tree Nursery, and plans for Nash Residence acted upon. Noted.

Adjourned.

C. A. EVANS
Assistant Secretary

REVISED BUDGET, 1930-31, COLLEGE OF NATURAL SCIENCE
Income

Income on \$1,000,000 at 5% = G\$50,000 @ 2.15 = L.C.\$107,500.00

Expenditures

As drafted in balanced budget, exclusive of mission salaries 73,818.00

Share of College of Natural Science in overhead for operation and maintenance, 25% of L.C.\$49,500 12,375.00
L.C.\$ 86,193.00

From Extra Budget List

Items 1 and 2 Salary Increases and Annuities,
L.C.\$31,637, 12½% 3,955.00

Items 3 and 4 Library Books and O.& M.of Physical
Plant, L.C.\$25,254, 11.1% 2,801.00

Item 7, Laboratory Needs 6,050.00

Item 8, (1) Individual Salaries \$3,026.00

(2) Department Expenses 2,312.00 5,338.00

L.C.104,337.00

Surplus 3,163.00

Income, G\$50,000 @ 2.15 L.C.\$107,500.00

REALLOCATION OF AVAILABLE INCOME
EXTRA BUDGET ITEMS

Available Income

(1) Amount Released from Budget for Natural Sciences
L.C.\$86,193 - \$53,750 = 32,443.00

(2) Underwritten by Trustees to cover Increases in
Salaries and Annuities and Pensions L.C.\$31,637
Less part assumed by Natural Sciences 3,955 27,682.00
L.C.\$ 60,125.00

Requested Appropriations

1. Salary Increases	\$17,637	
Less share of Natural Sciences	<u>2,205</u>	15,432.00
2. Annuity and Insurance	\$14,000	
Less share of Natural Sciences	<u>1,750</u>	12,250.00
3. Library Books	\$13,718	
Less share of Natural Sciences	<u>1,521</u>	12,197.00
4. O.& M.of Physical Plant	\$11,536	
Less share of Natural Sciences	<u>1,280</u>	10,256.00
5. Omitted due to Residence Appropriation		-
6. Department of Physical Education		4,300.00
7. Met entirely by Natural Sciences		-
8. (a) Individual Salary Increases	\$ 8,022	
Less share of Natural Sciences	<u>3,036</u>	4,986.00
(b) Departmental Expenses	\$ 9,077	
Less share of Natural Sciences	<u>2,312</u>	
	\$ 6,765	

Toward which the balance of available income is 704.00
(leaving an unmet balance of \$6,061) L.C.\$ 60,125.00

YENCHING UNIVERSITY
REVISED BUDGET 1929-30

Expenditures

	<u>New Budget</u>	<u>Original Budget</u>
Administration	LC\$ 69,649.00	LC\$ 66,960.00
Care and Maintenance Physical Plant	113,500.00	114,300.00
Instruction	178,077.00	149,249.00
College Arts and Letters	\$74,788.00	
" Natural Sciences	67,559.00	
" Applied Soc. Sciences	8,300.00	
School of Religion	<u>27,430.00</u>	
Library	12,358.00	19,358.00
Contingent Fund	5,000.00	5,000.00
Special Items	<u>2,705.00</u>	<u>2,705.00</u>
	LC\$381,289.00	LC\$357,572.00
Increase		<u>23,717.00</u>
		LC\$381,289.00

Income

Student Fees	73,700.00	76,850.00
Other Local Receipts	47,424.00	46,924.00
China Medical Board	28,753.00	28,753.00
Trustees	<u>215,565.00</u>	<u>185,122.00</u>
	LC\$365,442.00	LC\$337,649.00
Increase		<u>27,793.00</u>
		LC\$365,442.00

Expenditures	381,289.00
Income	<u>365,442.00</u>
Apparent deficit	LC\$ 15,847.00

Income, Revised to Agree with Authorizations

Student fees (estimated by field)	LC\$ 73,700.00
Other local fees (estimated by field)	47,424.00
China Medical Board	28,753.00
Trustees	218,295.00
Salary increase	<u>5,120.00</u>
	LC\$373,292.00
Apparent deficit (revised)	<u>7,997.00</u>
	LC\$381,289.00

Remittances to field to 4/30/30 under budget a/c 31		LC\$251,263.40
Amount appropriated thereto by Trustees	LC\$218,295.00	
Salary Increase 1929-30 - 12 $\frac{1}{2}$ % of \$40,952	<u>5,120.00</u>	<u>223,415.00</u>
Apparent overpayment on Budget		LC\$ 27,848.40

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

2:00 P.M., June 11, 1930

150 Fifth Avenue, New York City

List of Members

G.G.Barber, Chairman	A.J.Stock (General Alternate)
L.R.Rounds	Mrs.Wm.Boyd
E.M.McBrier	* Mrs.J.H.Finley
* S.D.Gamble	* F.H.Warner, ex officio
* A.L.Warnshuis	* J.Leighton Stuart, ex officio
* G.M.Duff (General Alternate)	

Those whose names are starred above were present, as were also Mr.O.D.Wannamaker, Mr.B.A.Garside, and Mr.C.A.Evans.

In the absence of the Chairman and Vice-Chairman, Mr.Gamble was elected chairman pro tem.

The meeting was opened with prayer by the Rev.Mr.Duff.

Excuses for absence were presented for Mr.Barber, Mr.Rounds, Mrs.Boyd, and Mr.Stock.

APPROVAL OF MINUTES

Minutes of the combined meeting of the Committee on Finance, Property and Investment with the Budget Committee held on May 21 were approved as circulated.

CAMPUS IMPROVEMENTS

A report from the Treasurer's office showed the standing of the \$20,000.00 given for landscaping to be as follows:-

Received	September 30, 1926	\$10,000.00	
	May 18, 1929	5,000.00	
	February 6, 1930	<u>5,000.00</u>	\$20,000.00
Paid	March 4, 1928	Draft to field	\$ 9,000.00
	May 11, 1928	" " "	1,000.00
	May 19, 1930	" " "	<u>1,000.00</u>
			11,000.00
	Balance of Fund		\$ 9,000.00

The Committee felt that the request from the field to use \$4,000.00 for immediate needs was reasonable and further that it was perfectly in order to have the balance of \$5,000.00 invested in permanent securities. It was, therefore

F-2847 VOTED to cable authorization to the field to Draw G\$4,000.00 as follows:-

May 1, 1930	G\$1,000.00
June 1, 1930	G\$1,000.00
July 1, 1930	G\$1,000.00
August 1, 1930	G\$1,000.00

and that the balance of G\$5,000.00 in this fund be referred

to the Investment Committee for permanent investment.

COMMITTEE IN CHINA ON NATURAL SCIENCE ENDOWMENT

It was reported that recent advices from the field indicate that both Mr. Bennett and Mr. Edwards, previously elected to this Committee, will be in America this coming year and that it is in order to elect alternates to serve during their absence. Various names were suggested, and very careful consideration was given, as it was felt advisable to secure those familiar with foreign banking and at the same time sympathetic with the Chinese. It was

F-2848 VOTED to recommend to the Executive Committee the election of Rev. W. H. Gleysteen and Mr. Lennig Sweet as alternates on the Committee on Investments in China to serve during the absence of Mr. Bennett and Mr. Edwards.

DOCTOR STUART'S TRAVEL EXPENSES

A letter written by Stephen Tsai on May 12, 1930 calls attention to an item on the field books amounting to LC\$1,289.05 for Dr. Stuart's travel to the States. The request was made that this be charged against gain on exchange in view of the fact that it had not been included in the University budget.

It was felt that this travel equally represented administrative and promotional purposes, and therefore it was

F-2849 VOTED that the travel expense of Dr. Stuart both from and to the field be divided equally between promotional and administrative expense, which means that half of the expense is to be charged to account #81c, Travel of Current Campaign, the other 50% to account #26.3, Home Administration Trustees.

JANE BASHFORD ENDOWMENT FUND

Appendix A as attached to these minutes was presented to the Committee. They noted the shrinkage of the fund from LC\$18,000.00 to LC\$15,146.50 due to an oversight on the field. While it is evident that the field is willing to transmit the entire amount to the Trustees, it was felt that the adverse rate of exchange (3.55 to 1 on June 11, 1930) mitigated against this procedure. In view of the accounting process used on the field in connection with this fund, it was suggested that the Certified Accountants check the statements made by the field treasurer's office, and it was

F-2850 VOTED that the field be requested to submit a statement approved by the Certified Accountants as to the status of the Jane Bashford Endowment funds carried on the books of the University in Peking.

TRAVEL FOR MISS BOYNTON

There was presented a letter from Miss Boynton, who went out under the Woman's College and last August resigned to take a position in the Language School at Peking. The field paid her cash representing return travel to the amount of $3\frac{1}{2}$ /5ths of round trip travel allowance at \$600.00 each way.

She took the position that she should have all of outgoing and $3\frac{1}{2}$ /5ths of return. This would mean paying \$160.00 additional. It was brought out that there is no clear-cut, definite policy at the present time regarding many possible emergencies which may arise regarding travel. It was

F-2851 VOTED that the Committee on Salaries and Pensions be instructed to study the whole situation regarding travel allowances and related contingencies with the purpose of making definite recommendations to cover emergencies, and that Miss Boynton's request be considered at the same time and definite recommendations be made to cover her particular case.

MEDICAL EXPENSES FOR MISS WAGNER

Medical expenses to the amount of LC\$830.25 have been charged against the field, and the request has been made to have it deducted from funds in America, as there is no place for it in the budget. It was felt, however, that the proper place would be to charge it against any surplus on the field, and it was

F-2852 VOTED that medical expenses for Miss Wagner be charged against any available balance in the contingent fund of the 1929-30 budget of the Woman's College and that, if a sufficient balance is not available in the contingent fund, these expenses be charged against the current surplus carried on the field books.

USE OF CURRENT SURPLUS ON FIELD IN WOMAN'S COLLEGE

The Secretary presented a report showing the progress that had been made in suggesting the use of certain surplus current funds held on the field by the Woman's College. Members of the Woman's College Committee have been written to and concrete suggestions made as to the use of these surpluses. A sufficient number of replies to the communication has been received which indicate an acceptance of these suggestions. Taking up the recommendations in order, it was

F-2853 VOTED (1) that the funds needed to complete the painting and decorating of the Sage Memorial, and possibly also to complete the equipment of the building, over and above the L.C.\$670.61 now in the field's hands for this purpose, be taken from the current surplus on the field; and that in due course the proper journal entries be made to show the transfer of these funds from the current to the plant section.

(2) That if and when approval is given for an appropriation of L.C.\$2,800.00 for the improvement of the heating plant in the Dean's Residence, this amount be taken from the current surplus on the field; and that in due course the proper journal vouchers be made out to show the transfer of these funds from the current to the plant section.

(3) That any further special needs in connection with this year's work of the Woman's College that have been approved by, or are approved by, the Finance Committee, be charged against this current surplus.

(4) That a suitable working balance be kept on the field, to be created by setting aside for this purpose funds from the current surplus.

(5) That the balance of the current surplus be transferred to the United States as soon as the exchange rate makes such a move in this direction advisable, and that balance be invested by the Finance Committee in the same way as are other capital funds of the Woman's College. This transfer may be accomplished in part or in whole by asking the field from time to time to take remittances in the form of authorized drawings on this current surplus, while the Treasurer of the Board of Trustees in turn shows by journal voucher the process that has gone on.

HEATING APPARATUS IN DEAN'S RESIDENCE

A cable from Mrs. Frame was presented. It read as follows:-

"DO YOU AUTHORIZE LC\$2,800 SUPPLEMENT HEATING APPARATUS YENCHING COLLEGE DEAN'S RESIDENCE? UNANIMOUS DECISION WAS REACHED GROUNDS AND BUILDINGS COMMITTEE. PLEASE TELEGRAPH DEFINITE ANSWER IMMEDIATELY."

No other information was available than that secured from those who have visited the University. Dr. Stuart stated that the radiation in the Dean's Residence was very inadequate. It was

F-2854 VOTED to approve the expenditure of L.C.\$2,800.00 to improve the heating in the Dean's Residence of the Woman's College, and to charge same against surplus on the field.

RELATIONSHIP BETWEEN THE FIELD TREASURER AND WOMAN'S COLLEGE

The Committee gave consideration to the questions involving the relationship between the Field Treasurer and the finances of the Woman's College which are raised by Mrs. Frame's letter of April 5th and Dr. Galt's letter of April 14th. These questions were discussed briefly by the Finance and Budget Committees on May 21, 1930, but by minute FB-2837 action thereon was postponed. The Committee reviewed the actions taken by the Board of Trustees and the Yenching College Committee during the autumn of 1928 and the spring of 1929 relative to the reorganization of the financial relationship between the Woman's College and the rest of the University and expressed its opinion that the answers to the questions asked in the letters from Mrs. Frame and Dr. Galt should be based on the actions taken during that period. It was

F-2855 VOTED that, in response to the questions raised by Mrs. Frame and Dr. Galt involving the relationship of the Field Treasurer to the finances of the Woman's College, the Committee on Finance, Property and Investment reaffirms the principles of financial unity within the University as approved by the Yenching College Committee and the Yenching Board of Trustees during the years 1928 and 1929, and expresses its judgment that the questions raised by Mrs. Frame and Dr. Galt can and should be answered in accordance with these principles;

and further that the Committee requests the Treasurer of the Board of Trustees to convey to Mrs. Frame and Dr. Galt the Committee's judgment on the various specific questions asked in their letters of April 5th and April 14th.

EXCHANGE CONTRACT FOR PRINCETON-YENCHING FOUNDATION FUNDS

Mr. Wannamaker presented a request from Mr. Edwards urging that authorization be given to contract for Laura Spelman Rockefeller funds as well as \$13,500.00 received from other sources. The Secretary stated that the usual course of procedure was to send out these designated appropriations as they were received and that the Trustees had taken the position that they would not control the rate of exchange and they thus left the method of procedure up to the field as to whether or not a contract for exchange would be advisable. Therefore no action was taken.

PROMOTIONAL MATTERS

(a) Report of Promotional Office.

Mr. Wannamaker reported that the Sub-Committee on Promotional Activities had met and formulated a report, which was presented and is attached to these minutes as Appendix B. In the discussion it was brought out that the recent intensive campaign had been extremely difficult not alone because of prevailing financial conditions in the United States but also because of lack of preparation for such a campaign. There was a feeling prevalent that it was necessary to retain a publicity organization to build up lists and to keep the public generally informed. It was

F-2856 VOTED to accept and adopt the report and suggestions of the Sub-committee on Promotion as contained in Appendix B attached to these minutes, with the exception of #5 on page 1, and that the contract with Pierce and Hedrick be entered into only after consultation with Mr. McBrier and Mr. Warner.

(b) Promotional Suggestions by Dr. Stuart.

As this will probably be the last meeting Dr. Stuart will attend before returning to China, he made several suggestions to be used in future promotional activities:-

- (1) Because of the large overhead of the Promotional Office and the difficulty of securing subscriptions or gifts to cover such an expense, he suggested that members of the Trustees very seriously consider soliciting funds from among their intimate friends and those who readily understand the difficulties involved in the running of promotional affairs, with the end of setting up either a sufficient fund to cover expenses or to secure endowment therefor.
- (2) Dr. Stuart paid a very high tribute to the Trustees, their loyalty and devotion and their representation of the spiritual, educational, and financial activities of the institution. He made the suggestion that there might possibly be some thought given to filling future vacancies by securing those who would be more definitely interested in promotional matters and indicated that he had suggestions which would

be passed on at the proper time.

- (3) Calling attention to the fact that New York City and its environment is probably the richest locality in America, if not in the world, Dr. Stuart stated that very little has been done to cultivate this area in the interest of Yenching University. He expressed the hope that the Trustees located in and about New York would see fit to become interested in a plan whereby outstanding men in different denominations would cooperate in putting on an educational program whereby the interest of Yenching University would be set forth. This committee naturally would work in active cooperation with the Promotional Office, the principal point being to make an intensive localized effort to advertise the University.

(c) Thayer Pledge for G\$2,000.00 through Dr. Stuart

It was reported that Rev. and Mrs. Lucius H. Thayer have pledged G\$2,000.00, the first payment of \$200.00 having been received on April 1, 1930. This was credited to 1930 Campaign Undesignated, as the pledge did not state any object. Dr. Stuart indicated that the gift was for Natural Sciences, and therefore it was

F-2857 VOTED that the \$200.00 received on the pledge of Rev. and Mrs. Lucius H. Thayer be transferred to the Endowment of Natural Sciences.

COMPLETION OF RESIDENCE #30

Dr. Galt wrote under date of April 28 that the Certified Accountants had requested the transfer of Residence #30 to Completed Buildings account. It was therefore

F-2858 VOTED to charge account #20, Completed Buildings with G\$7,244.83 and credit account #26m, Residences, with the same amount.

On motion the committee adjourned.

C. A. EVANS
Assistant Secretary

6/11/30

YENCHING UNIVERSITY

PEPING, CHINA

OFFICE OF THE TREASURER

May 7, 1930

No.T30-31

Mr. C. A. Evans,
Yenching University
New York, N.Y., U.S.A.

Dear Mr.Evans:

After further investigation and research in the old accounts we have discovered that the Jane Bashford Endowment, now held in the field, is Mex.\$15,146.50 instead of Mex.\$18,000.00, as we have hitherto assumed. The earliest record of this fund was dated June 11, 1924, entered in the ledger by Mr.Krause, the field Treasurer at that time. The gold equivalent was U.S.\$7,000.00. In September 1924 this fund together with other funds, making a total of L.C.\$18,000.00 was invested in the M.E.Mission property in Tientsin. Because of the large share represented by the Bashford fund in this investment, it has been erroneously called Jane Bashford Endowment. We had always regarded the Bashford Endowment as Mex.\$18,000. This is why we were quite alarmed last year, when we discovered, that we had been using the principal as well as the interest. The fact is that we only used that portion of the principal which was outside of the Bashford part.

Now as to the transfer of this fund to the Trustees. As we wrote on March 11 we had invested \$11,643.98 in Chinese Government bond of \$13,000.00 face value and \$3,502.57 in the practice school buildings. Two \$1,000.00 bonds had been redeemed last month. The remaining bonds may be sold at a profit any time (we bought at 89 and the market is now 95). The \$3,502.57 invested in the practice school buildings may be financed by other funds available in the field, if we wish to have the cash. So we are ready to transfer the entire \$15,146.50 to you any time.

As I have stated above the fund was originally U.S.\$7,000.00. At the present rate of exchange, however, Mex.\$15000.00 will only bring you about U.S.\$5,000.00, a loss of U.S.\$2,000.00 to have the fund transferred to you at the present time. Just how the transfer may be made without loss to the fund in gold dollars is a problem we have to solve. It seems to me one of two plans may be followed.

(1) Restoring the fund to U.S.\$7,000.00 at current rate and charge the difference in local currency between current rate and \$15,146.50 to the gain in exchange in the Current Account.

(2) Exchanging U.S.\$7,000.00 of the current appropriation at L.C.\$15,146.50 for the fund.

The two plans are identical, different only as viewed from different angles.

You may have some better scheme than the suggestion above. I trust we will hear from you in due course of time.

Yours very sincerely,
(Signed) Stephen Tsai
Associate Treasurer

ST:w

1274

DATA FOR EXAMINATION BY SUB-COMMITTEE ON PROMOTIONJUNE 11, 1930

I.

Proposals of President Stuart and Promotional
Office for Promotional Activity

1. Carry on usual activities of office by means of printed matter, circular letters, etc. under expert advice and direction of Messrs. Pierce & Hedrick cooperating with Mr. Wannamaker.
2. In this way release Mr. Wannamaker for more contacts with prospects.
3. Have Doctor Jenney establish his residence with Mrs. Jenney for a minimum period of several weeks or a month at one main center after another and thoroughly work each center. Allow him an expense fund of \$200. per month (equivalent to his former travel expense) and also pay the cost of his and Mrs. Jenney's transfer from one main center to another.
4. Contract for services of Pierce and Hedrick as follows: To counsel Promotional Office in all aspects of its work; to share directly in planning, preparing, and distributing printed matter and circular letters; to provide one campaign director (or more when and if requested) for continuous service. This contract is to be subject to cancellation at any time upon two weeks' notice given by either party. The Campaign Director would do preparatory work at one main center after another in advance of Doctor Jenney. He would also personally solicit prospects, except such as had better be referred to Doctor Jenney.
5. In the late spring of 1931 send Doctor Jenney to China for first-hand observation and have him begin his work again in September 1931.

II.

Results Anticipated from the above Proposed Plans

It is reasonable to suppose that by such intensive effort carried out during the whole year, new friends can be gained and that a considerable number of these new friends will make substantial contributions. It is not to be expected, however, that during the first year of such an intensive effort the receipts will be sufficiently great to make the cost figure at a low percentage. It is rather to be expected that during the first year the percentage of cost will be high, but that the results of this intensive effort will count increasingly during successive years. No sudden change in the plan should be made within less than a minimum of six months after its initiation. After a test of six months, however, it might very well be that results would indicate the un wisdom of continuing so expensive a method. The contract with Pierce and Hedrick is sufficiently flexible to allow a sudden and great reduction cost if this should become necessary.

III.

Prospective Cost of Plan ProposedA. Budget of Promotional Office and Doctor Jenney:1. Ordinary Stationary and Office Supplies

Letterheads and miscl. paper	\$ 78.00	
Envelopes	75.00	
Small supplies	100.00	
Photographs, books for filing, etc.	185.00	
Total		\$438.00

2. Publicity Material and ServicePrinted Matter: Peking News (4

issues of 8000 each or substitute	1,020.00	
Postage	480.00	
Envelopes (9½x6½ - end flap).	256.00	
Folding, inserting, stamping, etc..	200.00	
Mailing, service - Globe.	12.00	
Cuts, retouching pictures, etc.	338.00	
Total		2,306.00

Circular Letters (twice during yr.)

Letterheads (16,000)	60.00	
Stamped envelopes (16,000)	240.00	
Return Envelopes (16,000)	38.00	
Horton Process letters (16000)		
filling in address, salutation,		
signature & two enclosures.	304.00	
Total		642.00

3. Miscellaneous

Pledge Cards (16,000).	70.00
Daily Postage (exclusive of Peking News and circulars).	100.00
Telephone and telegraph service	400.00
Office Rental	770.38

4. Salaries

Promotional Director.	\$3,000.00
Executive Secretary)	8,550.00
and expenses)	3,000.00
Office Manager.	2,400.00
Secretary	2,080.00
Special clerical help.	300.00
Share of telephone operators service	150.00
	19,480.00
	24,206.38

B. Budget of Pierce & Hedrick

- (a) Salary of campaign directors at \$225. per week
Minimum (with one director) 11 months. . . . \$10,800.00
- (b) Travel and incidental expense (with one
director) 3,400.00

Brought forward \$14,200.00 \$24,206.38

(c) "Earned Compensation" according to amounts raised:

A fee of \$5,000 for 1st	\$200,000.00	
A fee of \$6,000 for 3rd	\$100,000.00	
A fee of \$4,000 for 4th and 5th	\$100,000.00	
A fee of \$3,500 for each additional	\$100,000.00	
Minimum Budget, P.&H., not including		
"earned compensation"		14,200.00
TOTAL FORECAST COST FOR COMING YEAR		\$38,406.38

IV.

Exhibit of Campaign Activities, Costs and Results for Past Year.

A. Funds and Pledges Secured during year

Apr. 12, 1929 - Apr. 22, 1930 (as reported in Annual Meeting of Trustees):

1. Collected on previous pledges.		\$94,274.00
2. <u>New Pledges Secured</u>		
*First Rockefeller Pledge.	\$250,000.00	
*Second " "	250,000.00	
*Chou Tso-Min.	250,000.00	
Other pledges.	149,981.72	899,981.72

*Conditions not yet completed with regard to these items.
Already collected on these pledges. 312,989.72

B. Approximate Cost of these funds and pledges.

1. Ordinary Office Budget

Salaries, including special stenographer	\$ 7,294.91	
Rent.	789.06	
Cables, telegrams, etc.	476.76	
Publicity.	2,078.82	
Miscellaneous.	382.22	
Equipment	48.29	11,069.99

2. Doctor Jenney

Salary, July-September 1929	2,013.00	
Travel, approximately	700.00	2,713.00

3. Special Campaign

<u>Pierce & Hedrick: Salaries</u> campaign directors 2 to 18 weeks \$225 each.	8,100.00	
<u>Expenses of Directors</u> , and special publicity	3,665.12	
Travel Dr. Stuart and others.	2,717.95	14,483.07

TOTAL COST FOR PAST YEAR		28,266.06
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MEMORANDUM MINUTES OF MEETING
COMMITTEE ON SALARIES AND PENSIONS
TRUSTEES OF YENCHING UNIVERSITY

August 5, 1930
150 Fifth Avenue, New York City

Members of Committee:

L.R.Rounds, Chairman, A.L.Warnshuis Mrs.O.R.Williamson

All members were present, as were Mr.B.A.Garside and Mr.C.A.Evans.

TRAVEL FOR MISS BOYNTON

Miss Edith Boynton has taken the position that she should receive, in addition to her outgoing travel, $3\frac{1}{2}$ fifths of the usual allowance for return travel. The Finance Committee, at its last meeting, referred the matter to the Committee on Salaries and Pensions because there seemed to be no clearly defined policy regarding emergencies of this kind. In giving consideration to this item, it was agreed that, in view of the fact that no definite arrangements had been made with Miss Boynton, it would be fairer to pay the additional amount involved, approximately \$180.00. It was therefore

VOTED to recommend that Miss Edith Boynton be paid, in settlement of her account for return travel, an amount equal to $3\frac{1}{2}$ fifths of the full expense of a return journey.

PENSIONS AND INSURANCE

The Chairman reviewed in some detail the situation as regards plans for pensions and insurance. The Committee then gave careful consideration to Dr.Galt's letter of June 25, 1930 and the memoranda accompanying it, including the recommendations passed by the Board of Managers on June 21, 1930, relative to the retirement plan. There followed a full discussion, during which the plans proposed by the Committee and by the field were considered in detail.

It was agreed that the Chairman of the Committee be asked to draft a report to the Committee on Finance, Property and Investment, setting forth the details of the plan recommended by the Committee on Pensions, together with any explanatory comments that seemed desirable. It was also agreed that the Chairman be asked to prepare, for transmission to the field, an informal letter explaining the considerations on which the Committee's plan has been formulated, and pointing out some of the difficulties in the modifications of the plan proposed by the field.

The Committee adjourned.

C. A. Evans,
Assistant Secretary

1278

REPORT OF SUB-COMMITTEE ON SALARIES AND PENSIONS

To the Finance Committee
Yenching University
150 Fifth Avenue,
New York, N.Y.

At a meeting of the Finance Committee held December 23, 1929, the undersigned were appointed a sub-committee to make a general study of salaries and allowances paid to the foreign staff on the field and at the same time to make a study of, and if possible to make recommendations with respect to the establishment of a plan for the payment of retirement allowances to both the foreign and the Chinese members of the staff. The Committee now submits the following report.

Since its appointment recommendations on the subjects referred to the committee have been received from the field. The recommendations of the field and of your committee are compared and discussed in the following report.

1. SALARIES

The recommendation of the field with regard to salaries is as follows - that the salary scale be revised to provide for flat salaries regardless of length of service as follows:

Married members	G.\$1,800
Single "	950
plus allowances for children as follows:	
Under six years of age	200
Ages 7 to 12.	300
" 13 " 17.	400
" 18 " 21.	500
and that furlough salaries be as follows:	
Married.	2,000
Single.	1,000

Rent up to G\$50.00 a month for families; G\$25.00 a month for single person on application to the trustees.

That all salary payments be made in gold with a guaranteed ratio of exchange of not less than two for one.

Your committee's recommendation - that the salary schedule as suggested by the field be made effective, with the exception of the salary of the President which your committee believes should not be reduced. The adoption of this new schedule will in one or two instances reduce the salary figure as now fixed, but such reductions will be more than offset by the gain to the staff member through the adoption of the gold basis for salary payments.

2. LIFE INSURANCE

The field has recommended that there be provided at the cost of the University life insurance equal to one year's salary, with disability clause for each staff member.

Your committee's recommendation - when life insurance is provided

for staff members by the employing institution or corporation, it is done on what is known as the group life plan. Such insurance is technically known as one year term insurance. The policies have no cash reserve and no cash surrender or loan value. Such insurance may be more easily compared with fire insurance than with other forms of life insurance, since the premiums for this form of insurance cover the cost of insurance protection and nothing else. Such insurance can only be written for groups of fair size, generally not less than fifty lives, and the cost will usually vary from \$5. to \$10 per thousand of insurance per year, depending upon the experience of the group. Your committee has endeavored to find an insurance company which would insure the staff of the University on the group basis, but it has been impossible to find a company that would write a group policy for mixed staff in China.

The only life insurance available for all members of the staff is insurance on what is known as the endowment plan running twenty years or less. Under such a plan individual policies would be written and premiums necessarily would have to include not only the cost of protection, but also the cost of establishing a cash reserve within a period of twenty years (or less) equaling the face of the policy. Such insurance would cost from five to ten times the cost of group insurance. This form of insurance includes not only life insurance, but also a savings plan, and it is the judgment of your committee that such insurance should be purchased by the individuals insured, and since there is nothing to be gained by a group arrangement no recommendation is made with regard to the purchase of such insurance. Your committee would have gladly recommended the purchase of group insurance could such insurance have been obtained, but it does not believe that it is the proper function of the University to provide insurance in the forms which are available.

In this connection it should be noted that the retirement plan recommended by your committee provides death benefits in the form of a return to the beneficiary of the staff member of the contributions made to the retirement fund.

3. RETIREMENT ALLOWANCES

The desirability of a plan for the payment of retirement allowances to staff members after a period of service at an age when retirement is desirable, is now generally recognized and needs little argument to support it. Plans designed to accomplish this result have been adopted by large numbers of our leading colleges and schools, as well as by many business corporations. Many municipalities have adopted plans for the retirement of their teachers, as well as other classes of employees, and in some instances states have adopted state-wide plans. Your committee is, therefore, thoroughly convinced as to the desirability of adopting some plan which will provide for the orderly retirement of the staff of Yenching University. There are a number of ways in which this might be accomplished.

- a. A plan could be adopted by the trustees, following which a trust fund could be established, contributions to be made jointly by the trustees and the staff, the funds to be kept invested by the trustees for the benefit of the plan.
- b. The trustees might form a separate corporation for the handling of pension funds with its own board of trustees

to include representatives of both the University and the staff, this corporation to assume the handling of the funds and the payment of retirement allowances.

- c. A contract could be entered into with some one of the large insurance companies which now underwrite retirement plans, under which both the University and the staff members would make their contributions to the insurance company, the insurance company in turn agreeing to pay the proper retirement allowances as arranged for.
- d. Arrangements might be made with some fund already established to join that fund on a mutual basis, in much the same way that a contract could be made with an insurance company.

Your committee has considered these various ways of handling a retirement plan and believes the most desirable method for a relatively small group will be to contract with some one of the larger insurance companies for the underwriting of such a plan as the University may desire to adopt. This method will provide a considerable degree of flexibility since the life insurance companies are willing to incorporate almost any feature which may be desired which do not affect the soundness of the plan, and this will provide a degree of flexibility which it is not possible to obtain if we were to undertake to join some fund already established. As a matter of fact, as a result of inquiry and search no established pension fund has been found which would be willing to underwrite the mixed staff of Yenching University located in China, so that as a practical matter the choices available to us are but two, either to contract with a life insurance company, or to handle our own fund either as a separate trust fund in the hands of the trustees of the University, or as a separate corporation organized for the purpose.

The advantages of dealing with a life insurance company are that the company assumes complete responsibility for the investment and handling of the funds. They also supply the actuarial experience necessary for the establishment of a sound plan. The only possible disadvantage in doing business with an insurance company as against the operation of a private fund is that theoretically there might result some saving in overhead expenses in the operation of a private fund, but even a private fund cannot be operated without some expense, and it is the view of your committee that the cost of the service rendered by the insurance company is a very small price to pay for the guarantees received with respect to the handling of the funds as well as the making of annuity payments. It is entirely possible that a private fund organized for a relatively small group might be very seriously embarrassed by reason of a single annuitant living considerably beyond the average span of life. Serious embarrassment might also result from even comparatively small losses through investments. It is at once obvious that the handling of a small fund cannot adequately protect the individual members of the group against either of these happenings. Should a retirement fund be depleted from any cause through investments or by reason of annuity payments exceeding estimates, the annuitants present and future would of course be the ones to suffer since there would follow a scaling down of retirement allowances.

It is the view of your committee that the first requirement of

any retirement plan is absolute safety and solvency, and that so far as it is humanly possible to accomplish it, staff members who have contributed their money to such a fund should have an absolute guaranty of either the return of their money or the payment of the annuities contracted for, and for the reasons stated your committee believes that the greatest degree of safety can be obtained by contracting with an insurance company, since our group and fund would never be sufficiently large to give a reasonable average experience if it were operated independently.

Your committee has discussed the possibilities of establishing a fund for Yenching University with a considerable number of insurance companies. We have found that none of the American companies would be willing to underwrite a retirement plan which would include both the foreign and Chinese staff. The Sun Assurance Company of Canada has presented to us a plan which originally included only the foreign staff, which has appealed to your committee as being the best plan submitted. They at first declined to include the Chinese staff in the plan on the ground that the mortality records of China were very unsatisfactory for which reason they had up to this time refused to write annuities on Chinese lives. With considerable reluctance they have agreed, however, to write a plan for Yenching University which would include both the Chinese and the foreign staff.

There will be found attached Appendix A which describes in detail the retirement plan recommended by your committee to be underwritten with the Sun Life Assurance Company of Canada.

There will also be found attached Appendix B describing the plan recommended by the field.

Your committee believes that its plan includes all of the desirable features of the plan recommended by the field. Indeed it closely follows that plan in most respects. There are but four important differences as follows:

1. The field recommends that any member who prefers to take out a life insurance policy shall be permitted to do so in lieu of making contributions to the retirement fund, and that such life insurance premiums shall be considered as a pro rata substitute for monthly contributions to the retirement plan. Your committee does not consider this provision desirable for the following reasons. It is the purpose of the retirement plan to provide and to guarantee retirement allowances which in the case of a lifetime of service shall be adequate to provide a comfortable retirement. Under the plan proposed the cost of providing this retirement is to be shared equally by the University and the staff member. Obviously if only the University's share is paid into the fund in the case of any individual the retirement allowance will not be adequate for the retirement of the staff member concerned, and the problem of retirement would still remain. The purchase of life insurance, while very desirable in itself, does not accomplish the same purpose. There is no guaranty that the life insurance premiums will be continued. Neither is that a guaranty that the funds received at maturity of the life insurance, or upon its cancellation, would then be applied to the retirement fund, and in fact if they were so applied, the amount would be equal to the contributions with interest thereon which would have been made by the staff member. Your committee feels, there-

fore, that the complete success of the retirement plan should not be put at risk by including the provision requested.

2. The field recommends that in the case of a member of the staff retiring after three years of service and before six years, he shall be permitted to withdraw his contributions and also one-half of the University's contributions, and that after six years of service he shall be entitled to withdraw, together with his own contributions, the entire contributions of the University. Your committee feels that this provision also would be unwise for the reason that it cannot have any other effect than to put a premium on separations from the service. The purpose of a retirement plan is to provide annuities after a lifetime of service. It is not to provide additional compensation or bonuses for relatively short periods of service rendered. Your Committee's plan recognizes that a staff member leaving the service of the University at any time is entitled to his or her entire contributions with accumulated interest thereon, but provides that staff members withdrawing from the service of the University for any other cause than death or total disability shall be entitled to a share in the University's contribution only on a graduated scale, beginning with the completion of ten years of service.

3. The plan suggested by the field provides that the University guarantee interest on accumulated funds at rates to be fixed from time to time by the General Faculty Executive Committee, but which shall in no case be less than 5% per annum. Your committee does not believe it to be sound in principle for the University to make such a guarantee. In fact the guarantee would be valueless except as the trustees of the University would be prepared, from revenues of the University, to make good any deficit. Your committee believes the retirement plan should stand upon its own resources. Such a guarantee of return might also be construed as a guarantee of the principal, which obviously is beyond the province of the University. As a matter of fact, life insurance companies underwriting retirement plans generally incorporate a guaranteed interest return of not less than $3\frac{1}{2}\%$. In addition to this they also pay annually what is known as an interest dividend which is dependent upon the average earnings of the insurance company on its entire investments. The Sun Assurance Company of Canada has for some years accumulated interest on its funds at a rate somewhat in excess of 5%, and it is likely that they will continue to do so in the future. This, however, cannot be guaranteed.

4. The plan suggested by the field provides that "In the case of foreign members of the staff the term 'salary' shall be defined as including the basic salary and the regular children's allowances," while your committee's plan would base retirement allowances and contributions to the fund on the basic salary excluding children's allowances. Since the purpose of the children's allowances is to provide for the education and other expenses incident to raising a family, and as the children will obviously be self-supporting long before the staff member retires and becomes eligible for an annuity, there seems to be no good

8-5-30

reason for including the children's allowances as a part of the salary in computing contributions and annuities. For this reason your committee would exclude children's allowances from the salaries in all computations having to do with the retirement plan.

The differences between the committee's plan and that recommended by the field are not material when compared with the scope of the plan as a whole, and it is hoped that upon further consideration the committee's plan will prove acceptable to the field.

Respectfully submitted.

Committee (L.R.Rounds, Chairman
) A.W. Warnshuis
(Mrs. O.R. Williamson)

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OUTLINE OF RETIREMENT PLAN

It is proposed that arrangements be made with the Sun Life Assurance Company of Canada for the setting up of a retirement plan for the staff of Yenching University as follows.

1. MEMBERSHIP IN PLAN

It shall be optional with all staff members (both Chinese and foreign) already in the employ of the University at the time the plan becomes operative as to whether or not they shall join the plan. In the case of election not to join, it should be understood that the University assumes no responsibility for the retirement of such members.

For all members joining the staff after the plan becomes operative, membership in the plan should be a part of the contract and should be compulsory.

2. COST OF THE PLAN

Payments will be made to the Sun Life Assurance Company of Canada equaling 10% of the salary (without children's allowances) of each staff member. One-half of this amount, or 5% to be deducted from the salary of the staff member, the other half to be contributed by the University.

It is to be understood that contributions to this plan by the University will cease if and when the contributions made by the University together with interest and anticipated interest dividends will reach such an amount as would be sufficient to purchase a retirement allowance equaling one-third of salary. At this point the staff member would have the option of either discontinuing or reducing payments or of continuing them.

There is attached a schedule illustrating the cost and also the benefits of this plan in the cases of the foreign members of the staff for whom the Committee has been able to secure the necessary information. For the Chinese members of staff costs and benefits would be computed on the same general basis. It will be noted that on the present salary basis the amount of the University's contribution toward the pensions of the University supported Western members of the staff of the general University would be G\$90.45 per month if past service be disregarded, or G\$126.47 per month if staff members should elect to secure the full benefits for past service. For the University supported Western Members of the Woman's College staff the cost to the University would be G\$11.88 per month if past service is disregarded, or \$16.47 if it is included. These totals will be increased by 5% of the salary of the Chinese members of staff. In the case of all subsequent additions to staff the cost, of course, would be 5% of salary (exclusive of children's allowances).

In case of separation from the service of the University prior to retirement age, and before the completion of ten years of service to the University, for any cause other than death or total disability, the contributions of the University, together with interest and interest dividends, will be returned to it or credited upon its payments to the Sun Life Assurance Company for the current year. Where separation under the

above conditions takes place after the completion of ten years of service, there shall remain with the Sun Life Assurance Company to the credit of the withdrawing staff member a graduated proportion of the contributions of the University, together with interest and interest dividends, in accordance with the following schedule:-

For service of 10 or more years but less than 20 years 50%
For service of 20 or more years. 100%

3. BENEFITS

a. Retirement Allowances

Each staff member would be entitled to receive upon retirement age 65 such a monthly annuity as the contributions made by himself and by the University in his behalf, together with interest and interest dividends, would purchase. The table attached shows what these benefits would be for each present member of the foreign staff on the basis of the proposed revised salaries, these figures being straight life annuities. These allowances are shown on the basis of the guaranteed interest return of $3\frac{1}{2}\%$ compounded annually and also on the basis of the continuance of the present scale of interest dividends as paid by the Sun Life Assurance Company of Canada. There can of course be no guarantee as to the continuance of the present relatively high dividend payments. The $3\frac{1}{2}\%$ table is guaranteed and it is unlikely that the actual annuities would not be at least equal to a figure halfway between those shown; but since compound interest is so important a factor in such a plan and there can be no certainty as to the future course of interest rates over a long period of years, there can of course be no guarantee except to the extent shown under the $3\frac{1}{2}\%$ table.

b. Options at Retirement

At the time of retirement the member shall receive the amount of annuity to which he or she shall be entitled, which will be the amount that can be purchased by the contributions made both by the staff member and the University, together with the accumulated interest and interest dividends thereon in the form of a straight life annuity according to the annuity tables of the insurance company; or in lieu of a straight life annuity the staff member shall have the option of receiving a reduced amount of annuity with one of the following benefits:

- (1) In the event of the death of the member before the total of the annuity payments received is equal to the value of the said annuity immediately prior to retirement the balance will be returned to the member's beneficiary.
- or (2) In the event of the death of the member during the lifetime of the designated beneficiary one-half the amount of the annuity shall continue to the beneficiary until death.
- or (3) In the event of the death of the member during the lifetime of the designated beneficiary the full amount of annuity shall continue to the beneficiary until death.
- or (4) In the event of the death of the member before a specified number of years has elapsed the annuity shall continue payable to the beneficiary until the expiration of the speci-

fied period.

The Company shall quote on request the amount of annuity which will be allowed to any member under any of the options.

While retirement will be compulsory at age 65, if by mutual consent and upon request of the University any staff member should serve beyond that age, the annuity payments would be correspondingly increased according to the annuity tables.

c. Death or Total Disability

In the event of total disability the staff member will be entitled to receive the sum of the combined contributions made by himself and the University, together with interest thereon and interest dividends.

In the event of death the beneficiary of the staff member will be entitled to receive the amount of the staff member's contributions together with interest and interest dividends thereon, and if such beneficiary be a person who is dependent upon the staff member, he or she shall also receive the contributions of the University with interest dividends thereon.

d. Provision for Past Service

Provision would be made so that any staff member whose service with the University antedates the date of inauguration of the plan, shall have the opportunity of making such larger contributions as they may desire up to the amount necessary to provide the same retirement allowance that the member would have been entitled to had the plan been in operation from the beginning of employment; and to the extent that the staff member elects to make these additional payments, the University will make equal additional payments.

e. Withdrawal Benefits

Since the primary purpose of this plan is to make financial provision for staff members after they reach the age of retirement, it is to be hoped that any staff member separating from the service of the University prior to the age of retirement for any other cause than death or total disability, would leave with the Sun Life Assurance Company the full amount of his contributions plus interest and dividends thereon, together with any proportion of the University's contribution to which he might be entitled, to remain and continue to draw interest until he reaches the age of retirement. Should the staff member so elect, however, he shall be entitled to receive either in one payment or in a series of payments as he may choose, the full amount of the contributions he has made, together with interest thereon and interest dividends; but in this case he shall not receive any portion of the amount contributed by the University. Should death or total disability overtake, before retirement age, a staff member who had thus left the service of the University but who had not withdrawn from the Sun Life Assurance Company the amount due him, he or his beneficiaries would be entitled to the portion of the University's contributions then standing to his credit with the Sun Life Assurance Company, in accordance with the provisions for Death or Total Disability as set forth in Section (c) above.

f. Method of Payment

All benefits to staff members who have retired will be paid in equal monthly amounts.

Benefits to those entitled to receive them as a result of the death or total disability of a staff member, or as a result of separation from the staff, will be paid according to the election of the beneficiary either in one payment or in a certain number of payments at fixed intervals, or in the form of a refund or straight annuity, all such deferred payments to be made in accordance with the interest and annuity tables of the Sun Life Assurance Company of Canada.

g. Assignments

Except to change the beneficiary designated to receive the benefits payable on the death of a member no assignment of any benefits under the plan is permitted. The Company does not assume any responsibility for the validity of any appointment or change in beneficiary.

TABLE I

INCOME AT 65

Based on $3\frac{1}{2}\%$ Guarantee, Present, Dividend Scale and Present Annuity Rates

Name	Age 7/1/30	Sex	Annual Salary	Past Ser- vice	Standard Plan			Total Income		
					Combined Monthly Contri- bution	Monthly Income at 65		Combined Monthly Contri- bution	Monthly Income at 65	
						$3\frac{1}{2}\%$ Basis	Present Rates		$3\frac{1}{2}\%$ Basis	Present Rates
J. L. Stuart	54	M	\$1,506	10	\$ 12.55	\$17.13	\$ 19.77	\$ 23.96	\$32.50	\$ 37.74
H. Hague	42	F	950	9	7.92	25.39	42.88	11.02	47.34	63.80
L. Conover	54	F	950	0	7.92	9.68	11.23	7.92	9.68	11.23
B. L. Learmonth	63	M	1,800	4	15.00	3.16	3.32	45.00	9.49	9.95
L. W. Faucett	38	M	1,800	2	15.00	68.18	95.57	16.11	73.21	102.64
G. R. Loehr	38	M	950	4	7.92	35.99	50.46	9.09	41.31	57.91
H. E. Shadick	28	M	1,800	4	15.00	114.45	184.11	16.62	142.35	203.99
E. K. Smith	57	M	1,800	0	15.00	14.10	15.75	15.00	14.10	15.75
A. M. Boring	47	F	950	6	7.92	17.93	22.70	10.56	20.20	30.26
E. O. Wilson	40	M	1,800	8	15.00	60.57	82.88	19.80	80.09	109.40
E. L. Konantz	56	F	950	9	7.92	7.60	8.76	15.84	15.38	17.32
William Band	24	M	950	0	7.92	72.82	124.14	7.92	72.82	124.14
T. M. Barker	45	M	950	8	7.92	23.62	29.83	11.09	32.57	41.77
D. M. Bent	30	F	950	1	7.92	48.65	77.12	8.15	50.80	79.35
M. S. Stewart	30	M	1,800	3	15.00	103.87	162.42	16.29	112.80	176.39
Vernon Nash	38	M	1,800	5	15.00	68.18	95.57	17.78	80.81	113.28
Total			\$21,706		\$180.91			\$251.94		
G. M. Boynton	40	F	950	11	7.92	28.56	39.39	11.40	40.50	56.69
E. M. Hancock	51	F	950	8	7.92	13.04	16.62	12.45	20.36	27.27
Augusta Wagner	31	F	950	5	7.92	46.34	72.43	9.08	53.17	83.40
Total					\$ 23.76			\$ 32.93		

PLAN SUGGESTED BY THE FIELDI. INSURANCE

1. Yenching University shall provide life insurance at University cost for all full time members of Class A from the date on which they assume their responsibility in the University; for all members of Class B after they have served the University for one full year; and for all members of Class C after they have served the University for two consecutive years. The amount of this insurance shall be one full year's salary of the individual concerned.

2. A disability allowance of the same amount as that provided under (1) will be made on the same basis to all members of the three classes who may be declared by the University physician totally and permanently disabled as the result of a bodily injury or disease contracted while in the University service.

3. Members of Classes A, B and C must pass medical examination by the University physician before they are eligible for the life and disability insurance.

II. ENDOWMENT AND ANNUITY FUND

4. Members of the University in Classes A, B, and C shall be eligible to participate in the Yenching University endowment and annuity scheme on same terms as set forth for insurance above.

5. Every member participating in the scheme shall contribute 6% of his monthly salary, and the University shall contribute an equal amount to provide funds for the accumulated fund.

6. Participation in the scheme shall be voluntary. In the case of eligible individuals refusing to participate in the scheme the University hereby disclaims all liability for any retiring allowances or any other benefits.

7. In the case of a member who prefers to take out a life insurance policy, the University will regard that portion of the premium, up to an amount which equals 5% of his monthly salary, as a pro rata substitute for his monthly contribution to the scheme, and will fulfil its share as provided for under Section 5.

8. A member entitled to benefits under this scheme may be retired or may retire, at any age under 65 years, but at the age of 65 he shall retire unless the University specifically requests him to continue in its service for a further definite period.

9. A member who retires from the University within three years from the date on which he begins to participate in this scheme, shall be entitled to withdraw the amount he has himself contributed, together with the accumulated interest thereon; if he retires after three years and before six years, he shall be entitled to withdraw his own contributions and also one-half of the University's contributions, together with interest on the same; after six years participation in the scheme he shall be entitled to claim the whole amount that has accrued to him under the scheme.

10. The University guarantees interest on the accumulated funds of each participant at a rate which shall be fixed from time to time by the General Faculty Executive Committee, but which shall be in no case less than 5% per annum.

11. Payment of the amount falling due to any individual shall be made in accordance with the following plan:-

- A. When the total amount does not exceed a thousand dollars, it shall be paid in one installment.
- B. When the amount exceeds one thousand dollars, one thousand shall be paid on the date due, or, in case the total amount exceeds two thousand dollars, one half of the whole will be paid on the date due, and the balance in annual installments equal in number to one-third of the years service of the individual concerned, except that in no case shall the number of installments exceed ten.

MINUTES PASSED BY CIRCULATION
EXECUTIVE COMMITTEE, BOARD OF TRUSTEES
YENCHING UNIVERSITY

Members of Committee

J. L. Barton	G. T. Scott, or
1. E. M. McBrier	2,3.S. D. Gamble (Alt.for Dr.Scott)
1,2,3. G. G. Barber	1,2,3.Mrs.O.R.Williamson
1. A. L. Warnshuis, or	1,2,3.Mrs.L. O. Lee
2. Miss M. E. Burton(Alt.for	2,3.Mr.F.H.Warner, ex officio, or
Dr.Warnshuis)	1.L.R.Rounds (Alt.for Mr.Warner)

The following actions were passed by circulation vote during the periods indicated. They were voted on by the members of the committee as indicated above. The numeral 1 before a member's name indicates that a vote was received from him on action No.E-2859; numeral 2 indicates a vote on action No.E-2860; and numeral 3, on action No.E-2861. All votes cast were in the affirmative.

NEW YORK CHECKING ACCOUNT FOR FIELD TREASURER

The following action was approved by votes cast between July third and July eighth, 1930:

E-2859 VOTED that the Executive Committee, acting in behalf of the Trustees of Yenching University, approve the opening of a checking account for the field under the name of "Yenching University" and approve the use of the Central Hanover Bank and Trust Company, corner 18th Street and Broadway, New York City, for such an account.

APPOINTMENT OF REPRESENTATIVE AT INAUGURATION CEREMONY

The following action was passed by votes cast between September fourth and September sixth, 1930:

E-2860 VOTED that Mr.Ernest A.Evans be requested to serve as the representative of the Trustees of Yenching University on the occasion of the inauguration of Dr.Robert Gordon Sproul as President of the University of California on Wednesday, October 22, 1930.

ALTERNATES ON COMMITTEE ON INVESTMENTS IN CHINA

The following action was passed by votes cast between September thirteenth and September sixteenth, 1930:

E-2861 VOTED that approval be given to the following recommendation of the Committee on Finance, Property and Investment passed at the meeting held on June 11, 1930

"F-2848 VOTED to recommend to the Executive Committee the election of Rev.W.H.Gleysteen and Mr.Len-nig Sweet as alternates on the Committee of Investments in China to serve during the absence of Mr.Bennett and Mr.Edwards."

B. A. GARSIDE

Secretary

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

1:30 P.M., Wednesday, September 17, 1930

Room 606, 150 Fifth Avenue, New York City

List of Members

*G. G. Barber, Chairman	A. J. Stock (General Alternate)
*L. R. Rounds	Mrs. Wm. Boyd
E. M. McBrier	Mrs. J. H. Finley
S. D. Gamble	*F. H. Warner, ex officio
A. L. Warnshuis	J. Leighton Stuart, ex officio
*G. M. Duff (General Alternate)	

Those whose names are starred were present as were also B.A.Garside and C.A.Evans. Excuses for absence were presented from Mrs.J.H.Finley, Mr.S.D.Gamble and Mr.A.J.Stock.

The meeting opened with prayer led by Mr.Garside.

APPROVAL OF MINUTES

Minutes of Finance Committee meeting held on June 11, 1930, were approved as circulated.

GOLD CHECKING ACCOUNT FOR FOREIGN FIELD STAFF

For the information of the Committee it was reported that on June 24, 1930, a communication came to hand from the Field Treasurer's office stating that, due to the fact that salaries were to be paid in gold, it would be much more convenient to have a checking account in some bank in the States. By circulation vote the Executive Committee approved this procedure, and after further correspondence with the field to clear up some details, the account has been opened with the Central Hanover Bank and Trust Company, 18th Street Branch.

BASHFORD ENDOWMENT FUND HELD ON FIELD

Attention was called to action F-2850 requesting the Field Treasurer's office to submit a statement approved by the Certified Accountants as to the standing of the Bashford Endowment Fund. The following statement came to hand September 8, 1930:

"Peiping, 22nd July, 1930

"Jane Field Bashford Endowment Fund

"We hereby certify that we have examined the Books of Yenching University and that the total of the Jane Field Bashford Endowment Fund was at its inception and is now G\$7,000.00 and that this figure was exchanged into Local Dollars when received and the proceeds were L\$15,146.50.

"These figures are in conformity with those shown on Schedule 4 of the Annual Accounts rendered by us for the year ending June 30, 1929.

Thomson & Co.
Chartered Accountant,
Auditors.
Yenching University, Haitien"

The Committee gave consideration to the following report received from Mr. Stephen Tsai under date of August 5, 1930:

"I do not think we have reported to you we have invested the balance of Bashford Endowment in the Chinese Government 7th year 6% bonds at 82. These bonds are secured by the Maritime Custom receipts. It is the best bond available according to expert financial advice. They are drawn twice a year, June and December. The total issue will be retired by 1938. The yield is about 12%. The present investment of the fund is therefore composed of \$9852.53 in Chinese Gov's 14th year 8% and \$5293.97 in 7th year 6%."

The question arose as to the method of procedure used by the field in making investments, also as to the availability of bonds for investment as well as the stability of those purchased. Without taking formal action the Secretary was requested to communicate with the field and clear up these questions.

SALARIES AND PENSIONS FOR FIELD STAFF

It was reported that field action on Pensions and Annuities disapproved the plan as accepted by the Trustees, and proposed two optional plans, one silver and one gold, - to be administered on the field, with all interested parties having a voice in the purchase and sale of securities.

Letters covering the field action were received late in June and the Trustees' Salary and Pensions Committee met on August 5th, giving full consideration to the field's recommendations. As a result the Trustees' Committee decided, in order to save time, to authorize further correspondence with the field, giving reasons for adopting the Trustees' plan, as well as the practical difficulties in the way of successfully operating the field's proposed plan. At the same time the Committee modified the original set-up wherein the annuitants received no part of the University's contributions and instead recommends that annuitants receive credit for University payments as follows:

For service of 10 or more years but less than 20-	- - -	-50%
" " " 20 " " " - - - - -	- - - - -	-100%

In giving consideration, the Finance Committee

F-2862 VOTED to recommend to the Executive Committee the approval of the change in the Pension plan wherein annuitants receive credit from University payments to the amount of 50% for service of 10 or more years but less than 20, and more years.

TRAVEL FOR MISS BOYNTON

The Pensions Committee further reported on its action relative to the travel to be paid to Miss Boynton. This item had been referred to the Salary and Pensions Committee by the Finance Committee at its meeting on June 11th. The final recommendation is that settlement be based on outgoing plus three and one-half fifths of return travel rather than three and one-half fifths of the round trip.

BALANCE IN WIAINT RESIDENCE FUND

Attention of the Committee was called to a communication from the field dated May 1, 1930, wherein the New York office was requested to remit the balance of funds in the Wiant Residence account. Up to date this balance amounts to \$918.18. The Committee noted, however, that although this sum of \$918.18 has not been sent to the field designated for the Wiant Memorial Residence, the Trustees have, during recent months, transmitted residence funds to the field far in excess of gifts received for this purpose, so that at the present time there is an overdraft of \$62,664.72 in the residence account. It was

F-2863 VOTED to request the field treasurer to credit to the Wiant Memorial Residence account \$918.18, representing the balance of funds in this account and to charge same against the General Residence Funds account.

BALANCE IN PAGODA WATER TOWER ACCOUNT

The Secretary called attention to a letter from the field dated May 7th wherein reference was made to the Pagoda Water Tower Fund account, it being stated that only \$3,500 had been sent out, whereas \$7,000 has been paid into the New York office up to November 7, 1925. The New York office agrees that no other remittance so marked has been forwarded to the field. The Committee, however, noted that the Trustees have transmitted to the field for other objectives within the H.L.W. & S. system funds greatly in excess of the gifts available for this work, so that at present the deficit in this account is \$142,955.09. It was

F-2864 VOTED to request the field treasurer to charge G\$3,500, representing the balance in the Pagoda Water Tower Fund, to the H.L.W. & S. account and credit the Pagoda Water Tower account.

REQUEST FOR AUTHORIZATION ON BASHFORD HALL

It was reported that under date of May 16th Dr. Galt wrote as follows:

"We have noted that in the Statement of 'Plant Fund Balances and Overdrafts' as of October 31st there appears to be a credit balance on the Bashford Fund, under 'Incompleted Buildings', of G\$5,028.07. We suppose it is in order to make further request for funds to meet the deficit now on this building, and provide for certain further improvements estimated to be necessary really to complete the building."

Then follows a list of estimates to complete the unfinished work:-

"1. Final cost of painting of 106 doors and 48 sets of windows,	\$600.00
2. The completion of minor cement works.	100.00
3. Stage lighting.	150.00
4. Calcimining 14 rooms.	70.00
5. Painting the radiators in the above rooms . . .	15.00
6. Painting the wainscoting behind the Auditorium	24.00
7. Number plates for the Auditorium chairs. . . .	200.00
8. Work and material for fixing Auditorium chairs on the floor. . .	160.00
9. Contrivance for hanging the stage curtain. . . .	200.00
10. Building two rooms back of the Auditorium under the balcony. .	350.00
	<u>\$1,869.00</u>

Moving picture machine attachment. \$ 600.00

(This is a very much needed part of the moving picture machine in order to eliminate the long intermissions which the present machine requires while the films are being changed. I placed this article beneath the line as I am not quite sure whether it constitutes a legitimate charge to the building fund of Bashford Memorial. But as the machine itself is a permanent equipment in the building which has already been paid by the Bashford Memorial fund, I hope very much this attachment can be authorized which will make the weekly moving picture show more enjoyable, thus benefitting the entire University community.)"

There being a credit balance of \$5,028.07 in the Bashford Memorial Fund account, it was

F-2865 VOTED to approve authorization for additional drafts up to L.C.\$5,000, but to record the judgment of the Committee that the moving picture machine attachment is not a proper charge against the building account.

CHARGES FOR HEAT, LIGHT, WATER AND SEWAGE

The Secretary called attention to previous actions of the Committee where, on Dec.23, 1929, the Treasurer was requested to prepare suitable recommendations as to the fair percentage on erection cost which should be added to the construction account of buildings to cover their proportionate share in the University mechanical installation for the H.L.W.& S.system. The field's reply to these questions was presented in a letter from Dr.Galt wherein he very clearly set forth reasons for maintaining the present status of the H.L.W.& S.account, and wherein, hereafter, each individual project should be considered separately as related to the H.L.W.& S. installation. Without taking formal action the Secretary was requested to communicate with the field and indicate the willingness of the Finance Committee to accept the interpretation set forth in Dr. Galt's letter relative to the present standing of the H.L.W.& S. account, and that hereafter each building project be considered individually as to its relation to the old campus lay-out.

INVESTMENTS

It was reported that Bond No.29222 - Free State of Prussia 6s, due 1952, had been called for payment on October 15, 1930, at par. The purchase price of this bond was 90-3/4. It was

F-2866 VOTED that the investment of \$1,000, representing proceeds from the sale of Free State of the Free State of Prussia bond, be referred to the Investment Committee, with power.

It was also reported that \$2,000 Town of Bennington bonds had been sold and that the cash is awaiting investment. These are held in the books of the Women's College. It was

F-2867 VOTED to refer the investment of \$2,000 realized from the sale of Town of Bennington bonds to the Investment Committee, with power.

Further reports on investments indicated the following funds in the Women's College account:-

Endowment.	\$20,814.38	
Plant.	6,662.48	
Current.	5,573.78	33,050.64
Less overdraft in Current Special		104.74
		\$32,945.90

It was

F-2868 VOTED that the \$20,814.38 representing cash available for investment in the Endowment section of the Women's College books be referred to the Investment Committee, with power.

The Committee was informed that the Lincoln Mortgage and Title Guaranty Company is in the hand of a receiver and steps were being taken to liquidate to the best possible advantage of the bondholders. September 1, 1930, interest has been paid as usual and Yenching's \$20,000 bonds have been deposited with the Bondholders Committee.

YENCHING CAMPUS PLANS

A communication from the field was presented to the Committee, wherein a definite decision was requested regarding the attitude of the Trustees toward the general plan of the campus as originally laid out by the architects. Mr. Warner reviewed the history which gave occasion for the field's letter dated November 27, 1929, and wherein the wisdom of the Trustees in taking definite action on approving the plan was questioned. Reference was made to actions of the Executive Committee, September 29, 1921, No.E-1161; of the Committee on Finance, Property and Investment, January 6, 1927, No.F-2053; of the Committee on Finance, Property and Investment, August 22, 1928, No. F-2335; all of which very emphatically stated that no changes in the original plans were to be made without the authorization of the Trustees' Committee on Finance, Property and Investment. After a very careful deliberation it was decided that no further action was necessary but that the Secretary be asked to write the field, quoting the previous motions which referred to the plans and

calling attention of the field to the necessity of adhering to these actions.

WOMEN'S COLLEGE MATTERS

(a) Insurance

The following communication from Mrs. Frame dated June 11, 1930, was presented to the Committee:-

"At present the Comptroller, Mr. S. J. Ch'uan, is receiving bids on insurance for a large number of buildings, and even for our fire-proof academic buildings as well as such new residences as have not been insured in the first place. He has already received the very favorable rate of \$1 per thousand dollars per year. This would probably amount to about \$1,000 L.C. per year for all our Women's College buildings. This rate is so very favorable because of the possibility of its covering a very large number of buildings, and is probably as favorable as any that can be secured, and certainly much more favorable than that quoted by the Finance Committee of the Board of Trustees. Is it in order for the Finance Committee to authorize the Women's College to underwrite the insurance on all their buildings under the same conditions and at the same rate as may be secured for the University buildings?"

It was felt that all buildings of the University should be adequately insured if reliable companies would undertake the responsibility without making excessive charges. The rate suggested in Mrs. Frame's communication seemed to be exceedingly favorable, and it was

F-2869 VOTED to authorize the field to proceed with arranging for fire insurance on the Women's College Buildings at an approximate annual cost of \$1,000 Local Currency.

(b) Addition to Insurance Fund

In connection with the foregoing action the Committee also considered two requests from the field. The first was for \$10,605.38 L.C. (\$5,000.G) about which Mrs. Frame wrote as follows:-

"Miss Cookingham and I would recommend that the amount of gold equal to Local Currency \$10,695.38 required to complete the deficit on the double house recently built by the Women's College be added to the sum held for self-insurance in New York for the Women's College now standing at G\$5,000."

Again on May 31, 1930, Mrs. Frame wrote:-

"Miss Cookingham and I feel that at present we have enough local currency to finish this fiscal year, and so we would recommend that in spite of the unusual rate of exchange that you hold the \$2,000 Gold due May 15, account 31 - authorization #29W4. If you and Mr. Garside can put that in the insurance fund already held in the name of the Women's College, I am sure it will be all right. There will be certain expenditures for which we shall ask authorization for the use of our surplus funds, but I think that those now on hand will be quite sufficient."

In view of the fact that the Women's College possesses the funds for proceeding along the lines suggested, and also in view of the previous action authorizing insurance, it was

F-2870 VOTED to approve the request of the field to transfer G\$5,000 to the Insurance Fund, this amount representing L.C.\$10,605.38 authorized to pay the balance due on the Women's College Residences; and further, that G\$2,000, representing authorization #29W4 against the current budget, be also transferred to the Insurance Fund.

(c) Transfer of Insurance Fund to Endowment.

It was noted that with the transfer of the \$7,000 as authorized in the last motion, plus \$5,000 already in the Insurance Fund, there would be \$12,000 in the fund. It was also noted that this amount would bring larger returns than required in the \$1,000 L.C. authorized in action F-2869. It seemed only reasonable that this entire fund should be transferred to endowment and that fire insurance premiums be paid from the income, the balance of the income to be used for current expenses. It was, therefore,

F-2871 VOTED to call the attention of the Yenching Women's College Committee to the \$12,000 Insurance Fund set up on the books and to raise the question of whether it might not be advantageously transferred to the Endowment Section and endowment income used to meet the cost of the fire insurance premiums.

(d) Use of \$3,500 Local Currency for Equipment

Under date of July 8, 1930, Mrs. Frame stated that the Finance Committee on the field had recommended using \$3,500 L.C. to replace private furniture in the faculty suites and residences now owned by faculty, and other replacements of furniture and rugs now in use in the houses.

In the discussion it was brought out that outfit allowance was designed to care for such equipment and that quite properly this subject should be handled by the Committee on Salaries and Pensions. It was, therefore,

F-2872 VOTED to refer the use of \$3,500 Local Currency for equipment, to the Committee on Salaries and Pensions, with power.

COMPLETION OF WARNER GYMNASIUM

Mr. Franklin Warner read a communication from the field which indicated that considerable money could be saved if the third and last unit of the Warner Gymnasium were to be erected in connection with the central unit. The present favorable rate of exchange also entered into consideration and Mr. Warner stated that he was very favorably inclined toward authorizing the field to proceed with the completion of the entire building provided that the Trustees could find means of financing the proposition until his personal affairs could be arranged to complete the payment of his pledge, which probably will be sometime in the spring of 1931. It was

F-2873 VOTED to approve authorizing the field to proceed with the completion of the third unit of the Warner Gymnasium, at a cost not to exceed L.C.\$31,300, the Treasurer and Assis-

tant Treasurers to make such financial arrangements to ensure sending the funds to the field as required, it being understood that any negotiated loans are to be liquidated through the payment of the pledge made by Mr. Warner for the building of the Gymnasium; and that the Committee further express its very sincere appreciation for Mr. Warner's very generous attitude in thus planning the completion of the Warner Gymnasium.

MATTERS GROWING OUT OF GROUNDS AND BUILDINGS COMMITTEE MINUTES

Executive Committee of G. & B. Committee 2/19/30.

Reference made to negotiations relative to purchase of Prince Ch'un's garden, west of the University, as nothing has come of the effort to purchase Ex-President Hsu's Garden. Noted.

Minutes of Executive Committee of G. & B. Com. 3/14/30

No action of importance to report.

Minutes of Executive Committee of G. & B. Com. 3/28/30

Contract for erecting Nash residence awarded at L.C. \$11,950.00. Noted.

Minutes of meeting held April 2, contained no important action.

Meeting of April 16, 1930.

New Sewage plant authorized for infirmary at cost of L.C. \$771.00. Noted.

G. & B. Committee meeting April 24, 1930.

Approved previous actions of Executive Committee and considered plans and location of a Workmen's Social Centre. Noted.

In view of the excessive cost of the Nash Residence, \$19,400 including heating, the Executive Committee was requested to prepare regulations concerning size and cost of future residences. Noted.

Plans approved for residence for Mr. Sailer the cost of which will probably be borne by his father. Noted.

G. & B. Executive Committee May 7, 1930.

Extension approved for residence #56 at a cost of L.C. \$950. Noted.

Lighting fixtures for Boyd Gymnasium purchased from Bocker & Co. & G\$256.00. Noted.

Additional panel of 20 telephones authorized at cost of G\$220.00. Noted.

G. & B. Executive Com. May 14, 1930.

Revised cost of extension of residence #56 to \$771.50. Noted.

G. & B. Executive Com. May 21, 1930.

Authorized erection of one large residence on lot 41 in East Compound

at a cost not to exceed L.C.\$17,000. Noted.

Heating and plumbing in residences Nos.32 and 39 approved at L.C.\$3,250. Noted.

Gymnasium apparatus for Boyd Gymnasium authorized to be purchased at G\$2,626.30. Noted.

G.& B.Com. May 29, 1930.

Actions of Executive Committee approved.

Dr.Galt reported G\$5,000 authorized from New York to complete Practice School Building.

In considering the reported authorization of G\$5,000, the Secretary reviewed the case and at the same time it was shown that no authorization from the Trustees had been forwarded to the field and that there are no pledges on hand to take care of the anticipated expenditures. It was, therefore,

F-2874 VOTED that the Secretary communicate with the field and restate the case as related to the purported authorization for G\$5,000 to complete the Practice School Building, and further, to inform the field that no pledges or funds are available for this purpose.

G.& B.Executive Com. 6/4/30.

Landscape Committee authorized to meet essential and immediate needs toward improving campus drainage by using funds from Campus Improvement account. Noted.

Approved altering heating plant of Dean's residence of the Women's College; also new servants' quarters provided Women's College provides the funds. Noted.

G.& B.Executive Com. 6/11/30.

Approved extension on Mr.Geo.Loehr's house at cost of L.C.\$610.00. Contract for house 65 reported have been awarded at L.C.\$12,119.00 Noted.

G.& B.Executive Com. 6/18/30.

Heating and sanitary changes in residences were authorized at a cost of about L.C.\$1,000. Noted.

G.& B.Com. 6/24/30.

Approved principle of creating a depreciation fund for Chinese faculty residences. Noted.

Request for additional work on Wiant's House refused and account ordered closed "on the expenditure side", Noted.

Trustees to be approached regarding insuring academic buildings this year. Noted.

Voted to request the Trustees to send to the field for investment the G\$5,000 for campus improvement to take advantage of present high rate of exchange.

The Finance Committee noted the request of the field for G\$5,000 for Campus Improvement, to be sent out for investment in China. It was felt that if anything could be done to increase income without impairing the principal, that it at least should be investigated. To that end it was suggested that a special committee confer with Mr. Bennett, representative of the National City Bank, now in America. It was, therefore

- F-2875 VOTED (1) that the Secretary communicate with the field requesting the preparation of a statement showing the facilities the University has for making investments in China, and the usual procedure followed, and sources of information regarding securities, it being understood that for the present, unless otherwise authorized by the Trustees, no funds can be sent to China for investment.
- (2) that the Secretary arrange a luncheon meeting between Mr. Bennett of the National City Bank and a special committee consisting of Messrs. McBrier, Barber, Rounds, and Garside, wherein the possibilities of investment of funds in China may be discussed.

FIRST ROCKEFELLER GIFT OF \$250,000.00

In bringing before the Committee the latest developments relative to the handling of the first \$250,000 conditional gift of the Rockefeller Foundation, the following communications were submitted and are attached to these minutes as Appendix A.

1. Dr. Stuart's letters dated August 5 and 18, 1930
2. Letter from Mr. Roger Greene dated August 5, 1930
3. Copy of Mr. N. Gist Gee's letter to the Foundation, dated August 5, 1930.

The Committee gave very careful and sympathetic consideration to the contents of these letters. It was felt that because of the change in circumstances it would be necessary to appoint a special committee to interview the representatives of the Rockefeller Foundation and at the same time tender the return of the \$250,000 advanced by the Foundation last spring. It was further felt that no other action could be taken regarding the use of these funds until the attitude of the Foundation had been definitely established. It was, therefore,

F-2876 VOTED that a special committee, consisting of Mr. Franklin H. Warner, Mr. George G. Barber, Mr. O. D. Wannamaker and Mr. B. A. Garside be authorized to interview the Rockefeller Foundation relative to their attitude in connection with the changed circumstances surrounding the gift of \$250,000 paid to the Trustees of Yenching University, and that the committee be empowered to tender the return of this gift together with accrued interest, but that every effort be made to secure such modifications of the conditions of this gift as will permit its retention by the University; and further, that

the Secretary be authorized to make the arrangements for such a meeting between the committee and the representatives of the Rockefeller Foundation.

INVESTMENT POLICY

A letter from Roosevelt & Company was presented to the Committee. This communication reviewed the policy that has been followed during the past year, and indicated that the firm of Roosevelt & Son was not satisfied with the entire list of securities now carried by the University, and recommended that certain changes in securities be made. In connection with this matter the Secretary had prepared a statement as to the practical operation of the plan now in use for investing funds, and the whole subject was discussed at some length. It was felt, however, that no definite action should be taken at this time, and informally it was agreed to take no action until after Mr. McBrier returns to America and further opportunity has been given to study the situation.

NEXT MEETING OF THE COMMITTEE

In view of the many items which are to come up for consideration in the near future, it was agreed that the next meeting of the Committee be held about the 9th or 10th of October.

C. A. EVANS
Assistant Secretary
Yenching University

YENCHING UNIVERSITY

Peping, China

Office of the President

August 5, 1930.

Mr.B.A.Garside,
Secretary of Board of Trustees of Yenching University
New York City.

Dear Mr.Garside:

Since returning to China I have been in frequent conference with those concerned in the proposal to transfer the grant from the Rockefeller Foundation of gold two hundred and fifty thousand dollars (G\$250,000) to be invested together with the equivalent in silver (Local Currency \$625,000) promised by Mr.Chow Tso-Min of the Kincheng Bank. At least one of the members of the special committee appointed to consider the matter feels quite definitely that the arrangements proposed for the Investment of the funds make it impossible to regard Mr.Chow's contribution as being a cash gift in the sense that would be necessary to meet the conditions of the grant of the Rockefeller Foundation, and he further doubts whether the plan of investment could be regarded as in accord with wise policy in the administration of institutional funds. Since the vote of the Executive Committee of our Trustees conditioned the acceptance of Mr.Chow's proposal upon unanimously favorable recommendation by the special committee, this development seems to make it necessary to return to the Rockefeller Foundation the sum of G\$250,000 already received, and I recommend that this be done at once, together with whatever interest may have accrued since we received it.

I have discussed with Mr.Gee and Mr.Greene the very difficult situation thus created, and they have advised that Yenching University apply to the Rockefeller for a revision of the terms of the original grant so that the contribution of G\$250,000 might be available to the University unconditionally. At present rates of exchange the income on such a sum would go a long way toward meeting our needs. I therefore recommend that immediate application be made to the Foundation for such a revision of the grant.

Mr.Gee and Mr.Greene are unable to forecast what action would be taken on such an application but they at least seem to have a sympathetic appreciation of the urgency of our need.

While we have prospects for considerable contributions from Chinese sources within a few years, it is clear that no substantial sums can be secured either in China or in the United States at this time, and therefore unless the condition is removed our financial situation will be desperate. It seems that it would not be possible for Mr.Chow substantially to modify his conditions in order to meet our point of view.

If this request is approved, I further recommend that the entire sum be remitted to China for investment under the direction of our Board of Managers, subject if the Trustees so desire to the approval of such a committee as was appointed to deal with Mr.Chow's proposal. At the present

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favorable rate of exchange this would yield an amount not much less than could have been realized during the first years of the original arrangement. I have reason to believe that all the members of the Advisory Committee will join in this recommendation, although because of the absence of two from the city I cannot at this writing quote their views. A statement from them on this matter will be sent to you soon.

It may be that Mr. Bennett can be reached for consultation through the Head Office of the National City Bank.

Very sincerely yours,

(Signed) J. Leighton Stuart

COMMUNICATION FROM DR. STUART
DATED AUGUST 18, 1930

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

Dear Mr. Garside:

I am enclosing herewith a copy of the letter Messrs. Greene and Gee have sent to the Rockefeller Foundation on the matter of the premedical endowment. Also a letter from Mr. Greene which points out that the Executive Committee of the Trustees should formally approve of the changes in personnel of the Advisory Committee. As soon as the Rockefeller Foundation acts favorably on the new request I hope the Trustees will cable authorization to invest the money in China under the arrangements proposed in my last letter. If so, not only will our budget interests be maintained as would otherwise be impossible, but the delicate personal relationships can probably be resumed on a basis that will be satisfactory to all concerned. I shall not attempt in a letter to describe in detail the various negotiations, the change of attitude on the part of our Chinese banker friend which I had feared all along, and the consequent effect on at least one American concerned, and the final agreement of the Chinese banker and all others to the present procedure. If, therefore, the Rockefeller Foundation and our own Trustees do as requested, the essential values of all that I had in mind can be conserved.

Very sincerely yours,

(Signed) J. Leighton Stuart

COMMUNICATION TO DR. STUART
FROM ROGER S. GREENE
DATED AUGUST 5, 1930

Dear Dr. Stuart:

I have received your letter of August 1st quoting the action taken by the Finance Committee of the Yenching University Board of Trustees on June 11th recommending the appointment of Rev. W. H. Gleysteen and Mr. Lenig Sweet as alternates on the Committee in China to serve during the ab-

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sence of Mr.Bennett and Mr.Edwards.

In view of the turn which matters have taken, I presume that the constitution to this committee is not a matter of urgent importance. I should point out, however, that in spite of the fact that the Finance Committee has a personnel similar to that of the Executive Committee, we cannot take any official action based on the resolution quoted in your letter until the Executive Committee itself has formally acted upon the matter.

Yours sincerely,

RSG:RP

(Signed) Roger S.Greene

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LETTER TO ROCKEFELLER FOUNDATION BY N.GIST GEE

August 5, 1930

Subject: Yenching University

Dear Dr.Carter:

Since Dr.J.L.Stuart's return to China it has developed that the conditions of the gift from the Chinese banker to match the grant of the Rockefeller Foundation for \$250,000.00 U.S.currency do not satisfy the Committee appointed by the Board of Trustees of Yenching University in New York. This being the case the proposed arrangement for the local investment of this money will not be recommended by the Committee. The Chinese contribution will therefore not be available, and consequently the Trustees of Yenching in America will presumably be returning the Rockefeller grant. I understand that President Stuart is recommending to his Trustees that this be done, and that a new application be made to the Foundation for an unconditional grant of the same sum for endowment of the Science departments.

I regret very much that Yenching has not been able to secure an unconditional gift of this much needed local money and the fact that both this and the Rockefeller grant are now unavailable for immediate use creates a crisis in the finances of the University which will necessitate very serious cuts in the present science budgets. These cuts will not only cripple the work of the departments concerned for the present, but will make it impossible for the institution to hold its present strong staff of teachers. This will then bring about the disintegration of one of the strongest science groups in China. I feel very strongly that the Rockefeller Foundation should come in at this critical time and prevent such a calamity.

I therefore recommend that the grant of U.S.\$250,000, already made to Yenching upon the condition that it be matched by an equal gift from another source now be made an unconditional gift. It of course would be understood by all concerned that Yenching would continue to strive to raise an equal sum as soon as possible from other sources, though they would have at once the quarter of a million available for the continuation of the development of the work in science as already planned. President Stuart is confident that in the course of a few years he will be able to secure, if not all, at least a part of the supplementary funds required.

I make this recommendation for the following reasons:-

1. Because through the Rockefeller Foundation cooperation during the past few years there has been built up one of the best, if not the best, science colleges in China today.
2. Because the best all around preparation for medicine in China can be had at Yenching. The Peiping Union Medical College might well find itself crippled if the science departments of Yenching were compelled to effect such a drastic economies as the failure to secure the Rockefeller Foundation grant would entail.
3. Because already Yenching is being looked to for the further training of local college graduates for assistants in the science work all over China.
4. Because by bringing young teachers from other schools to Yenching for a year or two the methods and ideals can be sent back to those schools.
5. Because the spirit of investigation is actively developing at Yenching under the inspiration of a strong staff of teachers who feel that the financial future of the institution is assured. Some of these men are being sought elsewhere but are satisfied to remain at Yenching with the ideal of a capable teaching staff with some time for individual research.
6. Because the Rockefeller Foundation can give its fellows an opportunity to secure Masters' degrees there before sending them abroad and thus more carefully select applicants and also save at least a year abroad.

At such an abnormal time as the present in China I believe that the somewhat unusual action which we are recommending in suggesting a change in the form of the appropriation is justified. On account of the present extremely favorable rate of exchange it is probable that the income of the proposed endowment can be made to cover the greater part of the routine budgets of the science departments.

Dr. Stuart in his letter to Mr. Garside, a copy of which I am enclosing advises that if the grant is made by the Foundation that this money be remitted to China for investment. Of course, the Rockefeller Foundation would not be willing to express any opinion or give any advice concerning the investment of the endowment of Yenching. Yet I believe that it is altogether possible to so safeguard the investment of the funds out here by a good committee that a satisfactory income at a higher rate than at home could be secured.

Early action on this application will be very helpful to Yenching.

Very sincerely,

(s) N. Gist Gee

Dr. W. S. Carter
The Rockefeller Foundation
New York

MEMORANDUM MINUTES OF CONFERENCE BETWEEN
REPRESENTATIVES OF ROCKEFELLER FOUNDATION
 and
REPRESENTATIVES OF TRUSTEES OF YENCHING UNIVERSITY

Held at 61 Broadway, New York City

10:30 A.M. Wednesday, October 1, 1930

From the Foundation

Dr. Max Mason
 Dr. W.S. Carter
 Dr. H.A. Spoehr
 Mr. George J. Beal

From the Trustees

Mr. F.H. Warner
 Mr. O.D. Wannamaker
 Mr. B.A. Garside

The group met in Dr. Mason's office for the purpose of discussing certain problems which have arisen in connection with the conditional gift of G\$250,000.00 which the Foundation paid over to the Trustees of Yenching University on November 29, 1929.

Mr. Warner spoke briefly of the difficulties which have arisen since Dr. Stuart's return to China, centering chiefly about the conditions under which Mr. Chou Tso Min agreed to make a gift to the University in the amount of U.S.\$250,000.00

Mr. Garside read excerpts from Dr. Stuart's letter of August 5, telling of the problems which have come up in connection with this gift.

Dr. Mason read excerpts from a letter written on August 8 by Mr. Roger Greene, discussing the conditions of Mr. Chou's gift and the bearing of these conditions on the Rockefeller Foundation gift of \$250,000.00.

Dr. Mason referred to the action of the Foundation on May 22, 1929, making this appropriation of \$250,000 to Yenching University with the provision that "payments by the Board to be made pro rata with collections made by the University and only after the University shall have secured cash and/or legally valid pledges for the supplemental sum of \$250,000 for the same purpose". He stated that it was his understanding that the Foundation's contribution was to be paid over only when the University had actually received title to gifts from others for an equal amount.

All those present agreed that, on the basis of the facts stated in Mr. Greene's letter of August 8, this condition had not been met, and that the Foundation's payment to the University had, therefore, been incorrect. The representatives of the University thereupon stated that the University would immediately return to the Foundation its gift of \$250,000, together with the accrued interest which the University has received thereon at four per cent.

The group then turned to a discussion of the immediate and serious financial problems which the University faces as a result of this loss of anticipated income. Mr. Garside stated that when the Yenching Trustees in April 1930 dealt with the University's budget for the fiscal year 1930-31, it was found that the University's needs to continue its work on the pres-

ent basis and to provide for normal growth would require use to the full of all anticipated income, including that to be received from the Foundation's two gifts of \$250,000 each and from the two sources whence these gifts were matched. The loss of G\$25,000 income due to the University's inability to meet the condition of the Chinese banker and to its return of the Foundation's first gift of \$250,000, creates an extremely critical financial situation which will at best seriously cripple nearly every department of the University's work and may produce even more serious consequences. While this situation is relieved to a slight extent by the favorable rate of exchange now prevailing, the cheapness of the Chinese silver dollar has already so greatly reduced its purchasing power that expenditures must be increased almost to the amount gained on exchange.

The representatives of the University presented the request proposed in Dr. Stuart's letter of August 5, endorsed by the Yenching Finance Committee on September 17, and recommended by Mr. N. Gist Gee in his letter to Dr. W. S. Carter on August 5, that the Foundation approve a revision of the terms of the original grant so that their contribution of \$250,000 might be available to the University unconditionally.

The representatives of the Foundation expressed in most cordial terms their appreciation of the work Yenching is doing, and of the assistance it is giving to the Peking Union Medical College through the premedical preparation it is providing; and assured the University's representatives of their desire to assist in every possible way. Dr. Mason expressed the judgment, however, that a request to the Foundation for an unconditional grant of \$250,000 would be of such an entirely different nature from the request on which the original grant was made, and would be so divergent from the general policy of the Foundation, that it could not hope to meet with success.

Consideration was given to the question of whether an additional annual grant by the Foundation for one or two years in the amount of G\$12,500 - the equivalent of the interest at 5% on a capital sum of G\$250,000 - would relieve this immediate financial emergency and help to tide over the University until further gifts could be received, either from the West or from Chinese sources. The representatives of the University agreed that such a grant would be of great value and would be greatly appreciated. They expressed the hope that with this assistance, plus gain from favorable exchange, the University, by exercising some economies, would be able to balance its budget without serious curtailment of its work. They also urged that such a grant should cover at least the fiscal year 1931-32 as well as the current fiscal year which began on July 1, 1930. Dr. Mason indicated his willingness to recommend to the Trustees of the Foundation such an annual grant of \$12,500.00 for one or two years, this to be in addition to the income of \$12,500 per year the Foundation is now paying on its conditional grant of \$250,000 made on April 16, 1930.

Mr. Beal also pointed out that since, due to the payment of its gift of \$250,000, the Foundation had not transmitted to the University the fourth quarterly payment of L.C.\$7,188.25 which was due on May 15, 1930, under its previous annual grant to the University, the return of the principal and interest on this \$250,000 would make it in order for the Foundation to remit to the University this balance of L.C.\$7,188.25 due from last year.

Information was asked as to the technical status of both the first

and second gifts from the Foundation of \$250,000 each. Dr. Mason pointed out that the Foundation had made its second gift on the understanding that the first gift had already been matched. He also stated that as a general rule the Foundation preferred not to have two conditional gifts for one institution outstanding at the same time. He suggested that the logical course would therefore be for the Foundation to cancel the appropriation made by them on May 22, 1929, and to consider the appropriation of \$250,000 made on April 16, 1930, as their first gift toward the endowment for the work in Natural Science at Yenching. He pointed out that at any time the University completes the securing of other gifts to the amount of \$250,000 for the endowment of Natural Science, thus meeting the conditions of the Foundation's appropriation, the way will again be open for them to approach the Foundation for a second appropriation on the same general terms.

B. A. Garside

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(Confidential)

Extract from a letter dated August 8, 1930, from Mr. Roger S. Greene to Mr. Max Mason.

"The Chinese gift of Mex. 625,000 promised last spring to match the Rockefeller Foundation grant was never fully explained to us until Dr. Stuart returned. It appears now that the donor did not himself possess any such sum of free money, but was proposing to borrow it from the bank of which he is manager, and while placing it to the credit of Dr. Stuart for the University, had stipulated that this fund, and also the proceeds of the Rockefeller Foundation grant should be placed under his exclusive management for a term of approximately three years, with the understanding that during this period he should pay only 5% interest on the whole amount to the University. The expectation was that by judicious handling of this fund he would be able to pay off at least a large part of his loan from the bank and would then surrender the administration of the whole endowment to the University. It appears that the donor made this proposal quite frankly and in entire good faith, but that Dr. Stuart did not fully understand the implications, and did not explain the conditions to Mr. Gee or to me thoroughly. It was only through being called upon during the past week to consider the plan for investment of the fund that the exact nature of the transaction became clear to me and consequently to Mr. Gee. When Dr. Stuart returned to China at the end of July, he informed me that his Trustees in New York were very dubious about accepting this proposal, but finally consented to abide by the unanimous recommendation of a committee of four in China, of which Mr. C. R. Bennett, manager of the local branch of the National City Bank of New York, and I were to be members."

MINUTES PASSED BY CIRCULATIONSPECIAL COMMITTEE ON MCBRIER FOUNDATION
FOR BIBLICAL INSTRUCTION AND CHRISTIAN WORKTRUSTEES OF YENCHING UNIVERSITYOctober 11, 1930Members of Committee

*S. D. Gamble

*E. M. North

G. T. Scott

On the basis of correspondence with President Stuart, the following action was passed by circulation vote, ballots being cast by those whose names are starred above. The remaining member did not vote because of his absence on a trip to the Orient.

MF-2877 VOTED that the sum of \$500 be appropriated from the available income from the McBrier Foundation for Biblical Instruction and Christian Work, to be placed in the hands of President J. Leighton Stuart for the following purposes:

- (1) to provide one-half of the subsidy required for the publication of "Truth and Life" during the fiscal year 1930-31.
- (2) to be used for the expenses of Yenching delegates to the National Christian Student gathering being arranged by Y.M.C.A. leaders in Shanghai.
- (3) to meet other special needs in connection with the religious life and work of the University at the discretion of Dr. Stuart.

B. A. GARSIDE

Secretary

MEMORANDUM MINUTES
MEETING OF INVESTMENT COMMITTEE

BOARD OF TRUSTEES YENCHING UNIVERSITY

Oct. 22, 1930, 150 Fifth Avenue, New York City

Members of Committee

E.M. McBrier

George G. Barber

L.R. Rounds

All members of the Committee were present as were B.A. Garside and C.A. Evans.

Mr. McBrier was elected Chairman of the Committee.

Consideration was given to a report presented consisting of the following data:

1. Total profit on sale of securities to October 6, 1930
2. Summary of Investments based on October 6 prices.
3. Rate of Income on Endowment Funds for past 5 years.

This report is attached herewith. It was noted that all bonds were in relatively good positions considering present market conditions and that the Lincoln Mortgage & Title Guarantee Company and F.W. Woolworth were the contributing factors in showing a loss on the entire list of securities. For the Lincoln Company it was reported that the Bondholders Protective Committee is confident of paying 100% principal to bondholders. The shrinkage of Woolworth is a market condition.

The Chairman reviewed the minutes of the combined meeting of Advisory and Investment Committees held on July 1, 1930. As a result of that meeting communications were received from Mr. Blewer of Harris, Forbes and Company and Mr. Dick of Roosevelt and Sons. Recommendations in these letters were given careful consideration but it was felt that the present market does not warrant any wholesale shifting of present holdings.

Regarding a change of policy in handling investments, it was felt that no move should be made without the knowledge of the Advisory Committee and it was

RESOLVED that the Chairman and one of the Assistant Treasurers together call upon the members of the Advisory Committee individually,

- (1) for the purpose of discussing in general the possibility of improving the present method of operation and to secure personal reaction as to individual opinions relative to the policy now pursued.
- (2) to discuss more specifically in the light of present conditions the possibility of bringing Yenching's investment list into a stronger position, taking into consideration the present trend of good bonds, preferred and common stocks.

(3) to secure the reaction of the Advisory Committee members regarding the purchase of good common stocks.

In concluding this discussion it was agreed that the outcome of the personal interviews with the Advisory Committee members would necessarily influence the time for the next meeting of the Investment Committee.

It was brought out that the present policy is not entirely satisfactory in that recommendations from one house are not sufficiently familiar to another house, causing a wide divergence of suggestions without unanimity of action on specific recommendations.

It was suggested that this could be overcome by requesting a much larger list of suggestions than actual requirements demanded, and that, as a general policy, a security should have the approval of at least two members of the advisory Committee before being considered by the Investment Committee.

In reviewing the list of investments the following resolutions were carried:

RESOLVED that the Treasurer's office investigate the standing of the Hudson Coal bonds, and if any disclosures seem to warrant selling this security that full authorization be given to proceed.

RESOLVED to sell Manhattan Railway bonds in the immediate future as soon as some strength develops in the bond market.

RESOLVED to sell the following provided the Advisory Committee approve:

\$20,000 Chicago & Alton Refunding 3s 1949
10,200 Great Northern Railway "A" 7s 1936

RESOLVED to carefully study and consider the sale of:

\$20,000 Central Public Service 5 $\frac{1}{2}$ s 1949
20,000 Cities Service Power and Light 5 $\frac{1}{2}$ s 1952
20,000 International Tel. & Tel. 5s 1955
and all investment trusts.

It was reported that the following funds are available for investment:

Swiss Committee	\$ 2,000.00
Woman's College	21,324.28
University Cash	4,491.00

The following securities were approved for the Swiss Committee and the Woman's College provided the Advisory Committee agree:

Kansas Gas & Electric 4 $\frac{1}{2}$ s 1980
Commonwealth Edison 4 $\frac{1}{2}$ s 1960
United Power and Light 5s 1947
Mississippi Power 1st and Refunding 5s 1955

Consideration was given to the common stocks for the investment of the University cash. After studying a list of high grade stocks it was agreed

to purchase New York Central Common at approximately 138 provided the Investment and Advisory Committee members approve.

C. A. EVANS

Asst. Secretary

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

12:30 P.M., Tuesday, November 11, 1930

150 Fifth Avenue, New York City

List of Members

*G.G.Barber, Chairman	*G.M.Duff (General Alternate)
L.R.Rounds	A.J.Stock(" ")
*E.M.McBrier	Mrs.Wm. Boyd
*S.D.Gamble	*Mrs.J.H.Finley
A.L.Warnshuis	F.H.Warner, ex officio

Those whose names are starred above were present, together with Mr.O.D.Wannamaker, Mr.B.A.Garside, and Mr.C.A.Evans.

Meeting opened with prayer led by Mr.Evans.

APPROVAL OF MINUTES

Minutes of Finance Committee meeting held on September 17, 1930 were approved as circulated.

ROCKEFELLER GIFT OF \$250,000.00 FOR NATURAL SCIENCES

A report of the conference held between representatives of the Trustees and representatives of the Rockefeller Foundation was presented. Agreeable to the understanding reached at that time, the \$250,000.00 plus accrued interest was returned to the Foundation. The first thought was that the decision of the Foundation would be to cancel the first authorization of \$250,000.00 and allow only the latter one to stand. The following letter, received on October 22, was presented:-

"October 20, 1930

"My dear Mr.Garside:

"I have the honor to inform you that at the meeting of the Executive Committee of the Rockefeller Foundation held October 10, 1930, Appropriation 29078 to Yenching University was amended to read as follows:

RESOLVED that the sum of Two hundred fifty thousand dollars (\$250,000) be, and it is hereby, appropriated to Yenching University towards the endowment of the science departments on condition that the University shall secure in cash from other sources on or before June 30, 1932, an equal amount for the same purpose, and with the understanding that an amount equal to interest on this appropriation at 5% per annum from July 1, 1930, shall be paid to the University towards the budget of the science department until payment of the appropriation but not after June 30, 1932.

"Upon notification from the Trustees of Yenching Uni-

versity that the amendment passed by the Executive Committee as above reported is acceptable to the University, we shall be prepared to make apyments as provided toward the budget of the Science Departments.

Yours very truly,
(s) Norma S.Thompson, Secretary"

The very generous attitude of the Foundation in dealing with the situation growing out of the inability to meet the conditions imposed by Mr.Chou, met with most appreciative expression from all present. It was recognized that a very difficult situation in regard to the budget had been partially solved in that without the added income from this \$250,000.00 the work on the field would have been greatly curtained, whereas with the giving of this interest for two years on the conditional appropriation it is now possible to go forward on a slightly reduced scale. It was

F-2878 VOTED on behalf of the Board of Trustees that the Secretary be authorized to express the very deep gratitude and sincere appreciation of the Board for the very generous revision of Appropriation 29078 conditionally to appropriate \$250,000.00 for the work of the Yenching science departments together with interest thereon for two years.

It was also further

F-2879 VOTED on behalf of the Board of Trustees that the Secretary be authorized to accept the terms set forth in the revision of appropriation 29078 of the Rockefeller Foundation as enumerated in the letter dated October 20, 1930, from the Foundation.

INSURANCE ON THE FIELD BUILDINGS

The following quotation taken from Mr.F.H.Hawkins' letter of September 30 was presented:-

"I have just received the Minutes of the Meeting of the Committee on Finance, Property and Investment, of the 17th inst., and I note with interest that the Women's College is being insured at 'the very favourable rate' of \$1 per \$1,000 per year. I understand that the rate for the other buildings which are insured through Shanghai is nothing like so favourable. But even the rate of \$1 per \$1,000 is considerably more expensive than the 1/9d. per £100 which is the rate at which the Alliance Assurance Company insures the buildings of the Shantung Christian University at Tsinan."

At this amounts to \$.87½ per \$1,000 as compared to the \$1 per \$1,000 quoted in letters from the field, it was

F-2880 VOTED to refer to the field Mr.Hawkins' letter of September 30, 1930, regarding insuring University buildings.

PROMOTIONAL MATTERS

The following brief report from the Promotional Office was presented:

"The Promotional Office has presented to the individual members of the Sub-committee on Promotion reports covering the past six months together with notes on recent discussions between the Office and Messrs.Pierce & Hedrick, and recommendations regarding promotional effort during the present period of financial depression. The budget for promotion is being reduced to the minimum during this period and only such work through publicity and circular letters is being carried out as seems absolutely necessary to maintain our connection with our friends. Dr.Jenney will not resign from his present pastorate and take up full time work with this Office until financial conditions justify such a move. For the present he will be used very occasionally upon special call from Mr.Wannamaker. No field representative of Messrs.Pierce & Hedrick will be engaged until financial conditions fully warrant this. Mr.Wannamaker will keep in close touch with the members of the Sub-committee on Promotion and will not vary this conservative, economical plan of work without the approval of that Committee."

F-2881 VOTED to refer with power pending promotional activities to the Sub-committee on Promotion.

Mr.Wannamaker further reported on a recent letter from Dr.C.E.Jenney wherein Dr.Jenney asks when he is expected to undertake full time work for Yenching, and indicates that, in his opinion, this should be delayed until after January 1, 1930.

After a review of circumstances and conditions involved, it was

F-2882 VOTED that the Committee greatly appreciates Dr.Jenney's cordial attitude in delaying full time promotional work until later and looks forward with much satisfaction to his future connection, but is of the opinion that the financial situation will probably not improve sufficiently before the close of the present fiscal year.

REQUEST FROM DR.ALICE BARLOW BROWN

Dr.Brown has presented a request that the Committee endorse the public health work she intends to undertake in villages adjacent to the Yenching campus, and that in addition the Trustees' Treasurer in New York be made a forwarding agent for any funds secured in the States in connection with this particular project.

As there was no definite request from the field, and because detailed information was lacking, it was

F-2883 VOTED that as a matter of principle it is not within the scope or power of this Committee to endorse any personality, movement, or undertaking in China except as sponsored and approved by the University administration on the field.

GIFT OF \$10,000.00 FROM MRS.MARY S.CAMPBELL

It was explained that while Dr.Stuart was in America, he endeavored to see Mrs.Campbell but was unsuccessful. He did, however, meet her daughter. Later he wrote Mrs.Campbell setting forth several outstanding needs of the

University. Those mentioned are as follows:-

1. Endowment for Natural Sciences to match the Rockefeller gift.
2. Endowment for Woman's College.
3. Funds for Student Welfare Work.

On October 16 a check for \$10,000.00 was received from Mrs. Campbell through the treasurer of her church and no object was designated. The Finance Committee was asked to allocate this gift.

F-2884 VOTED that the \$10,000.00 gift received from Mrs. Mary S. Campbell of Sewickley, Pennsylvania be assigned to the Natural Sciences fund which is being raised to match the first Rockefeller gift.

TREASURER'S REPORT FOR 1929-30

The Treasurer's Report for the year 1929-30 was presented. This report is attached to these minutes as Appendix A.

a. Field Balances.

It was noted that the field surplus of LC\$35,387.11 consisted of the following items:-

Field surplus 1928-29	\$ 186.10	
" " 1929-30	530.10	
Total field surpluses	\$ 716.20	
Balance of gain on exchange 1928-29	\$ 1,348.48	
Advance payments on 1930-31 budget	33,322.43	
	LC\$34,670.91	LC\$35,387.11

In giving consideration to this condition a study was also made of the deficits and outstanding authorizations as set forth on page 7 of the report. As a result it was

F-2885 VOTED that the following items be charged against the field balances of LC\$35,387.11

Managers' current deficit 1928-29	G\$1,371.83
Deficit, repair of heating mains	G\$3,398.47
Balance to apply on Power Plant (approximately)	G\$5,300.00

b. Trustees' Balances

In reviewing the balances on the books of the Trustees, G\$23,815.37 as shown on page 7 of the report appeared as surpluses available for allocation. In this connection it was

F-2886 VOTED that the following items be charged against the G\$23,815.37 surplus on the Trustees' books at the close of 1929-30:-

Trustees' account in Current General	\$ 9,622.04
Promotional deficit 1928-29	12,154.24
Balance to apply on 1929-30 Promotional deficit	2,039.09

RECONSIDERATION OF 1930-31 BUDGET

The Committee was presented with a revised summary of anticipated income and expenditures for 1930-31. A copy is attached to these minutes as Appendix B. Taking into consideration the shrinkage of \$12,500.00 interest through the loss of Mr. Chou's gift it was noted that only LC\$10,046.99 would be available toward the LC\$31,637.00 approved by the Trustees in Action T-2823 to care for salary increases and annuity and insurance appropriation. It was also pointed out that there is no prospect of any income to apply toward other items on the supplementary preferential list. It was therefore

F-2887 VOTED that in view of the situation arising from the failure to secure interest on Mr. Chou's gift, action FB-2834, wherein conditional approval is given to items 3, 4, 5, 6, 7, 8 (A), and to LC\$3,016.00 in item 8 (B), be rescinded.

ALLOCATION SURPLUS GAIN IN EXCHANGE 1930-31

The Committee recognized the necessity of caring for items 1 and 2 on the preferential list for salaries, annuities, etc. and noted that after applying LC\$10,046.99 to the LC\$31,637.00 approved for the above-mentioned items, there would be a deficit of LC\$21,598.00. It was therefore

F-2888 VOTED that all gain on exchange for the fiscal year 1930-31 be allocated toward the following items in the order named:-

- (1) To clear the apparent shortage of LC\$21,598.00 in items 1 and 2 in the preferential list.
- (2) To clear off the balance required for the purchase of Power Plant equipment after applying surplus allocated by action F-2885.
- (3) If balance remains, to apply at the close of the year on the appropriation for reinsulating heating mains.

It was clearly recognized that in caring for existing deficits and outstanding authorizations, there would be no funds to apply on the uncared-for items in the preferential list, and it was

F-2889 VOTED that the field be advised that no funds are available to meet the increases asked for in items 3 to 8 (b) on the list of supplementary budget needs.

It was also noted that in all probability there would be a large deficit due to authorizing the repair of heating mains and that it would be difficult for the Trustees under existing conditions to raise funds for this purpose. It was therefore

F-2890 VOTED that a strong appeal be made to the field to ascertain if they cannot in some way so curtail expenses that the repair of heating mains can be cared for within the 1930-31 budget.

After giving thought to the Treasurer's Report as a whole, it was

F-2891 VOTED to accept the report of the Treasurers and place same on file.

PLANT ANALYSIS

As a part of the Treasurer's Report the Plant Analysis was given separate consideration, but it was felt further study was needed than could be given during the meeting. It was therefore

F-2892 VOTED that the Chairman appoint a committee of two to confer with the Assistant Treasurers in regard to the Plant Analysis, to pass judgment on the proposed changes, and make recommendations to the Committee.

Mr.McBrier and Mr.Gamble were appointed members of the Committee.

EXTRA SPECIAL GIFT OF \$1,800.00 FOR 1928-29

The Treasurer's office reported that the University budget for the year 1927-28 included an item of \$1,800.00 as anticipated income from Dr.Coffin. It was not received during that fiscal year and the Trustees used otherfunds to complete the budget. Early in 1928-29 the \$1,800.00 was paid and sent to the field. Within the same fiscal year Dr.Coffin paid his \$1,800.00 pledge for 1928-29, making two payments in the same year. In making adjustments at the close of the year the field included only one of the gifts in their cash reconciliation. Full details of the transaction were presented and the Committee was asked to pass judgment. The Committee expressed the conviction that a general policy as to the allocation of gifts for the current budget should be formulated, and that the disposition of this specific gift should be in accordance with the general policy. It was

F-2893 VOTED that the following policy be formulated with regard to special gifts for current purposes from individuals and organizations:

- (1) Where such gifts are included in the budget estimates approved by the Trustees, whether applicable to the general budget or to financially independent units, the Trustees will transmit such gifts if, when, and as received, but without assuming responsibility for any shortage resulting from non-payment, partial payment, delayed payment, or unfavorable exchange; and the Trustees' Treasurer will account for such gifts as outside the amount guaranteed by the Trustees as their contribution to the University budget.
- (2) Where such gifts are not included in the budget estimates approved by the Trustees, the following procedure shall be followed:-
 - (a) If such gifts are applicable to items in the approved budget, they shall be transmitted to the field as a part of the amount guaranteed by the Trustees as their contribution to the University budget, and if any general current funds be thus made available through the receipt of such gifts, the allocation of such general funds shall be subject to action by the Finance Committee.
 - (b) If such gifts are designated for new work outside

the approved budget, their allocation shall be a matter for consultation between the Finance Committee and the field authorities of the University.

F-2894 VOTED that the allocation of the G\$1,800.00 from Dr.H.S.Coffin applicable to the 1927-28 budget be made in accordance with the above policy.

WOMAN'S COLLEGE MATTERS

a. Treasurer's Report for 1929-30

The Treasurer presented the annual report for Yenching Woman's College for the year 1929-30. Same is attached to these minutes as Appendix C. It was felt, however, that the Woman's College Committee should first review the report and be invited to make suggestions or corrections. It was, therefore

F-2895 VOTED that the 1929-30 report of the Treasurer for Yenching Woman's College be referred to the Woman's College Committee.

b. Auditors' Report 1929-30.

Chambellan, Berger and Welts's report for 1929-30 was presented together with the bill for auditing. It was

F-2896 VOTED (1) to receive and place on file the Auditors' Report for 1929-30.

- (2) to authorize paying Auditors' bill of \$300.00 for "Services rendered in connection with study of all records, books and accounts since inception now maintained at the Central Office in New York, reconciliation with report of William Adkins, C.P.A., of Chicago, Ill., audit of transactions since April 6, 1929 to June 30, 1930, and preparation of audit report thereon."

INVESTMENT MATTERS

The Chairman of the Investment Committee reported that considerable time would be required to review the problems incidental to purchase and sale of securities and that a number of propositions were pending subject to review and action of the Investment Committee. He suggested that the report of the Committee be deferred to a later meeting of the Finance Committee. It was therefore

F-2897 VOTED to defer report of the Investment Committee until a later date.

Adjourned.

C. A. EVANS
Assistant Secretary

REPORT OF THE TREASURER
TRUSTEES OF YENCHING UNIVERSITY

For the Fiscal Year Ending June 30, 1930

All amounts are in U.S.Dollars.

This review of Yenching finances is accompanied by the following papers which are attached herewith:-

1. Balance sheets for Endowment, Property, and Current accounts for fiscal year ending June 30, 1930.
2. List of securities held by the Board of Trustees on June 30, 1930.

Endowment Section

During the past year Permanent Endowment Funds accounts have increased \$261,849.49 to a total of \$1,606,560.34. This increase is accounted for through the following entries:-

Increase in Harkness Endowment Fund	\$ 6,969.10
McBrier Fund	100,000.00
Mary Huggins Gamble Fund	3,125.00
Undesignated	910.00
Library Endowment	1,000.00
S.D.Gamble Scholarship Fund	2,000.00
Porter Annuity	100,050.00
Fannie B.Look Annuity	5,000.00
Wallace Property Adjustment Account	1,283.18 from Plant
Gain in sale of securities	12,942.25
	<u>\$233,279.53</u>
Control account for equity in Wallace Contracts	29,569.96*
	<u>\$262,849.49</u>
Less E.L.Richards Scholarship Fund transferred	
Woman's College Books	1,000.00
	<u>\$261,849.49</u>

The Transferring of \$6,969.10 to the Harkness Endowment Fund from the Ninde School of Religion account was authorized in action F-2471.

It will also be noted that the Wallace Property accounts have been transferred from Plant Section to Endowment.

Two annuity accounts have been opened during the past year. Porter Funds are invested as follows:

Capital Stock Continental Illinois Bank and Trust	
Company yielding	\$1,600.00
Central Gas and Electric 5 $\frac{1}{2}$ s due 1933	550.00
Standard Gas and Electric \$6 preferred stock	600.00
Guaranteed Mortgage Certificate on Broadway, White Plains property	423.50
Income per year	<u>\$3,173.50</u>

The Trustees are obligated to pay \$8,500.00 per year.

* Transferred from Plant Section. Does not increase Endowment Funds.

The Fannie B. Look annuity is invested in Guaranteed Mortgage certificates on Broadway, White Plains property, yielding $5\frac{1}{2}\%$ or \$275.00

The Trustees have agreed to pay \$365.00 annually.

There were no losses from the sale of any securities during the past year.

Total income from Endowment funds for the year amounted to \$69,891.14 or 5.29% on investments.

Plant Section

There has been a shrinkage in the Plant funds during 1929-30 as follows:-

Plant Section June 30, 1929	\$2,341,583.45
Plant Section June 30, 1930	<u>1,824,777.60</u>
Decrease	\$ 516,805.85

This is due largely to the transfer of Building accounts to the Yenching College books. Other changes in Plant Funds have been due to the increasing of funds through gifts or the consolidation of certain funds into several accounts to parallel Building operations. The above decrease of \$516,805.85 is reconciled in the following manner:-

Decrease in the transfer of Yenching College accounts	\$570,553.90
" " " Harkness funds to Endowment	6,969.10
" " " Wallace Control and Adjustment account to Endowment	39,177.87
" " " Undesignated to C.M.B. account and Berry Memorial	2,146.31
" in Adjustment account	<u>284.90</u>
Total deductions	\$619,132.08

Less Increases -

From Presbyterian Board (error)	\$ 3,334.99
Undesignated gifts	100.00
Miscellaneous for land	500.00
Residences General	7,036.85
C.M.B. First Science Building	1,396.31
Scranton Luce Social Center	100.00
Wiant Memorial Residence	1,232.83
Mechanical Installations	615.00
Famine Fund Land	2,400.26
Warner Gymnasium	15,000.00
Library Books	101.00
Berry Memorial	750.00
Pagoda Water Tower	250.00
Wallace Campus Fund	199.13
Miscellaneous Gifts	5,571.14
Mrs. Marmon Campus Fund	5,000.00
Lake Front Dormitory A	350.00
Income from Investments	2,434.95
Plant Cash overdrawn	7,729.06
Wheeler Memorial Chapel	31,570.00
Lake Front Dormitory B	<u>16,654.72</u>
Total increases	<u>102,326.23</u>
Net decrease	\$516,805.85

Building Funds have been consolidated in the following manner:-

Total funds consolidated				\$794,102.41
	General			
	Education (	Dormitories (	Residences (	H.L.W. & S.
C.M.B. First Science Bldg.	77,907.15 (	)	(	)
Undesignated funds	1,396.31)	)	)	)
Ninde Hall	40,000.00 (	)	(	)
Harkness Temporary	6,030.90)	)	)	)
McBrier Hall	70,000.00 (	)	(	)
Berry Memorial	54,450.00)	)	)	)
Finley Estate	(	46,419.33 (	(	13,580.67
Wheeler Estate	)	43,982.61)	)	6,017.39
Forbes Dormitory	(	45,811.35 (	(	4,188.65
Gamble Dormitory	)	39,565.47)	)	4,191.18
Weyerhauser Refectory	(	15,000.00 (	(	)
Congregational Refectory	)	25,000.00)	)	)
Buffalo Hall	(	10,700.00 (	(	)
Anonymous Gift	)	21,442.92)	25,000.00)	3,557.08
Bonnell Memorial	(	)	6,000.00 (	)
H.-Y.I. Residence Fund	)	)	22,000.00)	)
Residences General	(	)	211,861.40 (	)
Totals	\$794,102.41	249,784.36 (	247,921.68)	264,861.40) 31,534.97

Omitting adjustment figures and the overdraft of cash from the above analysis of increases, there remains actually \$89,115.87 representing the net gain for the year. On the other hand Building Operations expanded to \$127,060.79, which is shown as follows:-

Famine Fund	\$2,400.26	
Land Improvements and General Plans	1,000.00	
Alumni Gate Lamp	183.34	
Scientific Equipment	1,800.00	
Library Books	1,007.03	
Interest on Bank Loans	15.00	
Building Fund Investments	8,725.00	
Heat, Light, Water and Sewage	3,398.47	
Boyd Gymnasium	17,785.85	
Bashford Memorial	956.83	
Residences	27,244.83	
President's Residence	1,500.00	
Scranton Luce Social Center	5,000.00	
Wheeler Memorial Chapel	22,500.00	
Telephone Installations	800.00	
Berry Memorial Library	750.00	
Warner Memorial Gymnasium	10,063.57	
Lake Front Dormitory B	16,654.72	
Model School Practice House	5,000.00	
Campus Service Building	2,623.49	\$129,408.39
Less Building Fund adjustments	405.00	
" Plant Cash	1,942.60	2,347.60
		\$127,060.79

CURRENT GENERAL

Receipts in this Section during 1929-30 totaled \$169,400.17. These came from the following sources:-

Mission Boards: American Board	\$ 3,500.00	
London Missionary Society	1,000.00	
Methodist Board	3,500.00	
Presbyterian Board	<u>3,500.00</u>	\$11,500.00
China Medical Board		10,265.72
Laura Spelman Rockefeller Memorial		25,346.67
Princeton-in-Peking		10,500.00
Harvard-Yenching, Restricted		28,415.87
Special Gifts current budget		9,625.00
Endowment Income Unrestricted		61,256.26
Endowment Income Restricted	7,198.45	
" " " Reserve	284.67	
" " " Bashford Bldg.	1,436.43	8,919.55
Interest on Bank Balances		<u>3,571.10</u>
		\$169,400.17

For the same period expenditures amounted to \$145,584.80 as follows:-

General Budget account		\$87,087.74
Home Administration		8,500.00
China Medical Board		10,265.72
Laura Spelman Rockefeller Memorial		25,346.67
Princeton-in-Peking		10,500.00
Endowment Reserve Carried Forward		284.67
Special Gifts current budget		<u>3,600.00</u>
	Total	\$145,584.80
Total Receipts	\$169,400.17	
Total Expenditures	<u>145,584.80</u>	
Balance		\$23,815.37

Gain on interest income above Budget requirements totaled \$6,812.24 as follows:-

	<u>Budget</u> <u>Figures</u>	<u>Actual</u> <u>Receipts</u>
General Endowment	\$58,150.00	\$61,256.26
Bashford Fund	1,350.00	1,436.43
Theology	<u>7,150.00</u>	<u>7,198.45</u>
	\$66,650.00	\$69,891.14
Bank Balances		<u>3,571.10</u>
		\$73,462.24
Net gain on interest		\$ 6,812.24
As the credit balance for 1929-30 amounted to		23,815.37
and interest income above 5% equaled		<u>6,812.24</u>
Then the gain on exchange amounted to		\$17,003.13

Journalism

Receipts for Journalism for the year were		\$10,270.00
Carried forward from 1928-29		<u>2,188.17</u>
	Total receipts	12,458.17
Less - Remittances to the field		<u>5,057.48</u>
	Cash surplus	<u>\$ 7,400.69</u>
Budgeted	\$7,500.00	
Paid on Budget	<u>5,057.48</u>	
Surplus on 1929-30 Budget		\$ 2,442.52
Cash carried forward		<u>4,958.17*</u>
		<u>\$ 7,400.69</u>

Famine Funds

During the year gold receipts from the National Savings and Trust Company, Washington, D.C. for Famine Funds amounted to G\$7,232.61. Of this amount G\$602.60 was to clear off the 1928-29 deficit on the field leaving a balance of G\$6,630.01, which yielded LC\$17,000.00, the amount budgeted.

Current Special

This Section has seen several important changes during the past twelve months.

- (1) The setting up of an account to care for the income on the McBrier Foundation Fund. On June 30, 1930, there was a balance of \$4,849.50 in this account.
- (2) The actual setting up of two savings bank accounts to carry the \$10,000.00 cash in the Capital Reserve Fund, and the increase of the Capital Reserve Fund by \$343.42 to \$36,124.74.
- (3) The carrying of the \$250,000.00 paid by the Rockefeller Foundation for Natural Sciences. This was received on November 29, 1929, and deposited in the First National Bank, New Rochelle, New York, and was still on hand when the books closed June 30.

Promotional Section

The total of Undesignated Promotional receipts available for 1929-30 promotional expenses amounted to \$3,697.43. This reduced the current charges to a deficit of

		\$27,535.10
The deficit for 1928-29 totaled	\$13,812.49	
Funds voted to reduce deficit	<u>1,658.25</u>	<u>12,154.24</u>
	Total deficit to June 30	\$39,689.34

This deficit has been cared for through a loan from Capital Reserve Fund and the use of current cash (without interest) to the amount of \$20,670.84.

* Of this amount \$3,000.00 has since been credited to the Nash Residence account representing two annual payments of \$1,500.00 each for the years 1929-30 and 1930-31.

Promotional cash receipts during the year are as follows:-

Undesignated gifts (used to reduce deficit)	1929-30	\$ 3,697.43
	1928-29	1,658.25

Men's College			
Dormitories	\$ 1,150.00		
General Endowment	910.00		
Scranton Luce Social Center	100.00		
Library	1,000.00		
Wheeler Memorial Chapel	22,500.00		
Heating Plant	615.00		
Warner Gymnasium	15,000.00		
Pagoda Water Tower	250.00		
Undesignated	327.55		
Marmon Campus Fund	5,000.00		
Residences	8,269.67	55,122.22	
Woman's College			
Undesignated	\$ 1,375.00		
Endowment	26,234.90		
Building, Boyd Gymnasium	24,346.22	51,956.12	
		\$112,434.02	

In addition to the above the following funds have been received during the year:-

Porter Annuity	\$100,050.00	
Fanny B. Look Annuity	5,000.00	
Mary Chamberlain Annuity	2,000.00	
McBrier Foundation	100,000.00	\$207,050.00

Cash Statement as of June 30, 1930

	<u>Balance</u>	<u>Deficit</u>
Cash awaiting investment	\$38,467.23	
Plant Cash		\$ 7,729.06
Current General		8,978.19
Journalism	7,400.69	
Current Special	24,375.33	
Campaign		20,670.84
Actual cash on hand		32,865.16
	\$70,243.25	\$70,243.25

Of the \$24,375.33 Current Special Cash \$10,123.95 represented an overpayment by the Trustees of Harvard-Yenching Institute, it being gain on exchange on gold remittances. This amount was subsequently returned to the Institute.

The \$38,467.23 in cash awaiting investment was held pending the purchase of certain securities previously authorized by the Investment Committee.

Field Report 1929-30

Audited reports of the University books for 1929-30 have been received from the field. Remittances from New York are properly reconciled and check with the Trustees' Balance Sheet of June 30. However, the field report

indicates a surplus of LC\$35,387.11 which in reality is almost entirely made up of remittances in excess of the 1929-30 budget appropriation, which our office has carried forward as a first charge against 1930-31. The actual figures are as follows:-

Class A budget items consisting of Mission Board grants, endowment income and Yenching College contributions	LC\$214,515.00
Salary increase 1929-30 approved	5,120.00
Total budget assumed by Trustees	LC\$219,635.00
Field receipts, remitted by Trustees, corresponding to the above classification	252,957.43
Excess receipts above budget figures	LC\$ 33,322.43
Plus Field surplus 1928-29	LC\$ 186.10
Balance of gain in exchange 1928-29	1,348.48
	LC\$1,534.58
Field surplus 1929-30	530.10
Balance standing on books of Field Treasurer June 30, 1930	2,064.68
	LC\$ 35,387.11

It will be noted that the field has only the following surpluses:-

1928-29 surplus	\$186.10
1929-30 "	530.10
Total field surplus	\$716.20

In addition there is still an unallocated gain in exchange balance from 1928-29 of \$1,348.48. At the December 23, 1929 meeting of the Finance Committee this item was considered but no action taken.

Attention is also directed to available current balances on the New York books as shown on page 4, i.e.:

Excess interest above 5% from endowment funds	G\$ 3,241.14
Interest on bank balances	3,571.10
1929-30 gain on exchange	17,003.13
	\$23,815.37

Attention is also called to deficits and outstanding authorizations toward which surpluses are applicable.

Trustee account in Current General	\$ 9,622.04
Managers' Current Deficit 1928-29	1,371.83
Promotional Deficit 1928-29	12,154.24
Promotional Deficit 1929-30	27,535.10
Deficit, Repair Heating Mains (LC\$10,000)	3,398.47
Authorization for Residences (F-2797) \$28,000, paid	25,000.00
" " Power Plant(F-2798) 25,000	

The field has also asked for LC\$22,500.00 for the repair of heating mains, it being in addition to the above payment of LC\$10,000.00.

Definite action of the Committee is solicited relative to the disposition

of the above-mentioned balances and deficits.

Plant Analysis

Exhibit A is attached to this report. It is an analysis of Plant transactions showing the situation both in New York and on the field as of June 30, 1930. Accompanying same are certain comments and recommendations.

Respectfully submitted

E. M. McBrier, Treasurer
B. A. Garside, Assistant Treasurer
C. A. Evans, Assistant Treasurer

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TRUSTEES OF YENCHING UNIVERSITY

BALANCE SHEET AS OF JUNE 30, 1930

ASSETS

Consolidated Endowment Investments
American Board of Commissioners (in trust)
Burt Friant Student Loan
Sidney D. Gamble Student Loan
Investment - Jas. W. Porter Fund
Accounts Receivable: Wallace Property
Contracts
Cash Awaiting Investment

PERMANENT ENDOWMENT

1,341,269.65
100,000.00
125.00
4,778.50
92,350.00
29,569.96
38,467.23

LIABILITIES

Endowment Funds
Hall Estate, general
Edw. S. Harkness
Lucy K. Sackett
D. Willis James
McBrier Foundation for Biblical Instruction
S. D. Gamble
Undesignated
Library
Burt Friant Student Loan
Sidney D. Gamble Student Loan
Mrs. C. Pardee Scholarship
Olive Pardee
F. J. Hall
William Boyd
Jas. W. Porter Annuity
Mrs. F. B. Look
Bashford Memorial Maintenance
Wallace Property Contracts-Adjusting a/c
Endowment Equity in Wallace Prop. Contracts
Premium & Discount on Sale of Securities
1,606,560.34

1,050,094.61
143,969.10
1,000.00
100,000.00
100,000.00
3,125.00
910.00
1,000.00
125.00
4,778.50
3,000.00
3,000.00
2,400.00
10,000.00
100,050.00
5,000.00
27,034.09
1,283.18
29,569.96
20,220.90
1,606,560.34

PLANT SECTION

Funds for Completed Buildings

Completed Buildings
General Educational Buildings
Dormitories
Residences
Heat, Light, Water & Sewage System

249,784.36
247,921.68
264,861.40
31,534.97

General Funds

American Board
London Missionary Society
Methodist Board
Presbyterian Board
Undesignated

54,500.00
50,000.00
94,504.76
63,334.99
8,407.10

794,102.41

270,746.85

Plant Section (cont.)

Land - General	75,009.06	<u>Special Funds</u>	
Land - Famine Fund	34,153.51	Presbyterian Jubilee	5,000.00
Land - Athletic Field	16,880.00	McKelvey Infirmary	25,000.00
Land Improvements and General Plans	62,895.07	Miscellaneous for Land	11,500.00
Alumni Gate Lamp	183.34	Model School Practice House	5,000.00
		Bashford Memorial Building	135,000.00
<u>Equipment</u>		Residences General	12,300.15
Furniture	2,365.67	President's Residence	11,000.00
Scientific	21,430.05	China Med.Bd.- First Science	
Library Books	51,149.09	Building Equipment	10,798.87
Building Fund Investments		Scranton-Luce Social Center	6,149.62
Building Fund Adjustment Account	74,944.81	Wiant Memorial Residence	5,916.28
	16,225.00	Wheeler Memorial Chapel	22,500.00
	2,095.00	Wheeler Memorial-Yenching	
<u>Building Operations</u>		Women's College	9,070.00
McKelvey Infirmary	25,000.00	N.Vincent Memorial Library	100.00
Undistributed	6,411.74	Mechanical Installations	1,540.00
Heat, Light, Water & Sewage	318,995.09	Charles M.Hall Educ.Fund for	
Model School Practice House	5,000.00	Mechanical Installations	166,500.00
Bashford Memorial	129,971.93	Famine Fund - Land	34,153.51
Residences	59,205.16	Warner Memorial Gymnasium	31,000.00
President's Residence	12,500.00	Library Books	15,152.77
Scranton-Luce Social Center	5,651.24	Harvard-Yenching Library Fund	36,792.68
Wheeler Memorial Chapel	23,250.00	Caskey Well	750.00
Telephone Installations	3,994.83	Pagoda Water Tower	7,250.00
Campus Service Building	2,623.49	Peking-Tientsin Campus Wall	10,170.30
Warner Memorial Gymnasium	26,613.62	Wallace Campus Fund	100,000.00
Lake Front Dormitories-Unit A	11,989.69	Miscellaneous Gifts	14,671.14
Lake Front Dormitories-Unit B	16,654.72	Aline Rodd Stuart Memorial	10,000.00
		Mrs.E.C.Marmon-Campus Imp'ts	10,000.00
Accounts Receivable: City Site		Lake Front Dormitories-Unit A	9,500.00
		Lake Front Dormitories-Unit B	16,654.72
			723,470.04

470.47

Plant Funds transferred from Current	
<u>Income - Building Funds</u>	
From Investments	16,395.78
Loans to Other Funds	11,754.83
	28,150.61

Less - Prem.& Disc.on Sale	
of Bonds	544.70
Int.on Bank Loans	2,485.04
	3,029.74
	25,120.87

390
checked

ASSETS

Plant Section (cont.)

LIABILITIES

Forwarded	1,821,747.86	Building Fund Adjustment	1,813,910.64
		Plant Cash	108.16
			<u>7,729.06</u>
	<u>1,821,747.86</u>		<u>1,821,747.86</u>

CURRENT GENERAL (Before closing)

Managers' Current Expense - 1929/30	105,376.77	Cash Current General	8,978.19
Home Administration-Central Office	9,631.04	<u>Receipts</u>	
Home Administration- Incidentals	866.16	American Board	3,500.00
Home Administration - Trustees	9,622.04	London Missionary Society -	1,000.00
		London Miss.Soc., advance on	500.00
		Methodist Board	3,500.00
Disbursed to Field		Presbyterian Board	3,500.00
China Medical Board	10,265.72	China Medical Board	10,265.72
Laura Spelman Rockefeller Memorial	25,346.67	Laura Spelman Rockefeller Memorial	25,346.67
Princeton-in-Peking	10,500.00	Princeton-in-Peking	10,500.00
Special Gifts	5,400.00	H.-Y. Institute Restricted Account	28,415.87
		Special Gifts for Current Budget	11,433.56
Accounts Receivable - Yenching Women's College	6,000.00	Endowment Income Unrestricted	61,256.26
		Endowment Income Restricted	7,198.45
		Endowment Income Restricted Reserve	2,606.15
		Endowment Income - Bashford Building	1,436.43
		Interest on Bank Balance	3,571.10
	<u>183,008.40</u>		<u>183,008.40</u>

CURRENT GENERAL (After closing)

Managers' Current Expense - 1930-31	18,289.03	Cash Current General	8,978.19
Home Administration - Central Office	1,997.20	1929-1930 Surplus	23,815.37
" " Trustees	9,622.04	<u>Receipts</u>	
Accounts Receivable	6,000.00	London Missionary Society	500.00
Disbursed to Field	1,800.00	Special Gifts for Current Budget	1,808.56
		Endowment Income Restricted Reserve	2,606.15
	<u>37,708.27</u>		<u>37,708.27</u>

ASSETS

Journalism Expense - 1929-30
Journalism Current Cash

12,458.17
12,458.17

Journalism Current Cash

2,442.52
4,958.17
7,400.69

Famine Fund Expense - 1929-30

7,232.61
7,232.61

Managers' Current Deficit 1928-29
Special Cash
Cash on Deposit in National City Bank,
New Rochelle
Suspense
Suspense - S.J.Chang
Capital Reserve (Emigrant Industrial and
Bowery Savings Banks)
Loan to Campaign

1,371.83
24,375.33
250,000.00
218.44
548.16
10,000.00
20,781.32
307,295.08

Endowment Income Undistributed
Endowment Income - James W.Porter Annuity
Suspense - Chang Wen-li
Miscellaneous Current Gifts
Endowment Income Restricted (Non-Budget)
Reserve
Endowment Income Restricted - McBrier Found'n
Harvard-Yenching-Institute - Agency A/c
1929-30 Campaign - Undesignated Receipts
Capital Reserve Fund
Rockefeller Foundation - Special

24.13
1,345.84
147.50
1,608.00
722.50
4,849.65
12,245.17
227.55
36,124.74
250,000.00
307,295.08

LIABILITIESDEPARTMENT OF JOURNALISM (before closing)

5,057.48
7,400.69
12,458.17

12,458.17
12,458.17

DEPARTMENT OF JOURNALISM (after closing)

7,400.69
1929-1930 Surplus
Journalism Receipts
7,400.00

2,442.52
4,958.17
7,400.69

FAMINE FUND

7,232.61
7,232.61

7,232.61
7,232.61

CURRENT SPECIAL

1,371.83
24,375.33
250,000.00
218.44
548.16
10,000.00
20,781.32
307,295.08

Endowment Income Undistributed
Endowment Income - James W.Porter Annuity
Suspense - Chang Wen-li
Miscellaneous Current Gifts
Endowment Income Restricted (Non-Budget)
Reserve
Endowment Income Restricted - McBrier Found'n
Harvard-Yenching-Institute - Agency A/c
1929-30 Campaign - Undesignated Receipts
Capital Reserve Fund
Rockefeller Foundation - Special

24.13
1,345.84
147.50
1,608.00
722.50
4,849.65
12,245.17
227.55
36,124.74
250,000.00
307,295.08

Checked 1931

Checked

ASSETS

Salaries 9,976.91
 Rent 887.28
 Travel 3,488.73
 Cables, Tel. and Tel. 518.20
 Publicity 2,376.57
 Miscellaneous 429.72
 Pierce and Hedrick, Inc. on Contract 13,555.12
 Deficit 1928-29
 Equipment
 Petty Cash

CURRENT CAMPAIGN (Before closing)

Current Cash
 Campaign Receipts - Undesignated
 Accounts Payable - Loan from Capital Reserve Fund

31,232.53
 12,154.24
 1,752.82
10.00

45,149.59

CURRENT CAMPAIGN (after closing)

Deficit 1928-29
 Deficit 1929-30
 Equipment
 Petty Cash

12,154.24 Current Cash
 27,535.10 Accounts Payable - Loan from Capital Reserve Fund
 1,752.82
10.00

41,452.16

20,670.84
 3,697.43
 20,781.32

45,149.59

41,452.16

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LIST OF SECURITIES AS OF JUNE 30, 1930

(Income rate figured on cost price annual basis)

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Maturity	June 30th Market
Classes 182-Real Est. Mtge. Bds. 14.22%											
75,000	First Mtge. Guaranty & Title Co.	1933-34									
	New Rochelle, Ctf.	1933-34									
10,000	42 Broadway Bldg. 1st Closed	1939	Non-call.		5½	100	75,000.00	4125	5.50	5.50	100
13,000	Lincoln Mtge. & Title Guar. Co.	1937	"		6	101.3	10,130.00	600	5.93	5.81	100-1/4
7,000	Ditto	1938	"		5½	100	13,000.00	715	5.50	5.50	70
40,000	Westchester Bond & Mtge. Corp.	1938	"		5½	98-1/2	6,895.00	385	5.58	5.71	70
	1st Mtge. Coll.	1938	"		5½	97.147	38,858.84	2200	5.66	5.95	99
							143,883.84				
Class 3-Railroad Bonds-15.51%											
20,000	Boston & Maine 1st Mtge. "AC"	1967	107½	Baa	5	95	19,000.00	1000	5.26	5.30	99-7/8
20,000	Chi. Mil. St. Paul & Pac. "A"	1975	105	"	5	91-1/4	18,250.00	1000	5.48	5.54	86
20,000	Chi. R. I. & Pac. Secured "A"	1952	102½ in 1932	A	4½	91-3/8	18,275.00	900	4.92	5.16	94-5/8
20,000	Chicago & Alton Refunding	1949	Non-call.	A	3	68½ flat	13,700.00	600	4.38	5.625	67-1/4
10,000	Chicago & Northwestern Conv.	1949	"	Aaa	4½	105.7	10,570.00	475	4.5	4.25	98-3/4
10,200	Great Northern Railway "A"	1936	"	Aa	7	98.1	10,006.75	714	7.13	7.51	110-1/2
9,800	Ditto	1936	"	Aa	7	109.62	10,742.60	686	6.39	5.33	110-1/2
20,000	Missouri Illinois R.R. 1st Mtg. 1959		105	Baa	5	94	18,800.00	1000	5.32	5.40	78
20,000	Missouri Pac. R.R. 1st & Rev. "G"	1978	105 in 1933	"	5	95.82½	19,245.00	1000	5.22	5.24	99-1/8
20,000	Southern Pacific	1969	Non-call	Aa	4½	92	18,400.00	900	4.89	4.95	97-5/8
							156,989.35				
Class 4-Public Util. Bds. 26.61%											
20,000	Alabama Power Co. 1st & Ref.	1967	102 thru 11/30/32		4½	92.40	18,480.00	900	4.87	4.95	96-3/8
20,000	Appalachian Elec. Pr. 1st & Ref. 1956		105	A	5	96.20	19,240.00	1000	5.19	5.27	99-1/2
20,000	Arkansas Power & Lt. 1st & Ref. 1956		105	A	5	95.575	19,115.00	1000	5.23	5.31	98-1/4
20,000	Central Public Service Corp. Deb. 1949		105 thru 1/1/33	Ba	5½	93.	18,600.00	1100	5.91	6.10	83
20,000	Cities Service Pr. & Lt. Deb.	1952	105 " 11/1/32	Baa	5½	94.20	18,840.00	1100	5.84	5.96	86-1/4
20,000	Ill. Pr. & Lt. 1st & Ref. "A"	1953	105 " 10/1/43	"	6	103.22½	20,645.00	1200	5.81	5.75	103-1/4
20,000	Ill. Pr. & Lt. S. F. Debenture	1957	102½ " 3/1/37	"	5½	96.27½	19,255.00	1100	5.71	5.78	92-5/8
20,000	International Tel. & Tel. Gold Deb. 1955		110-1940 decreas.		5	96-1/2	19,300.00	1000	5.18	5.25	96-5/8
20,000	Iowa-Nebraska Lt. & Pr. 1st L. & R. 1957		107½	Baa	5	92.45	18,490.00	1000	5.41	5.56	95
10,000	Iowa Ry. & Light Co. 1st Mtge.	1932	106 to 3/1/30	A	8	100	10,000.00	800	8	8	102

Face Security & Classification Due Callable Moody Rating Int. Rate Cost Price Cost Annual Income An. Rate Rate to Ma- June 30th Market

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Ma- June 30th Market
Class 4-Public Util. Bds. 26.61% (Cont.)										
20,000	Los Angeles Gas & Electric	1947	107 1/2 in 1932	Aa	5 1/2	103-1/2	20,700.00	1100	5.31	5.20 104
20,000	Manhattan Railway	1990	Non-call.	A	4	57-1/2	11,500.00	800	6.96	7.67 45
20,000	New England Power Assn.	1954	102 1/2 in 60 da. dec.		5 1/2	95	19,000.00	1100	5.79	5.90 93-1/4
8,000	Pacific Tel. & Tel. Co. Ref.	1952	107 1/2 in 1932	Aa	5	92.225	7,378.00	400	5.42	5.61 105-1/4
20,000	Postal Tel. & Cable. Coll	1953	105	Baa	5	93.77	18,793.75	1000	5.33	5.45 92-1/8
10,000	Puget Sound Power & Lt. 1st & Ref. "A"	1949	104 3/4 decreas.	A	5 1/2	99-5/8	9,962.50 269,299.25	550	5.52	5.54 101-3/4

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Ma- June 30th Market
Class 5-Industrial Bonds, 7.48%										
20,000	Am. Rolling Mill Co. S.F. Gold Deb.	1948	104 thru 1/1/32	Baa	5	96.70	19,340.00	1000	5.17	5.28 97-1/2
5,000	Gulf Oil Corp. of Pa. S.F. Deb.	1947	104 to 2/1/37	Aa	5	100.2	5,010.00	250	4.99	4.98 101
20,000	Hudson Coal 1st S.F. "A"	1962	105	Ba	5	76	15,200.00	1000	6.58	6.85 65
40,000	Mercantile Properties, Inc. S.F.	1946	100		5 1/2	90-1/2	36,200.00 75,750.00	2200	6.08	6.375 86

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Ma- June 30th Market
Class 6-Investment Trust Bds. 5.59%										
10,000	American Int. Corp. Conv. Deb.	1949		Baa	5 1/2	106.20	10,620.00	550	5.18	5.16 94
10,000	Chesapeake Corp. Conv. Coll.	1947	100	"	5	98.20	9,820.00	500	5.09	5.16 100-1/8
10,000	Commercial Invest. Tr. Conv. Deb.	1949		"	5 1/2	97.20	9,720.00	550	5.65	5.75 94-1/4
10,000	Int. Securities Corp. of America	1947	103 thru 6/1/30		5	91.91	9,191.00	500	5.43	5.73 80
20,000	U.S. & British Int. Co. Ltd. Deb.	1948	103		5	86.03 1/4	17,207.50 56,558.50	1000	5.81	6.25 80

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Ma- June 30th Market
Classes 7 & 8 -Foreign Govt.										
15,000	Mortgage Bank of Chile, Ext.	1957	100	A	6 1/2	95.816	14,372.50	975	6.79	6.875 92-1/2
15,000	German Cent. Bk. for Agri. S.F.	1938	100		6	91.166	13,675.00	900	6.58	7.375 89
15,000	Ditto	1960	100		6	90.483	13,572.50	900	6.63	6.75 83
10,000	Rnerania Electric S.F.	1953	100	Baa	6	77.95	7,795.00	600	7.72	8.66 80
20,000	Free State of Prussia	1952	100 in 1934	A	6	93.35	18,641.25 68,056.25	1200	6.43	6.56 86-5/8

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Ma- June 30th Market
Class 9 - Preferred Stocks 11.93%										
3000 sh.	Aluminum Co. of America		110		6	100	300,000.00	18000	6	106-1/4
50 "	American Superpower Corp. 1st		110		\$6	99-1/4	4,962.50	300	6.05	98-7/8
100 "	Central & Southwest Util. P.L.		120		\$7	102	10,200.00	700	6.86	100
100 "	Engineers Public Service				5 1/2	93.20	9,320.00	550	5.9	99
155 "	Gen. Gas & Elec. Corp. Cum. Conv.		105		\$6	98.67	15,293.75	930	6.1	79-7/8

Face	Security & Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	An. Rate	Rate to Maturity	June 30th Market
<u>Class 9-Preferred Stocks 11.93% (cont.)</u>											
200 sh.	J. J. Newberry		110		7	105.71	21,141.25	1400	6.62		97-1/8
200 "	Oklahoma Gas & Electric		125		7	112	22,400.00	1400			113-1/4
90 "	Standard Gas & Electric		Non-call.		4	84-1/4	5,782.50	360	6.23		63-7/8
200 "	" Oil Export		110 Dec. 1935		5	100-7/8	20,175.00	1000	4.96		100-7/8
100 "	West Penn Power Cum.		115		7	114-1/4	11,425.00	700	6.13		117-1/4
							<u>420,700.00</u>				
<u>Class 10 - Common Stock 11.94%</u>											
100 "	American Tel. & Tel.				9	207.925	20,792.50	900	4.33		206-3/4
1000 "	F.W. Woolworth Co.					100	100,000.00	2400	2.40		54-1/4
							<u>120,792.50</u>				
<u>1,312,029.69</u>											
Classification percentages do not include Aluminum											
<u>Plant Investments</u>											
80 sh.	American Power & Lt. Cum. Pfd.		115		\$6	104	8,320.00	480			101
200 "	Kreuger Toll Common Stock				1.34	39-1/2	7,905.00	268			26-7/8
							<u>16,225.00</u>				
<u>Porter Annuity</u>											
10,000	Central Gas & Elec. 3 yr. Gold Notes 1933		101 decreases.		5 1/2	98-1/4	9,825.00	550	5.60	6.10	95-3/4
100 sh.	Continental Ill. Bk. & Trust Co. Cap. Stock				\$16	725	72,500.00	1600	2.21		630
100 "	Standard Gas & Elec. Pfd. Stock		110		\$6	100-1/4	10,025.00	600	5.99		99-1/4
							<u>92,350.00</u>				

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PLANT FUND BALANCES AND OVERDRAFTS
As of June 30, 1930

(All amounts in gold dollars unless otherwise indicated)

A. GENERAL UNIVERSITY FUNDS

1. Completed Buildings

<u>Acct.No.</u>			<u>Balances</u>	<u>Deficits</u>
20a	General educational buildings	249,784.36		
120a	Fund for General Educational Bldgs.	<u>249,784.36</u>		
20b	Dormitories	247,921.68		
120b	Fund for Dormitories	<u>247,921.68</u>		
20c	Residences	264,861.93		
120c	Fund for Residences	<u>264,861.93</u>		
20d	Heat,Light,Water & Sewage System	31,534.97		
120d	Fund for Heat,Light,Water & Sewage	<u>31,534.97</u>		
	Total Disbursements	794,102.94		
	Total Funds	794,102.94		

2. Land and Land Improvements

22a1	Land, General	75,009.06		
122a1	Miscellaneous Funds for Land 11,500			
122a3	Wallace Campus Fund	<u>100,000</u> <u>111,500.00</u>	36,490.94	
22a2	Land, Famine Fund	34,153.51		
122a2	Fund for Land, Famine Fund	<u>34,153.51</u>		
22a3	Land, Athletic Field	16,880.00		16,880.00
22b	Land Improvements & General Plans	64,930.07		
122b	Land for Land " " "	<u>38,205.30</u>		<u>26,724.77</u>
	Total Disbursements	190,972.64		
	Total Funds	183,858.81	36,490.94	43,604.77

3. Building Operations

26b	McKelvey Infirmary	25,000.00		
126b	Fund for McKelvey Infirmary	<u>25,000.00</u>		
26j	Model School Practice House	5,000.00		
126j	Fund for Model School Practice House	<u>5,000.00</u>		
26k	Bashford Mem'l Administration Bldg.	129,971.93		
126k	Fund for Bashford Mem'l " "	<u>135,000.00</u>	5,028.07	
26m	Residences, General	64,204.63		
126m	Fund for Residences, General	<u>18,215.90</u>		45,988.73
26m2	President's Residence	12,500.00		
126m2	Fund for President's Residence	<u>11,000.00</u>		1,500.00

Acct.No.

			Brought forward	Balances	Deficits
				5,028.07	47,488.73
26p	Scranton-Luce Social Centre	5,651.24			
126p	Fund for Scranton-Luce Soc.Centre	<u>6,149.62</u>		498.38	
26t	Wheeler Memorial Chapel	33,250.00			
126t	Fund for Wheeler Mem'l Chapel				
	Gen.Univ.	32,500			
126tl	" for Wheeler Mem'l Chapel				
	Woman's College	<u>9,070.</u>	<u>41,570.00</u>	8,320.00	
26x	Telephone Installation	4,340.83			
126x	Fund for Telephone Installation	<u>1,146.00</u>			3,194.83
26x2	Campus Service Building	1,175.79			
126x2	Fund for Campus Service Bldg.	<u>1,039.10</u>			136.69
26x3	Workmen's Social Centre	1,025.50			
126x3	Fund for Workmen's Social Centre	<u>1,025.50</u>			
26zl	Warner Memorial Gymnasium	36,613.62			
126zl	Fund for Warner Mem'l Gymnasium	<u>31,000.00</u>			5,613.62
26z2a	Lake Front Dormitory Unit A	11,989.69			
126z2a	Fund for Lake Front Dorm.Unit A	<u>9,500.00</u>			2,489.69
26z2b	Lake Front Dormitory Unit B	15,722.29			
126z2b	Fund for Lake Front Dorm., Unit B	<u>15,722.29</u>			
26fl	Building Operations Undistributed	<u>6,411.74</u>			<u>6,411.74</u>
	Total Disbursements	352,857.26			
	Total Funds	301,368.41	13,846.45	65,335.30	

4. Heat, Light, Water, and Sewage System

26f2	Heat,Light,Water & Sew.System	319,178.43			
126f2	Fund for Heat,Lt.,Water & Sew.System	<u>176,223.34</u>			142,955.09

5. Equipment

24a	Furniture	2,365.67			
124a	Fund for Furniture	<u>100.00</u>			2,265.67
24b	Scientific Equipment	21,430.05			
124b	Fund for Scientific Equipment	<u>14,124.31</u>			7,305.74
24c	Library Books	51,149.09			
124c	Fund for Library Books	<u>52,291.48</u>	<u>1,142.39</u>		
			1,142.39	9,571.41	
	Total Disbursements	74,944.81			
	Total Funds	66,515.79			

6. General and Unassigned Funds

		<u>Balances</u>	<u>Deficits</u>
121a	American Board	54,500.00	
121b	London Missionary Society	50,000.00	
121c	Methodist Board	94,504.76	
121d	Presbyterian Board	<u>63,334.99</u>	262,339.75
121e	Undesignated Plant Funds		8,407.10
121f	Income on Invested Bldg. Funds		25,120.87
126a1	Presbyterian Jubilee Fund	<u>5,000.00</u>	
		300,867.72	300,867.72

7. Summary

	<u>Total</u> <u>Disbursements</u> <u>(Assets)</u>	<u>Total</u> <u>Funds</u> <u>(Liabilities)</u>	<u>Balances</u>	<u>Deficits</u>
1. Completed Buildings	\$794,102.94	\$794,102.94	-	-
2. Land and Land Improvements	190,972.64	183,858.81	36,490.94	43,604.77
3. Building Operations	352,857.26	301,368.41	13,846.45	65,335.30
4. Heat, Light, Water & Sewage System	319,178.43	176,223.34		142,955.09
5. Equipment	74,944.81	66,515.79	1,142.39	9,571.41
6. General and unassigned Funds	<u>-</u>	<u>300,867.72</u>	<u>300,867.72</u>	<u>-</u>
	1,732,056.08	1,822,937.01	352,347.50	261,466.57
Building Fund Investments	18,211.84			18,211.84
Accounts Receivable, City Site	97,398.15			97,398.15
Plant Cash Overdraft		<u>24,729.06</u>	<u>24,729.06</u>	
	\$1,847,666.01	1,847,666.07	377,076.56	377,076.56

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8. COMBINED BALANCES AND DEFICITS, NEW YORK AND FIELD ACCOUNTS, JUNE 30, 1930

(Note:- All figures in Gold. The Gold equivalent of L.C. balances and deficits on field is computed at 0.30 as that was the approximate rate prevailing June 30, 1930)

	New York Records		Field Records		Combined	
	Balances	Deficits	Balances	Deficits	Balances	Deficits
Land, General	\$36,490.94	\$ -	\$ 639.69	\$ -	\$37,130.63	\$ -
Land, Famine Fund	-	-	-	-	-	-
Land, Athletic Field	-	16,880.00	-	-	-	16,880.00
Land Improvement and General Plans	-	26,724.77	273.37	-	-	26,451.40
McKelvey Infirmary	-	-	939.49	-	939.49	-
Model School Practice House and Kindergarten	-	-	-	1,026.72	-	1,026.72
Bashford Memorial Administration Building	5,028.07	-	-	704.69	4,323.38	-
Residences, General	-	45,988.73	10,001.42	-	-	35,987.31
Residence, President's	-	1,500.00	-	2,178.49	-	3,678.49
Scranton-Luce Social Centre	498.38	-	331.62	-	830.00	-
Wheeler Memorial Chapel	8,320.00	-	32,500.00	121.37	40,698.63	-
Telephone Installation	-	3,194.83	-	528.56	-	3,723.39
Campus Service Building	-	136.69	-	-	-	136.69
Workmen's Social Centre	-	-	490.47	-	490.47	-
Warner Memorial Gymnasium	-	5,613.62	3,203.33	-	-	2,410.29
Lake Front Dormitory, Unit A	-	2,489.69	-	1,408.95	-	3,898.64
Lake Front Dormitory, Unit B	-	-	1,874.37	-	1,874.37	-
Heat, Light, Water and Sewage System	-	142,955.09	1,450.98	-	-	141,504.11
Building Operations Undistributed	-	6,411.74	-	2,729.62	-	9,141.36
	50,337.39	251,895.16	51,704.74	8,698.40	86,286.97	244,838.40

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H 401B. WOMAN'S COLLEGE FUNDS

<u>Acct.No.</u>		<u>Balances</u>	<u>Deficits</u>
<u>1. Land, Land Improvements, and General Plans</u>			
22a	Land, General	\$15,000.00	\$15,000.00
22b	L and Improvements	8,569.00	8,569.00
26f2	Architectural Fees	<u>5,098.35</u>	<u>5,098.35</u>
	Total Disbursements	28,667.35	28,667.35
<u>2. Building Operations</u>			
26a	Sage Memorial Building	47,412.96	
122a	Sage Memorial Building Fund	<u>37,000.00</u>	10,412.96
26b	Boyd Gymnasium	56,488.62	
122b	Boyd Gymnasium Fund	<u>63,354.91</u>	6,866.29
26c	Science Building	81,679.97	
122c	Science Building Fund	<u>10,000.00</u>	71,679.97
26d	Practice House	3,815.74	3,815.74
26e	Administration Building	30,196.99	30,196.99
26gl	Dormitories Nos.1 to 3	123,205.74	123,205.74
26g2	Dormitory No.4	38,003.12	38,003.12
26j	Wheeler Memorial Chapel	19,070.00	
122j	Wheeler Memorial Chapel Fund	<u>19,417.56</u>	347.56
26m	Residences	25,335.62	
122m	Residence Fund	<u>7,833.85</u>	17,501.77
26ml	Dean's Residence	29,279.41	29,279.41
26n	Infirmery	341.75	
122n	Infirmery Fund	<u>341.75</u>	-
	Total Disbursements	454,829.92	7,213.85
	Total Funds	137,948.07	324,095.70
<u>3. Heat, Light, Water and Sewage System</u>			
26f6	Heat, Light, Water and Sewage System	125,000.00	125,000.00
<u>4. Equipment</u>			
24a	Equipment, General	23,246.26	
24b	Science Equipment	10,798.87	
24c	Library Books	<u>25,000.00</u>	59,045.13
122x	Equipment Funds	17,951.73	41,093.40

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Woman's College Funds (cont.)

Audited
7/5. General and Unassigned Funds

121a	Presbyterian Board	31,304.99	31,304.99
121b	Methodist Board	49,862.95	49,862.95
121c	Joint Committee	428,093.58	428,093.58
121d	Undesignated Funds	7,755.42	7,755.42
122h	Laura Spelman Rockefeller Funds	27,284.94	27,284.94
124a	Income from Building Fund Investments	<u>5,293.29</u>	<u>5,293.29</u>
		549,595.17	549,595.17

6. Summary

	Total Disbursements (Assets)	Total Funds (Liabilities)	Balances	Deficits
1. Land, Land Improvements and General Plans	28,667.35			28,667.35
2. Building Operations	454,829.92	137,948.07	7,213.85	324,095.70
3. Heat, Light, Water and Sewage System	125,000.00			125,000.00
4. Equipment	59,045.13	17,951.73		41,093.40
5. General and Unassigned Funds		<u>549,595.17</u>	<u>549,595.17</u>	
	667,542.40	705,494.97	556,809.02	518,856.45
Building Fund Investments	21,444.83			21,444.83
Special Plant Cash, Wheeler Fund	347.56			347.56
General Plant Cash	<u>16,160.18</u>			<u>16,160.18</u>
	705,494.97	705,494.97	556,809.02	556,809.02

C. NOTES ON PLANT ANALYSIS

1. This analysis is in accordance with the Balance Sheets of the Trustees' Treasurer as of June 30, 1930, except that a number of subsequent journal entries made to reconcile the New York books with those of the Field Treasurer have been incorporated in the analysis.

2. It will be noted that substantial progress has been made toward clearance of Plant accounts since the preparation of the preceding analysis as of October 31, 1929. Further progress, however, is now possible along lines suggested below.

3. It appears from this analysis that a number of the accounts still carried under Building Operations can now be transferred to the Completed Buildings section. In each case, however, it is desirable that we correspond with the Field Treasurer to ascertain whether any final adjustments should be made before such a transfer is effected.

It is recommended that, subject to the concurrence of the Field Treasurer, and to any minor adjustments correspondence with the field may show to be necessary, the Trustees' Treasurer be authorized to transfer into the Completed Buildings Section, the following accounts:

(a) McKelvey Infirmary, with instructions to use any surplus in the fund for this building to apply on the cost of the Heat, Light, Water and Sewage System.

(b) Bashford Memorial Administration Building, with instructions that any surplus in the fund for this building be used (1) to bring the Bashford Maintenance Fund up to \$30,000.00; (2) to apply on the cost of the Heat, Light, Water and Sewage System.

(c) Scranton-Luce Social Centre, with instructions that any surplus in this fund be applied on the cost of the Heat, Light, Water and Sewage System.

(d) Campus Service Building, with the understanding that the small deficit on this building be adjusted by the field.

(e) Workmen's Social Centre, with the understanding that field suggest disposition of balance.

(f) Lake Front Dormitory, Unit A and Unit B, with the suggestion to the field that, inasmuch as Unit A was charged with architects' fees and other general charges for the whole group, the balance remaining on Unit B be applied against the deficit on Unit A; and with instructions that any deficit still remaining on Unit A be met from undesignated general plant funds.

4. No tabulation of combined balances and deficits for the Woman's College Plant accounts was prepared, because most of the building operations in the Woman's College have now been completed. The chief building operations now going on in the Woman's College are the Boyd Gymnasium, for which the accounts on June 30 stood as follows:-

Balance on hand, New York	G\$6,866.29
Deficit on field (L.C.\$10,456.50)	<u>3,136.95</u>
Net Balance	G\$3,729.34

5. It is recommended that, subject to concurrence by the Yen-ching College Committee, the Field Treasurer, and the Dean of the Woman's College, and subject to such minor adjustments as may be found necessary in consultation with these groups and individuals, there be created in the Plant accounts of the Woman's College a Completed Buildings Section to which the Trustees' Treasurer be authorized to transfer all such Woman's College building accounts as are now completed, and be authorized to meet the deficits existing on any of these building accounts by the allocation of the required amounts of General and unassigned Plant Funds in the Woman's College.

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SUMMARY OF ANTICIPATED INCOME
GENERAL YENCHING BUDGET 1930-31

(Excluding financially independent units and missionary personnel)

I N C O M E

<u>I. INCOME THROUGH TRUSTEES</u>		Gold \$	L.C.\$ @ 2.15	Total in L.C.\$
A. From Mission Boards		11,500.00	24,725.00	
B. Endowment Income @ 5%-Unrestricted		57,554.34	123,741.83	
Bashford Maintenance		1,351.70	2,906.16	
Theology		7,200.00	15,480.00	
C. Harvard-Yenching Trust Fund		26,000.00	55,900.00	
D. Gifts for Natural Science				
Income, Rockefeller First Grant of \$250,000 (2 years to match)		12,500.00	26,875.00	
Income, Rockefeller Second Grant of \$250,000 (5 years to match)		12,500.00	26,875.00	
Harvard-Yenching Grant (5 years)		12,500.00	26,875.00	
E. Special Gifts:				
A.B.C.F.M.	\$1,800.00			
Dr. Coffin	1,800.00			
For Wm. Hung	<u>1,800.00</u>	5,400.00	<u>11,610.00</u>	314,987.99
II. Income on Field				<u>87,600.00</u> \$402,587.99

E X P E N D I T U R E S

I. General University -				
Administration	126,648.00			
Operation and maintenance	<u>49,500.00</u>		176,148.00	
II. Undergraduate Colleges -				
Arts and Letters	97,320.00			
Natural Science	<u>73,818.00</u>		171,138.00	
III. School of Religion			26,980.00	
IV. Home Administration		8,500.00	<u>18,275.00</u>	
Total Regular Budget				392,541.00
V. Supplementary Items -				
Salary increases			17,637.00	
Annuity and insurance			14,000.00	
Library Books			13,718.00	
Operation and maintenance			11,536.00	
Additional housing			5,000.00	
Dept. of Physical Education			4,300.00	
Laboratory needs			6,050.00	
Individual salary increases			8,022.00	
Departmental expenses			<u>9,077.00</u>	89,340.00
				481,881.00

NOTES

It will be noted that if only the items in the regular budget are considered, the available income, L.C.\$402,587.99, exceeds the approved expenditures, L.C.\$392,541.00, by L.C.\$10,046.99. If, however, all the supplementary budget items asked by the field are included, the total expenditures would amount to L.C.\$481,881.00; leaving a prospective deficit of L.C.\$79,293.01.

These supplementary budget items, arranged in preferential order are as follows:-

1. Salary Increase:

Chinese (proposed)	\$13,000	
Western	<u>4,637</u>	L.C.\$17,637.

2. Annuity and Insurance	14,000.
3. Library Books	13,718.
4. O. & M. of Physical Plant	11,536.
5. Additional Housing for Faculty	5,000.
6. Department of Physical Education	4,300.
7. Laboratory Needs:	

Chemistry	\$ 2,100	
Biology	1,700	
Physics	2,050	
Psychology	<u>200</u>	6,050.

8. (A) Individual Salary	
Increases	8,022

(B) Additional Department	
Expenses	<u>9,077</u> <u>17,099.</u>

Total L.C.\$89,340.

The Trustees by action T-2823, passed April 23, 1930, in approving the 1930-31 budget, assumed responsibility for meeting the first two items, totalling L.C.\$31,637 in the above list of supplementary budget items. This in effect increases the total of approved expenditures from L.C.\$392,541.00 to L.C.\$424,178.00, and leaves an apparent deficit of L.C.\$21,590.01. The other items in the list of supplementary budget needs were referred by the Trustees to the Committees on Budget and on Finance, to be met if and as funds are available. On May 21, 1930, the Finance Committee, after studying the sources of income then considered available, by action FB-2834 gave tentative approval to items 3, 4, 5, 6, 7, 8 (A) and to L.C.\$3,016.00 in item (B); but this action was taken with the proviso that such items were to be met "only after first deducting any deficits on the 1929-30 budget as may appear between actual expenditures and funds authorized by the Trustees; the items to be cared for in the order as appearing on the list and no expenditures to be authorized beyond funds available."

The sum of L.C.\$21,590.01 required to meet the budget and supplemen-

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tary items already approved by the Trustees; together with any further sum required to meet such additional items as may be approved by the Finance Committee, would probably have to come from any available surplus of 1929-30 or else from gain on exchange, 1930-31.

1. Surplus, 1929-30 The surplus on the Trustees books for 1929-30, derived principally from gain on exchange, amounted to G\$17,003.13. However, several special appropriations were made by the Trustees during this period with the general hope that they could be met from gain on exchange. One such item is that of repairs of heating mains, on which L.C.\$10,502.82 had been expended by the field to August 31, 1930. The sum of L.C.\$10,000 has already been transmitted to the field on this account, and L.C.\$25,000.00 more is being requested. Two other items approved by Trustees during the past year, for which funds are not yet in hand, are G\$25,000.00 for a new engine for the power plant, and G\$25,000.00 for new residences. Furthermore, on June 30, 1930, the unmet deficit in the Promotional Office account was G\$39,689.34.

Page 7 of the Trustees' Treasurer's report, June 30, 1930, shows that the surpluses and balances on the field at the close of the last fiscal year were as follows:-

Unallocated Gain on Exchange, 1928-29	L.C.\$1,548.48
Excess payments by Trustees above approved	
1929-30 budget estimates	33,322.43
Field Surplus, 1928-29	186.10
Field Surplus, 1929-30	530.10
	L.C.\$35,387.11

2. Gain in Exchange, 1930-31 Since the budget for 1930-31 was set up on a 2.15 to 1 rate of exchange, and the rate thus far during this fiscal year has been around 3.50 to 1 it appears that a substantial gain in exchange should be received during the year. The amount of additional income which would accrue at various rates is approximately as follows:-

2:25 to 1	L.C.\$10,000	2:85 to 1	L.C.\$70,000
2:35 to 1	20,000	3:00 to 1	85,000
2:45 to 1	30,000	3:10 to 1	95,000
2:55 to 1	40,000	3:25 to 1	110,000
2:65 to 1	50,000	3:35 to 1	120,000
2:75 to 1	60,000	3:50 to 1	135,000

So far as can be forecast from the information now available, the income for the 1931-32 budget should be approximately the same as that shown for 1930-31.

REPORT OF THE TREASURER
YENCHING WOMAN'S COLLEGE

For the Fiscal Year Ending June 30, 1930

This report is based on the closing figures for 1929-30, and Trial Balance as well as list of investments as of June 30, 1930, are attached herewith.

The books were received in New York on April 6, 1929, and as soon as possible an analysis of accounts was made taking into consideration items on Yenching University Trustees books as well as those on the books of the field Treasurer. As a result of this study a new set of accounts were opened as of May 10, 1929, the form following the general plan used on the University books. This report, therefore, will cover the entire period from the time the books were received. The opening entries were approved by the Finance Committee under action F-2606.

Endowment Section

No especially designated endowment funds were turned over to the New York office by the previous Treasurer, but before June 30, 1930, the Yenching College Committee voted \$19,000.00 to Endowment from the Promotional Fund, the income to be used for Committee expenses. A \$3,000.00 fund for insurance was also voted, and with the two Gillespie gifts of \$5,000.00 each an endowment was set up totaling \$32,000.00
During the past year this has increased by 37,081.40
Making a total of \$69,081.40

These increases for the past year are accounted for in the following manner:-

Mrs. D. B. Gamble	\$16,246.90
Mary Chamberlain Annuity	2,000.00
E. L. Richards Scholarship	1,030.50*
Increase in Insurance Fund	2,000.00
1929-30 Endowment Campaign gifts	<u>15,804.00</u>
	\$37,081.40
Funds received prior to June 30, 1929	<u>32,000.00</u>
Total	\$69,081.40

The foregoing Endowment funds were invested as per the attached list of securities in bonds, preferred stocks, and mortgages	\$55,440.02
Plus Chamberlain Annuity investments	1,935.00
Plus Cash awaiting investment	<u>11,706.38</u>
Total	\$69,081.40

The estimated income on invested securities amounts to \$3,160.00 or at the rate of .0569. The income rate on the Chamberlain Annuity investments is .0594. The rate paid to the annuitant is .05 $\frac{1}{2}$.

It is also of interest to note that the field is holding \$2,020.00 worth of Endowment funds for Library and scholarships. They are invested as follows:-

Yenching Agricultural Department 8% Bonds	G\$ 1,000.00
U.S.Liberty Bond	500.00
Chinese Government 6% Bonds	<u>520.00</u>
Total	G\$ 2,020.00

* Transferred from University Endowment Funds

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Plant Section

A complete checking of all sources of information at the time the Woman's College books were received indicated that \$606,025.95 represented the total correct value of land, buildings, and equipment, and the balances of the opening accounts are listed below.

Land	\$15,000.00	
Land Improvements	8,569.00	\$23,569.00
Sage Memorial	\$47,412.96	
Boyd Gymnasium	36,262.50	
Science Building	81,679.97	
Practice House	3,815.74	
Administration Building	30,196.99	
Architect's Fees	5,098.35	
Heat, Light, Water, and Sewage	125,000.00	
Dormitory #1-3	123,205.74	
Dormitory #4	38,003.12	
Residences	21,408.77	
Dean's Residence	29,279.41	541,363.55
Equipment	\$ 5,294.53	
Science Equipment	10,798.87	
Library Books	25,000.00	41,093.40
		<u>\$606,025.95</u>

During the past year the following additions have been made:-

Boyd Gymnasium	\$20,226.12	
Wheeler Memorial Chapel	19,070.00	
Residences	3,895.41	
Infirmery	341.75	43,533.28
Equipment	\$14,392.18	14,392.18
Total Additions		<u>\$57,925.46</u>
To reconcile Plant totals we add building		21,792.39
Fund Investments		16,160.18
Plant Cash		<u>\$701,903.98</u>

Funds for the above building program were derived from sources as indicated below. The opening entries at the beginning of the period when the books were taken over were:-

Presbyterian Board	\$31,304.99	
Methodist Board	49,862.95	
Joint Committee designated	428,093.58	
Undesignated funds	7,255.42	\$516,516.94
Sage Memorial	\$37,000.00	
Boyd Gymnasium	500.00	
Science Building	10,000.00	
Laura Spelman Rockefeller	27,284.94	
Wheeler Memorial Chapel	18,750.00	
Residences	3,907.00	97,441.94
Opening totals		<u>\$613,958.88</u>

Forward

\$613,958.88

Since that time the following additions have been made:-

Undesignated gifts	\$ 500.00	
Boyd Gymnasium	62,854.91	
Wheeler Memorial Chapel	667.56	
Residence	3,895.41	
Infirmary	341.75	
Equipment	<u>14,392.18</u>	82,651.81
In opening the books interest totaling was set aside as earnings on Plant Investments.	3,793.65	
Since then the fund has increased	<u>1,499.64</u>	<u>5,293.29</u>
Gross Plant Totals		\$701,903.98

The field report shows that some expenditures have been capitalized and the total of G\$3,559.55 is to be added to Equipment.

Current General

A study of the current accounts cannot be accomplished satisfactorily without a review of the year 1928-29 as well as 1929-30. The close of 1927-28 showed a surplus which in the following analysis is brought down as a credit balance to 1928-29. The Promotional Fund is also shown as being carried forward and subsequently transferred to Endowment.

Income 1928-29

Surplus from 1927-28		\$ 6,474.50
Promotional Fund brought forward	\$19,191.24	
<u>Current Income</u>		
Woman's Foreign Missionary Society, M.E.Church	2,000.00	
Cooperative Committee	2,077.93	
Wellesley College Committee	4,500.00	
Special Gifts for Current Budget	2,506.09	
Sale Current Funds Security	2,000.00	
Endowment Income Unrestricted	434.00	
Interest on Bank Balances	<u>1,965.39</u>	
Total Income	\$34,674.65	

Disbursements 1928-29

Transferred to Endowment (Promotional Fund)	\$19,000.00	
Insurance Fund to Endowment	3,000.00	
Current Expenses	6,000.00	
Expenses Yenching College Committee	191.24	
Interest on Loans	<u>84.73</u>	
Total Disbursements	28,275.97	
Excess of Income over Expenditures 1928-29	<u>6,398.68</u>	<u>6,398.68</u>
Total Surplus carried forward	\$34,674.65	\$12,873.18

It will be seen that the year closed with a current surplus of \$6,398.68 to be carried forward with the surplus of \$6,474.50 of the previous year, making a combined surplus of \$12,873.18. Income and Expenditures for 1929-30 follow:

Income 1929-30

Surplus from 1928-29		\$12,873.18
Woman's Foreign Missionary Society,		
M.E.Church	\$ 2,000.00	
Wellesley College Service Fund Committee	4,500.00	
Special Gifts Current Budget	6,354.05	
Endowment Income	1,973.04	
Miscellaneous Current Gifts	140.00	
Interest on Bank Balances	244.40	
Total Income	<u>\$15,211.49</u>	

Disbursements 1929-30

Remittances to Field	\$18,891.03	
Yenching College Committee (Current)	830.20	
Goodridge Scholarship	140.00	
Transferred to Insurance Fund Endowment	<u>2,000.00</u>	
	\$21,861.23	
Less Prepaid Expenses for 1930-31	<u>4,763.41</u>	
Total Disbursements	\$17,097.82	
Overexpenditures 1929-30	<u>1,886.33</u>	1,886.33
	\$15,211.49	
1928-29 Yenching College Committee Expense		
charged against surplus		<u>1,646.47</u>
		\$ 3,532.80
Net Surplus to be carried forward		<u>\$ 9,340.38</u>

Current Cash

Cash on hand as of June 30, 1930, was held in the following sections:

Endowment	\$11,706.38
Plant	16,160.18
Current General	10,576.97
Current Special	<u>35.52</u>
	\$38,479.05

Endowment cash has been properly invested. Plant cash is being held to care for authorizations issued against the Boyd Gymnasium project. Accumulated surplus cash is involved in "Current General", which shows \$1,236.59 as the current cash on hand. The \$35.52 in Current Special is the balance of accrued income on the Chamberlain Annuity.

Field report indicates that operations for the current year	
netted a surplus of	LC\$14,585.13
Surplus carried forward from previous year	<u>24,915.52</u>
Total field surplus	LC\$39,500.65

In calling attention to both field and home surpluses it is in order to ask instructions regarding the use of these funds. If it is not desirable to make definite recommendations regarding home surpluses, they could be deposited in savings accounts for the present. Undoubtedly the field can suggest ways to dispose of the field surplus.

Respectfully submitted

E.M.McBrier, Treasurer
B.A.Garside, Asst.Treasurer
C.A.Evans, Asst.Treasurer

BALANCE SHEET AS OF JUNE 30, 1930

ASSETS

Consolidated Endowment Investments
Investment - Mary Chamberlain Fund
Cash Awaiting Investment

55,440.02	General Endowment Funds	27,746.90
1,935.00	Insurance Fund	5,000.00
11,706.38	Yenching College Committee Promotional Fund	19,000.00
	Mary Chamberlain Endowment Fund Annuity	2,000.00
	E.L.Richards Scholarship Fund	1,030.50
	General Endowment Fund - 1929-30 Campaign	<u>14,304.00</u>
69,081.40		69,081.40

PLANT SECTION

Land	
Land Improvements	
Equipment	
Science Equipment	
Library Books	
Building Fund Investments	
Building Fund Investments - Wheeler	
Fund deposited in Central Hanover	
Bank and Trust Company	
<u>Building Operations</u>	
Sage Memorial	47,412.96
Boyd Gymnasium	56,488.62
Science Building	81,679.97
Practice House	3,815.74
Administration Building	30,196.99
Architectural Fees	5,098.35
Heat, Water, Light & Sewage	125,000.00
Dormitory #1 to #3	123,205.74
Dormitory #4	38,003.12
Wheeler Memorial Chapel	19,070.00
Residences	25,304.18
Dean's Residence	29,279.41
Infirmary	341.75
Plant Cash	

15,000.00	<u>General Funds</u>	
8,569.00	Presbyterian Board	31,304.99
19,686.71	Methodist Board	49,862.95
10,798.87	Joint Committee	428,093.58
25,000.00	Undesignated	7,755.42
21,444.83	<u>Special Funds</u>	
	Sage Memorial	37,000.00
	Boyd Gymnasium	63,354.91
347.56	Science Building	10,000.00
	Laura Spellman Rockefeller	27,284.94
	Wheeler Memorial Chapel	19,417.56
	Residences	7,802.41
	Infirmary	341.75
	Equipment	
	Income from Building Fund	14,392.18
	Investments	

179,593.75
5,293.29

$$\begin{array}{r} 584,896.83 \\ 16,160.18 \\ \hline 701,903.98 \end{array}$$

701,903.98

CURRENT GENERAL (before closing)

Current Expense - 1929-30	18,166.03	<u>Receipts</u>	
Current Expense - 1930-31	725.00	Women's For.Miss.Soc.of M.E.Church	2,000.00
Yenching College Committee Expenses	830.20	Wellesley College Service Fund Committee	4,500.00
Yenching College Committee Petty Cash	100.00	Special Gifts for Current Budget	6,354.05
Current Cash	10,576.97	Special Gifts for Current Budget - 1930-31	100.00
		Endowment Income Unrestricted	1,173.06
		Endowment Income - Yenching College Committee	799.98
		Interest on Bank Balance	244.40
		Women's College Surplus	9,226.71
		Accounts Payable - Yenching University	<u>6,000.00</u>
	<u>30,398.20</u>		<u>30,398.20</u>

CURRENT GENERAL (after closing)

Current Expense 1930-31	4,763.41	1929-30 Surplus	143.89
Yenching College Committee Expense	100.00	Special Gifts for Current Budget 1930-31	100.00
Current Cash	10,576.97	Women's College Surplus	9,196.49
		Accounts Payable - Yenching University	<u>6,000.00</u>
	<u>15,440.38</u>		<u>15,440.38</u>

CURRENT SPECIAL

Special Cash	35.52	Endowment Income - Mary Chamberlain Fund Annuity	5.52
		Endowment Income Restricted (Non-Budget)	<u>30.00</u>
	<u>35.52</u>		<u>35.52</u>

del
A

YENCHING COLLEGE FOR WOMEN

List of Securities as of June 30, 1930
(Income rate figured on cost price annual basis)

Face	Security and Classification	Due	Callable	Moody Rating	Int. Rate	Cost Price	Cost	Annual Income	Ann. Rate	Market 6/28
<u>Classes 1 & 2 - Real Est. Mtge. Bds.</u>										
500	The Conley Apartments 1st mortgage	1932		6	6	100	500.00	30	6	
9,000	First Mtge. Guaranty & Title Co.	1934		5½	5½	100	9,000.00	495	5½	
<u>Class 4 - Public Utility Bonds</u>										
3,000	Central Public Service Corporation "A" 1949			Ba	5½	96	2,880.00	165	5.73	83-1/2
3,000	Iowa-Nebraska Lt. & Pr. L. & R. "A" 1957	107½		Baa	5	91	2,736.00	150	5.49	95
<u>Class 5 - Industrial Bonds</u>										
3,000	Municipal Securities Corp. of Chicago Coll. Trust "U-7"	1931		6	6	101.16	3,034.83	180	5.93	
3,000	Ditto "Z-7"	1933		6-	6-	100	3,000.00	180	6	
2,000	" " "Z-7"	1934		6	6	100	2,000.00	120	6	
<u>Class 6 - Investment Trust Bonds</u>										
5,000	Chesapeake Corp. Conv. Coll.	1947	100	Baa	5	98.20	4,910.00	250	5.09	100-1/8
5,000	U.S. & British Int. Co. Ltd. Deb.	1948	103		5	84	4,200.00	250	5.95	80
<u>Municipal Bonds</u>										
2,000	City of Chicago Judgment Fund.	1933		4	4	99½	1,985.00	80	4.03	
500	City of Marietta, O., Water	1936		6	6	109.98	549.91	30	5.45	
3,500	Village of Mundelein, Imp. "4"	1932		6	6	100	3,500.00	210	6	
3,000	Village of Niles Center, Imp.	1930	(called)	6	6	100	3,000.00	180	6	
3,000	South West Chicago Drainage Dist.	1930	(due 7/1)	6	6	100	3,000.00	180	6	
1,000	Ditto	1931		6	6	114.43	1,144.28	60	5.24	
<u>Class 9 - Preferred Stock</u>										
100 sh.	Standard Gas & Elec. Cum. Prior			6	6	100	10,000.00	600	6	99-1/4
							55,440.02	3160		
<u>Plant Investments</u>										
7,000	Central Public Service Corporation	1949		Ba	5½	92½	6,457.50	385	5.96	83-1/2
7,000	Iowa-Nebraska Lt. & Pr. L. & R. "A" 1957	107½		Baa	5	91.575	6,410.25	350	5.47	95
2,000	Town of Bennington Road	1930		5	5	100	2,000.00	100	5	
5,000	City of Clovis, N.M., Paving	1939		6	6	100	5,000.00	300	6	
1,500	Stratford Bldg. & Theatre	1931		6½	6½	100	1,500.00	97.5	6½	
							21,367.75	1232.5		
<u>Chamberlain Annuity</u>										
1,000	Cities Service Pr. & Lt. Deb.	1952	105	Baa	5½	93	930.00	55	5.91	86-1/4
1,000	42 Broadway Building 1st Closed	1939		6	6	100½	1,005.00	60	5.97	100-1/4
							1,935.00	115		

MINUTES OF A MEETING
OF THE COMMITTEE OF THE TRUSTEES OF
YENCHING UNIVERSITY
for
YENCHING COLLEGE FOR WOMEN

November 18, 1930 - New York
10:00 A.M.

The semi-annual meeting of the Committee of the Trustees of the Yenching College for Women was called to order at 10:00 A.M., Tuesday, November 18, 1930, in Room 300, 150 Fifth Ave., by Mrs.O.R.Williamson, Chairman.

Present

Mrs.Boyd	Professor Kendrick
Miss Clark	Mrs.Lee
Mrs.Finley	Dr.North
Dean Franklin	President Pendleton
Mr.Garside	Mrs.Roys
Miss Kendall	Mrs.Speer

Mrs.Williamson - Presiding

Mr.C.A.Evans and Mr.Wannamaker were also present as were Miss Margaret B. Speer and Miss Augusta Wagner of the Yenching faculty. Miss Kendrick led in prayer.

The minutes of the April 22 meeting of the Committee were approved as circulated.

Y - Action 458 - It was voted to amend Article VII of the by-laws of the Committee in accord with the notice given at the previous meeting, making the article read:

Section 1. The Administrative Committee of the Woman's College shall consist of the women members of the Board of Managers, the President and Secretary of the Board of Managers, and the Dean of the Woman's College, and these persons shall be empowered to coopt five others, from within or without the Board of Managers or the Alumnae, as members of the Committee.

The Chairman introduced Miss Speer and Miss Wagner. The former spoke interestingly and hopefully of conditions at Yenching, and Miss Wagner spoke briefly of her study in Columbia University.

Excuses were presented from Mrs.Avann because of her absence in the Orient on a commission of the Foreign Mission Boards of the Methodist Episcopal Church, and from Mrs.Cavert.

The secretary reported the election of Miss Clark as one of the regular representatives of the American Board on the Yenching College Committee, and said that although a very cordial invitation had been extended to Miss Gillespie to accept membership on the Committee, she had felt that she must decline. The secretary spoke also of the printing of a Yenching News Letter.

Mr.Garside presented the report of the Treasurer of the Yenching College Committee for the fiscal year ending June 20, 1930. He explained that on receipt of the treasurer's books from Mr.Bowman, a new set of books had been opened as of May 10, 1929, in accord with the general plan of the University

books, and that his report covered the entire period from April 1929 to June 30, 1930. The report showed endowment funds amounting to \$69,081.40 in addition to which the field is holding \$2,020 of endowment funds for Library and Scholarships. The report showed the total cost of the plant to date with the expenditure for each building and indicated a credit balance in plant funds of about \$38,000 Gold. It also showed a balance credit on current income both in New York and on the field. The account had been duly audited.

Y-Action 459 - VOTED: That there be created in the Woman's College funds a Completed Buildings section to which will be transferred the building accounts of all buildings on which construction is now completed and for which all anticipated funds have been received; and that to this end authorization be given to meet any deficits remaining on such buildings by the allocation of the requisite amount of undesignated Plant Funds.

Y-Action 460 - VOTED: That the surplus in New York amounting to \$9,340.38 as reported on June 30, 1930; less the \$2,000 assigned to insurance by the Finance Committee, net \$7,340.38, be held to meet any deficit in the current budget of 1930-31.

Y-Action 461 - VOTED: That Mrs. Lee and Mr. Garside be continued as a committee to consider the uses to which the surplus on the field shall be put and to report at the next meeting.

Y-Action 462 - VOTED: To receive and place on file the Treasurer's report, with an appreciation of the clear form in which it was rendered.

Questions as to insurance funds were raised and it was

Y-Action 463 - VOTED: that a fund of \$12,000 be held and the interest on same be added to the principal until we have a fuller report on the present state of insurance of the Woman's College buildings, and that specific inquiry be sent to the field to make sure that all buildings are covered by insurance.

Mrs. Williamson made a report of progress on the work of the Committee on Pensions and Salaries.

Mr. Wannamaker reported on promotional work for the University, speaking especially of the appointment of a promotion Committee as one of the standing committees of the Trustees. Because of present financial depression the five-year campaign is being less actively pushed. The Woman's College needs included in the objectives of the campaign are an additional dormitory, a music building, a practice house, and endowment of at least \$100,000.

Miss Kendrick, for the Candidate Committee, reported that Miss Lucy M. Burt of London had joined the staff of the History Department, making the journey to China by way of America where she met many of the friends of Yenching. There is at present no call for new western faculty members.

Mrs. Boyd, as Chairman of the Nominating Committee, reported that Mrs. Cavert felt unable to accept the chairmanship of the Promotion Committee. After considerable discussion of the functions of that committee, it was

Y-Action 464 - VOTED: That Miss Alice K. Clark be elected as chairman of the Promotion Committee.

Mrs. Williamson and Mrs. Boyd were requested to organize the work in relationship to the list of "Sisters of Yenching".

The statement of the field that there is an immediate need for certain buildings, especially a fifth dormitory, was considered. After some study of the possible financial resources of Yenching College Committee, it was

Y-Action 465 - VOTED: that a committee consisting of Mrs. Williamson, Chairman, Mrs. Roys, Miss Speer, Dr. North, and Mr. Wanamaker be appointed to consider further building plans and report at the April meeting of the Committee.

The question of filling a vacancy in the coopted membership of the Committee was referred to the Nominating Committee.

The meeting adjourned.

Eula B. Lee, Secretary

MINUTES OF MEETING
TRUSTEES OF YENCHING UNIVERSITY

November 19, 1930. 1:30 P.M.

150 Fifth Avenue, New York City

List of Members

<u>Board</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>	<u>1933</u>	<u>1934</u>
A.B.C.F.M		L.R.Rounds	F.H.Warner	J.L.Barton	*Mrs.L.O.Lee
Methodist	*E.M.McBrier	*W.J.Thompson	*Mrs.Wm.Boyd	A.J.Stock	
Presbyter- ian	G.T.Scott(*C.H. Fenn,Alt.)	*Mrs.O.R.Wil- liamson	*G.G.Barber	G.M/Duff	
L. M. S.		S.P.Cadman	A.L.Warnshuis	Miss M.E.Burton	F.H.Hawkins
Coopted	*E.M.North	*F.D.Gamewell	Mrs.H.H.Jenkins		
	*V.S.Merle-Smith	E.A.Evans	*S.D.Gamble		
	Mrs.J.M.Avann	Miss E.E.Pen- dleton	C.T.Ludington		

Those whose names are starred above were present as were the following members of the Yenching College Committee:- Dean Lucy Jenkins Franklin, Miss Alice Keep Clark and Miss Marion Kendall. Mr.Olin D.Wannamaker, Mr.C.A.Evans, and the Secretary were also present.

Mr.George G.Barber, the acting President of the Board, presided. The meeting was opened with prayer led by Dr.Gamewell and Dr.Fenn.

Excuses for absence were presented on behalf of the following:- Mrs.Avann, Mr.Rounds, Dr.Cadman, Mr.E.A.Evans, President Pendleton, Mr.Warner, Dr.Warnshuis, Mrs.Jenkins, Mr.Ludington, Dr.Barton, Mr.Stock, Dr.Duff, Miss Burton, and Mr.Hawkins.

CHANGES IN ROSTER

Note was made of the following changes in roster:- re-election of Dr.Barton and Mrs.Lee as representatives of the American Board in the classes of 1933 and 1934 respectively; re-election of Miss Burton and Mrs.Hawkins as representatives of the London Missionary Society in the classes of 1933 and 1934 respectively; the appointment of Dr.Fenn as a representative of the Presbyterian Board serving as an alternate for Dr.Scott.

APPROVAL OF MINUTES

T-2898 VOTED to approve the minutes of the following meetings as distributed: Board of Trustees, April 23, 1930; Finance Committee, April 23, June 11, September 17, November 11; Finance and Budget Committees, May 21; Executive Committee (by circulation) July 3, September 4, September 13; Special Committee on McBrier Foundation (by circulation) October 11.

T-2899 VOTED that in approving the minutes of the meeting of the Committee on Finance, Property and Investment on November 11, 1930, the Board call the Committee's attention to action F-2893, express its solicitude over the growing percentage of Current General Funds which are being received and disbursed outside the gen-

eral budget of the University, and request the Finance Committee to consult with the field as to some method of working out a more homogeneous control of Current General Funds within a unified budget.

PROMOTIONAL MATTERS

Mr. Wannamaker reported briefly on the plans and activities of the Promotional Office. He stated that because of the present unfavorable financial situation, the Promotional Office is restricting its expenditures wherever possible. However, the office is continuing to send out publicity material so as to retain the interest and support of the friends of the University, is following up all existing pledges, and is cultivating new sources of support. It was planned that at the beginning of the present autumn Dr. Chester E. Jenney would resume full-time work on behalf of the University, but because of unfavorable financial conditions he has consented to postpone for the time being his resumption of full-time work; although he is giving some time for undertaking such special promotional work as may be found necessary in consultation between himself and Mr. Wannamaker. The firm of Pierce and Hedrick has been giving valuable assistance in the preparation of publicity material, and in consulting with the Promotional Office in relation to present and future plans. They have voluntarily waived for the present certain clauses in the contract between themselves and Yenching University whereby the University is required to employ a certain minimum of field representatives supplied by this organization.

Mr. Wannamaker stated that the objectives which the Promotional Office has been primarily seeking are the endowment of Yenching College for Women, a new dormitory for the Woman's College, a music building, and the endowment for Natural Science to match the gifts of the Rockefeller Foundation.

MINUTES OF BOARD OF MANAGERS

The Secretary reported that since the last meeting of the Board of Trustees there have been received minutes of the meeting of the Board of Managers held on March 1, June 21, and October 20, 1930. Most of the matters discussed by the Managers on March 1, 1930, have already been dealt with by the Board of Trustees or its committees.

Amendment in action relative to the Correlated Program. It was noted that at the April 23 meeting of the Board of Trustees the Board had before it only a portion of the action taken by the Board of Managers on March 1, relative to Yenching University's participation in the proposed correlated program for Christian higher education in China. Subsequent to this meeting of the Board of Trustees the official draft of the Minutes of the March 1 meeting of the Board of Managers was received and it was noted that the following amendment, which had not previously come to the Trustees' attention had been passed by the Managers:-

"VOTED that in endorsing this program and in participating in it Yenching University's financially independent divisions would not be limited in conducting campaigns in their own constituencies."

The Trustees were uncertain as to the meaning of this amendment and a number of widely divergent interpretations were suggested as possible. It was, therefore

T-2900 VOTED that the Board of Trustees request the Secretary to correspond with the field to ascertain more fully the meaning of the amendment adopted by the Board of Managers at its meeting on March 1, 1930, with reference to the participation of Yenching University in the correlated program for Christian higher education in China.

Annual Reports to the Board of Managers. The Board of Trustees noted with interest the large number of carefully prepared reports of the field administrative officers and committees, outlining the work and progress in the various departments of the University during the academic year 1929-30. It was

T-2901 VOTED that the Board of Trustees record its gratification over the substantial progress in all departments of Yenching University as revealed in the reports of the field administrative officers and committees for the academic year 1929-30; and that it express to these officers and committees its warm appreciation for the devoted and efficient manner in which they have carried on their work.

Amendment to Outline of Organization of Yenching University. The Trustees noted the amendment to the Outline of the Organization of Yenching University as approved by the Board of Managers on June 21, 1930. Since it was noted that all the changes pertain to matters of internal organization and administration of the University it was agreed that no formal action by the Board of Trustees was necessary.

Amendments to the By-laws of the Administrative Committee of Yenching College for Women. The Board of Trustees noted the approval by the Board of Managers of the amendments to the By-laws of the Administrative Committee of Yenching College for Women, as presented for consideration at the March 1 meeting of the Board of Managers. Representatives who were present from the Committee of Yenching College for Women stated that the Committee was in agreement with these amendments. No formal action by the Board of Trustees was considered necessary.

Reorganization in the School of Religion. The Board made a very careful study not only of the formal minute of the Board of Managers on October 20 relative to the proposed reorganization in the School of Religion, but also studied with care the letters of Dr. Stuart, under dates of September 18 and October 23, dealing with this matter. The Board expressed its sincerest appreciation of the problems which the Board of Managers and the field administrative officers of the University are called upon to face during this period of rapid change and development in China, and was unanimous in expressing its desire to cooperate to the fullest possible extent. After careful consideration, however, the Trustees found it impossible to approve this recommendation of the Board of Managers. It was

T-2902 VOTED that the Board of Trustees cannot approve the recommendation of the Board of Managers that the School of Religion be segregated and moved to a site adjoining the University campus.

The Board of Trustees believes that the University has a right to continue those functions which it exercised, with the knowledge of the Chinese government, at the time of its registration, and which it thereafter continued to exercise

without objection on the part of the Chinese government.

The Board of Trustees declares that the spirit of religion founded the University and has maintained it. This spirit it deems an integral part of the life of Yenching, and is to be conserved by presenting its tenets on an elective basis, as a branch of knowledge in the University's curricula.

A cable to the field transmitting the substance of this action was authorized.

Insurance, endowment and pension plan. The Board noted the actions of the Board of Managers at the June 21 and October 20 meetings with regard to insurance, endowment and pension plans. The Secretary reported briefly on the work during recent months of the Trustees' Committee on Salaries and Pensions. Inasmuch as the Committee on Salaries and Pensions had not had an opportunity to prepare recommendations based on the actions taken by the Managers on this subject at the October 20 meeting, it was

T-2903 VOTED to empower the Executive Committee to take final action on matters relating to salaries and pensions of the University staff as soon as it has received the report of the Trustees' Committee on Salaries and Pensions.

Agreement between Yenching University and the University of Nanking College of Agriculture and Forestry. The Board gave consideration to the action of the Board of Managers on October 20 approving the agreement drawn up between representatives of Yenching University, the University of Nanking, and the Famine Fund Committee for closer cooperation between these two institutions in work in Agriculture; and studied also the comments on this subject in President Stuart's letter of October 23. It was

T-2904 VOTED to confirm the action of the Board of Managers approving arrangements for closer cooperation between Yenching University and the University of Nanking in work in Agriculture.

WOMAN'S COLLEGE MATTERS

On behalf of the Woman's College Committee Mrs. Lee reported that a meeting of the Committee had been held on November 18, but nothing requiring action by the Trustees had been considered at that time. She stated that Miss Augusta Wagner and Miss Margaret Speer from the staff of the Woman's College were present and added very materially to the interest of the meeting. The enrolment at Woman's College is the largest in its history, the year having opened with 220 girls registered. Among the things considered, but upon which no action was taken, were appeals for a new dormitory, a new music room, and a new infirmary for girls.

Mrs. Boyd also told of her impressions during her visit to the campus a year ago.

REVISION OF REGULATIONS GOVERNING PRESBYTERIAN QUOTA

For the information of the Board the following action was reported as having been passed by the Presbyterian Board of Foreign Missions on May 19, 1930:-

"In an effort to stabilize the force of workers in a few

higher educational institutions, the Presbyterian Board of Foreign Missions has accepted certain 'quotas' on the staffs and will endeavor to provide properly qualified missionaries for such approved quotas. If and when in the Board's opinion qualified Board missionaries are not available for quota vacancies the Board will, after July 1, 1930, provide financial equivalents for a maximum of two such vacancies. This limitation of obligation to two vacancies may by explicit Board action be temporarily modified if required by the Board's quota agreement with other cooperating Boards in a particular institution."

Dr.Fenn explained the underlying reasons for taking this action.

REPORT OF THE AUDITING COMMITTEE

Mr.Merle-Smith, the Chairman of the Auditing Committee, presented the report of the certified public accountants, Chambellan, Berger and Welti, covering their examination of the New York accounts of Yenching University and of Yenching College for Women for the fiscal year ending June 30,1930. No exceptions were taken by the Auditors and the accounting procedure and practice were commended. It was stated that a certified audit from the field had also been received which reconciled with the New York accounts. It was

T-2905 VOTED that the report of the auditors, Chambellan, Berger and Welti, be received and placed on file.

The meeting adjourned with prayer by Dr.North.

B. A. GARSIDE

Secretary

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

2:00 P.M., December 29, 1930

150 Fifth Avenue, New York City

List of Members

G.G.Barber, Chairman
L.R.Rounds
*E.M.McBrier
*S.D.Gamble
A.L.Warnshuis

*G.M.Duff (General Alternate)
A.J.Stock (General Alternate)
Mrs.Wm.Boyd
*Mrs.J.H.Finley
F.H.Warner, ex officio

Those whose names are starred above were present, also Mr.O.D.Wannamaker, Mr.B.A.Garside, and Mr.C.A.Evans.

In the absence of Mr.Barber, Mr.Duff was elected Chairman pro tem.

The meeting opened with prayer led by Mr.Gamble.

CORRECTION OF MINUTES

Attention was called to an error in referring to numbered actions in the minutes of the November 11 meeting of the Finance Committee. Under F-2888(2) action F-2884 should read F-2885. This correction was approved.

TRANSFER OF ENDOWMENT FUNDS TO CHINA FOR INVESTMENT

In advance of the meeting all members of the Committee had received copies of Dr.Stuart's letters of November 10 and his cablegram of November 27. All those present had also met with Mr.C.R.Bennett at luncheon at the Prince George Hotel on December 16 for a full and unhurried discussion of the general subject of investments in China, with particular reference to the proposed transfer of \$250,000.00 of endowment funds to China for investment. Careful consideration was also given to Dr.Galt's letter of December 1 recording the action of the Finance Committee of the Board of Managers, at a meeting held November 26, 1930.

After careful and sympathetic consideration, it was

F-2906 VOTED that with regard to the proposed transfer to China for investment of \$250,000.00 of the endowment funds of the University, the Finance Committee record its judgment as follows:-

(1) That in view of the serious decline in the market value of practically all classes of investment securities, as a result of the present financial depression in the United States, the Finance Committee considers it most undesirable from an investment standpoint that the University attempt to liquidate at any early date \$250,000.00 of its endowment securities.

(2) That after the most prolonged and sympathetic consideration, and after consultation with a number of men intimately acquainted with the investment situation in China, the Finance Committee has not as yet found it possible to recommend to the Trustees of Yenching University that so substantial a part of

the University's endowment be transferred to China for investment.

(3) That in order to provide for the fullest possible understanding between the Finance Committee and the field administrative officers, boards, and committees, the Finance Committee seek to effect arrangements whereby some one of its members may make a special trip to Peiping to consult concerning this proposed transfer of funds with the administration of the University and others who are interested, or are qualified to advise, and to make recommendations to the Finance Committee and the Board of Trustees.

RE-ALLOCATION OF THE \$10,000 CAMPBELL GIFT

A recent letter from the field was presented wherein recommendations were made that the fund be held for the endowment of the Practice Schools or to await the outcome of Mrs. McLean's will.

In reviewing the situation the Committee recalled that in allocating this fund to the endowment for Natural Sciences, it was largely influenced by present conditions which indicate that it will be exceedingly difficult to raise \$250,000.00 within two years to match the first Rockefeller gift. In view of the fact that all income eventually goes to the field, it was felt that every effort should be made to secure funds to match the Rockefeller \$250,000.00 gift. It was, therefore,

F-2907 VOTED (1) That no change be made in the allocation of the \$10,000.00 Campbell gift.

(2) That the Committee adopt a policy of allocating all available funds to the endowment of Natural Sciences in order to safeguard the gift of \$250,000.00 proffered by the Rockefeller Foundation.

COMMUNICATION FROM MR. PHILIP ROOSEVELT

A communication from Mr. Roosevelt was presented to the Committee. It indicated that Mr. Roosevelt felt that he could only be of service in submitting lists of offerings for investment of funds. In view of the fact that membership on the Advisory Committee entails periodic committee meetings, it was

F-2908 VOTED that the Secretary communicate with Mr. Roosevelt, accepting his decision in regard to his relationship to the Advisory Committee, thanking him for past services and assuring him of our appreciation for his offer to be of further service in submitting lists of securities for our consideration.

REQUEST FOR FUNDS FOR BACHELOR APARTMENTS

The Committee gave earnest consideration to the proposal by the field that there be erected an apartment building for single members of the staff now housed in rented quarters. The estimated cost would be L.C.\$80,000.00, and the field suggests that this be provided as follows:- Balance from last year's special residence appropriation, L.C.\$25,000.00; gain in exchange 1930-31, L.C.\$55,000.00 The Secretary reported that the deficit standing in the general residence account on November 30, 1930, was G\$60,931;72.

Note was made of the fact that the Finance Committee, by action F-2888, had already allocated all possible gain on exchange accruing in 1930-31, so it would be impossible to provide from this source any part of the L.C.\$55,000.00 proposed. Reference was also made to the fact that on March 14, 1929, a special appropriation of G\$25,000.00 was made for residences, and again on April 23, 1930, a further special appropriation of G\$28,000.00 was made for residences; action having been taken on each of these two occasions on the basis of assurances from the field administration that if the appropriation then requested were made, it would meet the residential requirements of the University and would remove the need for any further appeal of this nature for some years to come. Following the Committee's discussion, it was

F-2909 VOTED THAT in view of the fact that two special appropriations for residences, totalling G\$53,000.00 have already been made during the last two years, that there is at present a deficit of more than G\$60,000.00 standing against the residence account, and that there is no likelihood of securing in the near future any substantial amount of new funds for residences, either from contributions or from any surplus gain on exchange, the Committee is unable to make any appropriation for the erection of the proposed bachelors' apartments.

1930-31 BUDGET

The Secretary presented an analysis of the 1930-31 budget, a copy of which is attached. The Committee noted that a large proportion of the funds provided by the Trustees is being spent in the United States, which will greatly reduce the anticipated gain on exchange and will mean that very little funds will be available for meeting supplementary budget items or caring for the special capital items listed in F-2888.

UNIFIED BUDGET POLICY

The Committee gave its attention to action T-2899 of the Trustees of Yenching University, in which the Trustees "express solicitude over the growing percentage of current General Funds which are being received and disbursed outside the general budget of the University, and request the Finance Committee to consult with the field as to some method of working out a more homogeneous control of current General Funds within a unified budget". After a study of this problem it was

F-2910 VOTED that the Finance Committee propose to the Trustees and the field administration of Yenching University that a more homogeneous control of current funds within a unified budget be set up along the following lines:-

(1) That the Budget Committee of the Board of Trustees be so constituted that it will contain representatives of at least the most important groups interested in special phases of work, such as the Women's College, the Princeton-Yenching Foundation, and the Harvard-Yenching Institute.

(2) That the field make whatever adjustments may be necessary in their processes for formulating and administering the University budget so that the general responsibility for the formulation and administration of the budget will reside in the hands of one committee, on which would be represented at least the most important of the phases of work heretofore known as

"financially independent units". This Committee would be empowered to exercise general control over budgetary matters of the units heretofore known as "financially independent", in line with the requirements of the general policy of the University, but would not have power to allocate to any other use funds contributed for designated types of work.

(3) That the Trustees revise their procedure in defining their contribution toward the University budget in such a manner that the Trustees will assume equal responsibility for all income to be transmitted by them to the field.

(4) That the Trustees' contributions toward the University budget hereafter be made in gold, except for any special gifts in local currency for designated objects which would be remitted in the form received.

FUNDS FOR 1931-32 BUDGET

The Secretary called attention to the necessity of reporting to the field the anticipated income available for the 1931-32 budget. The Committee felt that this subject should have more detailed study, and it was

F-2911 VOTED that a sub-committee consisting of Messrs. McBrier, Gamble, and Barber be appointed to report on the funds available for the 1931-32 Field Budget.

UNIVERSITY FINANCIAL POLICY

The Committee gave its most serious attention to the present state of the University's finances, and to a consideration of its financial policy for the future. The following facts were considered as being extremely important:-

1. The Plant Accounts on the New York books showed on November 30 a deficit of G\$42,269.17. It appears that receipts during the remainder of the year will probably not do more than cover other plant obligations now outstanding, so this deficit will probably increase rather than decrease.
2. The expense accounts of the Promotional Office showed on November 30 a deficit of \$18,051.85. Since all designated gifts are allocated in their entirety to the objective indicated, and all undesignated gifts from the 1928-29 and the 1929-30 campaigns have been allocated to special objectives, there is practically no income available for meeting the budget of the Promotional Office, and this deficit is increasing from month to month.
3. In spite of the fact that several large additions in current income have been received within the last two years, and that the local currency proceeds of gold contributions have been almost doubled by the favorable rate of exchange, the University has not only been unable to set aside any substantial reserve but has even found it difficult to maintain a balanced budget. Since it seems unlikely that any additional gifts in substantial amounts will be received in the near future, and since the trend in exchange presumably cannot long continue to be so favorable, it is obvious

that the present growth in current expenditures cannot continue without incurring grave financial risks.

4. The present period of financial depression has caused the indefinite postponement of the payment of many of the pledges now outstanding, and eliminates any hope for substantial new gifts from American sources for a prolonged period.
5. The effect of the financial depression upon the endowment securities of the University, and the necessity of revising the investment policy of the Trustees in the direction of more conservative securities, will mean that the endowment income will be somewhat reduced.

In view of these facts the Committee unanimously

F-2912 VOTED (1) That the Committee bring to the attention of the field authorities of the University the financial situation which now confronts the institution; and urge with all possible emphasis that the field abandon all thought of any further expansion in physical plant, in staff, in student body, or in program;

(2) That the Committee inform the field that for what will probably be an extended period the Trustees will be unable to authorize any new extensions of the physical plant, either in the purchase of land, or the construction of buildings, beyond such purchases or construction as have already been fully authorized by them.

(3) That the Committee urge the field that in the preparation of the 1931-32 budget no expansion be made in any department of either staff or program beyond the standards maintained in 1930-31; and that the total budget expenditures during 1931-32 be substantially reduced below the total for 1930-31.

(4) That in connection with the 1931-32 budget the field be requested to transmit for the information of the Trustees figures showing the contemplated number of staff and courses in each department during 1931-32, as compared with each of the four preceding years.

SALARY OF MR. VERNON NASH

The Committee gave consideration to a letter from Dr. Stuart dated October 28, 1930, and to letters from Mr. Nash dated November 9 and November 26, 1930, all dealing with the basis of Mr. Nash's salary payments during the fiscal year 1929-30. It was felt that the situation required more careful analysis, and it was

F-2913 VOTED that the Nash salary situation also be reviewed by the committee appointed under F-2911.

PLANT BALANCES AND OVERDRAFTS

The Sub-committee charged with the study of the Treasurer's analysis of Plant

Fund Balances and Overdrafts as of June 30, 1930, presented its report. On the basis of this Sub-committee's recommendations, it was

F-2914 VOTED that, subject to the concurrence of the Field Treasurer, and to any minor adjustments correspondence with the field may show to be necessary, the Trustees' Treasurer be authorized to transfer into the Completed Buildings section, the following accounts:-

- (a) McKelvey Infirmary, with instructions that any surplus in the fund for this building be applied on the cost of the Heat, Light, Water and Sewage System.
- (b) Bashford Memorial Administration Building, with instructions that any surplus in the fund for this building be used (1) to bring the Bashford Maintenance Fund up to \$30,000.00; (2) to apply on the cost of the Heat, Light, Water and Sewage System.
- (c) Scranton-Luce Social Centre, with instructions that any surplus in this fund be applied on the cost of the Heat, Light, Water and Sewage System.
- (d) Campus Service Building, with the understanding that the small deficit on this building be adjusted by the field.
- (e) Workmen's Social Centre, with the understanding that the field suggest disposition of balance.
- (f) Lake Front Dormitory, Unit A and Unit B, with the suggestion to the field that, inasmuch as Unit A was charged with architects' fees and other general charges for the whole group, the balance remaining on Unit B be applied against the deficit on Unit A; and with instructions that any deficit still remaining on Unit A be met from undesignated general plant funds.

F-2915 VOTED that, subject to the concurrence of the Field Treasurer, and to any necessary minor adjustments, the following steps be taken toward clearance of Plant accounts:-

- (a) Land and Land Improvements. That the deficit of G\$26,724.77 in account 22b "Land Improvements and General Plans" be met from the balance of G\$36,490.94 standing in the general Land Fund.
- (b) Equipment. That the deficits in the Equipment account for furniture and for scientific equipment be charged against undesignated balances.
- (c) Telephone Installation. That inquiry be directed to the field as to whether the deficit remaining in the Telephone Installation account can be met on the field from surplus which may accrue from year to year in the operation of the telephone system.

F-2916 VOTED that in accordance with the approval already given by the Committee of Yenching College for Women, and subject to concurrence by the Field Treasurer, and the Dean of the Women's College, and subject to such minor adjustments as may be found necessary in consultation with these individuals, there be created in the Plant accounts of the Women's College a completed Buildings Section to which the Trustees' Treasurer be authorized to transfer all such Women's College building accounts as are now completed, and be authorized to meet the deficits existing on any of these building accounts by the allocation of the required amount of general and unassigned Plant Funds in the Women's College.

Adjourned.

C. A. EVANS

Assistant Secretary

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YENCHING UNIVERSITY
ANALYSIS OF BUDGET 1930-31
as of November 30, 1930

DISBURSEMENTS

I. GENERAL UNIVERSITY FUNDS (CLASS A)

Acct. No.	Item	Appropriation L.C.\$	Disbursed to Nov. 30 L.C.\$	Acct. No.	Item	Budget Estimate Gold \$	Rec'd to Nov. 30 Gold \$	Balance due Gold \$
31 & Current General:-				131	American Board	3,500.00	-	3,500.00
31.1	Gen. Budget LC 166,852.79)			132	London Missionary Society	1,000.00	500.00	500.00
	Increases in			133	Methodist Board	3,500.00	1,750.00	1,750.00
	Salary	17,637.00	198,489.79	134	Presbyterian Board	3,500.00	875.00	2,625.00
	Pensions	14,000.00		135.1	Rockefeller Fdn; for Science	25,000.00	3,125.00	21,875.00
				135.2	H.-Y. Inst.	12,500.00	3,125.00	9,375.00
	Advance payments before July 1	38,406.97	18,289.03	137.1	Endowment Income, General	57,554.34	28,884.61	28,669.73
	Transmitted to field	15,000.00	4,261.36	137.2	" Theology	7,200.00	3,623.46	3,576.54
	Disbursed in U.S. (@ 2.15)	55,474.79	25,802.23	137.3	" Bashford Maint.	1,351.70	680.97	670.73
				138	Interest on Bank Balance	-	128.44	-
						115,106.04	42,692.48	72,542.00
						8,500.00	4,250.00	4,250.00
					Less Home Administration	106,606.04	38,442.48	68,292.00

II. SPECIALLY DESIGNATED FUNDS (CLASS B)

Acct. No.	Item	Appropriation Gold \$	Disbursed to Nov. 30 Gold \$	Balance Gold \$
135.4	Laura Spelman Rockefeller Mem'l	25,000.00	13,250.00	11,750.00
135.5	Princeton-Yenching Fdn.	13,500.00	613.96	12,886.04
135.6	H.-Y. Inst. Trust Acct.	26,000.00	-	26,000.00
136	Special Gifts:-			
	For Wm. Hung, salary	1,800.00	160.00	1,640.00
	" T.T. Lew "	1,800.00	-	1,800.00
	" Theology	1,800.00	-	1,800.00
		69,900.00	14,023.96	55,876.04
135.4	Laura Spelman Rockefeller Mem.	25,000.00	12,500.00	12,500.00
135.5	Princeton-Yenching Foundation	13,500.00	3,000.00	10,500.00
135.6	H.-Y. Inst. Trust Acct.	26,000.00	13,157.90	12,842.10
136	Special Gifts:-			
	Pledges Wm. Hung Salary	1,800.00	160.00	1,640.00
	A.B.C.F.M., T.T. Lew "	1,800.00	-	1,800.00
	Dr. Coffin, for Theology	1,800.00	-	1,800.00
		69,900.00	28,817.90	41,082.10

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Budget Analysis (cont.)

VI. HOME ADMINISTRATION

Acct. No.	Item	Appropriation Gold \$	Disbursed to Nov. 30 Gold \$	Bal. to be disbursed Gold \$	Acct. No.	Item	Budget Estimate Gold \$	Rec'd to Nov. 30 Gold \$	Balance due Gold \$
36.1	Central Office	8,500.00	5,656.51	2,843.49		Home Administration Appn	8,500.00	4,250.00	4,250.00
36.2	Incidentals	-	207.64	* 207.64					
36.3	Trustees	-	546.61	* 546.61					
		8,500.00	6,410.76	2,089.24			8,500.00	4,250.00	4,250.00

VII. PROMOTIONAL OFFICE

84.3	Deficit, 1928-29	-	615.74	* 615.74					
84.4	" 1929-30	-	27,329.95	* 27,329.95					
81	Promotional Expense 1930-31	22,106.68	9,739.66	12,367.02	181	Promotional Office Rec'ts	22,106.68	615.00	21,491.68
		22,106.68	37,685.35	* 15,578.67			22,106.68	615.00	21,491.68

VIII. SUMMARY OF BUDGET SITUATION

	Budget Appropriation Situation		Cash		Situation	
	Balance L.C. \$	Unspent Gold \$	Balance Gold \$	Overdraft Gold \$		
I General University Funds	89,608.03	-	-	-	9,910.14	
II. Specially Designated Funds	-	55,876.04	15,228.14	-	750.00	
III. Department of Journalism	14,757.30	-	6,291.91	-	-	
IV. Famine Fund	8,500.00	-	-	-	-	
V. Harvard-Yenching Inst. Post-Graduate	71,623.72	9,653.38	10,175.52	-	-	
VI. Home Administration	-	2,089.24	-	-	2,160.76	
VII. Promotion (a) Deficits, previous years	-	-	-	-	27,945.69	
(b) " current year	-	12,367.02	-	-	9,124.66	
	184,489.05	79,985.68	31,695.57	-	49,891.25	

Note: The above figures include adjustments authorized by F-2886

* Overdraft

IX. CASH SITUATION OF GENERAL YENCHING ACCOUNTS
(in gold dollars)

<u>Section</u>	<u>Balance</u>	<u>Overdraft</u>
Permanent Endowment	30,180.32	-
Plant	-	42,269.17
Current General	5,329.19	-
Department of Journalism	6,291.91	-
Famine Fund	-	-
Current Special	24,197.11	-
Current Promotion	-	18,051.85
	65,998.53	60,321.02
	<u>60,321.02</u>	
Actual Cash Balance	5,677.51	
Plus Special Reserve Account	<u>10,000.00</u>	
Total cash on hand	15,677.51	

COMMENTS AND FORECAST FOR
REMAINDER OF FISCAL YEAR 1930-31

1. General University. The balance to be disbursed to complete the general budget appropriation was L.C.\$89,608.03. Since, on the basis of expenditures already made this year, it seems likely that the bulk of this will be disbursed in gold at the agreed rate of 2.15 to 1 for the payment of salaries of University supported Western staff and for meeting bills for purchases of University supplies in the West, very little gain in exchange can be relied on. It will probably require approximately G\$40,000.00 to complete payments on this general budget appropriation.

Anticipated receipts still to come in on the current general account amount to G\$68,292.00. Deducting the sum of G\$40,000.00 estimated as required to complete the general budget appropriation will leave a prospective balance of approximately G\$28,292.00. This may be considered as accruing both from gain on exchange and from surplus income.

In accordance with action F-2888 such a surplus would be applied as follows (item (1) in action F-2888 already having been cared for in the above estimates):-

Complete purchase additional Power Plant		
Machinery	Approx.	G\$20,000.00
Balance to apply on repairs of heating means	"	<u>8,292.00</u>
		G\$28,292.00

Possibly the surplus indicated above may somewhat exceed the two items just listed, and in this case such an excess would be available for further allocation.

The above figures do not take into account any income above 5% on endowment securities. This item amounted in 1929-30 to G\$3,241.14, but the figure is likely to be reduced in 1930-31 due to the trend toward more conservative investments.

II. Specially Designated Funds. Since these are transmitted to the field if, when, and as received, the Trustees do not assume direct responsibility for

any shortage of income or claim a voice in allocating any surplus.

Indications are that these designated funds will be received approximately as set forth in the estimates.

III. Journalism. Receipts are coming in about as anticipated. A small surplus is being carried in this account, but this will be required to carry the Department through the last part of the five-year period now in progress.

IV. Famine Fund. These funds are transmitted as received. Receipts and disbursements will undoubtedly correspond exactly with the estimates.

V. Harvard-Yenching Institute Post-Graduate Work. Here too the Trustees are simply a forwarding agency, responsible only for receiving, forwarding, and accounting for the funds handled. Receipts and disbursements will probably be in exact accordance with estimates.

VI. Home Administration. A small deficit exists in these accounts due to two causes:- (a) Abnormal expenses in the Central Office due to the injury to Miss Lane, and (b) the necessity of certain disbursements on the "Home Administration Trustees" account for which no appropriation has been made.

VII. Promotional Office. The promotional accounts are seriously embarrassed by the deficit carried forward from previous years, amounting to \$27,945.69. A further deficit of G\$9,124.66 has already accrued during the present year, and if the present rate of excess of expenditures over income continues to the end of the fiscal year, the deficit for the current year will be approximately G\$20,000.00.

No provision has yet been made for meeting either of these two promotional deficits.

VIII. Summary of Budget Situation. This shows both the budget position and the cash situation as of November 30th. It will be noted that the sum of L.C.\$184,489.05 plus G\$79,985.68 are yet to be transmitted toward the 1930-31 budget of the University (exclusive of the Yenching College for Women).

Including the deficit of previous years in the promotional accounts, there was on November 30th a deficit of G\$18,195.68 in the combined current accounts. Omitting this promotional deficit of previous years, there was on November 30 a balance of G\$9,750.01 in the combined current accounts.

IX. Cash Situation of General Yenching Accounts. This includes all sections of the Yenching University accounts on the New York books, capital and non-budget items, as well as those related to the current budget.

It will be noted that there was a balance of G\$5,677.51 in the University checking account, together with an additional G\$10,000 on special time deposit.

No bank loans were outstanding.