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MINUTES OF MEETING
INVESTMENT COMMITTEE
YENCHING UNIVERSITY

9:00 A. M. Friday, January 24, 1941
33 Liberty Street, New York, N. Y.

List of Members:

*E. M. McBrier, Chairman
*L. R. Rounds

Those whose names are starred were present, also Mr. Frank W. Bryan of Fiduciary Counsel, Inc. and C. A. Evans.

The Committee gave consideration to the semi-annual report of Fiduciary Counsel received on January 9th.

Counsel was complimented on the completeness and comprehensiveness of the report which included detailed discussions under the following headings:

1. Valuation.
2. Diversification as to type.
3. Character of bond holdings.
4. Maturity position of bonds.
5. Bonds selling at above call price.
6. Preferred stock holdings.
7. Character of common stock holdings.
8. Basic character of common stock holdings.
9. Industrial diversification of common stocks.
10. Quality of common stock holdings.
11. Quality of Composite Fund.
12. Annual income and its source.

Elaborate tables supporting the various discussions were also included and were given careful study by the Committee.

Much of the entire discussion centered around the activities of the various industrial classifications and finally a complete study was made of the Yenching portfolio covering individual issues. It was recognized that business growing out of war orders would probably greatly improve the railroad industry and general assent was given to the proposal that second grade rail investments be liquidated under the advice of Counsel.

General approval was given to the suggestion that the bond list be developed with the idea of holding maturities which will be spread over a period of ten to fifteen years, thus providing cash for reinvestment under the varying conditions of time. It was suggested that further study be made of several individual issues, to be reported to the Committee at a later date.

Growing out of the discussion, the following definite actions were taken:-

VOTED to sell 100 shares of Goodyear Tire and Rubber 5% Preferred Stock upon confirmation by Counsel.

VOTED to sell 100 shares of Lone Star Cement Common Stock and purchase 100 shares of Reynolds Tobacco "B".

Counsel presented an agenda for guidance of the Committee and after a careful review of same, it was

VOTED to approve the general objections as outlined in the following program:

- (1) Continue to weed out bonds that do not qualify as sound investment issues.
- (2) Shorten the maturity position of your bond holdings, especially through the elimination of those with more than a twenty year maturity, provided such action is consistent with the attainment of other more important objectives.
- (3) Insofar as it is possible, bonds selling above their call prices should be switched into other issues selling below call price.
- (4) Ultimately sell all preferred stock holdings.
- (5) Continue to give consideration to the basic characteristics of common stocks so that as much as possible each and every issue which you own has to a full extent the Income and Inflation ingredients.
- (6) Continue to improve the industrial diversification of your common stock holdings so that you are represented to the fullest possible extent in those industries ranking as relatively attractive. This also involves the concentration of investments within any one industry in those companies in the strongest position.
- (7) Reduce your commitments in the automobile and railroad industries through the sale of Chrysler Corporation common and all of your railroad equities.
- (8) Continue to improve the quality of your fund so that you are to a much lesser extent represented in issues of marginal investment quality.
- (9) Maintain income at its present level or even increase income if such action does not necessitate deviation from sound investment procedure.

On motion adjourned.

C. A. EVANS,
Assistant Treasurer.

General presented an agenda for guidance of the Committee and after a careful review of same, it was

MOVED to approve the general objectives as outlined in the following program

- (1) Questions to read and write that do not qualify as mental measurements.
- (2) Review the existing position of your field position, especially through the utilization of those with more than a forty year experience, provided such action is consistent with the objectives of other more important objectives.
- (3) Insofar as it is possible, make certain that all papers should be published in the other human science journals.
- (4) Withdrawing all all previous work papers.
- (5) Continue to give consideration to the basic characteristics of human beings as they are revealed in their own behavior and in their relationships with other human beings.
- (6) Continue to improve the industrial division of your present work by having you are represented to the fullest possible extent in this division working as a relatively separate unit, but also having the cooperation of individuals within your industry in their companies in the shortest possible time.
- (7) Before your organization in the industrial and related industries through the use of regular correspondence system and all of your related activities.
- (8) Continue to improve the quality of your work as far as is possible, having extensive research in the area of mental measurement quality.
- (9) Maintain focus of the present level of your research in such areas that are essential to the development of your research program.

As noted above.

C. A. SWAN,
Assistant Professor

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MINUTES OF MEETING
COMMITTEE OF YENCHING COLLEGE FOR WOMEN

INDEXED

2:00 P. M., Friday, February 21, 1941
1 Lexington Avenue, New York, N. Y.

List of Members:

- | | |
|----------------------------|---------------------------|
| Miss Edna Ambrose | Mrs. Douglas Horton |
| Mrs. J. M. Avann | Miss Mildred McAfee |
| *Miss Margaret E. Burton | Mr. Edwin M. McBrier |
| Miss Helen B. Calder | Mrs. Maurice T. Moore |
| *Mrs. Samuel McCrea Cavert | *Mrs. Charles C. Parlin |
| Mrs. J. K. Cecil | Mrs. Henry Pfeiffer |
| Mrs. Rex S. Clements | *Mrs. Timothy N. Pfeiffer |
| Mr. Arthur V. Davis | Mrs. Clifford C. Pratt |
| Mrs. Dorr Diefendorf | Miss Josephine Rathbone |
| Miss Eleanor B. Fabyan | *Mrs. Charles K. Roys |
| *Mrs. John H. Finley | Mrs. F. Louis Slade |
| Dean Lucy J. Franklin | Mrs. Robert E. Speer |
| | Miss Amy O. Welcher |

Those whose names are starred were present, also C. A. Evans and Mrs. T. D. Macmillan.

NEW DORMITORY FOR WOMEN

The Committee gave careful thought to a letter received from the field and a telegram urging the approval and use of funds for the building of a women's dormitory. Thought was given to the uncertain conditions under which Yenching is working and also to the influences which are rife in the world, and yet with all of the discouragement, it was felt that if the field possesses the faith and courage to proceed in a building project, the Committee should cooperate insofar as possible. It was

Y-606 VOTED that the secretary write to Miss Speer voicing the sentiment of the Committee to be in favor of building a new dormitory if the maximum cost including heating and plumbing would not exceed \$50,000 and that the conditions in North China warrant such a step.

It was felt that immediate action should be taken in case a cabled response came to hand, and it was

Y-607 VOTED to hold another meeting of the Committee to discuss the question after further information has been received from the field.

On motion adjourned.

MIRIAM BOYD PARLIN
Secretary.

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MINUTES OF SPECIAL MEETING
TRUSTEES OF YENCHING UNIVERSITY

3:00 P. M. Wednesday, April 30, 1941
230 Park Avenue, New York City

List of Members:

Mrs. J. M. Avann	Charles T. Ludington
*Margaret E. Burton	Mildred H. McAfee
Frank T. Cartwright (alt.)	*Edwin M. McBrier
William H. Danforth	*Eric M. North
*Arthur V. Davis	*Mrs. Henry Pfeiffer
Wynn C. Fairfield	*Leslie R. Rounds
Mrs. John H. Finley	*Mrs. Charles K. Roys
*Sidney D. Gamble	Llody S. Ruiland
*Frank D. Gamewell	Girvan N. Snider
Rufus M. Jones	*William J. Thompson
Ralph B. Lloyd	A. L. Warnshuis
Henry R. Luce	Amy Ogden Welcher

Those whose names are starred were present, also C. A. Evans.

Mr. Arthur V. Davis presided.

The meeting was opened with prayer led by Mr. E. M. McBrier.

By common consent action on minutes of previous meeting was deferred to the Annual Meeting May 9th.

PURPOSE OF MEETING

The President called upon the Assistant Secretary to state the purpose of the special meeting, and a review of circumstances surrounding the distribution of letters from the field was presented. The result of increasing of the mailing list was stressed and shown in the reputed lack of discretion on the part of some recipients. The main purpose was stated to be the reading of portions of the last three letters, all of which seemed to be especially important because of their unusual contents.

READING OF COMMUNICATIONS

The Assistant Secretary read portions of the last three letters from the field which included a varied picture of campus life, a summary of general conclusions on present conditions, and rather definite plans for the future care of the property.

The question was raised as to the advisability of distributing copies of the letters to a widely scattered list, and it was

T-3707

VOTED that communications from the field containing matters of a confidential nature and bearing upon international relations be retained in the office of the Secretary, - with due notice being mailed to members of the Board - and that all such correspondence be made available in the office to members of the Board, but no copies are to be distributed, excepting one to be mailed to the U. S. State Department.

0006

FUTURE PLANS FOR UNIVERSITY

One of the foregoing letters dealt in detail regarding plans for protecting the property in case of more serious political involvements in North China, and also regarding the proposed evacuation of staff and students.

The utmost confidence in the management of the University was expressed, and it was

T-3708 VOTED to cable the President of the University that should substantial change of conditions warrant putting into effect the plans as set forth in the letter of March 13th that the Trustees fully recognize his ability to handle the situation and, therefore, invest him with complete authority to take such steps as seem most expedient at the time.

On motion adjourned.

C. A. EVANS,
Assistant Secretary

B/

MINUTES OF MEETING
COMMITTEE OF YENCHING COLLEGE FOR WOMEN

2:00 P.M., Tuesday, May 6, 1941
1 Lexington Avenue, New York City

List of Members:

Miss Edna Ambrose	Miss Mildred McAfee
*Mrs. J. M. Avann	*Mr. Edwin M. McBrier
Miss Margaret E. Burton	*Mrs. Maurice T. Moore
*Miss Helen B. Calder	*Mrs. Charles C. Parlin
*Mrs. Samuel McCrea Cavert	*Mrs. Henry Pfeiffer
Mrs. J. K. Cecil	Mrs. Timothy N. Pfeiffer
Mrs. Rex S. Clements	Mrs. Clifford C. Pratt
Mr. Arthur V. Davis	*Miss Josephine Rathbone
*Mrs. Dorr Diefendorf	*Mrs. Charles K. Roys
Miss Eleanor B. Fabyan	*Mrs. F. Louis Slade
*Mrs. John H. Finley	*Mrs. Robert E. Speer
Dean Lucy J. Franklin	Miss Amy O. Welcher
*Mrs. Douglas Horton	

Those whose names are starred were present; also Mrs. Charles Corbett, C. A. Evans, Miss Grace Boynton, Miss Elvena Van Sciver, and Mr. Stephen Tsai.

The meeting was opened with prayer led by Mrs. Robert E. Speer.

APPROVAL OF MINUTES

Attention was called to the Minutes of the Yenching College Committee of May 16, 1940 and Nov. 4, 1940, as distributed. It was

⁶⁰⁸
Y-600 VOTED to approve the minutes listed above, as circulated.

TREASURER'S REPORT

The Treasurer's Annual Report for 1939-40 had been distributed earlier in the year and same had been studied by the Finance Committee of the University and recommended for approval. It was

⁶⁰⁹
Y-601 VOTED to accept the 1939-40 Annual Report of the Treasurer with thanks and place same on file.

AUDITOR'S REPORT

The report of the Auditors, Messrs. Chambellan, Berger & Welti, was submitted with the favorable recommendation of the Yenching Audit Committee, and it was

⁶¹⁰
Y-602 VOTED to accept the Auditor's Report for 1939-40 and place same on file.

FINANCIAL SITUATION

The assistant treasurer presented a report forecasting income and expenditures to June 30, 1941, and it was noted that from present indications the year will close without a deficit.

BUDGET FOR 1941-42

It was stated that no detailed budget had been received from the field, although a cable had come to hand stating probable deficits. As no study of the financial situation was available, and as the figures should be forthcoming at an early date, it was:

611
Y-603 VOTED to authorize the Executive Committee to study and deal with the 1941-42 Budget, when and as received.

REPORT OF COMMITTEE ON PROMOTION

As Chairman of the Committee on Promotion, Mrs. Moore reported on the successful accomplishment of the campaign carried on last year to secure the sum needed for endowment of the Women's College. This fund amounts to \$103,473.94, in cash and pledges soon to be paid. Mrs. Moore also gave a brief report on the Wellesley-Yenching project now in its second year. For the first year, Wellesley-Yenching received gifts from a total of 1,187 donors, all new, giving a total of \$7,374.32. A comparison of the records this year indicates that on April 30, 1941, 394 alumnae had renewed their gifts in the same amount as last year; 177 had increased the amount, and 458 alumnae had made their first contributions in 1941. On April 30, 1941, 1,069 alumnae had made contributions to the project, the total cash of \$7,227.15 being almost that received on June 30th of the year before. Mrs. Moore reported that over 500 alumnae had not yet renewed their 1940 gifts, but since the form of pledge card used asked that they give either now or before December 31, 1941, it is reasonable to believe that most of these will renew before the end of the calendar year, thus increasing beyond the 1940 figure, both the number of donors and the amount of money received from them. Copies of the two folders sent to the Wellesley alumnae were shown to the members of the Women's College Committee present. It was

612
Y-604 VOTED to accept the report of the Promotional Committee with sincere thanks for the fine work accomplished.

COMMITTEE ON NOMINATIONS

Mrs. Roys reported the following recommendation from the Committee on Nominations:

Officers:

Chairman	Mrs. John H. Finley
Vice Chairman	Mrs. J. M. Avann
Secretary	Mrs. Samuel McCrea Cavert
Treasurer	Mr. E. M. McBrier
Asst. Secretary & Asst. Treasurer	Dr. B. A. Garside
Assistant Treasurer	Mr. C. A. Evans
" "	Mr. Joseph I. Parker

Committee on Budget:

Mrs. Dorr Diefendorf, Chairman
Mrs. John H. Finley

Mr. E. M. McBrier

Candidate Committee:

Miss Helen B. Calder, Chairman
Mrs. J. M. Avann

Mrs. John H. Finley
Mrs. Robert E. Speer

Candidate on Nominations:

Mrs. Charles K. Roys, Chairman
Mrs. J. M. Avann

Mrs. John H. Finley

Committee on Promotion:

Mrs. Maurice T. Moore, Chairman
Mrs. Timothy N. Pfeiffer, Vice Chairman
Mrs. Dorr Diefendorf

Dean Lucy J. Franklin
Mrs. C. C. Pratt
Mrs. Robert E. Speer

There being no other nominations, it was

613

Y-605 VOTED to instruct the secretary to cast a ballot in favor of the nominations presented.

The Secretary announced the ballot cast and the officers and committees duly elected. Attention was directed to the fine services rendered by the retiring Secretary, and it was

614

Y-606 VOTED to extend a unanimous vote of thanks to Mrs. C. C. Parlin for her work as secretary of the committee and for her continued interest in and loyalty to Yenching College.

Mention was also made of the resignation of Miss Ambrose from the Committee, and it was

615

Y-607 VOTED that the Committee regrets the retirement of Miss Ambrose from membership, and expresses sincere thanks for her loyal support.

The Committee discussed the situation growing out of the resignation of Mrs. T. D. Macmillan from the Associated Boards for Christian Colleges in China, and recommended to the Office Committee of the Associated Boards the name of one candidate. As Mrs. Finley is a member of that committee, it was agreed that she should be considered as representing the Yenching College Committee.

On motion adjourned.

Miriam Boyd Parlin

Secretary

MINUTES OF ANNUAL MEETING
BOARD OF TRUSTEES
YENCHING UNIVERSITY

9:30 A.M., Friday, May 9, 1941
Room 725, 156 Fifth Avenue, New York, N.Y.

List of Members

American Board	*Wynn C. Fairfield William H. Danforth	L. R. Rounds	*Amy O. Welcher
Methodist	*W. J. Thompson Mrs. Henry Pfeiffer	Ralph B. Lloyd F.T. Cartwright	*E. M. McBrier
Presby., North	*Mrs. J. H. Finley *G. N. Snider	*L. S. Ruland	*Mrs. C. K. Roys
London M. S.	T. Cocker Brown *Rufus M. Jones	*A. L. Warnshuis	Margaret E. Burton
Coopted	Arthur V. Davis *Frank D. Gamewell Mildred H. McAfee	*S. D. Gamble C. T. Ludington *Eric M. North	*Mrs. J. M. Avann Henry R. Luce

Those whose names are starred were present, as were also Miss Grace Boynton, Stephen Tsai, Dr. Louis E. Wolferz, Mrs. Charles H. Corbett, C. A. Evans, Vernon B. Ramseur, and the Assistant Secretary.

Mrs. Finley, Vice-President, presided and opened the meeting with prayer.

Mr. McBrier introduced Mr. Girvan N. Snider, a new member on the Yenching Board, representing the Presbyterian Board.

APPROVAL OF MINUTES

It was

T-3709 VOTED to approve the following minutes as circulated:

Committee on Promotion, October 2, 1940.
Yenching College Committee, November 4, 1940.
Investment Committee, November 18, 1940.
Committee on Finance, Property and Investment, December 11, 1940.
McBrier Foundation Committee, December 16, 1940.
Executive Committee, December 16, 1940.

SPECIAL MEETING OF TRUSTEES OF APRIL 30, 1941

At this special meeting Dr. Stuart's recommendations for the future of the University were considered. These set forth plans for handling the property and staff in case the war conditions became worse. His letters relating to the international situation were also read. Action concerning the proposals and the letters was taken as noted in the minutes of the meeting which have been distributed. It was

T-3710 VOTED to accept the minutes of the special meeting of the Board of Trustees of April 30, 1941 and approve the actions.

COMMITTEE ON AUDIT

Dr. Ruland, Chairman of the Committee on Audit, made the following report:

The Auditors' Reports for Yenching University and Yenching College for Women as submitted by the firm of Chambellan, Berger & Welti covering the fiscal year 1939-40 were promptly presented to the Committee. Each one examined the reports individually and independently, and the consensus of opinion is that the Committee finds the reports in order, and that there is no criticism to be offered. The Committee, therefore,

RECOMMEND that the Board of Trustees of Yenching University accept the reports of the Auditors for the fiscal year ending June 30, 1940 and place them on file.

It was

T-3711 VOTED to approve the recommendation of the Committee on Audit, and to accept the reports of the Auditors for the fiscal year ending June 30, 1940 and place them on file.

PRESIDENT'S REPORT TO THE TRUSTEES

Dr. Stuart's report was read and the Trustees were impressed by his understanding of the attitude and the far-reaching effect of the position taken by the students and faculty of the University. Interest was expressed in the various items proposed as next steps for the building up of the University. After discussion, it was

T-3712 VOTED to instruct the Secretary to send a letter to President Stuart, thanking him for this fine report and expressing our thanks to God that he and his colleagues have been able to carry on, under adverse conditions, with great faith and courage.

PROPOSALS REGARDING DORMITORIES

Letters from Dr. Stuart, suggesting plans for the building of additional women's and men's dormitories, were read and considered. The Yenching College Committee had considered the proposal for a women's dormitory last fall and gave general approval provided the field felt it necessary and safe to proceed. However, at a meeting on May 6 the same committee had agreed that it seemed inadvisable to proceed with any building plans at the present time. As a result of this opinion by the College Committee, a cable had been sent to President Stuart, but no answer had yet been received. The members of the Board of Trustees were agreed that the erection of dormitories would be inadvisable under prevailing world conditions.

ENDOWMENT FUNDS

Mr. McBrier presented a statement regarding the present status of the capital needs of Yenching University, copy of which is attached to these minutes. He also read a letter from Dr. Stuart, in which the need of securing increased endowment was stressed. The opinion of a number of the members of the Board was that a campaign for increased capital funds should not be postponed because of the present war situation, and that nothing will be gained by putting off the effort to secure additional endowment funds. The question was discussed at length, and it was pointed out that the Trustees would need to clear the matter with the United China Relief, Inc., particularly as to whether endowment funds for the University could be included in the United China Relief campaign. It was

T-3713 VOTED that (a) the Board of Trustees approve the project of a campaign for increased endowment for the University program;

- (b) An effort be made to increase the number of supporters with the view to building up a "living endowment";
- (c) The Committee on Promotion be asked to consider plans and develop them as circumstances may indicate that they are possible and needed.

Dr. Thompson, Chairman of the Committee on Promotion, suggested that there was necessity of emphasizing the idea of the permanency of Yenching University and of China. It was, therefore,

T-3714 VOTED to instruct the Committee on Promotion to endeavor, through publicity and promotional efforts, to especially stress the idea among the friends of the University that China is permanent and will endure, and that Yenching University is built as a permanent institution and gifts to it will have permanent value.

ASSISTANCE FOR FACULTY MEMBERS IN AMERICA

Mr. Tsai presented the need for help for faculty members and referred to Dr. Stuart's statement of November 29, 1940 regarding the need for establishing funds for this purpose. It was pointed out that the Associated Boards is working on plans for the enlargement of their program for helping faculty members, but that at the present time this has not grown to the point where many applicants can be helped in a given year. It was felt that plans for scholarship aid for faculty members should be provided through the Associated Boards, and that it would seem wise for the Yenching Trustees to cooperate in the development of that plan. It was

T-3715 VOTED that the Board of Trustees inform Dr. Stuart that they are very much in sympathy with his plan for the assistance of faculty members in America, and that the Trustees propose to support the development of the scholarship plans within the framework of the Associated Boards.

It was noted that letters would be going forward from the Associated Boards regarding their plans for the development of their program on scholarships, and that the Trustees would await with interest replies to these letters from Dr. Stuart.

PRESIDENT STUART'S REPORT ON CHRISTIAN LIFE IN THE COLLEGES

This report from Dr. Stuart was reviewed with interest. It was felt that this report was so pertinent to the entire problem of higher education in China that it should be referred to the Associated Boards. It was, therefore,

T-3716 VOTED to place the document in the hands of all the members of the Associated Boards, with the request that the members of the individual college boards call this report particularly to the attention of the constituent boards of missions.

BUDGET FOR 1941-42

It was reported that the budget figures at present in hand were based upon a cablegram which gave only the totals. In order to present the needs of Yenching University to the United China Relief, it has been necessary to fill in from last year's budget a number of items. Since detailed budget figures will probably be received very soon, it was

T-3717 VOTED that the proposed budget for 1941-42 be referred to the Finance Committee, with power, for study and final action.

It was also

T-3718 VOTED that the Finance Committee be given power to study the askings and make recommendations to the Associated Boards for amounts needed from the Sustaining Fund of 1941-42.

SIGNATURES ON FIELD BANK ACCOUNTS

It was stated that Yenching bank accounts are carried at the Central Hanover Bank and Trust Co. from which money may be drawn by the officers on the field. It had been pointed out by the bank that conditions might develop which would make it advisable to have officers in America able to sign on these accounts. It was, therefore,

T-3719 VOTED that the Treasurer and three assistants be authorized to sign on the two Yenching field accounts carried at the 34th Street Branch of the Central Hanover Bank and Trust Co., and that the proper officers be authorized to execute such documents as are necessary for the protection of the bank and the accounts.

REPORT OF THE NOMINATING COMMITTEE AND ELECTION OF OFFICERS

Dr. Ruland, Chairman of the Nominating Committee, submitted the following nominations for the ensuing year:

Coopted Trustees in the Class of 1944: S. D. Gamble, C. T. Ludington.

Officers:

President	- Arthur V. Davis
Vice-President	- Mrs. John H. Finley
" "	- Sidney D. Gamble
" "	- Eric M. North
Treasurer	- E. M. McBrier
Secretary and Assistant Treasurer	- B. A. Garside
Assistant Secretary and Asst. Treasurer	- C. A. Evans
" " " " "	- Joseph I. Parker

Executive Committee: Eric M. North, Chairman; Girvan N. Snider, Sidney D. Gamble, Mrs. John H. Finley, Arthur V. Davis, E. M. McBrier, Wynn C. Fairfield, A. L. Warnshuis, Leslie R. Rounds.

Committee on Promotion: W. J. Thompson, Chairman; E. M. McBrier, Girvan N. Snider, Mrs. John H. Finley, A. L. Warnshuis, Sidney D. Gamble, Mrs. Timothy N. Pfeiffer, Mrs. Charles K. Roys, Henry W. Luce, Mrs. Maurice T. Moore.

Committee on Finance, Property, and Investment: Sidney D. Gamble, Chairman; Leslie R. Rounds, Vice-Chairman; E. M. McBrier, Girvan N. Snider, A. L. Warnshuis, Mrs. John H. Finley, Mrs. Maurice T. Moore, W. J. Thompson, Alternate.

Committee on Nomination and Audit: Lloyd S. Ruland, Chairman; W. J. Thompson, Mrs. John H. Finley, Margaret E. Burton, Wynn C. Fairfield.

Committee on Instruction: Mrs. Charles K. Roys, Chairman; W. J. Thompson, Vice-Chairman; Frank T. Cartwright, Mildred H. McAfee, Lloyd S. Ruland, Amy O. Welcher.

Committee on McBrier Foundation: Eric M. North, Chairman; Sidney D. Gamble, Wynn C. Fairfield.

Representative of the Trustees on the Yenching College Committee: E.M. McBrier.

Associated Boards Committees:

Executive Committee: Girvan N. Snider; Eric M. North; Frank D. Gamewell, Alternate; E. M. McBrier, Alternate.

Committee on Finance: Girvan N. Snider; Leslie R. Rounds; Sidney D. Gamble, Alternate.

Committee on Promotion: W. J. Thompson; E. M. McBrier; Mrs. Charles K. Roys, Alternate; Lloyd S. Ruland, Alternate.

Committee on Christian Character, Staff, and Curriculum: Mildred H. McAfee; Frank D. Gamewell; Wynn C. Fairfield, Alternate.

Nomination of the following three from which one representative will be elected by the Harvard-Yenching Institute: Arthur V. Davis, Mildred H. McAfee, Wynn C. Fairfield.

Recommendation that vacancies occurring in any office between meetings of the Board of Trustees be referred to the Executive Committee with power.

It was

T-3720 VOTED that the report and recommendation of the Nominating Committee be accepted, and that the Secretary be requested to cast an unanimous ballot for the persons named.

REPORT FROM MISS BOYNTON

Miss Boynton was asked to speak and she told of the life on the campus before and since the war began. She pointed out particularly that Christian life on the campus had been strengthened because of the needs brought about by the suffering and difficulties growing out of the war. She also referred to the position which Miss Margaret Speer, the Dean of Women, holds on the campus and spoke of her very fine contributions to the administration of the University.

RETURN OF WOMEN TEACHERS TO THE UNIVERSITY

Plans for Miss Boynton's return to China brought out the problem that is being faced by mission boards in the returning of women missionaries to the field. The Trustees were of the opinion that where teachers were related to mission boards, the problem became one which would have to be decided between the mission board and the individual. It was

May 9, 1941

T-3721 VOTED to inform the American Board of Commissioners that the Trustees hope Miss Boynton may be allowed to return to the field, and recommend her case to them for favorable consideration.

It was also

T-3722 VOTED that the question of whether a woman should be allowed to go back to China should not be settled on the matter of sex, but on the matter of ability, character, strength, determination, and the value of the woman to the work.

PROPOSAL FOR A UNITED BOARD

Dr. North reviewed the status of the proposal for a United Board, and pointed out that all the constituent mission boards had approved the plan in principle with the exception of the London Missionary Society, which had not yet had time to take action. He also referred to the fact that several of the college trustee boards had approved the plan in principle. After discussion of some of the details of the proposal, it was

T-3723 VOTED to approve the plan in principle, and to appoint a representative to meet with the representatives of other mission boards and college boards to work out the final details of the plan for presentation to the Board for final action.

It was understood that this action was taken subject to reconsideration in the light of decisions to be received from the London Missionary Society.

The meeting adjourned with prayer by Dr. Gamewell.

JOSEPH I. PARKER
Assistant Secretary

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May 1, 1941

PRESENT STATUS OF
CAPITAL NEEDS OF YENCHING UNIVERSITY

(As adopted December 7, 1933, and reported to the A.B.C.C.C.)

	<u>Original</u> <u>Objectives</u>	<u>Obtained</u> <u>to date</u>	<u>Unpaid</u> <u>Pledges</u>	<u>Balance</u> <u>Needed</u>
<u>ENDOWMENT</u>				
A. Women's College-----	100,000.00	90,163.94	10,000.00	
B. School of Religion-----	50,000.00	50,620.00		
C. General University-----	500,000.00	115,000.00		385,000.00
D. College of Natural Sciences-	500,000.00			500,000.00
E. College of Public Affairs(PYF)	450,000.00			450,000.00
F. Department of Education-----	500,000.00			500,000.00
G. Department of Physical Education and Health-----	250,000.00			250,000.00
H. Department of Journalism-----	250,000.00	1,010.00	1,500.00	247,390.00
Totals-----	2,600,000.00	256,793.94	11,500.00	2,332,390.00

PLANT

A. Unallocated Residences-----	72,300.00			72,300.00
--------------------------------	-----------	--	--	-----------

FUTURE EXPANSION AFTER STABILIZING
WORK THROUGH INCREASED ENDOWMENT

B. Library Building-----	100,000.00			100,000.00
C. Music Hall-----	25,000.00			25,000.00
D. Men's Dormitory-----	50,000.00			50,000.00
E. Laboratory-----	15,000.00			15,000.00
F. Books for Library-----	100,000.00			100,000.00
G. Women's College Dormitory----	40,000.00	40,000.00		-----
Totals-----	330,000.00	40,000.00		290,000.00

Item "C" of "Endowment" - "General University" \$500,000 is the most pressing need.

File

MINUTES OF MEETING
INVESTMENT COMMITTEE
YENCHING UNIVERSITY

3:00 P. M. Wednesday, May 23, 1941
40 Wall Street, New York, N. Y.

List of Members:

*E. M. McBrier, Chairman
*L. R. Rounds

Those whose names are starred were present, also Mr. Girvan Snyder of the Board of Trustees, by invitation, Mr. Jackson Martindell and Mr. Frank W. Bryan of Fiduciary Counsel, Inc., and also C. A. Evans.

Mr. Martindell discussed world conditions, particularly in reference to the trend of affairs in the Mediterranean and the effect of the Hess Incident in England, and suggested that until approximately June 15th no definite commitments be made covering sales or purchases aside from one or two submitted below.

Present investment of money in common stocks, in general, should be confined to such groups as chain stores, utilities, tobacco stocks, drug stocks and to a limited degree insurance company stock.

It was stated that the present and probably the near future represented an outstanding opportunity to dispose of rail bonds and stocks.

Covering specific recommendations, and after due consideration, it was

VOTED to sell 300 shares of AMERADA COMMON STOCK at approximately 55 $\frac{1}{2}$ and purchase 300 shares of CONSOLIDATED GAS OF BALTIMORE COMMON STOCK at approximately 55 $\frac{1}{2}$.

Also, it was

VOTED to purchase \$50,000 Series G 2 $\frac{1}{2}$ % twelve-year U. S. Defense Bonds.

A study of actions as made within the Yenching account was presented by Mr. Bryan and reviewed. It showed a marked improvement in the grade of bonds and maturities. The grade in stock transactions also showed considerable betterment -- all at some sacrifice of income, but with the purchases recommended being completed, even the income would not suffer a drastic decline while the account stands in good position to take advantage of any possible decline in stock prices.

In giving thought to specific items on the security list, the Committee decided it more advisable to wait foreign developments until approximately June 15th, at which time also the tax issues in Congress will have probably taken on a more definite form.

On motion adjourned.

C. A. EVANS,
Assistant Treasurer.

0018

CIRCULATION VOTE
BOARD OF TRUSTEES, YENCHING UNIVERSITY

June 13, 1941

VACANCY ON THE HARVARD-YENCHING CORPORATION

The following action was handled by correspondence and the members of the Board listed below returned votes in approval of the motion:-

T-3724 VOTED that the Trustees of Yenching University, having noted with deep regret the continued illness of Mr. George G. Barber, and the expiration of his service as a Yenching Trustee, desire that an active Trustee should represent Yenching on the Harvard-Yenching Corporation, and therefore, as provided by the Constitution of the Harvard-Yenching Institute, do declare that the membership in said corporation held by Mr. Barber is now vacant, and that the persons named by the Annual Meeting of the Trustees of Yenching University are the nominations of the Trustees for said vacancy as provided by the Constitution of the Institute.

List of Members Approving the Motion:

Mrs. J. M. Avann	Dr. Eric M. North
Miss Margaret E. Burton	Mr. Leslie R. Rounds
Dr. Frank T. Cartwright	Mrs. Charles K. Roys
Dr. Wynn C. Fairfield	Dr. Lloyd S. Ruland
Mrs. John H. Finley	Mr. Girvan N. Snider
Dr. Frank D. Gamewell	Dr. A. L. Warnshuis
Dr. Rufus M. Jones	Miss Amy Ogden Welcher
Miss Mildred H. McAfee	

JOSEPH I. PARKER
Assistant Secretary

JD

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REPORT OF THE TREASURER

TRUSTEES OF YENCHING UNIVERSITY

June 30, 1941

Yenching University has concluded another year of activity on its own campus at Peking, in spite of untoward circumstances and constant apprehension. That practically normal life may be carried on is indeed an achievement. That it has continued to grow and still maintain its Christian character and standing is more remarkable indeed.

Here in America the program for the development and sustenance of the University has been prosecuted with vigor, with the United China Relief taking up a part of the promotional burden during the closing months of the year.

Mr. Stephen Tsai spent several months in the U.S.A., a part of the time being used in visiting Yenching friends as well as trying to make new acquaintances. The experiment was not unsuccessful by any manner of means.

The increases and changes in Endowment and Plant Accounts as well as income from all sources and expenditures are shown in schedules which follow. The essential figures in the report have been checked by the Auditors, Messrs. Chambellan, Berger and Welti.

The following documents accompany this report:

- (a) Trial Balance Sheet
- (b) Budget Analysis
- (c) Consolidated Balance Sheet
- (d) List of Securities

ENDOWMENT

The Endowment funds increased by \$448.42 during the year. Including the \$500,000 carried by the Harvard-Yenching Institute, which is designated for Chinese cultural studies, the combined Endowment Funds are \$2,709,090.31.

The schedule showing the source of increase is below:

Income-	Swiss Committee Fund Principal	109.25	
	Endowment Income stabilization account	201.26	
	Journalism Endowment Funds	510.00	
	Income Educational Fund Foreign children	<u>596.88</u>	1,417.39
Less-	Amount used to equalize 1940-41 Endowment income from the Endowment stabilization Fund	168.97	
	Amount used from Educational Fund for Foreign Children	<u>800.00</u>	<u>968.97</u>
			448.42

The changes in the Investment Portfolio and cash have been reported to the Trustees throughout the year in the Minutes of the Finance Committee and are not repeated here to avoid duplication and conserve space.

0021

The reconciliation of the totals, however, are shown herewith:

Income-	Consolidated Investments	47,834.55	
	Wallace Property Adjustments	35.00	
	Sale of securities (Loss)	43,139.10	
	Interest on Savings Bank Accounts	<u>186.51</u>	91,195.16
Loss-	Decrease in Swiss Comm. Investments (Called)	915.75	
	Cash of 6/30/41 used during year(not)	<u>89,830.99</u>	<u>90,746.74</u>
			<u>448.42</u>

The total value of Endowment Funds on June 30th was \$1,666,764.23.

Total Income as related to different funds is shown herewith:

	<u>Principal</u>	<u>Income</u>	<u>Rate</u>
General	1,413,831.64	50,529.36	3.57
Natural Science	500,000.00	17,810.20	3.56
D. Willis James	100,000.00	3,982.74	3.98
Luce Scholarship Fdn.	46,260.00	1,663.48	3.60
Special Funds	24,695.17	1,190.72	4.82
Scholarship	19,400.00	686.68	3.54
McBrier Foundation	<u>100,000.00</u>	<u>3,889.51</u>	<u>3.89</u>
Totals and Aver. Rate	2,204,186.81	79,752.69	3.62

PLANT SECTION

Totals in Plant increased by \$4,708.82 to an aggregate of \$1,897,526.45. The details of the increase are as follows:

Gift of Miss M. and Miss H. Gibson	1,000.00	
Income on Invested Building Funds	3,285.99	
Income on Wheeler Memorial Chapel Fund	<u>422.83</u>	4,708.82

The above increase is reflected in increased assets as follows:-

Cash	3,285.99	
Library Equipment	1,000.00	
Wheeler Memorial Chapel	<u>422.83</u>	4,708.82

During the year and at the request of the field Auditors and Treasurers, the Undistributed Account (26f1) \$4,708.62 was closed out into the Residence General Account, thus reducing one open account in this Section.

Plant Investments June 30 - at cost totaled \$68,809.50. The market value as of the same date was \$57,225.00

CURRENT GENERAL

Income from Mission Board appropriations maintained the same level as last year, while Special Funds showed an increase of \$500.00 due to the additional appropriations from Princeton-Yenching Foundation. At the favorable rate of exchange enjoyed, this increase helped considerably.

Income from Endowment funds showed a net increase due to the action of the Trustees in voting an additional amount from Natural Science income. Otherwise there was a slight reduction in interest and dividends.

Sustaining Funds were less within the year by \$15,259.97 but the additional amount allotted Yenching from Sustaining Funds to be used after July 1, 1941 and which are in hand is \$9,200.00.

The books were balanced by the use of \$494.71 from Endowment Income Stabilization Account. This is in contrast to the 1939-40 closing which showed a surplus of \$1,315.62.

Expenditures are shown below as per the budget approved at the beginning of the year, the Home Administration and Promotion being slightly in excess of a year ago due to the Special Promotional Budget.

The following schedule shows income for the past two years for comparison and lists the increases or decreases. Expenditures are appended thereafter:

<u>Income</u>	<u>1940-41</u>	<u>1939-40</u>	<u>Increase or Decrease</u>
<u>Boards: American</u>			
London Missionary Society	675.00	675.00	--
Methodist Board	999.58	999.13	.45+
Presbyterian Board	1,472.00	1,472.00	--
	2,000.00	2,000.00	--
<u>Special Funds</u>			
Princeton-Yenching	8,500.00	8,000.00	500.00+
Harvard-Yenching Inst. Restricted a/o	22,368.42	22,368.42	--
Yenching College for Women	1,450.00	1,450.00	--
<u>Endowment Income</u>			
General	45,870.20	47,848.32	1,978.12-
Natural Science	16,735.00	14,085.00	2,650.00+
Restricted	8,502.68	8,559.52	56.84-
Bashford Memorial	1,099.12	1,139.68	40.56-
Luce Scholarship	1,640.00	1,723.00	83.00-
<u>Sustaining Funds</u>	21,755.50	37,015.47	15,259.97-
Promotional Receipts Undesignated	--	628.00	628.00-
	<u>133,067.50</u>	<u>147,963.54</u>	<u>14,896.04-</u>
<u>Expenditures</u>			
Field Budget	84,891.00	85,084.45	193.45-
Home Administration & Promotion	25,060.55	23,548.00	1,512.55+
Incidentals	1,108.08	756.11	351.97+
Trustees	252.37	243.89	8.48+
Sustaining Funds, available for fund	<u>21,755.50</u>	<u>37,015.47</u>	<u>15,259.97-</u>
	<u>133,067.50</u>	<u>146,647.92</u>	<u>13,580.42-</u>
Surplus, 1939-40		<u>1,315.62</u>	
		<u>147,963.54</u>	

It will be noted that there was no income from undesignated promotional receipts during the year. This was due to the gradual decrease in this account over a period and also to the taking over of Promotional work by United China Relief.

PROMOTIONAL SECTION

Charges in this budget were closed out under Current General but there still is a deficit of \$905.27 from 1937-38. It is hoped that some source of income may be located to cancel this overdraft.

SPECIAL SECTION

James W. Porter Income Account. Income on this fund was \$180.23, bringing the accumulated total to \$365.05.

Suspense Account. Transactions in this account consist of items of a more or less temporary nature but some special accounts for field staff have been added. The Principal items as of June 30th were:-

Value of North American Stock to be sold	2,000.00	
Less Swiss Committee Cash balance	309.02	
	<u>1,690.98</u>	
Swiss Committee charges	232.70	
	<u>1,923.68</u>	
Less Field accounts- Band	1,144.00	
Rechtensee	825.03	
Shadick	67.59	
Stuart	1,597.07	
Swiss Comm. Income	85.43	3,719.12
		<u>1,795.44</u>

Managers Current Funds. On June 30th the funds belonging to the field totaled \$130,000.00. Investments continued at \$93,281.00 and income for the year totaled \$2,512.09. Some sort of medium should be discovered for the employment of the balance even though the income might be pitifully low.

Miscellaneous Current Gifts. This account shows a debit balance because of advances made to Kian Yu Shan not being covered by special gifts. A few articles left for sale will reduce this slightly but approximately \$100.00 must be found from some source.

McBrier Foundation Income. Interest on investments in the fund amount to \$3,889.51 against which there were approved payments of \$3,700.00.

Special Scholarships. The Marcy Scholarship of \$100.00 was received as usual and forwarded to the field.

CASH SITUATION

Cash on hand June 30, 1941 was as shown below as related to the different Sections:

	<u>Balance</u>	<u>Overdraft</u>
Endowment General		12,955.08
" Swiss Committee	2,452.78	
Plant	7,214.73	
Current General	25,800.66	
" Special	63,834.68	
Promotional		2,429.36
	<u>99,302.85</u>	<u>15,384.44</u>
	15,384.44	
	<u>83,918.41</u>	

This was carried with the Irving Trust Company, Woolworth Branch.

Savings Bank Cash was carried as follows:

Endowment Cash:	
Bowery Savings Bank	6,597.74
Emigrant Industrial Savings Bank	5,959.46
	<u>12,557.20</u>

Savings Banks Accounts amounting to \$31,268.12 are carried as part of the Managers Current Fund Investments.

RECOMMENDATIONS

It is recommended-

- (a) That steps be taken to close out the balances carried in the Wallace Property Accounts, by sale individually or collectively of the remaining properties.
- (b) That the field funds be invested as soon as possible in such securities as will serve to secure proper income commensurate with safety of principal.

Respectfully submitted

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

M O T U R

DISBURSEMENTS

YENCHING UNIVERSITY
ANALYSIS OF BUDGET
JUNE 30, 1941

RECEIPTS

1. CLASS A - GENERAL FUNDS

<u>Item</u>	<u>Appropri- ation</u>	<u>Disbursed to June 30</u>	<u>Balance</u>	<u>Item</u>	<u>Budget Estimate</u>	<u>Rec'd. to June 30</u>	<u>Balance due</u>
Current Budget	84,891.00	84,891.00	-	General University	675.00	675.00	-
				American Board	1,000.00	999.58	.42
				London Missionary Society	1,472.00	1,472.00	-
				Methodist Board	2,000.00	2,000.00	-
				Presbyterian Board			
				Endowment Income			
				General	45,853.00	45,870.20	17.20*
				Bashford	1,100.00	1,099.12	.88

Specialty Designated	8,500.00	8,500.00	-				
Princeton-Yenching Fdn.	22,368.00	22,368.42	.42*				
Harvard-Yenching Institute	16,735.00	16,735.00	-				
Natural Science Endowment	5,104.00	5,104.00	-				
Harkness Endowment	886.00	886.00	-				
Thompson Endowment	1,804.00	1,804.00	-				
Gamewell Professorship	22.00	22.00	-				
Seranton-Luce Social Center	1,640.00	1,640.00	-				
Luce Scholarship Fund	703.00	686.68	16.32				
Miscellaneous Scholarship	109,862.00	109,862.00	-				
Less Home Adm. & Promotion	24,971.00	24,971.00	-				
	84,891.00	84,891.00	-				

<u>Sustaining Funds</u>	<u>21,755.50</u>	<u>21,755.50</u>	<u>-</u>	<u>1. CLASS B SPECIAL FUNDS</u>	<u>Sustaining Funds</u>	<u>21,755.50</u>	<u>21,755.50</u>	<u>-</u>

*Received over amount budgeted.

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11. HARVARD-YENCHING INSTITUTE, POST GRADUATE WORK

Item	Appropriation	Disbursed to June 30		Item	Budget Estimate	Rec'd. to June 30	Balance due
		IC\$	US\$				
For General Purposes Transmitted to Field	IC\$126,355.87	125,045.87	9,762.11	For General Purposes	10,000.00	10,000.00	-
Office Secretaries	US\$ 2,045.50	2,045.50	2,045.50	Office Secretaries	2,045.50	2,045.50	-
Accounting & Auditing	" 350.00	350.00	350.00	Accounting & Auditing	350.00	350.00	-
Staff Salaries	" 3,432.00	3,432.00	3,432.00	Staff Salaries	3,432.00	3,432.00	-
Book Purchases	" 11,000.00	11,000.00	11,000.00	Book Purchases	11,000.00	11,000.00	-
Archaeological Lab.	" 500.00	500.00	500.00	Archaeological	500.00	500.00	-
Sino Indian Institute	" 1,400.00	1,400.00	1,400.00	Sino Indian Institute	1,400.00	1,400.00	-
Contingent	" 1,000.00	1,000.00	1,000.00	Contingent	1,000.00	1,000.00	-
Journal of Chinese Studies	" 2,205.63	2,205.63	2,205.63	Journal of Chinese Studies	2,205.63	2,205.63	-
Teaching Staff	" 250.00	250.00	250.00	Teaching Staff	250.00	250.00	-
		31,945.24	31,039.11		32,183.13	32,183.13	-0-
		906.13					
Less amt. held covered by Surplus from 1939/40							

III HOME ADMINISTRATION & PROMOTION

Appropriation	Disbursed to June 30		Appropriation	Disbursed	Bal. to be Disbursed	Appro.-University	-Women's College	Budget Estimate	Rec'd. to June 30	Balance due
	IC\$	US\$								
Adm. & Promo.-Asso. Bds	20,771.00	20,271.00	20,271.00	500.00				24,971.00	24,971.00	-
Incidentals	750.00	1,108.08	1,108.08	358.08*				1,450.00	1,450.00	-
Trustees	250.00	252.37	252.37	2,37*						
Promotion-Yenching	2,650.00	3,292.75	3,292.75	642.75*						
Reserve for Possible Activ.	2,000.00	1,496.80	1,496.80	503.20				26,421.00	26,421.00	-0-
	26,421.00	26,421.00	26,421.00	-0-						

* Disbursed over amount budgeted.

IV. SUMMARY OF BUDGET SITUATION

Budget Unspent L. C. \$	Appropriation Unspent U. S. \$	Situation Overexpended U. S. \$		Cash Balance U. S. \$	Balance Overdraft U. S. \$
		U. S. \$	U. S. \$		
-	-	-	-	-	-
1,310.00	1,310.00	-	-	1,144.02	-
-	-	-	-	-	-
1,310.00	1,310.00	-0-	-0-	1,144.02	-0-

IA General Funds

IB Special Funds

II Harvard-Yenching Inst.-Post Graduate Work

III Home Administration & Promotion

BALANCE SHEET
YENCHING UNIVERSITY

JUNE 30, 1941

A S S E T S

L I A B I L I T I E S

PERMANENT ENDOWMENT

Consolidated Endowment Investments 1,859,084.25
 American Board of Commissioners (In Trust) 100,000.00
 Swiss Committee Investments 8,642.02
 Other Permanent Funds:
 Burt Friant Student Loan 125.00
 Sidney D. Gamble Student Loan 4,778.50
 Accounts Receivable-Wallace Property Contracts 7,704.30
 Wallace Property Contracts-Adjustment Account 738.19
 Loss on Sale of Securities 233,667.45
 Savings Bank Accounts 12,557.20

Hall Endowment Fund - General 1,050,094.61
 Harkness Endowment Fund 143,969.10
 Lucy K. Sackett Endowment Fund 1,000.00
 D. Willis James Foundation 100,000.00
 McEriar Fdn. for Biblical Instruction 100,000.00
 Library Endowment Fund 7,000.00
 Endowment For Natural Sciences:
 Rokefeller Foundation 250,000.00
 General 225,000.00
 Mary Huggins Gamble Fund 25,000.00
 Swiss Committee Fund 11,094.80
 Luce Scholarship Foundation 46,260.00
 Pfeiffer Emergency Endowment Fund 100,000.00
 Mary McLean Thompson Endowment Fund 25,000.00
 Endowment Income-Stabilization Fund 5,622.54
 F.D. Gamewell-Chair of Christian Religion 50,620.00
 Journalism Endowment Funds 1,010.30
 Other Permanent Funds:
 Burt Friant Student Loan 125.00
 Sidney D. Gamble Student Loan 4,778.50
 Educational Funds for Foreign Children 2,996.94
 Mary C. Pardee Scholarship 3,000.00
 Olive Pardee Scholarship 3,000.00
 Frances Jenks Hall Scholarship 2,400.00
 Boyd Scholarship Fund 10,000.00
 General Scholarship Fund 1,000.00
 James W. Porter Fund 4,980.89
 Bashford Memorial Maintenance 30,937.93
 Scranton-Luce Social Center Maintenance 700.00
 Warner Memorial Gymnasium Maintenance 3,500.00
 Endowment Equity in Wallace Property Contracts 7,704.30
 Cash Overdraft (General Endowment) 12,955.08
 Cash Awaiting Investment:(Swiss Comm) 2,452.78
 Cash Awaiting Investment:(Swiss Comm) 2,452.78

2,227,296.91

2,227,296.91

Yenching University Balance Sheet - 2

Completed Buildings:

General Educational 390,729.66
 Dormitories 277,487.12
 Residences 348,534.80
 Heat, Light, Water & Sewage System 381,938.29
 Miscellaneous Building Operations 104,635.24
 Land: General

Athletic Field 1,503,325.11
 Dairy 88,621.48
 Improvement & General Plans 17,505.00
 Equipment: 90.00
 Furniture 69,952.76
 Scientific 2,365.67
 Library Books 27,632.05
 Harvard-Yenching Inst., Art Studio 56,664.96
 Library Equipment 101.38
 Building Fund Investments 1,000.00
 Building Operations: 68,809.50
 Model School Practice House 9,775.24
 Residences General 15,825.92
 Wheeler Memorial Chapel 19,171.79
 Laura Spelman Rockefeller Fund 5,470.86
 Bills Receivable 5,000.00
 Plant Cash 7,214.73

PLANT

Funds for Completed Buildings
 General Funds:

American Board 54,500.00
 London Missionary Society 11,092.44
 Income-Invested General Building Funds 33,686.92
 Land Funds: Miscellaneous 24,854.34
 Wallace Camp Fund 96,020.56
 Dairy 90.00
 Land Improvement & General Plans 33,732.75
 Equipment Funds:

Furniture 100.00
 Scientific 16,124.31
 Library Books 59,807.35
 Harvard-Yenching Inst., Art Studio 101.38
 Shoemaker Fund 1,000.00
 Special Funds: 5,000.00
 Presbyterian Jubilee 9,775.24
 Model School Practice House 15,397.94
 Residences General 26,807.42
 Wheeler Memorial Chapel 7,110.69
 Laura Spelman Rockefeller Fund

1,898,526.45

CURRENT GENERAL (before closing)

Managers Current Expense	84,891.00	Receipts-American Board	675.00
Annuity Insurance	1,843.08	-London Missionary Society	999.58
Home Administration-Executive Office	20,271.00	-Methodist Board	1,472.00
" " -Incidentals	1,108.08	-Presbyterian Board	2,000.00
" " -Trustees	252.37	-Princeton-Yenching Foundation	8,500.00
Current General Cash	29,128.53	-Harvard-Yenching Inst. Restricted a/c	22,368.42
Accounts Receivable	3,011.75	Endowment Income-Unrestricted	675.00
		" " -Restricted	63,109.26
		" " Reserve	11,250.64
			3,707.14

1,898,526.45

1,503,325.11

Yenching University Balance Sheet - 3

Amount carried forward

<u>CURRENT GENERAL (before closing)</u>	contd.	
140,505.81	Endowment Income-Bashford Fund	1,099.12
	" " -Scranton-Luce Social Center	22.52
	" " -Luce Scholarship Foundation	2,325.93
	Accounts Payable	<u>22,301.20</u>
<u>140,505.81</u>		<u>140,505.81</u>

Annuity Insurance
Current General Cash
Accounts Receivable

<u>CURRENT GENERAL (after closing)</u>		
1,843.08	Endowment Income-Unrestricted	504.06
25,800.66	" " -Restricted School of Theology	3,456.64
3,011.75	" " Reserve	3,707.14
	" " -Scranton-Luce Social Center	.52
	" " -Luce Scholarship Foundation	<u>685.93</u>
	Accounts Payable	<u>22,301.20</u>
<u>30,655.49</u>		<u>30,655.49</u>

CURRENT SPECIAL (before closing)

Managers Current Fund Investments
McBrier Foundation Income-Investments
Special Cash
Suspense
" -Swiss Committee
" -Com.for Chinese Soc.& Econ. Inform.
Miscellaneous Current Gifts
Disbursed to Field-Sustaining Fund

93,281.00	Endowment Income--James W. Porter	365.05
5,943.00	Suspense--Mr. & Mrs. William Band	1,144.00
64,521.36	" " -Miss E. Th. Czech V. Rohtensee	825.03
690.98	" " -Mr. Harold Shadick	67.59
232.70	" " -Swiss Committee Income	85.43
165.14	" " -Special	1,597.07
131.12	Managers Current Funds	130,000.00
21,755.50	Endowment Income--Restricted (Non Budget)	686.68
	" " - (McBrier Foundation)	12,341.77
	Harvard-Yenching Inst. Agency Account	1,144.02
	Sustaining Fund	30,733.18
	Reserve-Department of Natural Science	<u>8,730.98</u>
<u>187,720.80</u>		<u>187,720.80</u>

CURRENT SPECIAL (after closing)

Managers Current Fund Investments
McBrier Foundation Income-Investments
Current Special Cash
Suspense
" -Swiss Committee - Yung Ching Wei
" -Com.for Chinese Soc.& Econ. Inform.

93,281.00	Endowment Income--James W. Porter	365.05
5,943.00	Suspense--Mr. & Mrs. William Band	1,144.00
63,834.68	" " -Miss E. Th. Czech V. Rehtensee	825.03
1,690.98	" " -Mr. Harold Shadick	67.59
232.70	" " -Swiss Committee Income	85.43
165.14	Special	1,597.07

Yenching University Balance Sheet - 4

Miscellaneous Current Gifts

	131.12		130,000.00
		Managers Current Funds	12,341.77
		Endowment Income - Restricted - McBrlier Found.	1,144.02
		Harvard-Yenching Institute - Agency Account	8,977.68
		Sustaining Fund	8,730.98
		Reserve - Department of Natural Science	165,278.62
	<u>165,278.62</u>		<u>165,278.62</u>

Expense-Cables, Telephone & Telegraph

	220.66	PROMOTIONAL (before closing)	6,443.91
" -Publicity	2,777.55	Promotional Cash - Overdraft	775.00
" -Miscellaneous	333.60		
" -Stephen Tsai	1,496.80		
Deficit 1937-38	905.27		
Equipment	1,480.03		
Petty Cash	5.00		
	<u>7,218.91</u>		<u>7,218.91</u>

Expense-Publicity

	39.06	PROMOTIONAL (after closing)	2,429.36
Deficit 1937-38	905.27	Promotional Cash	2,429.36
Campaign-Equipment	1,480.03		
Petty Cash	5.00		
	<u>2,429.36</u>		<u>2,429.36</u>

A S S E T S

CONSOLIDATED BALANCE SHEET
YENCHING UNIVERSITY
JUNE 30, 1941

L I A B I L I T I E S

Endowment

Consolidated Investments 1,959,084.25
Swiss Committee Investments 8,642.02
Student Loans to China 4,903.50

Endowment
General Endowment Funds 1,697,995.51
Natural Science " " 500,000.00
Swiss Committee Funds 11,094.80

2,209,090.31

Swiss Com. Cash 2,452.78
Savings Bank Accts. 12,557.20
Less 15,009.98
Cash Overdraft 12,955.08

Less: Loss on
Sale Securities 235,667.45
Wallace Property Over- 738.19
draft

234,405.64

1,974,684.67

Plant

Completed Buildings 1,503,325.11
Land & Improvements 176,169.24

Plant
Funds for Completed Buildings 1,503,325.11
General Funds 99,279.36
Land Funds 154,697.65

1,757,302.12

Equipment

Operations 50,243.81

Equipment Funds 77,133.04

77,133.04

Investments

Notes Receivable 68,809.50

Special Funds 64,091.29

64,091.29

Cash

7,214.73

1,898,526.45

Current Assets

Advances to 1941-42 2,013.26
Accounts Receivable 3,011.75
Field Investments 93,281.00
McBrier Income Investments 5,943.00
Suspense Charges 2,397.84
Equipment 1,480.03
Cash 87,210.98

Current Liabilities

Harvard-Yenching Inst.-Agency a/c 1,144.02
Accounts Payable 22,301.20
Field Funds 130,000.00
McBrier Income Funds 12,341.77
Advanced to 1941-42 504.06
Restricted Income Balances 8,215.28
Suspense Credits 4,028.14
Sustaining Fund 8,977.68
Reserve Natural Science ~~8,130.98~~

196,243.13

195,337.86

Less: 1937-38 Overdraft

905.27

195,337.86

4,068,548.98

4,068,548.98

YENCHING UNIVERSITY
LIST OF SECURITIES
JUNE 30, 1941

Amount	Security	Cost Price	Cost	6/30/41		Nominal Income
				Market Price	Market Value	
3,000	Bonds:					
7,700	American Tel. & Tel. 3 $\frac{1}{2}$ /61	98-1/4	2,962.66	108-3/8	3,251.25	97.50
10,000	Associated Gas & Electric 5/2002	98.67	7,597.54	1	77.00	—
15,000	Atchison, Topeka & Santa Fe 4 $\frac{1}{2}$ /48	103-1/4	10,255.43	104	10,400.00	450.00
10,000	" " 4/55	96	14,480.63	100	15,000.00	600.00
10,000	Beneficial Ind. Loan 2 $\frac{1}{2}$ /50	101	10,100.00	98-3/4	9,875.00	225.00
10,000	Boston Edison 2-3/4/70	102-3/4	10,292.99	103-1/4	10,325.00	275.00
15,000	Canadian Pacific Rwy. 4 $\frac{1}{2}$ Perpetual	91.08	13,662.50	63-1/4	9,487.50	600.00
10,000	Carolina, Clinchfield & Ohio Rwy. 4/65	102-1/2	10,240.70	105-3/8	10,537.50	400.00
10,000	Central New England Rwy. 4/61	63	6,325.00	62-5/8	6,262.50	400.00
10,000	Chesapeake & Ohio 1.90/51	100	10,000.00	97-3/4	9,775.00	190.00
10,000	Chicago, Burlington & Quincy 4/49	104-1/4	10,343.68	97-1/2	9,750.00	400.00
18,000	Chicago Union Station 3-1/8/63	100-3/4	18,126.72	100	18,000.00	562.50
10,000	Cleveland, Cincinnati, Chicago & St. Louis 4-1/2/77	97	9,755.92	55	5,500.00	450.00
10,000	Columbia Gas & Electric 5/61	104-3/4	10,404.82	103-1/4	10,325.00	500.00
15,000	Florida Power & Light 5/54	98.51	14,978.82	105-1/4	15,787.50	750.00
10,000	Kansas Power & Light 3-1/2/69	108-3/4	10,843.36	112	11,200.00	350.00
30,000	Long Island Railroad 4/49	97-1/2	29,264.00	96-1/2	28,950.00	1,200.00
11,000	Louisville & Nashville 4/2003	97	10,703.60	93-5/8	10,298.75	440.00
20,000	Mercentile Properties 5-1/2/46	90-1/2	19,185.70	100-1/2	20,100.00	1,100.00
2982.87	Municipal Securities of Chicago 6/34	60.75	2,982.87	1/2	14.91	—
30,000	Pacific Gas & Electric 3-3/4/61	107.52	32,256.86	111-1/4	33,375.00	1,125.00
10,000	Penn Central Power & Light 5/79	105-1/2	10,508.46	106	10,600.00	500.00
10,000	Pennsylvania Railroad Equipment Trust 2-3/4/44	101.90	10,077.86	102	10,200.00	275.00
17,000	Pennsylvania Water & Power Refunding 3-1/4/70	105-3/4	17,932.96	107-1/4	18,232.50	552.50
10,000	People's Gas, Light & Coke 5/47	114	10,850.26	115-1/4	11,525.00	500.00
10,000	Philadelphia Company 5/67	106	10,499.20	105.23	10,571.88	500.00
5,000	Phillips Petroleum 1.80-1/1/50	100	5,000.00	99-5/8	4,981.25	90.00
5,000	" " 1.85-7/1/50	100	5,000.00	99-5/8	4,981.25	92.50
10,000	Public Service of Colorado 3-1/2/64	106	10,576.05	108-3/4	10,875.00	350.00
15,000	Reading Company "A" & Jersey Central 4-1/2/97	100.38	15,006.82	83	12,450.00	675.00
9,000	Reconstruction Finance Corporation 1-1/8/43	100	9,000.00	101-2/32	9,146.25	112.50

Yenching List of Securities - 2

Amount	Security	Cost Price	Cost	6/30/41	6/30/41	Nominal Income
				Market Price	Market Value	
<u>ENDOWMENT (continued)</u>						
10,000	Southern California Edison 3/65	104	10,388.60	104-1/4	10,425.00	300.00
10,000	Southwestern Bell Telephone 3-1/2/64	107-3/4	10,626.95	111-1/2	11,150.00	350.00
10,000	Texas Electric Service 5/60	103-1/2	10,273.22	107-5/8	10,762.50	500.00
11,000	Toledo Edison 3-1/2/60	102	11,207.00	103-1/2	11,385.00	385.00
10,000	Union Pacific 3-1/2/80	102	10,193.81	106-1/8	10,612.50	350.00
18,000	Union Pacific 4/47	114-1/2	19,981.74	111-3/4	20,115.00	720.00
10,000	U.S. Savings "D" 7/1/49	75	7,747.50	77	7,700.00	---
125,000	U.S. Treasury "B" 3/4 12/15/45	100.17	125,535.68	100-6/32	125,234.43	937.50
23,000	U.S. Treasury "D" 3/4 9/15/44	100	23,000.00	100-11/32	23,079.06	172.50
10,000	U.S. Savings "D" 1/1/50	75	7,632.00	76	7,600.00	---
50,000	U.S. Savings "G" 2-1/2/53	100	50,000.00	100	50,000.00	1,250.00
8,000	U.S. Treasury 2-1/2% 1954-2	100	8,000.00	105.5	8,440.00	200.00
24,000	U.S. Treasury 2-1/2% 1958	100	24,000.00	104	24,960.00	600.00
7,000	U.S. Treasury 2-3/4% 1954-51	100	7,000.00	110.3	7,721.00	192.50
1,110	Village of Mundelein 6/32	100	1,016.49	5	55.50	---
10,000	Western Maryland 4/52	96	9,731.34	92-1/4	9,225.00	400.00
16,000	West Virginia Pulp & Paper 3/54	99	15,858.45	103-3/4	16,600.00	480.00
<u>Total Bonds</u>						
721,408.19						
<u>Preferred Stock</u>						
500 sh.	Aluminum Company of America 6%	100	50,000.00	110-7/8	55,437.50	3,000.00
220	J. J. Newberry 5%	96.09	21,141.25	106	23,320.00	1,100.00
200	Selected Industries \$5.50	75	15,139.00	44-1/4	8,850.00	1,100.00
400	Southern California Edison 6%	23-1/4	9,475.00	30-1/4	12,100.00	600.00
350	William R. Warner 4%	100	35,000.00	100	35,000.00	1,400.00
<u>Total Preferred Stocks</u>						
130,755.25						
<u>Common Stock</u>						
400 sh.	Air Reduction	42	16,818.00	41-7/8	16,750.00	400.00
100	Allis Chalmers	45-1/2	4,567.00	28-1/4	2,825.00	175.00
100	American Can	89-1/4	8,946.00	82-1/2	8,250.00	400.00
300	American Tobacco "B"	99-1/4	29,735.00	70-1/2	21,150.00	1,500.00
100	Armstrong Cork	44	4,417.00	28	2,800.00	200.00
200	Chesapeake & Ohio	23.49	5,497.67	46-1/2	9,300.00	1,400.00
400	Chrysler Corporation	83.49	33,396.47	57-1/2	23,000.00	2,400.00
600	Commonwealth Edison	23.99	17,392.00	26	15,600.00	990.00

Yenching List of Securities - 3

Amount	Security	Cost		6/30/41		6/30/41		Nominal Income
		Price	Cost	Market Price	Market Value			
	Common Stock							
400 sh.	Conocoilum-Nairn	28-3/4	11,522.50	16-3/4	6,700.00	500.00		
400	Consolidated Edison	19-1/8	7,718.50	18-1/2	7,400.00	320.00		
500	Consolidated Gas & Elec. Baltimore	66.09	33,044.00	58-3/4	29,375.00	1,800.00		
100	Continental Illinois Bank & Trust	36.03	36,033.10	85	8,500.00	400.00		
200	Continental Oil of Delaware	29-5/8	5,955.00	23-1/8	4,625.00	100.00		
80	Crane Company	36	2,892.80	16-3/4	1,340.00	64.00		
100	E. I. du Pont de Nemours	159-7/8	16,015.50	154-3/4	15,475.00	700.00		
720	Ferro Enamel	14,39	10,359.00	13-1/4	9,540.00	720.00		
500	General Electric	39-1/2	19,353.00	32-3/8	16,187.50	925.00		
400	General Foods	41-1/2	16,618.00	36-3/4	14,700.00	700.00		
400	General Motors	47-7/8	19,218.00	38-3/8	15,350.00	1,500.00		
600	W. F. Grant	30	18,082.50	31-1/4	18,750.00	840.00		
50	Guaranty Trust	276	13,820.00	288	14,400.00	600.00		
400	Humble Oil & Refinery	57	22,834.50	59	23,600.00	800.00		
100	Inland Steel	74	7,420.00	73-1/2	7,350.00	500.00		
110	International Business Machines	168-1/2	16,879.00	154-1/2	16,995.00	637.50		
100	International Harvester	56-1/2	5,668.00	50-1/2	5,050.00	240.00		
600	International Nickel	25-1/2	15,365.00	25-3/4	15,450.00	1,020.00		
100	Johns Manville	73-1/2	7,370.00	63-3/4	6,375.00	350.00		
100	Marshall Field	16-1/4	1,639.00	16-3/8	1,637.50	130.00		
400	McIntyre Porcupine Mines	52	20,807.50	33-1/4	13,300.00	930.00		
200	Monsanto Chemical	90-1/2	18,093.00	82-5/8	16,525.00	400.00		
506	Montgomery Ward	37	18,642.50	33-7/8	16,937.50	700.00		
600	National Biscuit	27-1/4	16,440.00	16-1/4	9,750.00	400.00		
1100	National Power & Light	15.27	16,800.00	6-5/8	7,287.50	960.00		
400	National Steel	72.95	29,178.00	53-1/4	21,300.00	1,200.00		
400	Newmont Mining	32-3/4	13,138.00	29	11,600.00	900.00		
210	Norfolk & Western	118.42	24,868.65	198	41,580.00	3,150.00		
600	Ohio Oil	7-1/4	4,416.00	9	5,400.00	300.00		
485	Pacific Gas & Electric	33-1/2	16,073.48	24-3/8	11,821.88	970.00		
200	Parke Davis	33-1/2	6,744.50	26-7/8	5,375.00	320.00		
300	J. C. Penney	71.62	21,485.00	79-5/8	23,887.50	1,500.00		
500	Phelps Dodge	34.11	17,055.00	29-3/4	14,875.00	750.00		
300	R. J. Reynolds	32	9,398.00	32-3/8	9,712.50	250.00		
400	St. Joseph Lead	34-3/4	13,964.00	35	14,000.00	1,000.00		

Yenching List of Securities - 4

Amount	Security	Cost Price	Cost	6/30/41	6/30/41	Nominal Income
				Market Price	Market Value	
<u>ENDOWMENT (continued)</u>						
300 sh.	Sherwin Williams	75-1/8	22,570.00	77-3/4	23,325.00	900.00
200	Southern Pacific	30-3/4	6,167.50	11-5/8	2,325.00	—
250	Sperry Corporation	46-1/2	11,667.50	37-1/4	9,312.50	500.00
600	Standard Oil California	29.28	17,567.00	21-1/2	12,900.00	600.00
100	Sterling Products	54-1/4	5,443.00	57-1/4	5,725.00	380.00
200	Texas Corporation	45	9,009.00	39	7,800.00	400.00
300	Underwood Elliott Fisher	60	18,031.00	34-3/4	10,425.00	750.00
200	Union Carbide & Carbon	73-3/4	14,777.50	72	14,400.00	540.00
500	Westinghouse Air Brake	34.55	17,275.00	21	10,500.00	875.00
200	F. W. Woolworth	48-5/8	9,759.00	29-3/4	5,950.00	480.00
	Total Common Stocks		<u>787,996.67</u>		<u>664,489.38</u>	<u>39,726.50</u>
<u>Mortgages</u>						
23,200.00	First Mtg. Guaranty & Title	100	23,200.00	60	13,920.00	—
2,000.00	George J. Bentel, 6/42	100	2,000.00	100	2,000.00	120.00
3,400.00	W. E. & J. Breese, 6/41	100	3,400.00	100	3,400.00	204.00
1,000.00	E. & P. Byrne 6/44	100	1,000.00	100	1,000.00	60.00
19,738.80	Connors-Gillick, open	100	19,738.80	90	17,764.92	600.00
4,000.00	W. Breese, 6/44	100	4,000.00	100	4,000.00	240.00
4,500.00	O. V. Crennan, 5 1/2/39	100	4,500.00	100	4,500.00	247.50
2,675.00	Lura Cronin, 6/43	100	2,675.00	100	2,675.00	167.25
15,000.00	Barah Dietz, open	100	15,000.00	100	15,000.00	900.00
2,200.00	George Kettner, open	100	2,200.00	100	2,200.00	—
6,200.00	Emma & George Kettner, open	100	6,200.00	100	6,200.00	372.00
2,500.00	G. Lapham, 6/43	100	2,500.00	100	2,500.00	150.00
2,000.00	Anna Mullins, 6/41	100	2,000.00	100	2,000.00	120.00
3,000.00	O'Rourke et al 6/41	100	3,000.00	100	3,000.00	180.00
6,440.00	Bertram F. Rusher, 6/42	100	6,440.00	100	6,440.00	385.00
6,000.00	Caroline Steer, 5/41	100	6,000.00	100	6,000.00	300.00
3,000.00	Mildred Stiles, 6/46	100	3,000.00	100	3,000.00	180.00
9,000.00	E. L. Werner, open	100	9,000.00	90	8,100.00	110.00
18,900.00	Dorothy White, open	100	18,900.00	95	17,955.00	1,134.00
4,000.00	C. Widmark, 6/41	100	4,000.00	100	4,000.00	240.00
7,000.00	Anna Wolfhop, 6/42	100	7,000.00	100	7,000.00	420.00
10,130.00	42 Broadway Building	100	10,130.00	26-1/2	2,684.45	—

Yenching List of Securities - 5

Amount	Security	Cost Price	Cost	6/30/41 Market Price	6/30/41 Market Value	Normal Income
<u>ENDOWMENT (continued)</u>						
	Lawyers Title & Guaranty, Brooklyn					
4,899.81	1001 President Street	100	4,899.81	80	3,919.85	250.00
3,194.47	57 Lincoln Road	100	3,194.47	25	798.62	---
5,000.00	125 Eastern Parkway	100	5,000.00	75	3,750.00	200.00
6,687.92	601 East 21st Street	100	6,687.92	75	5,015.94	312.00
28,058.84	Westchester Bond & Mortgage	100	28,058.84	40	11,223.54	---
200 sh.	Lincoln Mortgage Co. common		7,495.00	3	600.00	---
	Total Mortgages	37-1/4	211,219.84		160,647.32	6,891.75
	GRAND TOTAL GENERAL ENDOWMENT		1,851,379.95		1,666,764.23	74,418.25
<u>PLANT SECTION</u>						
200 sh.	Allis Chalmers	46-3/4	9,384.00	28-1/4	5,650.00	300.00
400	Continental Oil Delaware	21-1/2	8,660.00	23-1/8	9,250.00	500.00
100	du Pont de Nemours	151	15,128.00	154-3/4	15,475.00	700.00
100	Johns Manville	95-1/2	9,572.00	63-3/4	6,375.00	350.00
500	National Lead	22-3/4	11,400.00	16-1/2	8,250.00	437.50
100	Selected Industries Pfd.	60	6,019.00	44-1/4	4,425.00	550.00
200	Texas Corporation	43-1/8	8,646.50	39	7,800.00	400.00
	TOTAL PLANT SECTION		68,809.50		57,225.00	3,337.50
<u>SWISS COMMITTEE</u>						
36 sh.	Columbia Carbon Common	98-1/8	3,543.66	79	2,844.00	144.00
10	Consolidated Edison 5% Pfd.	98.83	988.33	97-1/8	971.25	50.00
20	Crane Company Common	36	723.20	16-3/4	335.00	16.00
\$1,000	Florida Power & Light 5/54	103	1,030.00	105-1/4	1,052.50	50.00
580.81	57 Lincoln Road, Brooklyn	100	580.81	25	145.20	---
200	Lefcourt-Manhattan Bldg. 5/48	100	200.00	45	90.00	9.96
1,000	42 Broadway Building 6/39	100	1,015.00	26-1/2	265.00	---
15 sh.	Pacific Gas & Electric	37	561.02	24-3/8	365.63	30.00
	TOTAL SWISS COMMITTEE		8,642.02		6,068.58	299.96

MM

REPORT OF THE TREASURER
YENCHING COLLEGE FOR WOMEN

JUNE 30, 1941

Work continued on the Yenching Campus as in the past with a larger enrollment than ever. The overcrowded condition in the girls' dormitories seemed to call for expansion to which consideration was given early in the year. Conditions in North China, however, both politically and materially did not warrant proceeding.

In the U.S.A., the work has continued with marked results. The Endowment Fund has been completed with pledges and cash in hand to assure more than the \$100,000 sought.

Progress was made also in building up the Wellesley-Yenching Fund and the net total in the account on June 30 was \$9,624.79. Elsewhere is shown the total operations within the account.

There was a small surplus from the year's operations which is dealt with under Current General.

The papers accompanying this report are as follows:

- (a) Trial Balance Sheet (before and after closing)
- (b) Budget Analysis
- (c) Consolidated Balance Sheet
- (d) List of Securities

The 1940-41 accounts and this report have been audited by Messrs. Chambellan, Berger and Welti.

ENDOWMENT

Endowment funds increased by \$46,101.83 to a new total of \$117,469.44. This was the result of the drive to secure endowment funds to round out the \$100,000 campaign. There are several pledges remaining which will bring the total for the campaign to more than \$50,000.00.

The use of funds and charges in securities are shown on the following schedule:

Cash in hand, July 1, 1940	\$28,315.74	
New cash received	<u>46,101.83</u>	
Total cash available		74,417.57
Bought 50 shs Guaranty Trust Co. Common Stock	14,600.00	
200 " Commonwealth Edison " "	6,119.50	
200 " Montgomery Ward " "	8,084.00	
50 " International Business Mach. Common Stock	7,875.25	
100 " American Tobacco "B" Common Stock (gift)	7,300.00	
200 " R.J. Reynolds Tobacco " "	<u>6,682.00</u>	
Total Purchases		50,660.75
Cash on hand June 30, 1941		<u>23,756.82</u>

Loss on sale of securities remained the same during the year at \$5,712.67.

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Income on invested funds totaled \$2,852.55 (not including collection or custodian charges) or 2.47%. This rate was influenced by the progressive investment of money as received from donors to the Endowment fund and a sizable balance still remained on June 30.

The attached list of securities shows the cost of the holdings to be \$86,025.73 on June 30 as against a value of \$77,191.00.

PLANT

Plant totals appreciated \$2,008.22 during the year to a new aggregate of \$764,001.14. This increase came from the following sources:

Income on Wheeler Memorial Fund (held in China)	\$.90.57
" " Invested Plant Funds (held in U.S.A.)	1,917.65
	<u>\$2,008.22</u>

This income was added to the plant cash awaiting investment.

Changes in plant securities and cash are set forth herewith:

Cash in hand July 1, 1940		\$7,858.20
8 M. Columbia Railway Power & Light	Called	8,395.20
7 M. Iowa Nebraska Power & Light	"	6,545.30
Income on Invested funds		<u>1,917.65</u>
Cash on hand June 30, 1941		<u>\$24,716.35</u>

The attached list of securities shows the standing of Plant Investments and values of June 30.

The Investment Committee has plans under consideration for the investment of the Plant Cash.

CURRENT GENERAL

Operations within the current budget for 1940-41 are shown in the following table for income and disbursement. A column for increase or decrease is also provided in comparison with 1939-40.

<u>Source</u>	<u>1940-41</u>	<u>1939-40</u>	<u>Increase or Decrease*</u>
Methodist Board	1,400.00	1,400.00	
Wellesley College	3,700.00	3,700.00	
Presbyterian Board	1,500.00	1,500.00	
American Board	1,445.82	1,445.82	
Rohrman Fund	53.63	56.32	2.69*
Wellesley-Yenching Fund	8,251.68	7,374.32	877.36
Day of Prayer Offering	1,621.10	1,444.56	176.54
General Endowment Income	2,898.82	3,748.51	849.69*
Women's Committee Endowment Income	586.20	743.24	157.04*
Sustaining Funds	<u>3,470.33</u>	<u>775.18</u>	<u>2,695.15</u>
	<u>24,927.58</u>	<u>22,187.95</u>	<u>2,739.63</u>

DISBURSEMENTS

	(Contd.) 1940-41	1939-40	Increase or Decrease*
Field Budget	13,996.33	13,995.48	.85
Student Aid		500.00	500.00*
Home Administration	675.00	675.00	
" " College Committee	85.90	334.36	248.46*
Wellesley-Yenching Campaign	1,500.00	1,500.00	
Promotional	775.00	775.00	
Sustaining Funds remitted to field		35.00	35.00*
	<u>17,032.23</u>	<u>17,814.84</u>	<u>782.61*</u>
Sustaining Funds on hand June 30, 1941	2,225.83		
Wellesley-Yenching Funds on hand June 30, 1941	5,251.68	4,373.11	
Surplus 1940-41	417.84		
	<u>24,927.58</u>	<u>22,187.95</u>	

ACCOUNTS PAYABLE

This account contained but one item on June 30, it being the last authorization for \$1,000. As the draft from the field had not been received when the books were closed, the amount was carried forward into Accounts Payable.

CURRENT SPECIAL

Savings Bank investments and Women's College Surplus increased by \$162.78 representing interest on Savings Bank Accounts. The balance in Surplus June 30 was \$7,802.63.

Chamberlain Annuity. Income on investments totaled \$21.60 during the past twelve months but \$100.00 was paid to the Annuitant. The accumulated overdraft to June 30 was \$209.44.

Suspense. Only two Suspense items are open on the books both of which are shown in the balance sheet. The Charlotte Peabody Nichols Scholarship of \$100.00 was also received and sent to the field.

Special Gifts. Wheaton College sent its usual \$75.00 scholarship fund which was forwarded to the treasurer at Peking.

Scholarship. General and E. L. Richards Scholarship income totaled \$60.35 which was deposited to the credit of the field account upon closing the books.

WELLESLEY-YENCHING FUND

The standing of this fund on June 30 was as follows:-

Balance from 1939-40	\$3,873.11	
Special Gift Brought Forward	<u>500.00</u>	\$4,373.11

Report of the Treasurer
Yenching College for Women

-4-

June 30, 1941

Total Gifts received 1940-41		\$8,251.68	
Less extra cost of publicity	\$1,500.00		
" Appropriations for Current Field Budget	<u>1,500.00</u>	<u>3,000.00</u>	<u>5,251.68</u>
Total Balance June 30, 1941			9,624.79

CASH SITUATION

Cash on hand June 30, 1941 was \$59,846.49 distributed as follows:

Endowment	\$23,756.82	
Plant	24,716.35	
Current General	1,375.00	
Current Special	<u>9,998.32</u>	
		59,846.49

This was on deposit with the 21st Street Branch of the Irving Trust Company.
Savings bank cash was on deposit at the following banks:

Bowery Savings Bank	\$4,964.51
Emigrant Industrial Savings Bank	<u>6,002.11</u>
	<u>10,966.62</u>

RECOMMENDATIONS

It is recommended that the attention of the Finance Committee be called to the need for rather full investment of funds to compensate for the reduction of income caused through the cessation of 5% income from the Trustees.

It is recommended that the 1940-41 Surplus be credited to the Women's College Surplus, Account # 170.

It is recommended that attention be given to the Wellesley-Yenching balance with the prospect of investing a portion of the cash on hand.

Respectfully submitted,

E. M. McBRIER, Treasurer
B. A. GARSIDE, Assistant Treasurer
C. A. EVANS, " "
J. I. PARKER, " "

0041

<u>PERMANENT ENDOWMENT</u>		<u>Debit</u>	<u>Credit</u>
11	Consolidated Endowment Investments.....	86,025.73	
111	General Endowment Fund.....		90,413.94
112a	Insurance Endowment Fund.....		3,000.00
112b	Yenching College Committee Promotional Fund.....		20,000.00
12c	Investment - Mary Chamberlain Fund.....	1,481.32	
12cl	Loss on Chamberlain Annuity Investments.....	492.90	
112c	Mary Chamberlain Fund.....		2,000.00
112d	E. L. Richards Scholarship Fund.....		1,030.50
112e	General Scholarship Fund.....		1,025.00
19	Cash Awaiting Investment.....	23,756.82	
119	Loss on Sale of Securities.....	5,712.67	
		<hr/>	<hr/>
		117,469.44	117,469.44
		<hr/>	<hr/>
<u>PLANT</u>			
20	Completed Buildings:		
	(a) General Education Building.....	168,080.85	
	(b) Dormitories.....	161,286.26	
	(c) Residences.....	55,497.03	
	(d) Heat, Light, Water & Sewage.....	125,000.00	
	(e) Miscellaneous.....	97,445.40	
	(x) Equipment.....	26,670.85	
		<hr/>	
		633,980.40	
120	Funds for Completed Buildings.....		633,980.40
121	General Funds:		
	(c) Joint Committee Designated.....		76,857.92
	(d) Undesignated.....		16,405.62
22a	Land.....	15,000.00	
22b	Land Improvements.....	16,545.59	
22j	Building Operations - Wheeler Memorial Chapel*.....	20,950.30	
122	Special Funds:		
	(b) Boyd Gymnasium.....		3,047.95
	(j) Wheeler Memorial Chapel Fund*.....		20,950.30
24b	Science Equipment.....	10,798.87	
24c	Library Books.....	25,000.00	
124a	Income from Building Fund Investments.....		12,758.95
25a	Building Fund Investments.....	17,009.63	
29	Plant Cash.....	24,716.35	
		<hr/>	<hr/>
		764,001.14	764,001.14
		<hr/>	<hr/>

* Total of Wheeler Memorial including University
Accounts - \$47,757.72

<u>CURRENT GENERAL</u>		<u>Debit</u>	<u>Credit</u>
31	Current Expense.....	13,996.33	
36	Home Administration.....	675.00	
36.1	" " - Yenching College Committee....	85.90	
36.4	Promotional.....	775.00	
39	Current General Cash Overdraft.....		951.66
131.1	Receipts - Methodist Board.....		1,400.00
131.3	" - Wellesley College Service Fund Committee		3,700.00
131.4	" - Presbyterian Board.....		1,875.00
131.5	" - American Board.....		1,445.82
136.2	" - Special Gifts-Current Budget.....		1,674.73
137.1	Endowment Income - Unrestricted.....		2,898.82
137.2	" " - Yenching College Committee.....		586.20
139.1	Accounts Payable.....		1,000.00
		<u>15,532.23</u>	<u>15,532.23</u>
<u>CURRENT SPECIAL</u>			
70	Savings Fund Investment.....	10,966.62	
74	Managers' Current Fund Investments.....	7,500.00	
79	Current Special Cash.....	12,324.98	
170	Yenching Women's College Surplus.....		7,802.63
171.1	Endowment Income - Mary Chamberlain Annuity.....	209.44	
172.2	Suspense - Special - Dr. Greta Singer.....		802.50
172.3	" - Special - Miss Ethel Hancock.....		298.00
174	Managers' Current Funds.....		7,500.00
175.2	Endowment Income - Restricted (Non Budget).....		60.35
175.2	Disbursed - Endowment Income - Restricted.....	60.35	
175.3	Endowment Income - Restricted (Reserve).....		2.79
175.5	Sustaining Funds.....		3,470.33
175.5a	" " - Wellesley-Yenching 1939/40.....		4,373.11
175.5a	" " - " " 1940/41.....		8,251.68
175.5a	Disbursed - Wellesley-Yenching 1940/41.....	1,500.00	
		<u>32,561.39</u>	<u>32,561.39</u>

YENCHING COLLEGE FOR WOMEN

TRIAL BALANCE AFTER CLOSING JUNE 30, 1941

CURRENT GENERAL

	<u>Debit</u>	<u>Credit</u>
39 Current General Cash.....	1,375.00	
131.4 Receipts - Presbyterian Board.....		375.00
139.1 Accounts Payable.....		1,000.00
	1,375.00	1,375.00

CURRENT SPECIAL

70 Saving Fund Investments.....	10,966.62	
74 Managers' Current Fund Investments.....	7,500.00	
79 Current Special Cash.....	9,998.32	
170 Women's College Surplus.....		7,802.63
170.3 Surplus 1940/41.....		417.84
171.1 Endowment Income - Mary Chamberlain Annuity.....	209.44	
172.2 Suspense-Special - Dr. Greta Singer.....		802.50
172.3 " " - Miss Ethel Hancock.....		298.00
174 Managers' Current Funds.....		7,500.00
175.3 Endowment Income - Restricted Reserve.....		2.79
175.5 Sustaining Fund.....		2,225.83
175.5a " " - Wellesley-Yenching 1939/40.....		4,373.11
175.5a " " - " " 1940/41.....		5,251.68
	28,674.38	28,674.38

0044

YENCHING COLLEGE FOR WOMEN
ANALYSIS OF BUDGET 1940/41

AS OF JUNE 30, 1941

DISBURSEMENTS

RECEIPTS

Acct. No.	Item	Appropriation	Disbursed to June 30	Bal. to be Disbursed	Acct. No.	Item	Budget Estimate	Rec'd to June 30	Balance Due
31	General Budget.....	13,996.33	13,996.33	--	131.1	W.F.M.S. of W.E. Church.....	1,400.00	1,400.00	--
36.1	Women's Comm. Expense	500.00	85.90	414.10	131.3	Wellesley College.....*	3,700.00	3,700.00	--
36	Home Administration	675.00	675.00	--	131.4	Board of Foreign Missions Presbyterian Church.....	1,500.00	1,500.00	--
36.4	Promotional.....	775.00	775.00	--	131.5	American Board of Comm. of Foreign Missions.....	1,445.83	1,445.82	.01
					136.2	Income on Rohrman Fund.....	56.00	53.63	2.37
					175.5	Sustaining Funds.....	1,244.50	1,244.50	--
					175.5a	Wellesley-Yenching Fund.....	1,500.00	1,500.00	--
					136.2	Day of Prayer Offering.....	800.00	1,621.10	821.10*
					136.2	Phila. Mission Union.....	200.00	--	200.00
					137.1	Gen. Endowment Income.....	3,300.00	2,898.82	401.18
					137.2	Women's Comm. Endowment In- come.....	800.00	586.20	213.80
							15,946.33	15,950.07	3.74*
							Additional Wellesley-Yenching Receipts 1940/41.....		5,251.68
									* Received over amount budgeted.

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CONSOLIDATED BALANCE SHEET
YENCHING COLLEGE FOR WOMEN

JUNE 30, 1941

ASSETS

LIABILITIES

Endowment

Endowment

Consolidated Endowment Investment \$86,025.73
Investment Chamberlain Annuity 1,481.32
Cash on hand 23,756.82

111,263.87

General Funds
Scholarship Funds
Less Loss on Sales

113,413.94
2,055.50

115,469.44
5,712.67
109,756.77

Chamberlain Annuity Fund
Less Loss on Investments

2,000.00
492.90

1,507.10

Plant

Plant

Completed Buildings 633,980.40
Land & Improvements 31,545.59
Building Operations 20,950.30
Equipment & Library Books 35,798.87
Building Fund Investments 17,009.63
Cash 24,716.35

764,001.14

Funds for Completed Buildings
General Funds
Special Funds
Income on Investments

633,980.40
93,263.54
23,998.25
12,758.95

764,001.14

Current Assets

Current Liabilities

Savings Fund Investments 10,966.62
Managers Fund " 7,500.00
Cash 11,373.32

29,839.94

Women's College Surplus
Suspense accounts
Managers Funds
Restricted Reserve
Sustaining Funds on hand
Wellesley-Yenching Funds
Surplus 1940-41
Less Overdraft
Chamberlain Annuity
Accounts Payable
Advances to 1941-42

7,802.63
1,100.50
7,500.00
2.79
2,225.83
9,624.79
417.84
209.44
208.40
1,000.00
375.00

29,839.94
905,104.95

905,104.95

0046

YENCHING COLLEGE COMMITTEE
LIST OF SECURITIES
JUNE 30, 1941

Amount	Security	Cost Price	Cost	6/30/41 Market Price	6/30/41 Market Value	Nominal Income
<u>ENDOWMENT</u>						
67 sh.	<u>Preferred Stock</u> <u>Anchor Hocking Glass</u>	100	6,716.75 <u>6,716.75</u>	112	7,504.00	335.00 <u>335.00</u>
<u>Common Stock</u>						
100	American Tobacco "B" <u>.....</u>	73	7,300.00	70-1/2	7,050.00	250.00
100	Armstrong Cork.....	32-1/8	3,228.50	28	2,800.00	200.00
200	Commonwealth Edison.....	30-1/2	6,119.50	26	5,200.00	350.00
300	Food Machinery.....	32	9,698.00	26	7,800.00	540.00
50	Guaranty Trust.....	292	14,600.00	284	14,200.00	600.00
52 1/2	Interat'l. Business Machines.....	157-1/8	7,875.25	154-1/2	8,111.25	312.00
200	Montgomery Ward.....	40-1/4	8,084.00	33-7/8	6,775.00	400.00
200	R. J. Reynolds Tobacco "B" <u>.....</u>	33-1/4	6,682.00	32-3/8	6,475.00	400.00
100	Union Carbide & Carbon.....	84-1/4	8,471.00	72	7,200.00	270.00
137	F. W. Woolworth.....	52.93	7,250.73 <u>79,308.98</u>	29-3/4	4,075.75 <u>69,687.00</u>	328.80 <u>3,670.80</u>
TOTAL ENDOWMENT.....			86,025.73		77,191.00	4,005.80
<u>PLANT</u>						
<u>Bonds</u>						
3M	Pennsylvania Water & Power 3 1/2/64.....	104	3,117.43 <u>3,117.43</u>	108	3,240.00	97.50 <u>97.50</u>
33	<u>Preferred Stock</u> <u>Anchor Hocking Glass</u>	100	3,308.25 <u>3,308.25</u>	112	3,696.00	165.00 <u>165.00</u>
<u>Common Stock</u>						
50	Sperry Corp.....	48-1/2	2,433.50	37-1/4	1,862.50	100.00
154	F. W. Woolworth.....	52.93	8,150.45 <u>10,583.95</u>	29-3/4	4,581.50 <u>6,444.00</u>	369.60 <u>469.60</u>

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Yenching College for Women - List of Securities

June 30, 1941

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/41 Market Price</u>	<u>6/30/41 Market Value</u>	<u>Nominal Income</u>
	TOTAL PLANT.....		17,009.63		13,380.00	732.10
	<u>Annuity</u>					
1M	42 Broadway Bldg. 6/39.....	100-1/2	1,005.00	26-1/2	265.00	21.60
9 sh.	F. W. Woolworth.....	53	476.32	29-3/4	267.75	21.60
			<u>1,481.32</u>		<u>532.75</u>	

0048

MINUTES OF MEETING
INVESTMENT COMMITTEE

TRUSTEES OF YENCHING UNIVERSITY
Monday 3:30 P. M. September 29, 1941.
40 Wall Street, New York, N. Y.

Members

E. M. McBrier, Chairman
L. R. Rounds
G. N. Snider

All members were present also Mr. Jackson Martindell and Mr. Frank W. Bryan and Mr. C. A. Evans.

Preliminary to the study of any specific industry or holding, considerable time was used in a review of world-wide conditions during recent weeks, and the possible resultant effect in the money market. The possible switching of the main offenses of the world conflict to some other sphere was looked upon as related to the effect upon American equities and economic condition.

Consideration was given to the possibility of conditions turning decidedly for the worst and as to what preparations, if any, should be made.

Discussion finally centered about the possibility of inflation and its concurrent ramifications, and it was noted that of the Common Stock holdings in the Yenching list, about 78% represented good hedges against such possibilities.

General economic conditions were discussed and reference was made to special recommendations on the list during recent weeks. It was

VOTED To sell 720 Ferro Enamel common stock @ $15\frac{1}{4}$, and buy 200 shares American Home Products with the proceeds.

VOTED To buy 200 additional shares of American Home Products common stock on Market.

It was agreed that Fiduciary Counsel renew the list and make new recommendations for the use of cash, having in mind Canadian Investments.

Respectfully submitted,

C. A. EVANS

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MINUTES OF JOINT MEETING
EXECUTIVE COMMITTEE
and
COMMITTEE ON FINANCE
TRUSTEES OF YENCHING UNIVERSITY

10:00 A.M., Tuesday, February 24, 1942
Room 900, 150 Fifth Avenue, New York, N. Y.

List of Members

Mr. Arthur V. Davis	*Mrs. Maurice T. Moore
Dr. Wynn C. Fairfield	*Dr. E. M. North
*Mrs. John H. Finley	*Mr. Leslie R. Rounds
*Dr. Sidney D. Gamble	Mr. Girvan N. Snider
*Mr. E. M. McBrier	*Dr. William J. Thompson
	*Dr. A. L. Warnshuis

Those whose names are starred above were present as were also Mr. C. A. Evans and Mr. J. I. Parker.

Dr. North, Chairman of the Executive Committee, presided. The meeting was opened with prayer by Mr. McBrier.

NEWS FROM PEKING

News received from Peking since December 7, 1942 was summarized as follows:

The University has been closed and students and faculty have left the institution.

President Stuart is interned, apparently away from the campus. Also interned, probably with Dr. Stuart, are Dr. Stanley Wilson and a number of the Chinese members of the faculty who are heads of departments.

Other Western members of the faculty are restricted to the south campus. Rumors report that Mr. and Mrs. William Band and Mrs. Michael Lindsay have escaped into Chinese-controlled territory.

It is reported that all of those persons, who are interned or being kept under restriction, are being well treated.

BUDGET FOR 1941-42

Attention was called to the action of the Trustees "T-3717" on May 9, 1941 as follows:

"VOTED that the proposed budget for 1941-42 be referred to the Finance Committee with power for study and final action."

It was stated that no Finance Committee meeting had been held since the receipt of the budget from China, but the figures had been submitted to the Associated Boards anticipating favorable action under motion "T-3718" as follows:

"VOTED that the Finance Committee be given power to study the askings and make recommendation to the Associated Boards for amounts needed from the Sustaining Fund of 1941-42."

0050

February 24, 1942

Copies of the budget figures presented to the Associated Boards were before the Committees and it was noted that they included funds not ordinarily underwritten by the Trustees such as the Harvard-Yenching Agency account and the McBrier Foundation. Thus the totals did not agree with the estimates sent to the field under date of February 4, 1941. Some other minor discrepancies were pointed out and ordered corrected. The Committee recognized that nearly eight months of the present fiscal year have passed and the Assistant Treasurer reported that as of January 31st \$68,431.77 had been paid to the field treasurer or deposited in the field treasurer's account. Of this amount, \$15,692.00 was carried in the bank balance at the Central Hanover Bank and Trust Company on January 31st. This also included \$10,000.00 remitted to the field December 6th, of which no definite knowledge is available.

In view of the remittances already made against the field account, and of the continuing income from various sources, as well as the probable establishment of a Yenching unit in Free China; it be

EF-3725 VOTED that the Yenching University Trustees appropriation toward the budget for the current year 1941-42 be such funds as may be secured from the following sources:

I. GENERAL UNIVERSITY

(a) <u>Boards</u>		
American	\$ 675.00	
London Missionary Society	1,000.00	
Methodist	1,472.00	
Presbyterian	2,000.00	\$ 5,147.00
(b) <u>Endowment Income</u>	46,610.00	
(c) <u>Bashford Maintenance</u>	1,107.00	47,717.00
		\$52,864.00

Less: Home Administration and Promotion

Associated Boards	16,078.00	
Yenching Promotion	2,650.00	
Incidentals (Mimeographing & supplies)	500.00	
Trustees (auditing, Treas., Bonds etc.)	500.00	
Reserve for possible activities	2,000.00	
	21,728.00	
From Women's College	1,950.00	19,778.00
		\$33,086.00

II. College of Natural Science
 Endowment Income 17,996.00

III. College of Public Affairs
 Princeton-Yenching Foundation 8,500.00

IV. School of Liberal Arts
 Harvard-Yenching Institute Appropriation 19,736.84

V. School of Religion		
General Endowment Income		
Harkness and Thompson	\$6,084.00	
F. D. Gamewell Fund	<u>1,822.00</u>	\$ 7,906.00
VI. Scholarship Fund		
General Funds	683.00	
Luce Scholarship Fund	<u>1,672.00</u>	2,355.00
		<u>\$89,579.84</u>

Further thought was given to payments made against the current budget, and it was

EF-3726 VOTED (a) to approve such expenditures as have been made in behalf of the current field budgets;

(b) to authorize the payment of other funds within the limits of the budgets as may be identified as direct requests from the field;

(c) to approve such payments as the Finance Committee may authorize for the purpose of providing Yenching educational facilities in Free China.

WOMEN'S COLLEGE BUDGET
for 1941-42

The Committees reviewed the figures available in the Women's College budget and noted that these corresponded with the proposed income as submitted to the field in a communication dated January 22nd, the income of which is currently conforming to the anticipated figures.

After due deliberation, it was

EF-3727 VOTED that funds received from the following sources be contributed toward the budget for the Yenching College for Women for the current year (1941-42):

Cooperating Units:

W.F.M.S. M.E. Church.....	\$1,400.00	
Wellesley College.....	3,700.00	
Presbyterian Board.....	1,500.00	
American Board.....	<u>1,445.00</u>	\$ 8,045.00

Special Income:

Wellesley-Yenching Chair.....	1,500.00	
Day of Prayer Offering.....	890.00	
Philadelphia Mission. Union.....	200.00	
General Endowment Income.....	3,000.00	
Women's Committee Endowment Income.....	700.00	
Income on Rohrman Fund.....	53.00	
Special Gifts.....	<u>2,500.00</u>	8,753.00
		<u>\$16,798.00</u>

Less: Home Administration.....		1,950.00
		<u>\$14,848.00</u>

February 24, 1942

1941-42 ASKINGS FROM THE ASSOCIATED BOARDS

The Committees reviewed the figures compiled for use of the Associated Boards as coming from budgets received from Peiping. It was seen that the deficit established totalled \$41,564.20, and it was

EF-3728 VOTED to approve the action of the Associated Boards which included \$41,564.20 in the total budget for the entire group of Colleges for the current year, and to request the Associated Boards to release funds from this source when, and as received, and to be used in connection with the establishment of new work in Free China or for the continuance of the program in Peiping.

OPENING OF WORK IN WEST CHINA

The facts concerning plans for transfer of college work to Free China were reviewed. It was reported that Dr. Stuart had made definite plans for moving the work of the University if conditions made such a move necessary. A cable dated January 3, 1942 from Dr. Cressy in Chengtu read as follows:

"INFORM EVANS GARSIDE FOUR INSTITUTIONS ARE INVITING LEES LEIGHTONS INSTITUTIONS REFUGEE HERE CONTACTING ALUMNI"

The following cable was also received on January 23, 1942:

"INFORM EVANS YENCHING ALUMNI REQUEST FUND AUTHORIZING ESTABLISHING A YENCHING UNIT IN FREE CHINA PREFERABLY CHENGTU EDUCATIONAL CENTER"

In reply to this cable definite information was requested as follows:

"CABLE NUMBER OF YENCHING STUDENTS FACULTY AVAILABLE FOR CHENGTU UNIT ALSO ESTIMATE MONTHLY FINANCIAL REQUIREMENTS AMPLIFYING BY AIR MAIL"

A cable dated February 17, 1942 was received:

"PRESENT PAST BOARD MANAGERS FACULTY ALUMNI REPRESENTATIVES FORM YENCHING COMMITTEE PURPOSES FACILITATE STUDENTS FACULTY COME INTERIOR ARRANGE THEIR STUDY WCRK Hwashita* CAMPUS MAINTAIN CONTINUITY PERSONNEL SPIRIT ENVISAGE REOPEN UNIVERSITY FALL SHOULD NUMBER REFUGEE STUDENTS JUSTIFY EXPENSES SIX MONTHS 5,000 GOLD AID REFUGEES 5,000 TOTAL 10,000 CAN TRUSTEES AUTHORIZE FINANCE PROJECT LETTER FOLLOWS"

Signed: H. H. Kung, Chairman
Y. P. Mei, Secretary
D. W. Edwards, Treasurer

* This is undoubtedly the West China University campus.

After full discussion of the situation, it was

EF-3729 VOTED that the Executive Committee of the Board of Trustees approve the formation of the Yenching Committee in West China which is planning to maintain the spirit and work of Yenching University.

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It was also

EF-3730 VOTED to notify the Committee in West China that the \$10,000 requested in the cable of February 17 will be available and \$5,000 is to be forwarded immediately.

It was

EF-3731 VOTED to request the Associated Boards to authorize the payment, from funds now available, of \$10,000 to Yenching University from their part of the 1941-42 Sustaining Fund.

REPORT OF TREASURER OF THE TRUSTEES, JUNE 30, 1941

Mr. McBrier presented the report of the Treasurer as of June 30, 1941. Explaining various items and noting the recommendations as follows:

- (a) "That steps be taken to close out the balances carried in the Wallace Property Accounts, by sale individually or collectively of the remaining properties.
- (b) "That the field funds be invested as soon as possible in such securities as will serve to secure proper income commensurate with safety of principal".

It was noted that (b) had already been acted upon by the Committee on Investments. It was

EF-3732 VOTED to approve the recommendations as stated above.

It was also

EF-3733 VOTED to approve the report of the Treasurer and to report it to the Annual Meeting of the Trustees for their information and confirmation.

REPORT OF THE TREASURER OF YENCHING COLLEGE FOR WOMEN, JUNE 30, 1941

The report and its recommendations were reviewed and discussed.

It was

EF-3734 VOTED to approve the following recommendation and instruct the Committee on Investments to carry out the policy stated therein:

"It is recommended that the attention of the Finance Committee be called to the need for rather full investment of funds to compensate for the reduction of income caused through the cessation of 5% income from the Trustees".

It was

EF-3735 VOTED to approve the following recommendation:

"It is recommended that the 1940-41 Surplus be credited to the Women's College Surplus Account # 170."

It was also

EF-3736 VOTED to approve the following recommendation and request the Committee on Investment to invest \$5,000 of the balance:

"It is recommended that attention be given to the Wellesley-Yenching balance with the prospect of investing a portion of the cash on hand".

It was recommended that this investment be made in fairly liquid securities.

It was

EF-3737 VOTED to approve the Treasurer's report and refer it to the Yenching College Committee and the Annual Meeting of the Trustees for their information and confirmation.

YENCHING STUDENTS AND FACULTY MEMBERS IN U.S.A.

The urgent need of assistance to students and faculty members now in America was presented and given lengthy consideration. It was felt that this problem, being similar to problems facing other China Colleges and groups of students from foreign lands, required the attention of some unified control agency. It was, therefore

EF-3738 VOTED to request the Associated Boards to consider the method of dealing with the problem of students and faculty members of the China Colleges now in American and to join, if possible, in the establishing of some agency to becoming the clearing house for all appeals.

It was also

EF-3739 VOTED that the Chairman appoint a committee of three to secure information concerning each faculty member from Yenching now in America and to study the needs in each case and to clear them with the Associated Boards. For immediate emergencies a maximum total of \$1,000 is authorized for use by this committee. A full report is to be made to the Executive Committee. Those appointed are: Dr. Gamble, Mrs. Finley and Dr. Thompson.

The situation relating to American members of the faculty who are now in this country was discussed, and it was

EF-3740 VOTED to refer the question of present and future relationship of faculty members now on furlough to the Committee on Instruction for consideration and action.

ELECTION OF MR. DAVIS TO HARVARD-YENCHING TRUSTEES

The Chairman reported that the Harvard-Yenching Institute had elected, from the three nominees presented by the Yenching Trustees, Mr. A. V. Davis to be a Trustee of the Institute.

February 24, 1942

RESIGNATION OF MR. GARSIDE

The letter from Mr. B. A. Garside, presenting his resignation as Secretary and Assistant Treasurer of the Board of Trustees, was read and considered. It was

EF-3741 VOTED that the Executive Committee record its appreciation for the great service rendered to the University by Mr. Garside and instruct the Chairman to draft a letter of appreciation to him to be included in these minutes (attached hereto as Appendix A).

DELEGATES TO ANNUAL MEETING OF THE AMERICAN ACADEMY OF
POLITICAL AND SOCIAL SCIENCE

The invitation from the Academy of Political and Social Science to appoint delegates to their Annual Meeting was presented. It was

EF-3742 VOTED to request Dr. Gamble to act for the Committees in selecting delegates to attend the meeting.

DATES OF ANNUAL MEETING

It was reported that the first week in May would probably be the best time for the Annual Meeting of the Associated Boards. It was

EF-3743 VOTED to refer to the Secretaries with power the determining of the date for the Annual Meeting of the Yenching Board of Trustees.

PROMOTIONAL PLANS

Plans for promotional activities were discussed and grave concern voiced that immediate steps should be taken to preserve the interest of friends of the University.

It was

EF-3744 VOTED to request the Committee on Promotion of the Associated Boards to give immediate consideration to joining fully in the April appeal in the churches being made by the Church Committee for China Relief and such other measures as may be needed to guarantee the proper presentation of the requirements and program of the Colleges.

The meeting adjourned.

JOSEPH I. PARKER
Secretary

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APPENDIX A

YENCHING UNIVERSITY
150 Fifth Avenue
New York, N. Y.

March 12, 1942

Dr. B. A. Garside
United China Relief
1790 Broadway
New York, N. Y.

Dear Dr. Garside:

The Executive Committee of the Trustees of Yenching University have received your resignation with very deep regret. They do not wish to wait until the Annual Meeting to tell you how much they regret it and have instructed me to write you now.

When you came to the Secretaryship of the Trustees and of the other colleges, you brought a deep missionary passion for China that has been unabated through the years. You brought fine talents of executive and promotional leadership not then fully revealed. They are talents you have used to the very great advantage of the colleges, and we shall greatly miss them.

During your secretaryship the limited group of colleges then associated together became the Associated Boards. The administrative and financial activities enlarged. The possibilities and realities of cooperative promotion were explored. Practical plans were made in which you had a large share, and hard work done of which you did much more than your share. The splendid way in which the emergency of 1937 and since has been faced was due in very large part to you untiring and far-sighted leadership. Thousands of Chinese youth seeking higher education owe far more to you than they will ever know.

And as your associates, we owe much to you, not only for vision and skill and unending hours of labor, but for your splendid comradeship, for your generous fairness to every interest, and your persistent modesty.

Your Yenching associates will miss you, will ever wish you well, and are grateful for the multitude of fine services you have rendered Yenching University.

With much affection,

Faithfully yours,

/s/ Eric M. North

EMN:EVG

0057

MINUTES OF MEETING
SPECIAL COMMITTEES ON STUDENT RELIEF
ASSOCIATED BOARDS AND BOARD OF TRUSTEES OF YENCHING UNIVERSITY

11:00 A.M., Thursday, March 19, 1942
Room 900, 150 Fifth Avenue, New York, N. Y.

Members:

ABCCC

*Dr. A. L. Warnshuis, Chairman
*Mrs. C. H. Sears
Mr. Olin D. Wannamaker

YENCHING

*Dr. Sidney D. Gamble, Chairman
*Mrs. John H. Finley
*Dr. W. J. Thompson

Those whose names are starred were present as were also Mrs. W. Plumer Mills, Mr. C. A. Evans and Mr. J. I. Parker.

The meeting was opened with prayer by Dr. William J. Thompson.

It was agreed to ask Dr. Warnshuis, Chairman of the Associated Boards' Committee, to act as Chairman of the meeting.

PURPOSE OF THE MEETING

Action taken by the Yenching Executive Committee provided for a committee of three to consider the problem of students and faculty members in America and requested the Associated Boards to consider the same subject. The Associated Boards appointed a committee of three to consider and make recommendations concerning the problem of Chinese students in America. In preparing for the meeting, a statement had been secured from Mr. S. J. Mills, Secretary of the Committee on Friendly Relations, which reviewed the steps which had already been taken by that Committee. After general discussion of the whole problem, it was agreed that the responsibilities of the Associated Boards and the individual trustee boards would be for the following items in the order listed:

1. For faculty members of the China colleges who are in America.
2. For graduate students of the China colleges now studying in America.
3. Other former students of the China colleges now studying in America.
4. Chinese students in general irrespective of their college source in China.

COMMITTEE ON FRIENDLY RELATIONS

In the discussion of the ways in which this problem could be handled, it became increasingly clear that the Committee on Friendly Relations was already established and dealing with the matter. The need of a central clearing house where information concerning each case could be assembled and be available was quite apparent. After considerable discussion, it was

VOTED that the Associated Boards recognize the Committee on Friendly Relations as being primarily responsible for the total problem of Chinese students and faculty members who are in America and in financial need. The China Colleges will relate themselves to the Committee on Friendly Relations, wholeheartedly cooperating with them and counseling with them regarding faculty and students in whom the China Colleges are particularly concerned.

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It is understood that the Acting Executive Secretary will cover, in a letter to Mr. Mills, the various suggestions made regarding cooperating with the Chinese Embassy, securing of visas, soliciting the cooperation of foundations, etc. It is understood that the China Colleges will not appeal for special funds but will cooperate fully with the Committee on Friendly Relations in every way possible and upon their request.

CONSIDERATION OF CASES WHICH HAVE BEEN PRESENTED TO THE
ASSOCIATED BOARDS

A list of names of Chinese faculty members and students, whose names have been received in the Associated Boards' office, was reviewed, and the following actions were taken:

VOTED to leave to the consideration of the Associated Boards' Committee on Faculty Scholarships all those persons whose cases had already been before that Committee. These include the following:

Normally continuing work:

Y. C. Chu	H. Y. Loh
Gerald Tien	B. S. Leung
Miss Wu Mao-i	Miss M. T. Kuang

Normally expected to return to China:

S. K. Lee	S. H. Chou
H. L. Li	Yun Hsia
John Kao	H. P. Yang
	Miss G. Y. Li

VOTED (a) to reserve for later consideration the cases of the following persons related to Yenching University:

H. S. Chen
C. S. Feng
Miss Ruth Hung
Miss Gertrude Hung
Y. C. Wei;

- (b) To refer the case of Dr. Timothy T. Lew to the American Board of Commissioners;
- (c) To refer the case of Mr. Bliss Wiant to the Yenching Board of Trustees; and
- (d) To refer to the Yenching Special Committee on Relief the case of Miss P. S. Kung.

In the case of Ginling students, it was noted that all applications made to date had been taken care of with the exception of Miss Florence Kirk, and it was

VOTED that this be referred to the Board of Founders of Ginling College.

It was also

VOTED (a) that the case of Miss Grace Bauer be left to the Board of Founders of the University of Nanking;

(b) that the case of Mr. T. Y. Wu be taken up in conference with Mr. Mills of the Committee on Friendly Relations;

(c) that the case of Miss P. W. Li be referred to Mr. Mills in conference with Mr. Wannamaker;

(d) that the case of Miss Betty Ling, of Hwa Nan College, be referred to the Associated Boards' Committee on Faculty Scholarships after further discussion with Mrs. Peel.

(e) and that the case of Mr. W. T. Zen, of the University of Shanghai, be held up, pending the securing of further information.

The meeting adjourned.

JOSEPH I. PARKER
Secretary

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May 2, 1942

To Members of
Investment Committee
Yenching University

Gentlemen:

Enclosed find minutes of our meeting held on April 28th, also
copies of communications from Fiduciary Counsel, one of which
deals with the same meeting, the import of which we have endeavored
to incorporate in our minutes.

Kindly notify the secretary of any errors.

Very truly yours,

CAM:RC

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MINUTES OF MEETING
INVESTMENT COMMITTEE
TRUSTEES OF YENCHING UNIVERSITY

12M Tuesday, April 28, 1942
Chamber of Commerce, New York, N.Y.

List of Members

E. M. McBrier, Chairman
L. R. Rounds
Girvan N. Snider

All members of the committee were present, also Mr. Frank W. Bryan of Fiduciary Counsel, Inc., and Mr. C. A. Evans.

First consideration was given to the general investment policy to be followed during these days of uncertainty and world-wide disaster. Briefly stated, there were three objectives which seemed in order for consideration as being fundamental in the management of the Yenching portfolio, as follows:

1. Conservation of Capital. (The maintenance of the capital, as far as possible, by a carefully balanced ratio in the proportion of bonds and stocks.)
2. Recovery of book and actual losses of capital. (Where possible, to secure some appreciation on investments, but to avoid speculative risks.)
3. Income. (To secure the highest income consistent with Nos. 1 and 2 above.)

In the subsequent discussion of the three foregoing objectives, it developed that certain qualifications were necessary. These may be stated briefly in numerical order:-

1. The maintenance of principal value intact involves not only its dollar value, but also its purchasing power. This calls for a combination of high-grade bonds, which give the greatest assurance of maintenance of dollar value, and common stocks that give as much inflation protection as it seems possible to procure.
2. The recovery of losses in principal does not contemplate the purchase of securities for appreciation only. Undue risks must not be incurred nor securities selected where appreciation is the prime consideration. It calls for extreme caution, and limits activity primarily to the selection of equity securities representative of companies that have excellent prospects for long-term growth, not only in volume of business but also in earning power. The success of such an objective is difficult to attain except during a period of generally favorable conditions both in regards to corporate earning power and general market prices.
3. While income is generally maintained at approximately \$80,000 annually, it may be decreased to \$60,000, if necessary to achieve recovery of capital losses. It is hoped that this will not be necessary, but the possibility must be kept in mind. It now appears under present conditions in China that budgetary requirements will also be substantially decreased. This objective requires the holding of certain types of securities and avoidance of others. It should be an integral part of planning to attain objective one.

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April 28, 1942

There was unanimous agreement with the elaboration of the three objectives.

RECOMMENDATIONS

The committee gave attention to the late recommendations not completed for various reasons and one purchase made by telephone vote. It was

VOTED to approve the purchase of \$10,000 American Tobacco 3/62 debenture at par.

A recommendation of April 17th involved the sale of Reading Company $4\frac{1}{2}/97$ "A" bonds, and while there was not 100% agreement on all objections to holding the issue, still there was ample evidence that a sale would be more desirable, and it was

VOTED to sell \$15,000 Reading Company $4\frac{1}{2}/97$ "A" bonds at approximately 80.

The suggestions for purchase to be made from above proceeds called for close study, but it was finally

VOTED to buy \$5,000 Dow Chemical $2\frac{1}{4}/50$
 200 sh. General Foods common stock
 200 " Irving Trust Co. common stock

It was reported that several studies of Aluminum Company of America had been received, and that there were known instances of where other institutions were disposing of limited amounts of the preferred stock due to the proposed issue of 150 million of debentures. It was

VOTED to sell 200 shares of Aluminum Company of America preferred stock at 105 or better, and with a portion of the proceeds to buy \$5,000 American Tel. and Tel. 3/56 debenture.

There was considerable discussion regarding the continued holding of 100 shares of North American common stock donated to Yenching University for a special purpose. While the market on this issue is greatly depressed, yet it was felt more advisable to dispose of same and purchase a stock with more possibilities of recuperation. It was therefore

VOTED to sell 100 shares of North American Company common stock, and to buy 100 shares of Marshall Field common stock with the proceeds.

MORTGAGES

The Assistant Treasurer called attention to a communication in hand regarding rents on the Werner property in White Plains. It was recalled that the monthly rent had been reduced to \$135, covering the period when certain alterations were in process in the locality of the property. As this matter has been cleared, pressure has been exerted to restore the \$150. rental, but the tenants object strenuously, claiming that the war has greatly depleted their business. It was

VOTED to postpone action upon this request, pending a more detailed report upon the property and the background of the present tenants.

A letter from attorneys Schrenkeisen & Kettner was presented, along with a statement from the owner of the property located at 143 Main Street, New Rochelle, in which an offer was made to relinquish the deed to the property, provided an additional

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April 28, 1942

month's tenancy was granted the present owner, and it was

VOTED provided that a search of the property reveals no further encumbrances, that the Treasurer's office be authorized to accept the deed and take such steps as are necessary to rent the premises when vacated, or to sell the property if desirable.

On motion adjourned.

C. A. EVANS

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MINUTES OF MEETING
COMMITTEE OF YENCHING COLLEGE FOR WOMEN

2:00 P. M., Tuesday, May 5, 1942
1 Lexington Avenue, New York City

List of Members:

*Mrs. J. M. Avann	*Miss Sallie Lou MacKinnon
Miss Margaret E. Burton	Miss Mildred H. McAfee
*Miss Helen B. Calder	Mr. E. M. McBrier
*Mrs. Samuel McCrea Cavert	*Mrs. Maurice T. Moore
Mrs. J. K. Cecil	*Mrs. Charles C. Parlin
Mrs. Rex S. Clements	*Mrs. Henry Pfeiffer
*Mrs. Charles H. Corbett	*Mrs. Timothy N. Pfeiffer
Mr. Arthur V. Davis	Mrs. Clifford C. Pratt
Mrs. Dorr Diefendorf	*Miss Josephine L. Rathbone
Miss Eleanor Brooks Fabyan	*Mrs. Charles K. Roys
*Mrs. John H. Finley	Mrs. F. Louis Slade
Dean Lucy J. Franklin	Mrs. Robert E. Speer
*Mrs. Douglas Horton	*Miss Amy O. Welcher

Those whose names are starred were present; also Dr. and Mrs. Timothy Tingfang Lew, Mrs. W. Plumer Mills, Mr. C. A. Evans, Miss Elvena Van Sciver.

The meeting was opened with prayer led by Mrs. J. M. Avann.

APPROVAL OF MINUTES

Attention was called to the Minutes of the Yenching College Committee as distributed. It was

Y 616 VOTED to approve the Minutes of the meeting of the Yenching College Committee of May 6, 1941, as circulated.

TREASURER'S REPORT

The Annual Report of the Treasurer for 1940-41 had been distributed before the meeting. It was

Y 617 VOTED to accept the Treasurer's Report, including recommendations as follows:

It is recommended that the attention of the Finance Committee be called to the need for rather full investment of funds to compensate for the reduction of income caused through the cessation of 5% income from the Trustees.

It is recommended that the 1940-41 Surplus be credited to the Women's College Surplus, Account #170.

It is recommended that attention be given to the Wellesley-Yenching balance with the prospect of investing a portion of the cash on hand.

AUDITORS' REPORT

The report of the auditors, Messrs. Chambellan, Berger, and Welti had been submitted to the Yenching University Audit Committee, and it was

Y 618 VOTED to accept the report of the auditors, Messrs. Chambellan, Berger, and Welti, as passed upon by the Audit Committee of Yenching University.

FINANCIAL SITUATION

The Assistant Treasurer reported that very little information had come through direct from China. As of May 1st, receipts were \$2,300 behind the budget. However, there are certain funds which are practically assured - \$500 from Endowment Income, \$1000 from other sources, and at least \$2000 from the World Day of Prayer Offerings. There will be a probable surplus of a few hundred dollars, which will bring us through the year in good shape.

REPORT OF FUNDS AVAILABLE FOR YENCHING UNIVERSITY AND STUDENTS IN WEST CHINA

Miss Calder raised a question as to what funds were available to be used for relief for the Yenching College students as they were leaving Peking. The Assistant Treasurer reported as follows:

\$5000 for relief from Yenching University's budget; \$5000 for establishing Yenching in West China; an additional \$5000 for relief given by the Church Committee for China Relief. He also indicated that a sum of \$5000 had been requested, to be used for Yenching building projects in West China.

WOMEN'S UNIT OF YENCHING IN WEST CHINA

The question was raised as to the advisability of this Committee putting itself on record concerning a women's unit in the college in West China. There was considerable discussion about the possible projects, such as the training of child welfare workers. The discussion indicated that so far as possible it is considered desirable for plans to be made jointly by various units interested in women's education. It was

Y 619 VOTED that a message should go from this Committee, expressing deep concern for the problems uprooted groups will face as they go into West China, and our desire to stand behind them and to help them with whatever new projects they may wish to undertake.

BUDGET FOR 1942-43

The Assistant Treasurer indicated that he would shortly be presenting to the University Board of Trustees a budget of \$95,000, \$45,000 of this to come from Sustaining Fund and \$50,000 from the Trustees. There was discussion as to what share of this budget should be undertaken by the Yenching College Committee. It was

Y 620 VOTED to ask the Budget Committee of the Yenching College Committee, in consultation with the proper authorities, to decide what share of this budget should be undertaken by the Yenching College Committee.

REPORT OF THE CANDIDATE COMMITTEE

There was considerable discussion about the fact that some time in the future, at the end of the war, many faculty members will need to come out from China for a long rest. While at the moment there are no opportunities for candidates to be sent to China, this need in the future makes it very important for the right people to be found and to be guided in their training, in order to be able to carry forward the program at

the end of the war. Mention was made of the fact that there is now a chance for Chinese language studies in this country, especially at the California School for Language Study. It was

Y 621 VOTED that the Candidate Committee should take under special consideration the great need in the future, at the end of the war, for more than the normal number of replacements.

REPORT OF THE NOMINATING COMMITTEE

Mrs. Roys reported the following recommendations from the Committee on Nominations:

Officers:

Chairman	Mrs. John H. Finley
Vice Chairman	Mrs. J. M. Avann
Secretary	Mrs. Samuel McCrea Cavert
Treasurer	Mr. E. M. McBrier
Assistant Treasurer	Mr. C. A. Evans
Assistant Treasurer	Mr. Joseph I. Parker

Committee on Budget:

Mrs. Dorr Diefendorf, Chairman	Mr. E. M. McBrier
Mrs. John H. Finley	

Candidate Committee:

Miss Helen B. Calder, Chairman	Mrs. John H. Finley
Mrs. J. M. Avann	Mrs. Robert E. Speer

Committee on Nominations:

Mrs. Charles K. Roys, Chairman	Mrs. John H. Finley
Mrs. J. M. Avann	

Committee on Promotion:

Mrs. Maurice T. Moore, Chairman	Dean Lucy J. Franklin
Mrs. T. N. Pfeiffer, Vice Chairman	Mrs. C. C. Pratt
Mrs. Dorr Diefendorf	Mrs. Robert E. Speer

The following were also recommended by the Nominating Committee as one regular and one alternate for each of the Standing Committees of the Associated Boards:

Executive Committee:

Mrs. Finley
Mrs. Parlin

Finance Committee:

Mr. McBrier
Mrs. Diefendorf

Promotion Committee:

Mrs. T. N. Pfeiffer
Mrs. Diefendorf

Christian Character, Staff and Curriculum:

Mrs. Cavert
Dean Franklin

The following were recommended as Coopted members of the Yenching College Committee:

Class of 1945

Mrs. S. M. Cavert
Miss Eleanor Brooks Fabyan

Class of 1944

Mrs. F. Louis Slade
Miss Josephine L. Rathbone

There being no other nominations, it was

Y 622 VOTED to instruct the Secretary to cast a ballot in favor of the nominations recommended.

The Secretary announced the ballot cast and the Officers, Committee Members, and Co-opted Members duly elected.

YENCHING STUDENTS IN THIS COUNTRY

After discussion of the desirability of strengthening the Committee's personal contact and follow-up of Yenching students in this country, it was

Y 623 VOTED that Miss Helen Calder should write a friendly letter to each young woman student as from this Committee, in order that the Committee might be guided by any response to the letter in further personal contact with the students.

NEWLY-APPOINTED WOMAN SECRETARY ON STAFF OF ASSOCIATED BOARDS

Great appreciation was expressed by the Chairman of the Yenching College Committee in having present at this meeting Mrs. W. Plumer Mills, whose knowledge and experience in China are exactly what is needed by the Committee at this time. Mrs. Mills expressed her gratitude in being able to continue to serve China in this country at this time.

RESIGNATION OF MR. GARSIDE

Appreciation was expressed by the Committee for the great service which Mr. B. A. Garside has rendered through the years to the China Colleges. It was

Y 624 VOTED that the Secretary write a letter to Mr. Garside, expressing the gratitude of this Committee for the opportunity of working with him through the years, and extending to him the best wishes of the Committee in his new work.

REPORT OF PROMOTION COMMITTEE

Mrs. Maurice T. Moore, Chairman of the Committee on Promotion, reported to the Committee that the Wellesley-Yenching project was going forward satisfactorily. She gave the following figures for the years 1939-40 and 1940-41:

1939-40	\$7,374.32	from 1,187	Wellesley	alumnae
1940-41	9,173.12	from 1,413	"	"

She further reported that the appeal for the current year had just gone to the alumnae group, and that already a generous response was being made.

DR. AND MRS. TIMOTHY TINGFANG LEW

At the close of the business meeting, Dr. and Mrs. Lew joined the Committee as their guests. Dr. Lew made some very interesting comments on the possibilities of the work of the College at this time.

The meeting adjourned.

Mrs. Samuel McCrea Cavert
Secretary

MINUTES OF ANNUAL MEETING
BOARD OF TRUSTEES
YENCHING UNIVERSITY

9:30 A.M., Friday, May 8, 1942
Room A, 2nd Floor, 150 Fifth Avenue, New York, N. Y.

List of Members

American Board	*Wynn C. Fairfield William H. Danforth	L. R. Rounds	*Amy O. Welcher
Methodist	W. J. Thompson Mrs. Henry Pfeiffer	Ralph B. Lloyd F. T. Cartwright	*E. M. McBrier
Presby., North	*Mrs. J. H. Finley *G. N. Snider	*L. S. Ruland	Mrs. C. K. Roys
London M. S.	T. Cocker Brown Rufus M. Jones	*A. L. Warnshuis	Margaret E. Burton
Coopted	Arthur V. Davis *Frank D. Gamewell Mildred H. McAfee	S. D. Gamble C. T. Ludington *Eric M. North	*Mrs. J. M. Avann Henry R. Luce

Those whose names are starred were present; also Dr. and Mrs. T. T. Lew, Mr. J. I. Parker, and C. A. Evans.

The meeting opened with prayer led by Dr. Gamewell.

Dr. Eric North presided during the opening devotions, Mrs. Finley succeeding to the chair as First Vice President.

Regrets were presented from Miss Burton and Mrs. Roys.

APPROVAL OF MINUTES

Upon reading the list of minutes to be approved, it was

T-3745 VOTED to approve the following minutes as distributed:

Annual Meeting, May 9, 1941.
Circulation Vote of June 13, 1941.
Executive and Finance Committees, February 24, 1942.

REPORT FROM THE FIELD

North China

The situation in North China was summarized with additions by those present representing special sources of information. In general it appears that the student body disbanded rapidly after December 7, 1941, and that probably many of the Chinese faculty also escaped. It was reported that Dr. J. Leighton Stuart is confined in Peking while the foreign faculty is allowed certain freedom of the city while otherwise being detained on the campus. It was stated that sufficient funds are on deposit with the State Department to cover personal expenses for foreign staff for three months.

With reference to ascertaining the exact status of individual members of the foreign staff, it was

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T-3746 VOTED to instruct the Secretary to confer with the office of the Provost Marshal in Washington, presenting lists of Yenching foreign staff members for verification as to present status.

It was also reported that efforts to exchange citizens detained in foreign countries have been instituted and that further investigation and definite representations be made regarding Yenching's staff. It was

T-3747 VOTED to instruct the Secretary to communicate with the State Department, using such facilities of approach as may be presented through cooperating Mission Boards and/or available individuals, seeking processes and procedures toward exchange of Yenching foreign faculty confined at Peking.

West China

The Board had been sent copies of letters received from Mr. Dwight Edwards, Dr. Y. P. Mei and Dr. Earl Cressy regarding the proposed opening of a unit in Free China and specifically on West China Union University Campus. Minutes of the Special meeting held February 8, 1942 at Chengtu to organize an Emergency Board of Directors had been distributed and they were discussed thoroughly. In reference to previous actions taken it was noted that the Executive Committee had given careful study to the preliminary steps taken to inaugurate work in Free China, and it was

T-3748 VOTED to approve the action of the Executive and Finance Committees as set forth in EF-3726 (c) relative to opening Yenching University at Chengtu.

After very deliberate study of the foregoing actions and of all factors involved, it was,

T-3749 VOTED that the following cable ... be dispatched to the Emergency Board of Directors at Chengtu:

"ANNUAL MEETING YENCHING TRUSTEES APPROVE REOPENING
YENCHING UNIVERSITY CHENG TU. RECOGNIZE EMERGENCY
BOARD OF DIRECTORS AUTHORITY IN CHINA PENDING
FUNCTIONING REGULAR BOARD."

It was further

T-3750 VOTED to cable the Emergency Board of Directors commending Messrs. Kung, Mei, Edwards, and associates for foresight in the emergency called forth in the closing of the University at Peking, and request that approval of Board of Education be secured to open the University at Chengtu, pledging any needed assistance of the Trustees.

ATTITUDE OF CHENG TU GROUP REGARDING FUTURE

A personal letter from Dr. Cressy was read citing the attitude of the four colleges at Chengtu and the determination to carry on. It was

T-3751 VOTED that the Trustees note with deep feeling the letter stating convictions and conclusions regarding work at Chengtu under possible emergencies, and commend the courage and confidence shown, pledging assistance to undertake a proper share of responsibility growing out of any unfortunate circumstances or acts of war resulting in destruction of property at Chengtu.

It was further

T-3752 VOTED to ascertain from the Associated Boards its policy regarding the maintaining of a Cash Balance to cover possible war emergencies on the Chengtu campus, and if an available cash balance of \$US 25,000 be established by them for immediate remittance as a consequence of disaster, then the Yenching Trustees would regard its proportionate share as a part of its interest in the Sustaining Fund.

BUDGET FOR 1942-43

Recent cables from Chungking and Chengtu from individuals and endorsed by the Emergency Board of Directors were presented and studied. Available funds were considered including the Board of Managers' balance of \$145,000, as well as restricted income from various sources. As no clear statement was on hand covering the amount of trust funds involved in the Board of Managers' Balance, it was

T-3753 VOTED that in view of the fact that the Board of Managers' Balance held on hand in New York contain trust funds as well as some current funds, it be the policy of the Trustees to hold the \$145,000 intact.

Analyzing still further the responsibility of the University for salaries of faculty members and with the deposits in mind held by the U. S. State Department for staff sustenance, the Board continued its exploration of ways and means to help implement the new venture in Free China. It was finally

T-3754 VOTED that the following general policy be approved as representing the best judgment of the Trustees at the present time regarding the 1942-43 Budget, with minor adjustments to be referred to the Finance Committee.

- (1) That for the protection of the staff at Peking and such Insurance and miscellaneous expenses as may be necessary, the sum of US\$ 35,000 of current income be set aside for the purpose of providing for payments to be made through the State Department for salaries, etc., any balance to be held in reserve for the ultimate payment of staff salaries currently accruing but payment of which cannot be effected under present conditions.
- (2) That for the cause of operating in West China during the fiscal year of 1942-43, there be appropriated the sum of US\$ 50,000 and that application be made to the Associated Boards to appropriate an additional US\$ 45,000 for providing necessary housing and equipment in West China.
- (3) To request the Harvard-Yenching Institute Trustees that, in view of this program, they provide the regular income from the Restricted Fund, and to impound such appropriations for Graduate School as is involved in salaries, same to be held for future payment to the staff in the Graduate School of Chinese Studies.
- (4) That Yenching Trustees' share of expense in the Associated Boards 1942-43 Budget be authorized as in the past, any minor adjustments to be left to the Finance Committee.

TREASURERS 1941-42 REPORT

The principal item for consideration from the Finance Committee's Report was the 1941-42 Report of the Treasurer. Upon recommendation of the Finance Committee, it was

T-3755 VOTED to accept and approve the report of the Finance Committee, including the Treasurer's report, for the year ending June 30, 1941, and the recommendations contained therein.

REPORT OF THE AUDITING COMMITTEE

Dr. Ruland, as chairman of the Committee, reported that the Auditing Committee had reviewed the Auditors' statements covering the books of the Trustees and Women's College for 1940-41, and after detailed study recommended acceptance of same. It was

T-3756 VOTED to accept the audit of Messrs. Chambellan, Berger & Welti for 1940-41 and place same on file.

REPORT OF YENCHING COLLEGE COMMITTEE

Mrs. Avann and Mrs. Finley reported on the activities of this committee, dwelling upon the interest in and practical assistance for Yenching faculty and students now in the United States.

Reference was also made to the splendid program of publicity for the Wellesley-Yenching group as well as the mailings in the regular lists.

REPORT OF THE NOMINATING COMMITTEE

Dr. Ruland, Chairman of the Committee, stated that after canvassing the entire list of officers and committees, very few changes were being suggested. He submitted the following nominations for the ensuing year:

Coopted Trustees in the Class of 1944: S. D. Gamble, C. T. Ludington

Officers:

President	- Arthur V. Davis
Vice-President	- Mrs. John H. Finley
" "	- Sidney D. Gamble
" "	- Eric M. North
Treasurer	- E. M. McBrier
Assistant Secretary and Asst. Treasurer	- C. A. Evans
" " " " "	- Joseph I. Parker

Executive Committee: Eric M. North, Chairman; Girvan N. Snider, Sidney D. Gamble, Mrs. John H. Finley, Arthur V. Davis, E. M. McBrier, Wynn C. Fairfield, A. L. Warnshuis, Leslie R. Rounds.

Committee on Promotion: W. J. Thompson, Chairman; E. M. McBrier, Girvan N. Snider, Mrs. John H. Finley, A. L. Warnshuis, Sidney D. Gamble, Mrs. Timothy N. Pfeiffer, Mrs. Charles K. Roys, Mrs. Maurice T. Moore.

Committee on Finance, Property, and Investment: Sidney D. Gamble, Chairman; Leslie R. Rounds, Vice-Chairman, E. M. McBrier, Girvan N. Snider, A. L. Warnshuis, Mrs. John H. Finley, Mrs. Maurice T. Moore, W. J. Thompson, Alternate.

Committee on Nomination and Audit: Wynn C. Fairfield, Chairman; Lloyd S. Ruland, W. J. Thompson, Mrs. John H. Finley, Margaret E. Burton.

Committee on Instruction: Mrs. Charles K. Roys, Chairman; W. J. Thompson, Vice-Chairman; Frank T. Cartwright, Mildred H. McAfee, Lloyd S. Ruland, Amy O. Welcher.

Committee on McBrier Foundation: Eric M. North, Chairman; Sidney D. Gamble, Wynn C. Fairfield.

Representative of the Trustees on the Yenching College Committee: E. M. McBrier.

Representatives of the Yenching University on the Associated Boards Committees:

Executive Committee: Girvan N. Snider; Eric M. North; Frank D. Gamewell, Alternate; E. M. McBrier, Alternate.

Committee on Finance: Girvan N. Snider; Leslie R. Rounds; Sidney D. Gamble, Alternate.

Committee on Promotion: W. J. Thompson; E. M. McBrier; Mrs. Charles K. Roys, Alternate; Lloyd S. Ruland, Alternate.

Committee on Christian Character, Staff and Curriculum: Mildred H. McAfee; Frank D. Gamewell; Wynn C. Fairfield, Alternate.

It was

T-3757 VOTED that the Secretary be instructed to cast an unanimous ballot in favor of the nominations listed.

The Secretary announced the Ballot cast.

It was further

T-3758 VOTED that vacancies occurring in any office between meetings of the Board of Trustees be referred to the Executive Committee with power.

YENCHING ALUMNI AND STUDENTS IN U.S.A.

Miss Welcher referred to the splendid opportunity for using the talents of Chinese students and alumni in America and of the unusual contribution which they make in the thinking through of problems in connection with Administrative and Publicity programs.

May 8, 1942.

It was agreed that all could do more toward contacting these Chinese, many of whom are here in the U.S.A. for the duration, and in order to give the Trustees as full information as possible, it was

T-3759 VOTED to instruct the Secretary to mail each member of the Board of Trustees a late copy of the Yenching Faculty and Alumni list.

On Motion Adjourned.

C. A. EVANS
Assistant Secretary

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MINUTES OF MEETING
FINANCE COMMITTEE
YENCHING UNIVERSITY

12:30 P.M. Wednesday, June 10, 1942
Federal Reserve Bank, 33 Liberty Street, New York, N. Y.

List of Members

* Dr. Sidney D. Gamble, Chairman	* Mr. L. R. Rounds
Mrs. John H. Finley	* Dr. W. J. Thompson
* Mr. E. M. McBrier	Dr. A. L. Warnshuis
Mrs. Maurice T. Moore	* Mr. Girvan N. Snider

Those whose names are starred were present also C. A. Evans. Regrets were presented from Mrs. Finley, Mrs. Moore and Dr. Warnshuis. The committee was entertained at luncheon as guests of Mr. Rounds.

INVESTMENTS

Consideration was given to the changes in investments since last reported for action of the Finance Committee. These changes were made upon recommendation of Fiduciary Counsel, and approved by members of the Investment Committee. It was suggested that more frequent meetings of the Finance Committee be held as necessary to approve of changes in the security list. After further study, it was

F-3760 VOTED to approve the sales and purchases authorized by the Investment Committee as outlined in the attached list.

BUDGET FOR 1942-43

The attention of the committee was called to the action of the Trustees in connection with the 1942-43 budget, as follows:-

"(1) That for the protection of the staff at Peking and such insurance and miscellaneous expenses as may be necessary, the sum of US\$35,000 of current income be set aside for the purpose of providing for payments to be made through the State Department for salaries, etc., any balance to be held in reserve for the ultimate payment of staff salaries currently accruing but payment of which cannot be effected under present conditions.

"(2) That for the cause of operating in West China during the fiscal year of 1942-43, there be appropriated the sum of US\$50,000 and that application be made to the Associated Boards to appropriate an additional US\$45,000 for providing necessary housing and equipment in West China.

"(3) To request the Harvard-Yenching Institute Trustees, that in view of this program, they provide the regular income from the Restricted Fund, and to impound such appropriations for Graduate School as is involved in salaries, same to be held for future payment to the staff in the Graduate School of Chinese Studies.

"(4) That Yenching Trustees' share of expense in the Associated Boards 1942-43 budget be authorized as in the past, any minor adjustments to be left to the Finance Committee."

0076

June 10, 1942

In connection with the foregoing, it was reported that the Harvard-Yenching Institute took action at the meeting held on May 25th, voting to pay the balance of the 1941-42 appropriation of restricted funds for Yenching University.

It was also stated that the Institute had set aside a limited amount to care for the salaries of those connected with the Graduate School work at Yenching University.

A study of the anticipated income for 1942-43 was presented, and the committee reviewed it in detail. It was

F-3761 VOTED to accept the following figures for both the University and the College for Women as representing the best estimates of amounts available for the committee at the present time, and that same represent the basis for computing expenditures for the coming year, it being understood that adjustments will be made as required.

I. GENERAL UNIVERSITY

a. <u>Boards</u>		
American	675.00	
London Missionary Society	1,000.00	
Methodist	1,472.00	
Presbyterian	<u>2,000.00</u>	5,147.00
b. <u>Endowment Income</u>	42,000.00	
c. <u>Bashford Maintenance</u>	<u>1,025.00</u>	<u>43,025.00</u>
		48,172.00
<u>Less Home Admin. & Promo.</u>		
Associated Boards	16,078.00	
Yenching Promo.	2,650.00	
Incidentals (Mimeo. and supplies)	500.00	
Trustees (Audit, treas. bond)	500.00	
Reserve	<u>2,000.00</u>	
	21,728.00	
From Women's College	<u>1,950.00</u>	<u>19,778.00</u>
		28,394.00

II. COLLEGE OF NATURAL SCIENCE

 Endowment Income 16,611.00

III. COLLEGE OF PUBLIC AFFAIRS

 Princeton-Yenching Foundation 8,500.00 ?

IV. SCHOOL OF LIBERAL ARTS

 Harvard-Yenching Institute appropriation 19,736.84

V. SCHOOL OF RELIGION

General Endow. Income: Harkness & Thompson	5,549.00	
F. D. Gamewell Fd.	<u>1,680.00</u>	7,229.00

0077

June 10, 1942

VI. SCHOLARSHIP FUNDS

General Funds	641.00	
Luce Scholarship Fund	<u>1,534.00</u>	<u>2,175.00</u>
<u>YENCHING WOMEN'S COLLEGE</u>		82,645.84
<u>Cooperating Units</u>		
W.F.M.S. - Methodist Episcopal Church	1,400.00	
Wellesley College	3,700.00	
Presbyterian Board	1,500.00	
American Board	<u>1,445.00</u>	8,045.00
<u>Special Income</u>		
Wellesley-Yenching Chair	1,500.00	
Day of Prayer Offering	1,800.00	
Philadelphia Missionary Union	200.00	
General Endowment Income	3,000.00	
Women's Committee Endowment Income	700.00	
Income Rohrman Fund	53.00	
Special Gifts	<u>2,500.00</u>	<u>9,753.00</u>
		17,798.00
		<u>1,950.00</u>
Less Home Administration & Pro.		15,848.00

BUDGET FOR EXPENDITURES

Tentative figures were presented embodying the action of the Trustees at the meeting on May 8th, as well as certain additions calling for the expenditure of specially designated funds held on the books of the Trustees.

A budget prepared by the field and brought to America by Mr. Robert Barnett of the United China Relief was presented, and it was felt that these figures, together with anticipated income as outlined in the foregoing motion (F-3761), required further reconciliation, and it was

F-3762 VOTED to refer the budget of expenditures to a special sub-committee of two, consisting of the Chairman and the Treasurer, in consultation with the Treasurer's office, this committee to have power to adjust the Asking for the Associated Boards.

ACTION OF THE HARVARD-YENCHING INSTITUTE

A communication was presented from Dean Donham of the Harvard-Yenching Institute, quoting the following action taken by the Institute on May 25th:-

"To advise the interested colleges that, if in their judgment the emergency has reached a point where they need to begin to draw on the Restricted Fund reserve account, it would be looked on by this Board as something within their discretion and that the Trustees would feel that, in the present circumstances, no restriction should be placed on the application of these funds for whatever purposes seem dictated by the emergency; that the needs are likely to continue for several years and that that should be kept in mind in drawing on the fund."

0078

June 10, 1942

The committee noted the foregoing recommendation from the Institute, and expressed sincere appreciation for the action and for the thoughtfulness in bringing this to the attention of the Boards. It was

F-3763 VOTED to acknowledge Dean Donham's letter of June 6th, expressing appreciation for the sympathetic approach to the problems of the Colleges, and to notify the Institute that for the immediate present the requirements at Chengtu are not sufficiently clear to warrant applying for any or all of these funds, it being the thought at present to retain them for special emergency requirements in the long-term program.

With sincere appreciation for the hospitality of the host, the meeting adjourned.

C. A. Evans
Assistant Secretary

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YENCHING UNIVERSITY

CHANGES IN SECURITY LIST SINCE DECEMBER 11, 1940

<u>Date</u>	<u>Amount</u>	<u>Security</u>	<u>Unit Price</u>	<u>Proceeds</u>
<u>BONDS - SALES</u>				
1940				
12/21	\$10,000	Gulf, Mobile & Northern 5/50	80	11,954.74
12/27	100,000	U. S. Treasury 3 1/4% 4/15/46-44	109.14	109,437.50
12/31	1,000	Kansas, Oklahoma & Gulf 5/78	95	947.00
1941				
1/8	9,000	Kansas, Oklahoma & Gulf 5/78	95	8,498.00
1/17	5,000	Kansas, Oklahoma & Gulf 5/78	95	4,735.00
1/28	15,000	Northern Pacific 4/97	75	11,205.00
1/29	2,000	Kansas, Oklahoma & Gulf 5/78	95	1,894.00
2/17	19,000	Montana-Dakota Utilities 4 1/2/54	104 1/2	19,755.00
3/8	10,000	N.Y., Chicago & St. Louis 4 1/2/78	89 3/4	8,944.82
3/10	10,000	Chesapeake & Ohio 3 1/2/63 "F"	105	10,500.00
3/17	2,000	Kansas, Oklahoma & Gulf 5/78	95	1,894.00
3/19	1,000	Kansas, Oklahoma & Gulf 5/78	95	947.00
3/21	13,000	Columbus Electric & Power 6/47	103	13,387.66
4/15	4,000	Louisville & Nashville 4/2003	94 1/2	3,767.92
4/30	30,000	Pennsylvania R. R. 4 1/2/70	96 3/8	28,821.92
4/30	10,000	Chicago, Burlington & Quincy 5/71	84	8,369.83
4/30	7,000	Cleveland Union Terminal 5/73	76 5/8	5,345.12
5/2	3,000	Cleveland Union Terminal 5/73	76 1/2	2,285.95
5/7	10,000	Kansas City Southern 3/50	66 7/8	6,657.36
5/15	3,000	Iowa-Nebraska Power & Light 5/57	102 1/2	3,075.00
7/15	2,000	Public Service of Colorado 3 1/2/64	109 1/4	2,178.95
8/1	1,000	Public Service of Colorado 3 1/2/64	109 1/4	1,089.47
8/7	5,000	Public Service of Colorado 3 1/2/64	109 1/4	5,447.39
8/11	2,000	Public Service of Colorado 3 1/2/64	109 1/4	2,178.95
8/11	10,000	Philadelphia Company 5/67	105	10,500.00
12/11	10,000	Atchison, Topeka & Santa Fe 4/55	102	10,200.00
12/20	10,000	Penn Central Power & Light 5/79	103 1/2	10,345.00
1942				
1/21	10,000	Texas Electric Service 5/60	104 7/8	10,493.65
2/10	8,000	West Virginia Pulp & Paper 3/54	110 1/2	8,200.00
2/10	1,000	Mercantile Properties 5 1/2/46	100	1,000.00
2/28	10,000	Central New England 4/61	68 1/2	6,719.85
2/28	15,000	Canadian Pacific 4% Perpetual	64 1/4	9,547.29
3/24	10,000	Boston Edison 2 3/4% 1970-78	99 5/8	9,932.50
5/13	6,000	Reading Co. & Jersey Central 4 1/2/97 "A" 79	79	4,721.98
1/23	2,000	Kansas, Oklahoma & Gulf 5/78	95	1,894.00
2/17	19,000	<u>BONDS - PURCHASES</u>		<u>Cost</u>
1940				
12/19	13,000	U.S. Treasury 3 1/4% 12/15/45	100	13,000.00
12/24	112,000	U.S. Treasury 3 1/4% 12/15/45	100.17	112,595.00
1941				
1/10	10,000	Boston Edison 2 3/4% 1970-78	103	10,300.00
1/25	10,000	U.S. Treasury Defense Notes 3/4% '44	100 1/2	10,000.00
1/27	5,000	Phillips Petroleum 1.80 1/1/50	100 3/8	5,000.00
1/27	5,000	Phillips Petroleum 1.85 7/1/50	100	5,000.00
3/1	10,000	Chesapeake & Ohio Railway 1.90 1951	100 5/8	10,000.00
3/28	8,000	U.S. Treasury 2 1/2% 3/15/54	100 1/2	8,000.00
5/7	10,000	Kansas City Southern 3/50	66 7/8	6,657.36

0080

Changes in Yenching Security list

-2-

<u>Date</u>	<u>Amount</u>	<u>Security</u>	<u>Unit Price</u>	<u>Cost</u>
<u>BONDS - PURCHASES (continued)</u>				
1941				
4/16	9,000	Reconstruction Finance Ser. "V" 1 1/8 '43	100	9,000.00
4/30	30,000	Long Island R. R. 4/49	97 1/2	29,250.00
5/29	24,000	U. S. Treasury 2 1/2% 3/15/58	100	24,000.00
6/12	10,000	Central New England 4/61	63	6,325.00
6/13	50,000	U. S. Treasury Defense Series "G" 2 1/2 '53	100	50,000.00
11/15	2,000	Westinghouse Electric Deb. 2 1/8 1951	101 1/2	2,030.00
12/3	5,000	Westinghouse Electric Deb. 2 1/8 1951	102 1/2	5,125.00
12/3	11,000	U. S. Treasury 2% 1951-52	100	11,000.00
12/29	1,000	Mercantile Properties 5 1/2/46	100	1,000.00
1942				
1/17	5,000	American Tel. & Tel. 3/56	108 3/8	5,418.75
2/20	32,000	U.S. Treasury 2 1/4% 1952-55	100	32,000.00
4/25	10,000	American Tobacco 3/62	100	10,000.00
5/5	5,000	Dow Chemical 2 1/4/50	103	5,162.50
5/5	5,000	American Tel. & Tel. 3/56	107	5,362.50
5/11	10,000	U.S. Treasury 2% 1949-51	100	10,000.00
				<u>Proceeds</u>
<u>PREFERRED STOCK - SALE</u>				
1941				
2/14	100 sh	Goodyear Tire & Rubber 5%	86	8,568.82
<u>COMMON STOCK - SALES</u>				
1940				
12/24	200	Youngstown Sheet & Tube	41	8,295.82
1941				
1/27	300	Pullman, Inc.	25 3/4	7,649.84
2/6	100	Lone Star Cement	38 1/2	3,823.92
5/5	400	Columbia Broadcasting "A"	18	7,131.34
5/7	200	Chesapeake & Ohio	38 3/8	7,631.84
6/7	300	Amerada Corporation	55 1/4	16,490.65
8/13	200	Southern Pacific	14 1/8	2,780.94
12/29	300	Underwood Elliott Fisher	29 3/4	8,873.82
1942				
1/3	300	J. C. Penney	77	23,009.53
1/27	100	American Can	63 3/4	6,350.37
1/27	200	Parke Davis & Co.	26 3/4	5,299.88
1/27	400	Air Reduction	35 3/8	14,033.18
1/27	600	National Biscuit	15 1/2	9,307.26
1/27	110 1/4	International Business Machines	140	15,297.85
2/17	5 1/2	International Business Machines	127 7/8	711.90
3/24	200	Chesapeake & Ohio	29	5,749.38
				<u>Cost</u>
<u>COMMON STOCK - PURCHASES</u>				
1940				
12/18	100	Sherwin Williams	75	7,520.00
12/18	100	Marshall Field	16 1/4	1,639.00
1941				
1/28	300	International Nickel	26 1/2	7,995.00
1/28	100	Reynolds Tobacco "B"	33 1/2	3,366.00
2/6	300	International Nickel	24 1/2	7,370.00
2/19	100	Monsanto Chemical	77 1/2	7,770.00
4/30	400	Consolidated Edison	19 1/8	7,718.50
4/30	200	R. J. Reynolds Tobacco "B"	30	6,032.00

0081

Changes in Yenching security list -3-

<u>Date</u>	<u>Amount</u>	<u>Security</u>	<u>Unit Price</u>	<u>Cost</u>
<u>COMMON STOCK - PURCHASES (continued)</u>				
<u>1941</u>				
5/5	100 sh	Sterling Products, Inc.	54 1/4	5,443.00
6/10	300	Consolidated Gas, El. of Baltimore	58 1/2	17,579.00
10/1	200	American Home Products	38 3/8	9,384.00
12/3	200	F. W. Woolworth	26 3/8	5,305.00
12/15	83	American Tobacco "B"	47 1/2	3,961.19
12/19	200	Crane Co.	12 1/8	2,440.50
12/19	200	Fairbanks-Morse	35 1/4	7,082.00
12/19	200	International Harvester	45 3/4	9,184.00
12/19	200	F. W. Woolworth	25 1/2	5,130.00
<u>1942</u>				
1/17	117	American Tobacco	48 3/4	5,726.75
1/17	100	Archer-Daniels-Midland	35	3,516.00
1/17	200	Sears Roebuck	54 1/4	10,886.00
1/17	100	Inland Steel	74	7,420.00
1/17	100	Westinghouse Electric & Manufacturing	80 1/4	8,046.00
2/26	300	Marshall Field	10 7/8	3,304.50
2/26	100	Sears Roebuck	50	5,018.00
2/27	100	Union Carbide & Carbon	64	6,419.00
2/27	100	General Foods	32 3/8	3,253.50
3/17	100	W. T. Grant	27 7/8	2,806.97
3/17	100	du Pont de Nemours	109 1/2	10,985.00
3/17	100	American Home Products	38 3/8	3,859.59
5/5	200	Irving Trust	9 1/2	1,928.00
5/5	200	General Foods	27 3/4	5,601.41
5/5	100	Marshall Field	9 3/4	989.00

YENCHING WOMEN'S COLLEGE

		<u>BOND - SALE</u>		<u>Proceeds</u>
<u>1941</u>				
5/15	7,000	Iowa-Nebraska Power & Light 5/57	71	7,175.00
		<u>PREFERRED STOCK - PURCHASE</u>		<u>Cost</u>
<u>1941</u>				
12/10	100 sh.	Abbott Laboratories 4%	104	10,400.00
		<u>COMMON STOCK - SALE</u>		<u>Proceeds</u>
<u>1942</u>				
1/28	52 1/2	International Business Machines	140	7,233.63
		<u>COMMON STOCK - PURCHASE</u>		<u>Cost</u>
<u>1941</u>				
2/13	200 sh.	R. J. Reynolds Tobacco "B"	33 1/4	6,682.00

TRUSTEES OF YENCHING UNIVERSITY

June 30, 1942

December 8, 1941 (in China). What a day for Yenching! It marked the cessation, for a time at least, of work on its campus at Peking. Prior plans for such an emergency were of no avail, but not so with the undying spirit of Yenching. It fell only to rise again. Like other universities which had suffered a similar or worse plight, the trek to free territory began for those who were fortunate enough to escape.

And so under a different setting in Chengtu, Yenching returns to life and with four sister colleges on the **West China Campus** educational work will continue.

An urgent call, by cable, for U. S. \$30,000, received December 6, was answered immediately by cabling \$10,000 which was never received. Other funds were frozen and only after some difficulty were the funds for the Trustees released for use in America. Much of the budgeted funds for the year had been sent out and such still remaining in New York were set aside for relief and salaries of faculty members. The balance in this fund June 30 was \$35,000, and it is contemplated that this will care for repatriation expenses and accrued salaries. ✓

This report will deal with the finances of the Trustees, largely within the United States, to June 30, 1942 as no reconciliation of figures with the field is possible.

This report is accompanied by the following documents:

- (a) Trial Balance Sheets (Pages 5-8)
- (b) Budget Analysis (Pages 9-10)
- (c) Consolidated Balance Sheet (Page 11)
- (d) List of Securities as of June 30, 1942 (Pages 12-16)

Figures in the report for 1941-42 have been checked by the auditors, Messrs. Chambellan, Berger and Welti.

ENDOWMENT SECTION

Funds in this section decreased by \$601,46 principally due to use of \$330 of the field's educational fund for one of its participants, the decrease in the Wallace property equity, and the use of some cash to protect properties held in the Account.

The McBrier fund was increased by \$10,000 by the transfer of securities and cash to this amount from the income which had not been used.

The investments were watched closely during the year by expert counseling service and changes were made, all of which are reported in the actions of the Finance Committee. Two mortgages in default has caused a restudy of the entire problem which reflects the general mortgage situation we are experiencing. Net losses on sales of securities totaled \$36,838.98 but with a much improved basic situation as regards bonds and stocks. Page 6 of the Trial Balance shows the listing of funds. Pages 12-16 list the securities we are now carrying.

Income as related to the various funds is shown as follows:

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	<u>Principal</u>	<u>Income</u>	<u>Rate</u>
General	\$ 1,413,841.64	\$ 48,650.69	3.44
Natural Science	500,000.00	17,206.01	3.44
D. Willis James	100,000.00	3,787.13	3.79
Luce Scholarship	46,260.00	1,594.11	3.45
Special Funds	24,645.04	839.55	3.44
Scholarships	19,400.00	662.59	3.42
McBrier Foundation	<u>110,000.00</u>	<u>3,767.65</u>	<u>3.42</u>
	\$ 2,214,146.68	\$ 76,507.73	3.45

PLANT SECTION

The following schedule shows the increase of \$3,535.94 in this section to a total of \$1,902,062.39 as shown on Page 6.

Telephone installations reported from China	\$ 107.50
Income on plant investments	3,123.58
Gifts for residences	250.00
Income on Wheeler Chapel Fund in China	<u>54.86</u>
	\$3,535.94

With this income and cash balance at the beginning of the year, \$10,000 U.S. Treasury bonds were purchased at par, leaving \$588.31 in the Plant Cash account.

On June 30 the market value of Plant Investments was \$53,850., as against a cost of \$78,809.50.

CURRENT GENERAL

Income from Cooperating Mission Boards increased by \$198.08 for the year, the larger portion coming from the Methodist with \$75 from the American Board.

Special funds showed a decrease of \$2,125 due to the third quarter of the Princeton-Yenching appropriation being held in abeyance and subject to call when and if needed in the Yenching work.

Endowment Income showed a slight falling off in the general funds but special funds income nearly made up the loss. This was because the interest from Natural Science income was no longer paid to the Woman's College.

Sustaining funds within the year showed a decrease from previous year although the askings were considerably larger. However, right after the close of the year \$10,000 additional was voted by the Associated Boards and sent to the field. Adding this amount to the combined totals there would have been an increase of \$4,213.93 over the previous year.

Under Expenditures there is a large increase in the Field Budget as aside from the limited amounts sent to China before Dec. 6, 1941, the Trustees set aside the balance amounting to \$34,603.36 for salary, travel and relief of incarcerated faculty members.

There was a decided decrease in Home Administration and Promotion.

0084

The following schedules show income and expenditures as compared with the previous year.

<u>INCOME</u>	<u>1941-42</u>	<u>1940-41</u>	<u>Increase or Decrease</u>
<u>Boards</u> - American Board	\$ 750.00	\$ 657.00	\$ 75.00 *
London Missionary Society	1,000.00	999.58	.42 *
Methodist Board	1,594.66	1,472.00	122.66 *
Presbyterian Board	2,000.00	2,000.00	--
<u>Special Funds</u>			
Princeton-Yenching	6,375.00	8,500.00	2,125.00
Harvard-Yenching Restricted	22,368.42	22,368.42	--
Yenching College for Women	1,450.00	1,450.00	--
<u>Endowment Income</u>			
General	44,312.24	45,870.20	1,557.96
Natural Science	17,996.00	16,735.00	1,261.00*
Restricted	8,590.59	8,502.68	87.91*
Bashford Memorial	1,065.93	1,099.12	33.19
Luce Scholarship	1,650.00	1,640.00	10.00*
<u>Other Receipts</u>			
Sustaining Funds	<u>18,128.59</u>	<u>21,755.50</u>	<u>3,626.91</u>
	\$127,281.43	\$133,067.50	\$5,786.07
<u>EXPENDITURES</u>			
Field Budget	\$ 90,086.42	\$ 84,891.00	\$5,195.42*
Home Administration & Promotion	17,738.04	25,060.55	7,322.51
Incidentals	925.22	1,108.08	182.86
Trustees	403.16	252.37	150.79*
Sustaining Funds Remitted	<u>18,128.59</u>	<u>21,755.50</u>	<u>3,626.91</u>
	\$127,281.43	\$133,067.50	\$5,786.07

PROMOTIONAL SECTION

This section still shows an overdraft of \$905.27 carried since 1937-38. There is also the Equipment Fund amounting to \$1,480.03 which under normal conditions would inventory at much less.

SPECIAL SECTION

James W. Porter Income Account. Income accruing in this account totaled \$172.87 for the year.

Suspense. This group of suspense accounts consists largely of credit balances due field staff members or items to be sent to China. These are checked at intervals and such as may be are cleared under proper authorization. It seems unnecessary to repeat the list shown on Page 7.

Managers Current Funds. At the request of the field \$20,000 was credited to this account September 15, 1942 from current undrawn appropriations indicating the use of other field balances for current operations. The total is now \$150,000. These funds are practically all invested.

McBrier Foundation. Due to the continued accumulation of income and without an adequate budget from China for its use, \$10,000 was transferred to the principal account during the year - Account 111-e. The current income balance June 30th was \$5,569.42.

Scholarship. The Marcy scholarship of \$100 came in again and was forwarded to the field last fall.

CASH SITUATION

The Consolidated Balance Sheet (Page 11) shows the status of the cash in the different sections. The total amount of \$72,758.47 was carried with the Woolworth Branch of the Irving Trust Company. Aside from this, savings banks carried the following:

Endowment Cash	
Bowery Savings Bank	\$ 6,702.07
Emigrant Industrial Savings Bank	<u>6,049.32</u>
	\$ 12,751.39

Field Managers fund account also used savings banks to the amount of \$33,799.96.

RECOMMENDATIONS

It is recommended:

- (a) That a vote of thanks be extended to the Methodist and American Boards for the increased appropriations.
- (b) That the Harvard-Yenching Institute be given a special vote of gratitude for the action releasing reserve balances held in Boston for unrestricted use.

Respectfully submitted,

Edwin Merton McBrier, Treasurer

C. A. Evans, Assistant Treasurer

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YENCHING UNIVERSITY

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TRIAL BALANCE JUNE 30, 1942

PERMANENT ENDOWMENT

	<u>Debit</u>	<u>Credit</u>
11 Consolidated Endowment Investments.....	1,821,425.98	
11d American Board of Commissioners (In Trust)...	100,000.00	
11k Swiss Committee Investments	8,642.02	
111a Hall Endowment Fund - General.....		1,050,094.61
111b Harkness Endowment Fund		143,969.10
111c Lucy K. Sackett Endowment Fund		1,000.00
111d D. Willis James Foundation		100,000.00
111e McBrier Foundation for Biblical Instruction		110,000.00
111h Library Endowment Fund		7,000.00
111j Endowment for Natural Sciences:		
(1) Rockefeller Foundation		250,000.00
(2) General		225,000.00
(4) Mary Huggins Gamble Fund.....		25,000.00
111k Swiss Committee Fund		11,094.80
111m Luce Scholarship Foundation		46,260.00
111n Pfeiffer Emergency Endowment Fund		100,000.00
111p Mary McLean Thompson Endowment Fund		25,000.00
111q Endowment Income - Stabilization Fund		5,804.02
111r Frank D. Gamewell - Chair of Christian Religion		50,620.00
111s Journalism Endowment Funds.....		1,020.00
12 & 112 Other Permanent Funds:		
(a1) Burt Friant Student Loan	125.00	125.00
(a2) Sidney D. Gamble Student Loan	4,778.50	4,778.50
(b) Educational Funds for Foreign Children		2,765.33
(c) Mary C. Pardee Scholarship.....		3,000.00
(d) Olive Pardee Scholarship		3,000.00
(e) Olive Pardee Scholarship		2,400.00
(f) Frances Jenks Hall Scholarship		10,000.00
(f) Boyd Scholarship Fund.....		1,000.00
(fl) General Scholarship Fund		4,980.89
(g) James W. Porter Fund		30,937.93
(k) Bashford Memorial Maintenance		700.00
(p) Scranton-Luce Social Center Maintenance		3,500.00
(r) Warner Memorial Gymnasium Maintenance		
18a Accounts Receivable - Wallace Property		
Contracts	7,564.24	
18b Wallace Property Contracts - Adjusting Account..	901.89	
118 Endowment Equity in Wallace Property Contracts..		7,564.24
19 Cash - Overdraft -		
(General Endowment).....	2,533.81	
(Swiss Committee)	2,452.78	81.03
19.1 Savings Bank Accounts	12,751.39	
119 Loss on Sale of Securities	270,506.43	
	<u>2,226,695.45</u>	<u>2,226,695.45</u>

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YENCHING UNIVERSITY

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TRIAL BALANCE JUNE 30, 1942

PLANT		Debit	Credit
20	Completed Buildings:		
	(a) General Educational	390,729.66	
	(b) Dormitories.....	277,487.12	
	(c) Residences	348,534.80	
	(d) Heat,Light,Water & Sewage.. System	381,938.29	
	(e) Miscellaneous Building. Operations.....	104,742.74	
		1,503,432.61	
120	Funds for Completed Buildings.....		1,503,432.61
121	General Funds:		
	(a) American Board.....		54,500.00
	(b) London Missionary Society.....		11,092.44
	(f) Income - Invested General Building Funds		36,810.50
22	Land:		
	(a1) General.....	88,621.48	
	(a3) Athletic Field.....	17,505.00	
	(a4) Dairy.....	90.00	
	(b) Improvement & General Plans.....	69,952.76	
122	Land Funds:		
	(a1) Miscellaneous.....		24,854.34
	(a3) Wallace Campus Fund.....		96,020.56
	(a4) Dairy.....		90.00
	(b) Land Improvement & General Plans.....		33,732.75
24	Equipment:		
	(a) Furniture.....	2,365.67	
	(b) Scientific.....	27,632.05	
	(c) Library Books.....	56,664.96	
	(d) Harvard-Yenching Institute Art Studio..	101.38	
	(e) Library	1,000.00	
124	Equipment Funds:		
	(a) Furniture.....		100.00
	(b) Scientific.....		16,124.31
	(c) Library Books.....		59,807.35
	(d) Harvard-Yenching Institute Art Studio..		101.38
	(e) Shoemaker Book Fund.....		1,000.00
25	Building Fund Investments.....	78,809.50	
26	Building Operations:		
	(j) Model School Practice House.....	9,775.24	
	(m) Residences General.....	15,825.92	
	(t) Wheeler Memorial Chapel*	19,226.65	
	(t2) Laura Spelman Rockefeller Fund	5,470.86	
126	Special Funds:		
	(a1) Presbyterian Jubilee.....		5,000.00
	(j) Model School Practice House.....		9,775.24
	(m) Residences General.....		15,647.94
	(t) Wheeler Memorial Chapel*		26,862.28
	(t2) Laura Spelman Rockefeller Fund		7,110.69
28C	Bills Receivable.....	5,000.00	
29	Plant Cash.....	589.31	
		1,902,062.39	1,902,062.39

*Total of Wheeler Memorial including
Women's College Accounts \$47,812.58

CURRENT GENERAL		Debit	Credit
31	Managers' Current Expense.....	90,086.42	
36.1	Home Administration - Executive Office.....	15,442.84	
36.2	" " - Incidentals.....	925.22	
36.3	" " - Trustees.....	403.16	
39	Current General Cash.....	37,406.01	
39.1	Accounts Receivable.....	5,498.00	
131	Receipts - American Board.....		750.00
132	" - London Missionary Society.....		1,000.00
133	" - Methodist Board.....		1,594.66
134	" - Presbyterian Board.....		2,000.00
135.5	" - Princeton-Yenching Foundation.....		6,375.00
135.6	" - Harvard-Yenching Institute - Restricted..		22,368.42
135.7	" - Yenching College for Women.....		675.00
137.1	Endowment Income - Unrestricted.....		62,308.24
137.2	" " - Restricted.....		11,011.73
137.2a	" " - " Reserve.....		3,707.14
137.3	" " - Bashford Fund.....		1,065.93
137.4	" " - Scranton-Luce Social Center.....		22.13
137.6	" " - Luce Scholarship Foundation.....		2,280.04
139.1	Accounts Payable.....		34,603.36
		<u>149,761.65</u>	<u>149,761.65</u>
CURRENT SPECIAL			
74	Managers' Current Fund Investments.....	145,812.84	
79	Special Cash.....	38,755.68	
171	Endowment Income - Undistributed 1942/43.....		450.00
171.1	" " - James W. Porter.....		537.92
172	Suspense.....		2,250.71
172.1	" - Swiss Committee.....	765.75	
172.2a	" - Mr. & Mrs. William Band.....		1,576.00
172.2c	" - Miss E. Th. v. Rechtensee.....		825.03
172.2d	" - Mr. Harold Shanick.....		259.95
172.2e	" - Mr. James H. Pyle.....		122.50
172.3a	" - Swiss Committee Income.....		459.25
172.4	" - Special.....		1,817.07
174	Managers' Current Funds.....		150,000.00
174.1	" " Fund Investments - Income.....		2,498.56
175.1	Miscellaneous Current Gifts.....	22.72	
175.2	Endowment Income - Restricted (Non Budget).....		662.59
175.2b	" " " (McBrier Foundation).....		5,569.42
175.3	Harvard-Yenching Institute Agency Accounts.....		10,387.00
175.5	Sustaining Fund.....		18,128.59
175.5	Disbursed - Sustaining Fund.....	18,128.59	
178.1	Reserve - Department of Natural Science.....		7,940.99
		<u>203,485.58</u>	<u>203,485.58</u>
PROMOTIONAL			
81d	Expense - Cable, Telephone & Telegram.....	80.37	
81e	" - Publicity.....	1,730.44	
81f	" - Miscellaneous.....	84.17	
82a	" - Stephen Tsai.....	400.22	
84.8	Deficit - 1937/38.....	905.27	
86	Equipment.....	1,480.03	
87	Petty Cash.....	5.00	
89	Promotional Cash - Overdraft.....		3,910.50
181.1	Receipts - Yenching College for Women.....		775.00
		<u>4,685.50</u>	<u>4,685.50</u>

YENCHING UNIVERSITY

TRIAL BALANCE AFTER CLOSING JUNE 30, 1942

<u>CURRENT GENERAL</u>		<u>Debit</u>	<u>Credit</u>
39	Current General Cash.....	36,548.40	
39.1	Accounts Receivable.....	5,498.00	
137.2	Endowment Income Restricted (School of Theology).....		3,105.73
137.2a	" " Reserve.....		3,707.14
137.4	" " Scranton-Luce Social Center.....		.13
137.6	" " Luce Scholarship Foundation.....		630.04
139.1	Accounts Payable.....		34,603.36
		<u>42,046.40</u>	<u>42,046.40</u>
<u>CURRENT SPECIAL</u>			
74	Managers' Current Fund Investments.....	145,812.84	
79	Current Special Cash.....	38,093.09	
171	Endowment Income - Undistributed.....		450.00
171.1	" " - James W. Porter.....		537.92
172	Suspense.....		2,250.71
172.1	" - Swiss Committee.....	765.75	
172.2a	" - Mr. & Mrs. William Band.....		1,576.00
172.2c	" - Miss E. Th. v. Rechtensee.....		825.03
172.2d	" - Mr. Harold Shadick.....		259.95
172.2e	" - Mr. James H. Pyle.....		122.50
172.3a	" - Swiss Committee Income.....		459.25
172.4	" - Special.....		1,817.07
174	Managers Current Funds.....		150,000.00
174.1	Income - Managers Current Fund Investments.....		2,498.56
175.1	Miscellaneous Current Gifts.....	22.72	
175.2b	Endowment Income - Restricted (McBrier Foundation).....		5,569.42
175.3	Harvard-Yenching Institute - Agency Account.....		10,387.00
178.1	Reserve - Department of Natural Science.....		7,940.99
		<u>184,694.40</u>	<u>184,694.40</u>
<u>PROMOTIONAL</u>			
84.8	Deficit 1937/38.....	905.27	
86	Equipment.....	1,480.03	
87	Petty Cash.....	5.00	
89	Promotional Cash - Overdraft.....		2,390.30
		<u>2,390.30</u>	<u>2,390.30</u>

0090

Acct. No.	Item	Appropriation	Disbursed to		Acct. No.	Item	Budget Estimate	Rec'd to June 30	Balance Due
			June 30	I. C. \$ U. S. D					
175.3	For General Purposes	10,000.00	-	-	175.3	For General Purposes	10,000.00	5,000.00	5,000.00
	Transmitted to field				175.3	Office Secretaries	1,300.00	650.00	650.00
175.3	Office Secretaries	1,300.00			175.3	Accounting & Auditing	350.00	175.00	175.00
175.3	Accounting & Auditing	350.00			175.3	Scholarships	1,000.00	500.00	500.00
175.3	Scholarships	1,000.00			175.3	Book Purchases	11,000.00	5,500.00	5,500.00
175.3	Book Purchases	11,000.00			175.3	Archaeological Lab'try	500.00	250.00	250.00
175.3	Archaeological Lab'try	500.00			175.3	Sino-Indian Institute	1,400.00	700.00	700.00
175.3	Sino-Indian Institute	1,400.00			175.3	Contingent	1,000.00	500.00	500.00
175.3	Contingent	1,000.00			175.3	Journal Chinese Studies	1,000.00	500.00	500.00
175.3	Journal Chinese Studies	1,000.00			175.3	Teaching Staff	4,348.00	2,174.00	2,174.00
175.3	Teaching Staff	4,348.00					31,898.00	15,949.00	15,949.00

III HOME ADMINISTRATION AND PROMOTION

Appropriation	Disbursed to June 30	Balance to be Disbursed	Appropriation	University	Women's College
36.1 Adm. & Prom. Assoc. Bds.	16,078.00	15,442.84	19,778.00	19,778.00	-
36.2 Incidentals	500.00	925.22	1,450.00	1,450.00	-
36.3 Trustees	500.00	403.16			
81 Promotion - Yenching	2,650.00	1,894.98			
82 Reserve for Possible act.	1,500.00	400.22			
	21,228.00	19,066.42	21,228.00	21,228.00	-

*Disbursed over amount budgeted

IV SUMMARY OF BUDGET SITUATION

Budget	Appropriation	Situation	Cash	Balance	Overdraft
-	-	-	-	-	2,161.58
108,000.00	20,935.61	-	-	-	-
-	108,000.00	-	10,387.00	10,387.00	-
-	2,161.58	-	2,161.58	2,161.58	-
108,000.00	39,433.19	-	12,548.58	2,161.58	-

A S S E T S

CONSOLIDATED BALANCE SHEET

YENCHING UNIVERSITY

JUNE 30, 1942

L I A B I L I T I E S

<u>Endowment</u>	
Consolidated Investments	1,921,425.98
Swiss Committee Investments	8,642.02
Student Loans to China	4,903.50
Swiss Comm. Cash	2,452.78
Savings Bank Accts.	<u>12,751.39</u>
	15,204.17
Less Cash Overdraft	<u>2,533.81</u>
	12,670.36
	<u>1,947,641.86</u>

<u>Endowment</u>		
General Endowment Funds		1,707,955.38
Natural Science "		500,000.00
Swiss Committee Funds		<u>11,094.80</u>
		2,219,050.18
Less: Loss on sale of Securities	270,506.43	
Wallace Property Overdraft	<u>901.89</u>	
		<u>271,408.32</u>
		<u>1,947,641.86</u>

<u>Plant</u>	
Completed Buildings	1,503,432.61
Land and Improvements	176,169.24
Equipment	87,764.06
Operations	50,298.67
Investments	78,809.50
Notes Receivable	5,000.00
Cash	<u>588.31</u>
	1,902,062.39

<u>Plant</u>		
Funds for Completed Buildings		1,503,432.61
General Funds		102,402.94
Land Funds		154,697.65
Equipment Funds		<u>77,133.04</u>
Special Funds		64,396.15
		<u>1,902,062.39</u>

<u>Current Assets</u>	
Accounts Receivable	5,498.00
Field Investments	145,812.84
Suspense Charges	765.75
Equipment	1,480.03
Cash	<u>72,256.19</u>
	225,812.81

<u>Current Liabilities</u>		
Harvard-Yenching Agency a/c		10,387.00
Accounts Payable		34,603.36
Field Trust Funds		150,000.00
" " Income		<u>2,498.56</u>
McBrier Fund Income		5,569.42
Advanced to 1942-43		450.00
Reserve Dep't Natural Science		7,940.99
Restricted Income Balances		7,980.96
Suspense Credits		<u>7,310.51</u>
		226,740.80
Less: Deficit 1937-38	905.27	
Current Gift Overdraft	<u>22,72</u>	
		<u>927.99</u>
		<u>225,812.81</u>
	<u>4,075,517.06</u>	

YENCHING UNIVERSITY
LIST OF SECURITIES
JUNE 30, 1942

Amount	BOND INVESTMENT	Security	Cost Price	Cost	6/30/42		Nominal Income
					Market Price	Market Value	
10,000	Bonds	American Tel. & Tel. 3/56	107-5/8	10,763.30	107	10,700.00	300.00
3,000	"	" " " 3 1/4/61	98-1/4	2,964.50	107-3/8	3,221.25	97.50
10,000	"	" " " 3 1/2/61	100	10,000.00	100-1/4	10,025.00	300.00
7,700	"	American Tobacco Company 3/62	98.67	7,597.54	5/8	48.12	---
15,000	"	Associated Gas & Electric 5/2002	96	14,517.95	102-1/4	15,337.50	600.00
10,000	"	Atchison, Topeka & Santa Fe 4/55	101	10,100.00	98-1/8	9,812.50	225.00
10,000	"	Beneficial Ind. Loan 2 1/2/50	102-1/2	10,230.74	107	10,700.00	400.00
10,000	"	Carolina, Cinchfield & Ohio Rwy. 4/65	100	10,000.00	97	9,700.00	190.00
10,000	"	Chesapeake & Ohio 1.90/51	104-1/4	10,300.72	92	9,200.00	400.00
18,000	"	Chicago, Burlington & Quincy 4/49	100-3/4	18,120.96	100-1/4	18,045.00	562.50
10,000	"	Chicago Union Station 3-1/8/63	104-3/4	10,384.06	83-1/4	8,325.00	500.00
15,000	"	Columbia Gas & Electric 5/61	98.51	14,980.02	104	15,600.00	750.00
10,000	"	Florida Power & Light 5/54	108-3/4	10,813.24	111-1/4	11,125.00	350.00
30,000	"	Kansas Power & Light 3-1/2/69	97-1/2	29,360.00	95-3/4	28,725.00	1,200.00
11,000	"	Long Island Railroad 4/49	97	10,708.40	91	10,010.00	440.00
20,000	"	Louisville & Nashville 4/2003	90-1/2	19,403.18	102	20,400.00	1,100.00
2982.87	"	Mercantile Properties 5-1/2/46	60.75	2,982.87	1/2	14.91	---
30,000	"	Municipal Securities of Chicago 6/34	107.52	32,146.32	109-1/8	32,737.50	1,125.00
10,000	"	Pacific Gas & Electric 3-3/4/61	101.90	10,050.38	102	10,200.00	275.00
17,000	"	Pennsylvania Railroad Equipment Trust 2-3/4/44	105-3/4	17,900.32	108	18,360.00	552.50
10,000	"	Pennsylvania Water & Power Refunding 3-1/4/70	114	10,712.38	111	11,100.00	500.00
5,000	"	People's Gas, Light & Coke 5/47	100	5,000.00	99	4,950.00	90.00
5,000	"	Phillips Petroleum 1.80-1/1/50	100	5,000.00	99	4,950.00	92.50
9,000	"	" " " 1.85-7/1/50	100.38	9,004.10	74-3/4	6,727.50	405.00
9,000	"	Reading Company "A" & Jersey Central 4-1/2/97	100	9,000.00	100.12	9,033.75	75.54
10,000	"	Reconstruction Finance Corporation 1-1/8/43	104	10,372.52	101	10,100.00	300.00
10,000	"	Southern California Edison 3/65	107-3/4	10,599.19	110-7/8	11,087.50	350.00
11,000	"	Southwestern Bell Telephone 3-1/2/64	102	11,195.96	101	11,110.00	385.00
10,000	"	Toledo Edison 3-1/2/60	102	10,188.83	103	10,300.00	350.00
10,000	"	Union Pacific 3-1/2/80	102	10,188.83	103	10,300.00	350.00

Yenching List of Securities -2

Amount	Security	Cost Price	Cost	6/30/42	6/30/42	Nominal Income
				Market Price	Market Value	
18,000	Union Pacific 4/47	114-1/2	19,651.45	108-1/8	19,462.50	720.00
10,000	U.S. Savings "D" 7/1/49	75	7,909.50	75	7,500.00	-
125,000	U.S. Treasury "B" 3/4 12/15/45	100.17	125,416.64	99.12	124,218.75	937.50
23,000	U.S. Treasury "D" 3/4 9/15/44	100	23,000.00	99.24	22,942.50	172.50
10,000	U.S. Savings "D" 1/1/50	75	7,788.75	75	7,788.75	-
50,000	U.S. Savings "G" 2-1/2/53	100	50,000.00	-	49,400.00	1,250.00
8,000	U.S. Treasury 2-1/2% 1954-2	100	8,000.00	104	8,320.00	200.00
24,000	U.S. Treasury 2-1/2% 1958	100	24,000.00	103	24,720.00	600.00
32,000	U.S. Treasury 2-1/4-52/55	100	32,000.00	101.11	32,430.00	720.00
11,000	U.S. Treasury 2-51/55	100	11,000.00	100.14	11,048.13	220.00
7,000	U.S. Treasury 2-3/4% 1954-51	100	7,000.00	108.22	7,608.12	192.50
1016.49	Village of Mundelein 6/32	100	1,016.49	5	75.00	-
7,000	Westinghouse Elec. & Mfg. Co. 2-1/8 - 51	102	7,145.60	101-1/2	7,105.00	200.00
10,000	Western Maryland 4/52	96	9,755.22	85	8,500.00	400.00
8,000	West Virginia Pulp & Paper 3/54	99	7,938.16	103	8,240.00	240.00
	Total Bonds		686,019.29		671,004.28	17,768.04

Preferred Stock

500 sh.	Aluminum Company of America 6%	100	50,000.00	101	50,500.00	1,200.00
220	J. J. Newberry 5%	96.09	21,141.25	107-1/4	23,595.00	1,100.00
200	Selected Industries \$5.50	75	15,139.00	38-1/2	7,700.00	1,100.00
400	Southern California Edison 6% "B"	23-1/4	9,475.00	27-7/8	11,150.00	600.00
350	William R. Warner 4%	100	35,000.00	100	35,000.00	1,662.50
	Total Preferred Stocks		130,755.25		127,945.00	5,662.50

Common Stock

117 sh.	American Tobacco	48-3/4	5,726.75	42	4,914.00	351.00
100 sh.	Allis Chalmers	45-1/2	4,567.00	23-1/8	2,312.50	147.68
300	Am. Home Products Corp.	44.15	13,243.59	47	14,100.00	720.00
353	American Tobacco "B"	88.11	33,746.19	42	16,086.00	1,270.25
100	Archer Daniels Midland Co.	35	3,516.00	29-1/4	2,925.00	100.00
100	Armstrong Cork	44	4,417.00	26-3/4	2,675.00	200.00
400	Chrysler Corporation	83.49	33,396.47	58-7/8	23,550.00	2,000.00
600	Commonwealth Edison	28.99	17,392.00	20-1/2	12,300.00	1,080.00

Yenching List of Securities - 3

Amount	Security	Cost Price	Cost	6/30/42	6/30/42	Nominal Income
				Market Price	Market Value	
<u>Common Stock</u>						
400	sh. Congoleum-Nairn-----	28-3/4	11,522.50	14-1/8	5,650.00	600.00
400	Consolidated Edison Company of N.Y.-----	19-1/8	7,718.50	13-1/8	5,250.00	640.00
500	Consolidated Gas & Elec. Baltimore-----	66.09	33,044.00	52-1/4	26,125.00	1,800.00
100	Continental Illinois Bank and Trust Co.-----	360.33	36,033.10	65	6,500.00	400.00
200	Continental Oil of Delaware-----	29-5/8	5,955.00	20-1/2	4,100.00	200.00
280	Grane Company-----	36	5,333.30	11	3,080.00	80.00
200	E. I. du Pont de Nemours-----	134-5/8	27,000.50	113	22,600.00	700.00
200	Fairbanks Morse & Co.-----	35-1/4	7,082.00	32	6,400.00	300.00
720	Ferro Eramel-----	14.39	10,359.00	9	6,480.00	720.00
500	General Electric-----	39-1/2	19,353.00	25-1/2	12,750.00	875.00
500	General Foods-----	36-7/8	19,871.50	30-7/8	15,437.50	800.00
400	General Motors-----	47-7/8	19,218.00	36-3/4	14,700.00	1,200.00
700	W. T. Grant-----	28-7/8	20,889.47	28-1/2	19,950.00	1,200.00
50	Guaranty Trust-----	276	13,820.00	202	10,100.00	600.00
400	Humble Oil & Refinery-----	57	22,834.50	49	19,600.00	800.00
200	Inland Steel-----	74	14,840.00	58-1/4	11,650.00	700.00
300	International Harvester-----	51-1/8	14,852.00	45-1/8	13,537.50	520.00
600	International Nickel-----	25-1/2	15,365.00	26	15,600.00	1,020.00
200	Irving Trust Company-----	9-1/2	1,928.00	9-3/8	1,875.00	120.00
100	Johns Manville-----	13-1/2	7,370.00	54-5/8	5,462.50	275.00
500	Marshall Field-----	12-3/8	5,932.50	9	4,500.00	200.00
400	McIntyre Porcupine Mines-----	52	20,807.50	32-1/2	13,000.00	1,019.75
200	Monsanto Chemical-----	90-1/2	18,093.00	75-1/8	15,025.00	600.00
500	Montgomery Ward-----	37	18,642.50	28	14,000.00	1,000.00
1100	National Power & Light-----	15.27	16,800.00	1-5/8	1,787.50	165.00
400	National Steel-----	72.95	29,178.00	47-1/2	19,000.00	1,300.00
400	Newmont Mining-----	32-3/4	13,138.00	24	9,600.00	800.00
210	Norfolk & Western-----	118.42	24,868.65	155	32,550.00	3,150.00
600	Ohio Oil-----	7-1/4	4,416.00	7-5/8	4,575.00	150.00
485	Pacific Gas & Electric-----	33-1/2	16,073.48	18-3/4	9,093.75	970.00
500	Phelps Dodge-----	34.11	17,055.00	23-5/8	11,812.50	900.00
300	R. J. Reynolds Tobacco Co.-----	32	9,398.00	24	7,200.00	585.00
300	Sears Roebuck & Co.-----	52-1/8	15,904.00	53-1/2	16,050.00	900.00
400	St. Joseph Lead-----	34-3/4	13,964.00	24-5/8	9,850.00	800.00

Yenching List of Securities -4

Amount	Security	Cost		6/30/42		6/30/42		Nominal Income
		Price	Cost	Market Price	Market Value			
<u>ENDOWMENT (continued)</u>								
300 sh.	Sherwin Williams-----	75-1/8	22,570.00	72-1/2	21,750.00	900.00		
250	Sperry Corporation-----	46-1/2	11,667.50	23-1/2	5,875.00	500.00		
600	Standard Oil California-----	29.28	17,567.00	20	12,000.00	600.00		
100	Sterling Products-----	54-1/4	5,443.00	54	5,400.00	380.00		
200	Texas Company-----	45	9,009.00	33-1/2	6,700.00	400.00		
100	Underwood Elliott Fisher-----	59-1/4	5,943.00	36	3,600.00	325.00		
100	Union Carbide & Carbon-----	69-3/4	21,196.50	65	19,500.00	675.00		
300	Westinghouse Air Brake-----	34.55	17,275.00	14-7/8	7,436.50	875.00		
500	Westinghouse Electric & Mfg. Co.-----	80-1/4	8,046.00	70-1/8	7,012.50	400.00		
100	F. W. Woolworth-----	33-1/2	20,194.00	27-1/8	16,275.00	960.00		
600	Total Common Stocks-----		793,576.00		579,302.75	19,673.68		

<u>Mortgages</u>								
19,900.00	First Mtg. Guaranty & Title-----	100	19,900.00	60	11,940.00	-		
2,000.00	George J. Bentel, 6/42-----	100	2,000.00	100	2,000.00	120.00		
3,573.47	W. E. & J. Breese, 6/41-----	100	3,573.47	100	3,573.47	102.00		
1,000.00	E. & P. Byrne 6/44-----	100	1,000.00	100	1,000.00	60.00		
19,673.50	Connors-Gillick, open-----	100	19,673.50	90	17,706.15	840.20		
5,673.06	O. V. Grennan, 5 1/2/39-----	100	5,673.06	90	5,105.75	247.50		
2,525.00	Laura Cronin, 6/43-----	100	2,525.00	90	2,272.50	158.25		
14,000.00	Sarah Dietz, open-----	100	14,000.00	100	14,000.00	900.00		
2,200.00	George Kettner, open-----	100	2,200.00	100	2,200.00	-		
6,200.00	Emma & George Kettner, open-----	100	6,200.00	100	6,200.00	372.00		
2,500.00	G. Lephnam, 6/43-----	100	2,500.00	100	2,500.00	75.00		
2,000.00	Anna Mullins, 6/41-----	100	2,000.00	100	2,000.00	120.00		
3,000.00	O'Rourke et al 6/41-----	100	3,000.00	100	3,000.00	180.00		
6,300.00	Bertram F. Rusher, 6/42-----	100	6,300.00	100	6,300.00	384.30		
6,000.00	Caroline Steer, 5/41-----	100	6,000.00	100	6,000.00	300.00		
3,000.00	Mildred Stiles, 6/46-----	100	3,000.00	100	3,000.00	180.00		
9,000.00	F. L. Warner, open-----	100	9,000.00	90	8,100.00	821.24		
18,900.00	Dorothy White, open-----	100	18,900.00	90	17,010.00	283.50		
6,189.76	C. Widmark, 6/41-----	100	6,189.76	90	5,570.78	120.00		
7,000.00	Anna Wulfhop, 6/42-----	100	7,000.00	100	7,000.00	420.00		
10,130.00	Broadway New Street Corp.-----	100	10,130.00	30	3,039.00	400.00		

REPORT OF THE TREASURER
YENCHING COLLEGE FOR WOMEN
JUNE 30, 1942

Work was disrupted on the Yenohing Campus December 8, 1941 and students and faculty largely dispersed. Restrained as they were, however, the spirit of Yenohing lived on in the plodding feet wending their way to Free China where the work of the University is to be resumed under the direction of ex-faculty, alumnae and refugees. Much of the year's budget was drawn but the balance is held in Accounts Payable - part of which should be for the relief of those who suffered hardship incident to the breaking out of war.

The year in U.S.A. continued in the effort to collect pledges on the \$100,000 endowment fund, to build up the Wellesley Yenohing fund and to assist in raising the Sustaining fund. Thus we had the best financial year ever and closed with a small balance, as shown under current expenditures.

The following papers accompany this report which has been checked by the auditors, Messrs. Chambellan, Berger and Welti.

- (a) Trial Balance Sheets (Pages 5, 6, 7)
- (b) Budget Analysis (Page 8)
- (c) Consolidated Balance Sheet (Page 9)
- (d) List of securities (Pages 10, 11)

ENDOWMENT SECTION

The goal of \$100,000.00 for general endowment was exceeded in 1941-42 by \$1,538.94. The total amount received during the year was \$11,125.00, making an aggregate for all Endowment funds of \$128,594.44.

Changes in investments and cash are shown herewith:

Purchase of Westinghouse Electric Stock	\$ 7,293.16
Net cash received	<u>11,383.34</u>
	\$18,676.50
Less- Sale of International Bus.Mach.Stock-	\$7,233.63
Gain on " " " " -	<u>317.87</u>
	<u>7,551.50</u>
	\$11,125.00

Gross Income on Endowment funds totaled \$3,963.20 for the year which represented 3.08 percent. No longer is the Women's College receiving 5% on balances loaned to the university.

The attached list of securities shows the market value of June 30 to be \$64,872.00, compared with the book value of \$85,443.64.

PLANT SECTION

The total of plant funds increased \$705.43 during the year to make a gross plant total of \$764,706.57. This increase was solely income on Plant Investments.

Changes in the investments consisted of purchases which affected only cash and securities as follows:

Cash on hand July 1, 1941		\$24,716.35
Received on income		705.43
		<u>\$25,421.78</u>
Purchases: 100 Abbott Laboratories Stock	\$10,400.00	
200 General Foods Stock	5,601.41	
\$5000 Dow Chemical 2 $\frac{1}{2}$ s, 1950	<u>5,162.50</u>	<u>21,163.91</u>
Net Cash June 30, 1942 -		\$ 4,257.87

Market value of the investments, as of June 30, is shown on the list to be \$34,397.25, against the cost value of \$38,173.54.

No rate of income is computed due to the varied dates of investment of funds.

Attention is called to the sizable balance of \$13,464.38 in the Income from Investments account. Much of this balance has been reinvested.

CURRENT GENERAL

Income and Expenditures within the Current budget for 1941-42 are shown here-with, with comparisons with 1940-41 and any increase or decrease.

<u>Source</u>	<u>INCOME</u>		Increase or Decrease*
	<u>1941-42</u>	<u>1940-41</u>	
Methodist Board	1,400.00	1,400.00	--
Wellesley College	3,700.00	3,700.00	--
Presbyterian Board	1,500.00	1,500.00	--
American Board	1,258.33	1,445.82	187.49*
Rohrman Fund	53.00	53.63	.63*
Wellesley Yenching Fund	1,500.00	1,500.00	--
Day of Prayer Offering	1,000.00	1,621.10	621.10*
General Endowment	3,205.79	2,898.82	306.97
Women's Comm. End. Income	685.84	586.20	99.64
Sustaining Funds	<u>6,517.80</u>	<u>3,470.33</u>	<u>3,047.47</u>
	20,820.76	18,175.90	2,644.86
	<u>EXPENDITURES</u>		
Field Budget	14,848.00	13,996.33	851.67
Home Administration	675.00	675.00	--
" " College Comm.	117.00	85.90	31.10
Promotional	775.00	775.00	--
Sustaining funds for field	<u>4,017.80</u>	<u>2,225.83</u>	<u>1,791.97</u>
	20,432.80	17,758.06	2,674.74
Surplus	<u>387.96</u>	<u>417.84</u>	<u>29.88*</u>
	20,820.76	18,175.90	2,644.86

It will be noted that income from all sources held the previous year's level remarkably well, with Sustaining funds giving the additional lift required to show a fine increase in the budget. The balance of the budgeted amount for Day of Prayer offering was carried into Accounts Receivable as no payment for 1942 had been received to June 30.

ACCOUNTS PAYABLE

Balances from the current budget were carried forward into Accounts Payable and combined with previous credits. The total amount is available for the field just as soon as the opportunity is open for its use.

CURRENT SPECIAL

Savings Fund and Investments, Managers current funds and investments, Restricted income and Suspense items are carried in this section, all of which are shown on pages of the trial balance sheets. In addition there are several accounts calling for special mention:

Chamberlain Annuity. Income on investments in this fund is totally inadequate to take care of the \$100.00 payment each year. One mortgage investment is in process of reorganization and the balance of the holdings have decreased payments on dividends. Payments this last year totaled \$100.00 while income amounted to \$54.20. Thus \$45.80 was carried forward to the previous deficit, making the total overdraft \$255.24.

Wellesley Yenching Fund. The sum of \$9,502.83 was added this past year to previous balances. The following schedule shows the status of this account:

Balance carried forward		\$ 9,715.75
Income 1941-42		<u>9,502.83</u>
		\$19,218.58
Less- Salary Appropriation in Budget	\$1,500.00	
Promotional Costs	<u>1,500.00</u>	<u>3,000.00</u>
Balance carried forward		\$16,218.58

Total cost for 1941-42 was \$2,614.21. Income on investments amounted to \$44.48.

CASH SITUATION

Total cash carried on hand June 30 amounted to \$70,149.88 distributed as follows:

Endowment	\$35,140.16
Plant	4,257.87
Current General	20,507.58
Current Special	<u>10,244.27</u>
	\$70,149.88

This was on deposit with the Irving Trust Company, 21st St. Branch. In addition the following Savings Banks held the designated balances:

Bowery Savings Bank	\$ 5,044.27
Emigrant Industrial Savings Bank	<u>6,092.72</u>
	\$11,136.99

The following are passed on as suggestions for further study and possible action:

- (a) That the surplus of \$387.96 be credited to the Surplus Account #170.
- (b) That the Finance Committee be asked to study the Chamberlain Annuity account.
- (c) That further investment of the Wellesley Yenching balances be made as soon as proper authorization is given.

Respectfully submitted,

Edwin Merton McBrier, Treasurer

C. A. Evans, Assistant Treasurer.

YENCHING COLLEGE FOR WOMEN

TRIAL BALANCE JUNE 30, 1942

<u>PERMANENT ENDOWMENT</u>		<u>Debit</u>	<u>Credit</u>
11	Consolidated Endowment Investments.....	85,443.64	
111	General Endowment Fund.....		101,538.94
112a	Insurance Endowment Fund		3,000.00
112b	Yenching College Committee Promotional Fund		20,000.00
12c	Investment - Mary Chamberlain Fund.....	1,481.32	
12c1	Loss on Chamberlain Annuity Investments.....	492.90	
112c	Mary Chamberlain Fund.....		2,000.00
112d	E. L. Richards Scholarship Fund.....		1,030.50
112e	General Scholarship Fund.....		1,025.00
19	Cash Awaiting Investments.....	35,140.16	
119	Loss on Sale of Securities.....	6,036.42	
		<hr/>	<hr/>
		128,594.44	128,594.44

PLANT

20	Completed Buildings:		
	(a) General Education Building.....	168,080.85	
	(b) Dormitories.....	161,286.26	
	(c) Residences.....	55,497.03	
	(d) Heat, Light, Water & Sewage.....	125,000.00	
	(e) Miscellaneous.....	97,445.40	
	(x) Equipment.....	26,670.86	
		<hr/>	
		653,980.40	
120	Funds for Completed Buildings.....		633,980.40
121	General Funds:		
	(c) Joint Committee Designated.....		76,857.92
	(d) Undesignated.....		16,405.62
22a	Land.....	15,000.00	
22b	Land Improvements.....	16,545.59	
22j	Building Operations - Wheeler Memorial Chapel*.....	20,950.30	
122	Special Funds:		
	(b) Boyd Gymnasium.....		3,047.95
	(j) Wheeler Memorial Chapel Fund*.....		20,950.30
24b	Science Equipment.....	10,798.87	
24c	Library Books.....	25,000.00	
124a	Income from Building Fund Investments.....		13,464.38
25a	Building Fund Investments.....	38,173.54	
29	Plant Cash.....	4,257.87	
		<hr/>	<hr/>
		764,706.57	764,706.57

* Total of Wheeler Memorial including University Accounts - \$47,812.58

YENCHING COLLEGE FOR WOMEN

TRIAL BALANCE JUNE 30, 1942

CURRENT GENERAL

	<u>Debit</u>	<u>Credit</u>
31 Current Expense.....	14,848.00	
36 Home Administration.....	675.00	
36.1 " " - Yenching College Committee.....	117.00	
36.4 Promotional Expense.....	775.00	
39 Current General Cash.....	16,895.54	
39.1 Accounts Receivable.....	900.49	
131.1 Receipts - Methodist Board.....		1,400.00
131.3 " - Wellesley College Service Fund Committee..		3,700.00
131.4 " - Presbyterian Board.....		1,875.00
131.5 " - American Board.....		1,258.33
136.2 Special Gifts - Current Budget.....		1,053.00
137.1 Endowment Income - Unrestricted.....		3,205.79
137.2 " " - Yenching College Committee.....		685.84
139.1 Accounts Payable.....		21,033.07
	34,211.03	34,211.03

CURRENT SPECIAL

70 Savings Fund Investments.....	11,136.99	
74 Managers' Current Fund Investments.....	7,638.31	
75 Wellesley-Yenching Fund Investments.....	5,025.00	
79 Current Special Cash.....	13,856.31	
170 Yenching Women's College Surplus.....		8,348.18
171.1 Endowment Income - Mary Chamberlain Annuity.....	255.24	
172.2 Suspense - Special - Dr. Greta Singer.....		903.75
172.3 " - " - Miss Ethel Hancock.....		589.00
172.4 " - " - Miss Louise L. Saetti.....		46.24
174 Managers' Current Funds.....		7,500.00
174.1 Income - Managers' Current Funds Investments.....		138.31
175.1 Miscellaneous Current Gifts.....		50.00
175.2 Endowment Income - Restricted (Non Budget).....		70.52
175.3 " " - " (Reserve).....		2.79
175.5 Sustaining Funds.....		6,517.80
175.5 Disbursed - Sustaining Funds.....	4,017.80	
175.5a Wellesley-Yenching Fund 1939/40 & 1940/41.....		9,715.75
175.5a " " " 1941/42.....		9,502.83
175.5a1 " " " Investment Income.....		44.48
175.5a Disbursed - Wellesley-Yenching Fund 1941/42.....	1,500.00	
	43,429.65	43,429.65

YENCHING COLLEGE FOR WOMEN

TRIAL BALANCE AFTER CLOSING JUNE 30, 1942

<u>CURRENT GENERAL</u>		<u>Debit</u>	<u>Credit</u>
39	Current General Cash.....	20,507.58	
39.1	Accounts Receivable.....	900.49	
131.4	Receipts - Presbyterian Board.....		375.00
139.1	Accounts Payable.....		21,033.07
		<hr/>	<hr/>
		21,408.07	21,408.07
		<hr/>	<hr/>
<u>CURRENT SPECIAL</u>			
70	Savings Fund Investments.....	11,136.99	
74	Managers' Current Fund Investments.....	7,638.31	
75	Wellesley-Yenching Fund Investments.....	5,025.00	
79	Current Special Cash.....	10,244.27	
170	Yenching Women's College Surplus.....		8,348.18
170.5	Surplus 1941/42.....		387.96
171.1	Endowment Income - Mary Chamberlain Annuity.....	255.24	
172.2	Suspense - Special (Dr. Greta Singer).....		903.75
172.3	" " (Miss Ethel Hancock).....		589.00
172.4	" " (Miss Louise L. Saetti).....		46.24
174	Managers' Current Funds		7,500.00
174.1	Income - Managers' Current Fund Investments.....		138.31
175.1	Miscellaneous Current Gifts.....		50.00
175.2	Endowment Income - Restricted (Non Budget).....		70.52
175.3	" " " (Reserve).....		2.79
175.5a	Wellesley-Yenching Fund.....		16,218.58
175.5a1	Income - Wellesley-Yenching Fund Investments.....		44.48
		<hr/>	<hr/>
		34,299.81	34,299.81

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YENCHING COLLEGE FOR WOMEN
ANALYSIS OF BUDGET 1941/42

AS OF JUNE 30, 1942

DISBURSEMENTS				RECEIPTS				
Acct. No.	Item	Appropri- ation	Disbursed to June 30	Bal. to be Disbursed	Acct. No. Item	Budget Estimate	Rec'd to June 30	Balance Due
31	General Budget.....	14,848.00	14,848.00	-	131.1 W.F.M.S. of M.E. Church.....	1,400.00	1,400.00	-
36.1	Women's Comm. Expense	500.00	117.00	383.00	131.3 Wellesley College.....	3,700.00	3,700.00	-
36	Home Administration.	675.00	675.00	-	131.4 Presbyterian Board.....	1,500.00	1,500.00	-
36.4	Promotional.....	775.00	775.00	-	131.5 American Board.....	1,445.00	1,258.33	186.67
					136.2 Income on Rohrman Fund.....	53.00	53.00	-
					175.5 Sustaining Funds.....	2,500.00	2,500.00	-
					175.5a Wellesley-Yenching Chair...	1,500.00	1,500.00	-
					136.2 Day of Prayer Offering.....	800.00	800.00	-
					136.2 Philadelphia Mission Union.	200.00	200.00	-
					137.1 General Endowment Income...	3,000.00	3,205.79	205.79*
					137.2 Women's Comm. Endow. Income..	700.00	685.84	14.16
		16,798.00	16,415.00	383.00		16,798.00	16,802.96	4.96*
					* Received over amount budgeted.			
175.5	Sustaining Funds...	4,017.80	4,017.80	-	175.5 Sustaining Funds.....	4,017.80	4,017.80	-
					(Additional Wellesley-Yenching 1941/42 6,502.83)			

9106

CONSOLIDATED BALANCE SHEET

YENCHING COLLEGE FOR WOMEN

JUNE 30, 1942

ASSETS

LIABILITIES

Endowment

Consolidated Endowment Investment \$85,443.64
 Investment Chamberlain Annuity 1,481.32
 Cash on hand 35,140.16

122,065.12

Endowment

General Funds 124,538.94
 Scholarship Funds 2,055.50
 Less Loss on Sales
 Chamberlain Annuity Fund 2,000.00
 Less Loss on Investments 492.90

126,594.44
6,036.42
 120,558.02

1,507.10 122,065.12

Plant

Completed Buildings 633,980.40
 Land & Improvements 31,545.59
 Building Operations 20,950.30
 Equipment & Library 35,798.87
 Building Fund Investments 38,173.54
 Cash 4,257.87

764,706.57

Plant

Funds for Completed Buildings
 General Funds
 Special Funds
 Income on Investments

633,980.40
 93,263.54
 23,998.25
 13,464.38

764,706.57

Current Assets

Accounts Receivable 900.49
 Savings Fund Investments 11,136.99
 Managers " 7,638.31
 Wellesley Yenching " 5,025.00
 Cash 30,751.85

55,452.64

Current Liabilities

Advances to 1942-43 375.00
 Accounts Payable 21,033.07
 Women's College Surplus 8,348.18
 Suspense accounts 1,538.99
 Managers Funds 7,500.00
 " " Income 138.31
 Restricted Funds
 Wellesley-Yenching Fund 16,218.58
 " " Income 44.48
 Surplus 1941-42 387.96
 Less Chamberlain deficit 255.24

375.00
 21,033.07
 8,348.18
 1,538.99
 7,638.31
 123.31
 16,263.06

132.72 55,452.64

942,224.33

942,224.33

YENCHING COLLEGE COMMITTEE
LIST OF SECURITIES

JUNE 30, 1942

Amount	Security	Cost Price	Cost	6/30/42 Market Price	6/30/42 Market Value	Nominal Income
67 sh.	<u>Preferred Stock</u> Anchor Hocking Glass.....	100	<u>6,716.75</u> 6,716.75	108-1/2	7,269.50	<u>335.00</u> 335.00
100	<u>Common Stock</u> American Tobacco "B".....	73	7,300.00	42	4,200.00	375.00
100	Armstrong Cork.....	32-1/8	3,228.50	26-3/4	2,675.00	200.00
200	Commonwealth Edison.....	30-1/2	6,119.50	20-1/2	4,100.00	360.00
300	Food Machinery.....	32	9,698.00	29-1/2	8,850.00	525.00
50	Guaranty Trust.....	292	14,600.00	202	10,100.00	600.00
200	Montgomery Ward.....	40-1/4	8,084.00	29-1/2	5,900.00	400.00
200	R. J. Reynolds Tobacco "B".....	33-1/4	6,682.00	24	4,800.00	400.00
100	Union Carbide & Carbon.....	84-1/2	8,471.00	65	6,500.00	300.00
137	F. W. Woolworth.....	52.93	7,250.73	27-1/8	3,715.00	219.20
100	Westinghouse Electric & Mfg. Co.....	72-5/8	<u>7,293.16</u> 78,726.89	67-5/8	<u>6,762.50</u> 57,602.50	<u>300.00</u> 3,679.20
	TOTAL ENDOWMENT.....		85,443.64		64,872.00	4,014.20
	<u>PLANT</u>					
	<u>Bonds</u>					
3M	Pennsylvania Water & Power 3 1/4/64.....	104	3,117.43	108	3,240.00	97.50
5M	Dow Chemical Co. 10 yr. Deb.....	103	<u>5,162.50</u> 8,279.93	103	<u>5,150.00</u> 8,390.00	<u>-</u> 97.50
33	<u>Preferred Stock</u> Anchor Hocking Glass.....	100	3,308.25	108-1/2	3,580.00	165.00
100	Abbott Laboratories.....	104	<u>10,400.00</u> 13,708.25	109	<u>10,900.00</u> 14,480.00	<u>400.00</u> 565.00

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Yenching College for Women - List of Securities

June 30, 1942

<u>Amount</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/42 Market Price</u>	<u>6/30/42 Market Value</u>	<u>Nominal Income</u>	
<u>Common Stock</u>						
50	Sperry Corporation.....	48-1/2	2,433.50	23-1/2	1,175.00	100.00
154	F. W. Woolworth.....	52.93	8,150.45	27-1/8	4,177.25	246.40
200	General Foods Corporation.....	27-3/4	5,601.41	30-7/8	6,175.00	320.00
			<u>16,185.36</u>		<u>11,527.25</u>	<u>666.40</u>
	TOTAL PLANT.....		38,173.54		34,397.25	1,328.90
<u>Annuity</u>						
1M	Broadway New Street Corporation.....	100	1,005.00	30	300.00	40.00
9 sh.	F. W. Woolworth.....	52.93	<u>476.32</u>	27-1/8	<u>244.12</u>	<u>14.40</u>
			1,481.32		544.12	54.40
<u>Wellesley-Yenching Funds</u>						
5M	U. S. Treasury 2 1/2/72-67.....	100.16	5,025.00	101.2	5,081.25	125.00

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CIRCULATION VOTE
MCBRIER FOUNDATION COMMITTEE
YENCHING UNIVERSITY

July 24, 1942

List of Members

Dr. W. C. Fairfield
Dr. S. D. Gamble
Dr. E. M. North

The above listed members have approved the action regarding Yang Ch'ing Wei as set forth in Mr. Evans' letter of July 16, 1942.

EXPENDITURE FOR MR. YANG CH'ING WEI

Mr. Yang Ch'ing Wei arrived in the United States from Yenching University in September, 1940, and took up his work at Union Theological Seminary at once. He was supported by the Swiss Committee Funds to the amount of \$1,000 spread over a period of two years while studying for his Bachelor of Divinity degree. He has been exceedingly economical in his expenditures and has secured his degree, being granted a diploma by Union Theological Seminary in May, 1942.

During the summer of 1941, the McBrier Foundation made a nominal grant of \$240 whereby Mr. Wei could visit religious departments of various universities in the east and attend several conferences. It was money well spent. As Mr. Wei would have returned to China during the summer of 1942 to continue his religious work at Yenching, no added provision was made for his continued stay in America. Conditions, however, do not permit his leaving this country, and the opportunity is presented now for continued study here. He has been granted a scholarship at Union Theological Seminary for 1942-43 and has presented a budget for the coming year, a copy of which is attached hereto. This schedule was circulated among the members of the McBrier Foundation Committee as of July 16, 1942, and a majority of the members have voted in the affirmative. It is, therefore,

MF-376⁴ VOTED that the McBrier Foundation Committee approve the expenditure for Yang Ch'ing Wei as shown in the attached schedule, the total amount not to exceed \$1,011.50, and it being further understood that he is to continue his religious work at Yenching University as soon as opportunity permits.

Respectfully submitted,

C. A. EVANS

BUDGET OF Y. C. WEI
FOR PERIOD FROM JUNE 1, 1942 TO MAY 31, 1943

Total expenditure for June 1, 1942 - May 31, 1943	\$1,311.50
(Details on attached sheet)	
Less - Union Scholarship	<u>300.00</u>
Amount needed for school year.....	<u>\$1,011.50</u>

Needed amount by months:

June 1st (1942)	\$122.00	
July 1st	175.00	
August 1st	122.00	
September 1st	237.50	
October 1st		(Scholarship \$150 due from Union Theological Seminary)
November 1st	35.00	
December 1st	40.00	
January 1st (1943)	40.00	
February 1st	120.00	(Scholarship \$150 due from Union Theological Seminary)
March 1st	40.00	
April 1st	40.00	
May 1st	<u>40.00</u>	
	<u>\$1,011.50</u>	

BUDGET OF Y. C. WEI

FOR THE PERIOD FROM MAY 1942 TO MAY 1943

June 1st	\$122.00	
Room	20.00	
Living expenses	45.00	
Tuition for 4 pts. (June 13-Jul 3)	50.00	
Columbia University Fee	7.00	
July 1st	\$175.00	
Room	20.00	
Living expenses	45.00	
Tuition for 8 pts. (Jul 3-Aug 15)	100.00	
Columbia University Fee	10.00	
August 1st	\$122.00	
Room and living expenses	65.00	
Tuition for 4 pts. (Aug 16-Sept 11)	50.00	
Columbia University Fee	7.00	
September 1st	\$237.50	
Room and living expenses	65.00	
Tuition for 13 pts. 1st semester	162.50	
Columbia University Fee	10.00	
October 1st	\$145.00	(\$150 Scholarship due from Union Theological Sem.)
Room for the first semester	50.00	
Living expenses	40.00	
Money for one suit	35.00	
For some shirts	10.00	
For Union Community Chest	10.00	
November 1st - Living expenses	\$ 40.00	
December 1st - Living expenses	\$ 40.00	
Year 1943 - January 1st - Living expenses	\$ 40.00	
February 1st	\$270.00	(\$150 Scholarship due from Union Theological Sem.)
Room for the second semester	50.00	
Living expenses	40.00	
Tuition for 12 pts. second semester	150.00	
University Fee	10.00	
Doctorate degree fee	20.00	
March 1st	\$ 40.00	
April 1st	\$ 40.00	
May 1st	\$ 40.00	
TOTAL	1,311.50	
Less Scholarship from Union Theol. Sem.	300.00	
	<u>\$1,011.50</u>	

0112

MINUTES OF MEETING
FINANCE COMMITTEE
TRUSTEES OF YENCHING UNIVERSITY

11:00 A.M., Wednesday, November 25, 1942
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members:

*Sidney D. Gamble, Chairman	L. R. Rounds, Vice-Chairman
Mrs. John H. Finley	W. J. Thompson
*E. M. McBrier	*A. L. Warnshuis
Mrs. Maurice T. Moore	*Girvan N. Snider

Those whose names are starred were present, also C. A. Evans. Regrets were presented from Mrs. Finley, Mrs. Moore, Mr. Rounds and Dr. Thompson.

The meeting opened with prayer led by Mr. McBrier.

REPORT ON INVESTMENTS

The minutes of the meeting of the Investment Committee held Oct. 28, 1942 were presented for consideration, and are attached herewith as Appendix "A".

The Investment Committee was asked if any well defined policy for the investment of funds had been formulated. In answer the entire section entitled (A) "Objectives" of Fiduciary Counsel's Review of July, 1942 was read. Attention was directed to the statement of "General Investment Policy" set forth in the minutes of the Investment Committee on Apr. 28, 1942, and which formed the basis for the statement made by Counsel. The Assistant Treasurer was requested to include, in the minutes, the three-fold objectives in the minutes of April 28. They are as follows:

1. Conservation of Capital. (The maintenance of the capital, as far as possible, by a carefully balanced ratio in the proportion of bonds and stocks.)
2. Recovery of book and actual losses of capital. (Where possible, to secure some appreciation on investments, but to avoid speculative risks.)
3. Income. (To secure the highest income consistent with Nos. 1 and 2 above.)

In the subsequent discussion of the three foregoing objectives, it developed that certain qualifications were necessary. These may be stated briefly in numerical order:-

1. The maintenance of principal value intact involves not only its dollar value, but also its purchasing power. This calls for a combination of high-grade bonds, which give the greatest assurance of maintenance of dollar value, and common stocks that give as much inflation protection as it seems possible to procure.
2. The recovery of losses in principal does not contemplate the purchase of securities for appreciation only. Undue risks must not be incurred nor securities selected where appreciation is the prime consideration. It calls for extreme caution, and limits activity primarily to the selection of equity securities representative of companies that have excellent prospects for long-term growth, not only in volume of business but also in earning power. The success of such an objective is difficult to attain except during a period of generally favorable conditions both in regards to corporate earning power and general market prices.

0113

3. While income is generally maintained at approximately \$80,000 annually, it may be decreased to \$60,000, if necessary to achieve recovery of capital losses. It is hoped that this will not be necessary, but the possibility must be kept in mind. It now appears under present conditions in China that budgetary requirements will also be substantially decreased. This objective requires the holding of certain types of securities and avoidance of others. It should be an integral part of planning to attain objective No. 1.

It was

F-3765 VOTED that the Finance Committee has reviewed the statement of investment policy with deep interest and approves the general program as set forth in the minutes of the Investment Committee of April 28, 1942.

INDIVIDUAL RECOMMENDATIONS

The Committee reviewed the sales and purchases as listed in the minutes of the Investment Committee, and it was

F-3766 VOTED to approve the sales and purchases as carried out by the Investment Committee and as listed in the Minutes of October 28, 1942.

RESERVE FOR MORTGAGE DEPRECIATION

A study was made of the recommendation of the Investment Committee to set aside total Real Estate mortgage income for two years as a mortgage depreciation fund. The value of such a move was recognized even though losses and gains have been adjusted previously through "Profit and Loss on Sales of Securities." It was stated that in several instances effort had been made to amortize individual mortgages by the application of part of interest receipts, but without success. It was recognized that the proposed move would decrease the amount of income available in the current budget and that it might not be in agreement with the procedure in other Colleges in the A.B.C.C.C. Finally it was

F-3767 VOTED to approve the following modification of the action proposed by the Investment Committee:

1. That a Mortgage Reserve Fund account be established, to which, for the two year period beginning July 1, 1942, shall be credited 50% of interest collected from all individual and certificated mortgages. Losses of principal due to liquidation of this class of securities shall be reimbursed from this fund. Any balance remaining in said fund after liquidation shall be transferred to income account.
2. That we approve the plan and action of the Investment Committee in securing the payment of all these outstanding obligations as early as possible, and the investment of the principal in approved securities that are readily marketable.
3. After the expiration of the two year period indicated in item No. 1, the Investment Committee is requested to make further recommendation regarding the continuation of this Mortgage Reserve Fund.

MORTGAGES HELD BY THE TRUSTEES

A total list of the mortgages and condition of each individual one was presented and is attached as Appendix "B". It was reviewed but no action was taken other than included in #2 of the foregoing motion.

INVESTMENT COUNSEL

A report was made on the service rendered by Fiduciary Counsel, Inc. and the judgment of the Committee sought on the continuance of the services. It was

F-3768 VOTED to approve the employment of Fiduciary Counsel, Inc. and a continuance of the service.

TRUSTEES' BUDGET

It was recalled that the Finance Committee of June 10th gave consideration to the budget. However, changes in the Associated Boards' charges required adjustment. The cost of operation for last year - both Promotional and Home Administration - was \$10,752.29 as against the \$16,078.00 anticipated. The division of actual costs was as follows:

Administration	\$ 8,858.41
Promotion	1,893.88
TOTAL	<u>\$10,752.29</u>

On the basis of last year's expenditures, the Associated Boards has requested Yenching to pay \$13,243.12 for the 1942-43 budget. As there was an earned credit for Yenching on the books of the ABCCC of \$2,677.04, the net askings of this year will be \$10,566.08. The effect of this change in the budget is as follows:

Associated Boards.....	\$10,566.08	
Yenching Promotion.....	2,650.00	
Incidental.....	500.00	
Trustees.....	500.00	
Reserve.....	<u>2,000.00</u>	
TOTAL.....	\$13,216.08	
From Women's College.....	<u>1,950.00</u>	\$14,266.08

The above deducted from \$48,172.00 general income shows a balance available for the field of \$33,905.92 instead of \$28,394.00 as shown in the minutes of June 10th.

After a thorough review of the foregoing figures it was

F-3769 VOTED to approve the changes in the trustees' budget as listed in the above schedule.

HARVARD-YENCHING RESTRICTED FUNDS

Reference was again made to these funds as released for general use by the Institute and of the action taken by the Yenching Finance Committee on June 10, 1942. It was stated that other participating universities had voted to refrain from use of the funds at present. After a discussion of the facts involved it was

F-3770 VOTED that it is the judgment of this Committee that while relief funds are being secured through U.C.R., the use of the restricted funds held by H-Y.I. should be postponed with the thought that at a later date relief and rehabilitation funds may be more difficult to secure.

YENCHING UNIVERSITY STAFF

A summary (Appendix "C") of the recommendations from the Advisory Committee at Peking was presented for study and action. On February 18, 1942 the committee

consisted of the following:

Original Members: Miss Margaret Speer, Dean of Women;
Mr. Howard Payne, Associate Controller;
Mr. Howard S. Galt, Acting President.

Elected Members: Miss Mary Cookingham, Bursar;
Mr. Stanley D. Wilson, Dean of the Science College;
Mr. Lucius C. Porter.

The Finance Committee read the statement with absorbing interest and gave first thought to the continuance of payments on annuity contracts. It was

F-3771 VOTED that

- (1) As all annuity contracts with the staff are adjusted through the office of the Trustees' Treasurer, and
- (2) as cancelled contracts may be ante-dated without loss to the University,
- (3) the Treasurer is instructed to continue the payment of annuity premiums on the Yenching staff contracts.

A schedule was presented showing possible sources of income to cover the added expense involved in the recommendations but as no provision had been made for complete salary allowances for Foreign Staff, it was felt undesirable to allocate any funds until this item had been cleared after the staff has arrived in U.S.A.

It was noted that a large portion of the amount included in askings from Associated Boards, and indirectly through United China Relief, would be required either for expenses in the repatriation of Foreign Staff or the final adjustment of salaries of native staff at Peking. It was also observed that the salary adjustment of Foreign Staff was computed to December 31, 1942, whereas it is now impossible to complete the exchange of repatriates by that time, and that \$6,425.15 should be added to the budget to carry the costs to June 30, 1943, it was

- F-3772 VOTED (a) that the Board of Trustees recognize the responsibility for those interned at Peking as set forth in the plan to Dec. 31, 1942 proposed by the Advisory Committee, and
- (b) that the sum total be increased by \$6,425.15 to carry living costs to June 30, 1943, and
 - (c) that the Secretary be authorized to discuss with United China Relief the use of relief and rehabilitation funds as may be applied toward the liability for the staff at Peking.

FIELD BUDGET - 1942-43

A revision of the field Budget for 1942-43 is attached herewith as Appendix "D", and was presented to the Committee. Reference was made to the detailed figures received from the field - and it was

F-3773 VOTED that this Committee notes with interest the statement of Income and Expenditures within the regular budget using U.S.\$50,000 as appropriated by the Trustees; also the use of \$45,000 appropriated for alteration and repair to property and equipment, noting the reserve balance in "Reserve for further initial expense" as well as the amount to be raised before June 30, 1943 in the Budget for Student Relief and Aid."

UNIVERSITY TREASURER'S REPORT, 1942-43

The Report of the Treasurer of the University for the past fiscal year was presented, the figures having been checked by the auditors. The Recommendations were read - and it was

F-3774 VOTED to submit the 1941-42 Treasurer's Report to the Trustees with the approval of the Finance Committee including the following recommendations:

- (a) That a vote of thanks be extended to the Methodist and American Boards for the increased appropriations.
- (b) That the Harvard-Yenching Institute be given a special vote of gratitude for the action releasing reserve balances held in Boston for unrestricted use.

REPORT OF THE TREASURER FOR THE YENCHING COLLEGE FOR WOMEN

The Treasurer's annual report for the year ending June 30, 1942 for the Women's College accounts was presented together with recommendations. It was

F-3775 VOTED to approve the 1941-42 report of the Treasurer for the Women's College together with recommendations as follows, and forward same to the Women's Committee and Trustees for final action.

- (a) That the surplus of \$387.96 be credited to the Surplus Account #170.
- (b) That the Finance Committee be asked to study the Chamberlain Annuity account.
- (c) That further investment of the Wellesley-Yenching balances be made as soon as proper authorization is given.

On motion adjourned.

C. A. EVANS

Assistant Secretary.

Minutes of Meeting

INVESTMENT COMMITTEE TRUSTEES

YENCHING UNIVERSITY

1 P. M., - Oct. 28, 1942 - 65 Liberty St., N. Y. C.

Present: E. M. McBrier, Chairman
 L. R. Rounds
 G. N. Snider
 C. A. Evans, Secretary
 Frank W. Bryan of Fiduciary Council, Inc.

Mr. McBrier reported on a two hour conference held earlier in the day with Mr. Bryan, with the Secretary present, and of going over the stock list in detail. List of common stocks, and post-war appraisal was sent to members of the Committee. Other securities and industries had been discussed with Mr. Bryan with the purpose of improving the holdings, if possible. Such changes as are at present desirable were recommended, and actions taken as follows:

The Committee reviewed the report on Railroad Bond holdings presented by the Chairman. Among them were these bonds sold since March 19, 1942, and it was

VOTED to approved the sale of the following bonds:

<u>Date Sold</u>		<u>Cost</u>	<u>Sold for</u>
1942			
Aug. 14	10M Carolina, Clinchfield & Ohio 4's, '65...	102-1/2	107-3/4
Oct. 3	10M Chicago, Burlington & Quincy 4s, '49...	104 1/4	96-1/4
June 8	10M Cleve., Cin., Chi. & St. Louis 4 1/2s, '77	97	44
6M-May 3) 9M-Sept. 8)	15M Reading Co. & Jersey Cent. 4 1/2s '97-"A" ...	100.21	(6M @ 79 (9M @ 75-1/2)

Further study was made of the Rail Bond list and upon recommendation of counsel, it was

VOTED to sell the following bonds:

11M Louisville & Nashville 4s, 2003 @ 90 or better
 10M Western Maryland 4s, 1952 @ 90 or better
 10M Chesapeake & Ohio Ref. & Imp. 1.90%-2/1/51 @ 100 or better.

It was agreed that with continued strength in second grade rail bonds the entire list should eventually be liquidated.

The Pennsylvania Equipment Trust 2-3/4s, '44 were suggested for sale when a suitable use for the proceeds could be recommended.

SALES AND PURCHASES

A list of combined bond and stock sales from April 28, 1942 to October 10, 1942 was presented. This showed the gain or loss on the transactions, and was reviewed with great interest. It was accompanied by a schedule of accumulated losses since February 1, 1939. No action was taken regarding losses.

Oct., 28, 1942

Regarding the sales during this period not covered in the previous action on Rail Bonds, it was

VOTED to approved the securities sold from April 28 to October 10, as follows:

Bonds

7M United States Treasury 2-3/4, 54/51
 10M Beneficial Industrial Loan 10 yr. Deb.
 10M Kansas Power & Light 3 1/2/69
 5M Phillips Petroleum 1.85/50
 5M Phillips Petroleum 1.80/50
 7M Westinghouse Electric Co. 2-1/8-51

Stocks

shs.

300 Aluminum Corp. of America 6% Pfd.
 100 Ferro Enamel
 400 Newmont Mining
 500 Phelps Dodge
 200 Selected Industries 5 1/2% Pfd.

Purchases during the same period were also listed and it was

VOTED to approve the purchases as shown in Appendix "A" attached herewith.

RECENT RECOMMENDATIONS

The Committee gave attention to late recommendations of Fiduciary Counsel, and after listening to the reasons for making changes, all of which had been set forth in correspondence, it was

VOTED

To SELL the following stocks at approximate prices indicated:

shs.

400 St. Joseph Lead @ 30
 500 Westinghouse Air Brake @ 15-3/4

To BUY the following stocks at approximate prices indicated:

400 Standard Oil of California @ 27-3/4
 400 Continental Oil of Delaware @ 26 7/8

MORTGAGES

The Chairman presented a tabulation of the Mortgages and Certificated holdings. The list was studied in detail, and it was agreed to continue pressure on delinquents with the hope of securing satisfactory settlements.

The Chairman stated that careful thought had been given to the future of the mortgage situation, and presented a plan for protecting capital invested in mortgages. The statement and plan are as follows:

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STATEMENT regarding Yenching University Endowment Fund investments in "Guaranteed Mortgages and Mortgage Certificates" and individual mortgages.

Prior to the collapse of the Guaranteed Bond and Mortgage Banks and Companies in 1933-34, first mortgages on improved real estate was considered a prime investment. During the early 1930s the situation entirely changed. The story of the collapse is too recent to require explanation.

Happily, Yenching University did not invest too heavily in such securities. The situation has been shown in yearly statements, and explanations and comments made in committee meetings and in various reports. It is desirable that a complete statement be made of the situation at this time, as a continued attempt has been made through the years to liquidate such holdings. The residue now held are the least desirable of our original holdings, and it is quite probable, in liquidation of this remainder, considerable capital losses will occur unless measures are at once adopted to provide a Mortgage Reserve Fund against which any loss in capital may be charged.

Up to June 30, 1942, all interest paid on such securities was credited to "income", and paid toward the current expenses of the University. If this is continued without setting up such a Reserve Fund, there will, in the last stages of liquidating this type of security, be substantial losses of capital. This will mean future reduction of income on capital so lost.

The Investment Committee has been giving serious and protracted study to this matter. We now

Recommend to the Finance Committee the adoption of the following action:

1. That a Mortgage Reserve Fund account be established, to which, for the two year period beginning July 1, 1942, shall be credited all interest collected from the individual items in the types of securities hereinbefore described; and after said two year period all interest above 2% shall be so credited. Losses of principal due to liquidation of this class of securities shall be reimbursed from this fund. Any balance remaining in said fund after liquidation shall be transferred to income account.
2. That we approve the plan and action of the Investment Committee in securing the payment of all these outstanding obligations as early as possible, and the investment of the principal in approved securities that are readily marketable.
3. After the expiration of the five year period indicated in item No. 1, the Investment Committee are requested to make further recommendation regarding the continuation of this Mortgage Reserve Fund.

It was

VOTED to approve above recommendation, and refer same to the Finance Committee for consideration.

On motion adjourned.

C. A. EVANS
Assistant Secretary

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CERTIFICATED MORTGAGES AND BONDS

held by

YENCHING UNIVERSITY

Status as of Oct. 15, 1942

These passed through the deluge. Some are being amortized.
Interest is being received on some.

Total outstanding on which NO INTEREST is being paid -	\$48,534.12
" " " " 4% " " " "	16,000.00
" " " " 4 $\frac{1}{2}$ % " " " "	11,398.10
" " " " 5% " " " "	200.00

Total amount of Principal outstanding \$76,132.22

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October 15, 1942

	<u>Original Principal</u>	<u>Present Principal</u>	<u>Int. payable quarterly - 29th M. J. S. D.</u>
<u>BROADWAY-NEW ST. CORP.</u>			
20 yr. Income Bonds-4% Due July 1, 1961	Gen. End. \$10,000 Wom's. Col. 1,000	\$10,000 1,000	-Full int. at 6% rec'd on orig. bds. to 7/1/39. -4% int. rec'd. from latter date to present date. -Last int. pd. to 9/1/42- \$440
Rec'd June 1, 1939 in lieu of 42 Bldg. 1st Mtg. Bonds			

Conditions : Not being amortized
Remarks :

<u>LEFCOURT-MANHATTAN BLDG.</u>			
1415 Broadway, New York	Swiss Com. \$200	\$200	Paid semi-annually 5% 6/14 and 12/14
- Mortgage Ctf., dated June 14, 1931.			
- Extended from June 14, 1941 to June 14, 1948			

Conditions : Not being amortized
Remarks :

<u>FIRST MORT. GUAR. & TITLE CO.</u>			
New Rochelle, N. Y., Guarant- eed 1st Mort. Ctf.,	\$10,000		No. int. paid since June, 1933
Series 3-A, Oct. 31, 1929	17,700	\$5,300	12% amortization on 26-A pd. Oct., 1941.
" 26-A, <u>June 14, 1929</u>		\$14,600	7% amortization on 3-A pd. Dec., 1941

Conditions : New Rochelle Trust Co., Trustee
Remarks : Amortizations of principal paid as funds permit.

WESTCHESTER B. & M. CORP.

1st Mort. Coll. Gold Bonds	\$40,000	\$24,858.84	No int. paid since Feb., 1933
Original dated June 13, 1929			2% amortization paid July, 1942.

Conditions : WESTCHESTER B. & M. CO. is trustee.
Remarks : Amortizations of principal paid as funds permit.

0 122

Oct. 15, 1942

	<u>Original Principal</u>	<u>Present Principal</u>	<u>Int. payable quarterly - 29th M.J.S.D.</u>
<u>LAWYERS TITLE & GTY. CO.</u>			
No. 239,129-Ctfs. Nos.	#198-9/1/33-\$6,500	11/10/42-\$6,020.88	4 $\frac{1}{2}$ % less 1/4%
191 & 198,	#191-9/1/33- 500	11/10/42- 463.16	chgs. to 11/29/45;
601 E.21st St. and			afterward 6% for
Ditmas Ave.,			one month to
Brooklyn, N. Y.			Dec. 29, 1945.

Extended to Dec. 29, 1945

Conditions : Managed by Brooklyn Trust Co. Amortization payments
Remarks : made when and as cash is available for distribution.

<u>LAWYERS TITLE & GTY. CO.</u>			
No. 281,310	Gen. End. - \$11,000	Sold-April, 1940	
57 Lincoln Rd.,	Swiss Com. 2,000	Bal. remaining -	
Brooklyn, N. Y.		\$3,194.47	
6-story brick bldg.,		" "	
7 stories - 77 apts.		(Swiss Com.) 580.81	
		\$3,775.28	

Conditions : Managed by Brooklyn Trust Co. Very little
Remarks : remaining in this fund for further payments.

<u>LAWYERS TITLE & GTY. CO.</u>			
No. 281,237	\$5,000	Nov. 10, 1942-\$4,796.01	4 $\frac{1}{2}$ % per annum
1001 President St.,			for 2 yrs. 11 mo.
Brooklyn			6% for last mo.
Mort. on brick bldg.,			
6 stores, 42 apts.			

Extended for 3 yrs from April 1, 1942

Conditions : Managed by Brooklyn Trust Co. Last amortization payment
Remarks : June 11, 1942 - \$53.71

<u>LAWYERS TITLE & GTY. CO.</u>			
No. 281,321	Feb. 15, 1935-\$5,000	\$5,000	Int. pd. 8/14/42
119-127 Eastern Parkway			for period 4/1 to
Brooklyn			7/1/42 at 4%
Mtg. on 6 story bldg., 51 apts.			

Conditions : Managed by Brooklyn Trust Co. No record of any
Remarks : amortization

OPEN MORTGAGE since Feb. 15, 1940

0 123

APPENDIX B

INDIVIDUAL MORTGAGES

on

Improved Real Estate

held by

YENCHING UNIVERSITY

Oct. 10, 1942

Total Principal invested in Mortgages - 97,763.00

WIDMARK property owned by foreclosure

Mortgage - \$4,000.00

Unpaid interest, taxes,
and costs of foreclosure- 2,383.09

6,383.09

\$104,146.09

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Property	Amount	Interest	Taxes	(Grades A-B-C-D-E-Z) Grade
	Mortgage A.V.- Ass'd. Val			
BANTEL, Geo. J. 24 So. Division New Rochelle	\$2,000 1943 A.V. - \$7,965	Pd.	Pd.-1st 3/4-1942 4th 1/4-due	(A)

Due - OPEN since Aug. 29, 1942

BREESE, W m. V. & E. T. 136 Winyuh New Rochelle	\$3,400 1943 A.V. - \$8,870	3/18/42-Unpd. 9/18/42-	1st 1/2 '42-UNPD. 3rd 1/4 " - "	(E)
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Due - Mar. 18, 1944

REMARKS: Sued; has begun to pay accrued interest and taxes-
total of \$360.18 - at rate of \$90 per month, which
is amount of rental received from tenant. Diverted
\$45 from Sept. payment for "roof repairs". Trying
to get him to pay same. Dubious outlook

BYRNE, E.P. & P.A. 25 Hanford Ave. New Rochelle	\$1,000 1943 A.V. - \$5,485	Pd. to date	1942 - Pd.	(A)
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Due Feb. 1, 1944

CONNORS, Mrs. Mary Post Road White Plains	\$19,673 1942 A.V. - \$31,000	Rents assg'd. to Y.U. Net in- come year ending	Y.U. pays taxes	(Z)
		6/30/40 - \$670 " " 41 - 606 " " 42 - 840		

(West. B.M. Co.) - OPEN since 1935

REMARKS: Two stores, 4 walk-up cold water apts. One apt. vacant.
Mrs. Connors doing conscientious management job. June-
July net income last accounting August accounting, net
\$173.13 rec'd Oct. 13.

CRENNAN, Ollie V.	\$4,500 1943 A. V. - \$7,235	Pd. to 6/15/42	1/2-1940 Tax Lien unpd. - \$348.35 Y.U. pd. 1941 and 3/4-1942 - total \$551.61. Total UNPD-\$899.96	(Z)
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OPEN since 1939

REMARKS: Sued; he has paid up (7/17/42) all back int., and 1/2
of 1940 tax lien. Kettner - "will pay up everything by
Dec. 30, 1942." Not promising situation.

Property	Amount		(Grades A-B-C-D-E-Z)	
	A.V.-Ass'd.Val.	Interest	Taxes	Grade
CRONIN, Mrs. Lura 457 So. 3rd Ave., Mt. Vernon Due Sept. 28, 1943	Original -\$3,200 as of 3/28/42- \$2,526 1942- A.V.-\$8,000	\$78 due 3/28/42 Pd. on 6/8/42	Last 3/4-1939 Full - 1940 " - 1941 Last 1/2 - 1942	(B)
			OVERDUE TOTAL-\$1,042.88	

REMARKS: On 9/25 they presented agreement wherein they were to pay up all arrears by Apr. 1, 1943. We signed; they failed to sign.

DIETZ, Mrs. Sarah 136 Pinobrook Rd., New Rochelle	Original -\$14,000 As of 10/14/42-\$13,985 1943 A.V.-\$20,115	Pd. to 7/1/42	1942-Pd.	(B)
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Due July 1, 1947

REMARKS: \$1,000 paid on prin. 7/1/42 and Mortgage extended to 1947 at 4%. Oct. 14, 1942- \$35 amort. paid.

KETTNER, Sr. Emma & George 59 Perth Ave., New Rochelle	\$6,200 1942 A.V.-\$9,600	Pd. to 10/27/42	1941-1st Qr.-\$96.03 Paid 9/26/42 1941-2nd-3rd-4th Qrs. OVERDUE 1942-entire year-\$386.25 OVERDUE	(X)
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OPEN since Oct. 27, 1939

REMARKS: Property rented at \$80 per month to tenant.
Kettner, Sr., working - \$228 per month salary

KETTNER, George 131 Horton Ave., New Rochelle	\$2,200 1943 A.V.-\$4,895	Pd. to May 17, '42 (4 delinquent interest payments were paid Sept. 25, '42). Next int. of \$66 due Nov. 17, 1942	1941-1st Qr.-\$44.05 Paid 9/26/42 1941-2d,3d,4th Qrs. OVERDUE 1942-entire yr.- \$177.20 OVERDUE	(X)
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OPEN since May 17, 1938

REMARKS: Property rented at \$55 per month to tenant.

LAFHAM, Mrs. Grace M. 145 Clinton Av., New Rochelle	\$2,500 1943 A.V.-\$5,830	July 1-\$75.00 Paid by 3 post-dated checks, - Oct. 1, Oct. 9, Oct. 16.	OVERDUE 1941-\$239.76 1942- 241.09 \$480.85	(E)
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Due July 10, 1943

REMARKS: Mr. S. - "One-half taxes must be paid before Oct. 26."

Property	Amount	Interest	October 10, 1942	
	Mortgage		Taxes	Grade
	A.V.-Ass'd Val.		(Grades A-B-C-D-E-Z)	
MULLINS, Mrs. Anna 70 Weyman Ave. New Rochelle	\$2,000 1943 A.V.- \$9,455	Paid to date	OVERDUE 1941 - last half - \$175.50 1942 - 353.86 \$529.36	(C)

OPEN since Jan., 1941

REMARKS: Mr. S. wrote her Oct. 8th - "Last half 1941 taxes will be sold Oct. 27. Pay up."

O'ROURKE, Catherine et al. 261 Huguenot St., New Rochelle	\$3,000 1943 A.V. - \$14,545	Paid to date	OVERDUE 1942 - 4th qr. - \$111.38	(B)
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Due March 9, 1944

REMARKS: No reason why payments should be delayed. They have an income of \$3,600 per year rentals.

RUSHER, Bertram F. 128 Sickles, New Rochelle	\$6,300 1943 A.V. - \$12,525	Paid to date	OVERDUE 1941-\$498.06 plus int. 1942-\$250.00, 1st half.	(C)
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OPEN since June, 1942

REMARKS: Is "stalling" on paying taxes.

STEER, Mrs. Caroline C. 90 Murray Av., Mamaroneck	\$6,000 1942 A.V. 0 \$14,000	Paid to date	Faid to date	(B)
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Due June 4, 1944

STILES, Mrs. Mildred M. 175 Larchmont Ave., Larchmont	\$3,000 1942 A. V. - \$8,500	Paid to date	OVERDUE Village, 1942-\$116.03 Water " 7.33 School " 100.00 (about)	(B)
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Due Jan. 27, 1946

Mr. Scofield says party will pay taxes

October 10, 1942

Property	Amount Mortgage		Interest	Taxes	(Grades A-B-C-D-E-Z) Grade
	A.V. - Ass'd Val				
WERNER, Mrs. Estelle Lynn Mamaroneck Ave. and West. St. White Plains	\$9,000 1942 A.V. - \$14,000 RENTS ASSIGNED Dec., 1939			Pd. by Y. U. 1941 taxes \$451.13 1942 " 472.61 Sewer Tax 1941 - \$14.52 1942 - 14.87	(X)

OPEN since 1934

REMARKS: Rented at \$135 month. May rent paid August 4. Net income
(after paying all expenses) Jan. 1 to June 30, 1940 - \$414.30
July 1, 1940
to June 30, 1941 110.89
" 1, 1941 to June 30,
1942 821.24
Explanation. Situation bad.

WHITE, Mrs. Dorothy 23 Homesdale Rd., Bronxville	\$18,900 1942 A.V.- No extention OPEN MTG.	Interest	Taxes	(X)
		OVERDUE	Paid to date	
		Aug. 1, 1941 \$283.50		
		Feb. 1, 1942 567.00		
		Aug. 1, 1942 567.00		
			\$1417.50	

OPEN since Feb., 1933

REMARKS: Rented at \$175 per month. Situation bad. Explanation

WIDMARK PROPERTY Foreclosed May 28, 1942 Owned by Y.U.	\$4,000 Taxes, foreclosure chgs., and unpaid int. brought cost to Y. U. up to \$6,383.09. 1942 A. V. - \$17,125		Pd. by Y. U.	(X)
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REMARKS: FOR SALE

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STATEMENT REGARDING YENCHING UNIVERSITY
AND STAFF
AT PEKING

Word has been received from North China giving a general idea of activities on the Yenching campus from December 8, 1941 to June 1, 1942. This included a study of the finances for the period and recommendation for the treatment of the staff of the University.

Primarily - according to the best information available - the following funds were on hand December 8 in the University accounts in Peking:

Chinese National Currency \$33,664.88 (@20)	US\$ 1,683.40
Federal Reserve Bank " (@ 9.85) FRB\$266,040.92	<u>27,009.23</u>
	US\$28,692.63

These funds, however, were immediately frozen, and as purchases for maintenance could be made, all personal cash was pooled -- there being some on hand from November salary payments.

On December 25th the Japanese authorities agreed to draw sufficient funds from the banks to pay December salaries on the basis of November payments, except that U. S. dollar amounts were to be computed at 4 to 1 and paid in Federal Reserve Bank currency, but no person could draw more than F.R.B. \$500.00. The total payment for that month amounted to F.R.B. \$17,963.59 or US\$1,823.70 at the prevailing rate December 8. Later this rate was changed to 5 to 1 by mutual agreement within the group.

On February 12 action was taken defining the thought of the Committee regarding the responsibility of the Trustees toward staff members. The statement regarding Foreign Staff members follows:

"1. For all foreign members of the Staff who did not have other means of support, i. e. Mission salaries or any other paid employment, during the period of hostilities, the Administration Committee, representing the Trustees, will endeavor to secure funds for living expenses and maintenance. These funds will be considered as loans to the individuals concerned, to be repaid to the Trustees after the cessation of hostilities in those cases in which they may exceed the allowances listed below, which the Administrative Committee believes the Trustees will regard as moral and legal obligation.

2. A. For full-time American and British members of the Staff whose contracts are not on a temporary or annual basis, or for whom the University has accepted obligation for travel from abroad, the University assumes responsibility for the payment of a monthly maintenance allowance until the end of hostilities or until the repatriation of any individual. This allowance shall temporarily be put at (local currency) FRB\$200 for each single person and \$400 for each man and wife; but the figure may be changed later in accordance with the figures set by the Peking American and British Relief Committees. It is expected that the Trustees will ultimately assume responsibility for full salaries but the Administrative Committee does not feel it has authority to make such commitments at this time.

B. For full time American and British members of the Staff whose contracts are on an annual basis, and for whom the University has accepted no obligation for travel from abroad, the University assumes responsibility for the payment of the same maintenance allowance designated in 2A up to the end of the period covered by the present contract, i. e., up to June 30, 1942. The allowance may be subject to extension after that date in the light of circumstances and information available at that time.

C. For American and British part-time lecturers the University assumes responsibility for the payment up to June 30, 1942, of the same maintenance allowance designated in 2A in the cases where the individual's salary as of December, 1941, exceeded such a maintenance allowance. In cases where the individual's salary as of December, 1941, was less than the maintenance allowance, the University will be responsible only to the extent of the salary.

3. The University will assume ultimate financial responsibility for all medical and dental bills of all full-time members of the Staff mentioned in 2A and B provided that these are incurred with the consent of the Medical Committee (of the local group organization).

4. Each foreign member of the Staff will be informed to which of the categories mentioned in 2 he belongs. Special action will be taken in all irregular cases."

Foreign staff members within the various categories were listed and a schedule was prepared showing adjustments within the cash allotments as related to regular salary, the totals being extended in U. S. @ 5 to 1. The U. S. total of this list was \$5,566.33 covering January 1 to June 30, 1942.

Later the same schedule was extended to December 31, 1942, if and as required, this list totaling \$6,425.15.

(Advances were made to Mission Board supported Staff members which need not enter into this discussion of the trustees' responsibility, as presumably each mission board will accept advances made to its own missionaries).

The Field Committee has issued "Certificates of Indebtedness" for amounts due each Staff member and the Trustees have been asked to recognize these certificates upon presentation.

In addition to the foregoing detailed adjustments, the Committee took further action making recommendations, believing that the Trustees would welcome suggestions from the field. They are as follows:

1. That, to persons in list A the University, when it is possible to do so, pay full salaries, beginning Jan., 1942, throughout the duration of hostilities, or until repatriation is possible, and also be responsible for any necessary travelling expenses connected with repatriation. Provided, that the above-mentioned obligations shall be discontinued for any portion of the period during which the individuals concerned are able to accept positions with salaries sufficient for support. If there be some members of the Faculty who, after long terms of service with the University, and after repatriation, are in financial need, the Trustees would be expected to make suitable provision for them.

2. That for persons in lists B and C the University accepts obligations for the payment of full salaries for the period Jan. to June, 1942, and maintenance allowance for the six months, July to Dec., 1942. Decision concerning further obligations beyond Dec., 1942, for this group, shall rest with the Trustees, with or without, the advice of the present Committee.

There is no known way of estimating the additional cost involved in the last recommendation as a late salary schedule is not available -- the nearest list being the annuity payments which are figured on a 2 to 1 basis, but no bonuses or extra allowances are recorded. Neither are all Staff members participating in the Annuity Plan.

On May 22, 1942 the Committee met and gave thought to the Chinese faculty and the Trustees' responsibility. As a result, the following recommendations were approved, with the hope that the Trustees would welcome the thinking of the Committee:

1. That, as a general obligation, the University agrees to pay to all employees, faculty, staff, and workmen, salaries and wages for the three months -- January, February, and March, 1942 -- on the same basis as corresponding payments for November, 1941.
2. That, for all employees above the status of workmen, using as a criterion the University personnel as listed in the "Faculty Directory" for 1941-42, the University be responsible for payments beyond the first three months as follows:
 - a. For employees in service five years and less than ten, salaries for one additional month.
 - b. For employees in service ten years but less than fifteen, salaries for two additional months.
 - c. For employees in service for fifteen years or more, salaries for three additional months.
3. That the University continue in full all premium payments through June, 1942 for all employees who are participating in the University's Annuity Plan with the Sun Life Assurance Company.
4. That these members of the faculty and staff who have been imprisoned shall receive full salaries and adequate rent allowances for the terms of imprisonment, and, from the date of release, the provisions in sections 1 and 2 above shall be applicable to them.
5. If, during the period of hostilities, employees of the University have been able to find other adequately compensated employment affording adequate financial support, the payments listed above may be correspondingly reduced at the discretion of the persons to whom the Trustees entrust the execution of the plan.

The schedule presented covering these suggestions as related to actual cost is as follows:

Item 1.	Three months' salaries or wages for all ranks, based on Nov., 1941 list (local currency \$71,849.03).....	L.C. \$215,547.09
" 2.	Employees in service 5/10 years	8,814.10
	Ditto 10/15 years, 2 months at \$9,605.61	19,211.20
	Ditto 15 years plus, 3 " "	9,435.50
" 3.	12 persons at an average of L.C. \$600 per month for 3 months, L.C. \$7,200, at 3	<u>21,600.00</u>
	TOTAL, local currency	\$293,478.89
	Or, at exchange 5:1	U.S. \$ 58,695.78

Therefore, the total recommended responsibility of the Trustees to December 31, 1942, without including extra salary allowances, is as follows:

Foreign Staff January to June 30	\$5,566.33
Foreign Staff July 1 to December 31	6,425.15
Chinese Staff as schedule	58,695.78
Return Travel @ \$575.00 each (21)	<u>12,075.00</u>
	\$82,762.26

Presumably less funds advanced to U. S. State Department for maintenance through the Swiss Government \$2,567.50.....\$ 2,567.50

Funds set aside by Yenching Trustees for Staff Relief.....	35,150.63	
Balance frozen in U. S.....	<u>12,897.53</u>	\$50,615.66
Balance to be secured elsewhere		\$32,146.60

lest a question be raised as to the size of the total charges or rate of exchange, it should be said that the F. R. B. \$200.00 per month per adult is equivalent to U. S. \$480.00 for the whole year.

SUMMARY OF 1942-43 BUDGET

YENCHING UNIVERSITY

APPENDIX D

<u>Income</u>		<u>Expenditure</u>	
Students	130,200	Administration	329,920
Missions	48,000	Opern. and Maintenance	91,175
Board of T.	1,000,000	College Instruction	646,840
Min. of Edn.	150,000	Faculty Service	36,000
Journ. Fund	40,000	Student Service	172,800
Min. of S. Aff.	20,000	Salary Contingency	50,000
		Price rise "	61,465
TOTAL	1,388,200		1,388,200

Provisional Budget For Initial Expenses in Reopening 28th Aug., 1942

INCOME

Board of Trustees and U. C. R.	US\$45,000	900,000
Ministry of Education		100,000
China Foundation		60,000
Boxer Indemnity Board		30,000
		<u>1,090,000</u>
	Total Income	1,090,000

EXPENDITURE (300 students, 20 married staff, 35 single staff)

1. Housing Repairs and changes	40,000	
Service buildings	60,000	
Faculty housing	30,000	130,000
2. Furniture Library	44,000	
Classrooms	25,000	
Offices	31,000	
Faculty houses	55,500	
Dormitories	98,000	
Dining Halls	27,000	
Purchases	50,000	330,500
3. Office Supplies		40,000
4. Instructional Equipment Books	150,000	
Laboratory Equipment	120,000	
Home Economics	40,000	310,000
5. Student Service Nurses Office	50,000	
Athletic Equipment	20,000	
Music and Social	10,000	80,000
6. Contingency 10%		89,050
		<u>979,550</u>
Reserve for further initial expense		110,450

SUPPLEMENTARY BUDGET FOR STUDENT RELIEF AND AID

<u>Estimated Student Need</u>		<u>Estimated sources of income</u>	
150 students at 2,500	375,000	I. S. S. Relief	15,000
75 students at 1,000	75,000	Selfhelp work	30,000
	450,000	Ministry of Education	180,000
add 20% conting.	90,000	Alumni gifts	10,000
	<u>540,000</u>		<u>235,000</u>
		To be raised before	
		June 30th, 1943	305,000