Yenching
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Galt, H. S.
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acd. 7/8

Yenching University

June 1, 1929
G29-6-1-1

Dr. H. S. Galt,
Yenching University
Peping, China.

My dear Dr.Galt:

We are enclosing herewith draft to the order of Yenching University for $4250.00 local currency, covering the third quarterly remittance of the appropriation of the Famine Fund Committee about which you inquired recently.

Very sincerely yours,

BAG-H

Yenching University

June 1, 1929

Dr. Howard S.Galt,
Yenching University
Peping, China.

G29-6-1-2

My dear Dr.Galt:

I am attaching hereto a copy of a letter we have just written Mr.Wiant. On May 23rd I received a letter from Wiant in which he writes as follows:

"Enclosed is a bill for $86.80 for music which I have purchased for the University, particularly the Glee Club and the Chapel Choir. I realize that this amount will supersede the estimated budget of $125.00 for music by about $40,00, but when I asked for a definite amount from Mr.Tsai I was only making an estimate which might be over or under the actual expenditure. As usual, it is over !! If there are objections I will stand it personally".

We will charge this $86.80 to account 31, 1928-29. I trust this is in order.

Very cordially yours,

BAG-H

Enc.

Yenching University

June 1, 1929

Dr. Howard S. Galt,
Yenching University,
Peping, China.

My dear Dr.Galt:

I am attaching hereto a copy of a letter we have just written Mr.S.J.Chang with regard to his expense and travel advance covering one month of travel and observation here in America, and his return journey to China.

You will note that we have advanced Mr.Chang $815.08 and have instructed him to keep a record of his expenses in order that he can render you an accounting when he arrives in Peping. Mr.Chang's plans for the next month are somewhat uncertain so we found it necessary to make a rather liberal advance to cover possible contingencies. I sincerely hope that when Mr.Chang arrives in Peping he will have a substantial balance to return to you. I would appreciate it if you would go over Mr.Chang's accounts with him with unusual care for I have found that he does not always display a high order of genious in handling his financial affairs.

Probably the simplest way of handling any balance Mr.Chang may return to you will be for you to credit account 31 in the 1929-30 accounts with the amount you receive, and notify us to that effect. We will then make the necessary charge on our books and will repay Mr.Chang's special account this same amount.

Many times during the last year Mr.Wannamaker and I have been frankly puzzled as to the wisest way in which to handle Mr.Chang and his financial needs. Dr.Stuart feels that Mr.Chang is a young man with unusually high qualifications and with possibilities of valuable Christian service. We have been anxious to handle his case in the way that would give him an opportunity to make the most of his year in America and would, at the same time, keep us on a friendly footing. From a purely business standpoint, however, his expenses have been unusually heavy and we have sometimes felt that he has not always made the best possible use of funds we have advanced. Just now his account shows a very serious deficit and Mr.Wannamaker is not at all certain where or how the funds necessary to balance the account are to be found. Also, we have been a little uneasy lest too generous treatment in this case might result in an increasing number of demands for assistance in the future.

Very cordially yours,

BAC-H
Enc.

C O P Y

Yenching University

May 29, 1929.

Mr. S. J. Chang,
325 Livingstone Hall
Columbia University,
New York, N. Y.

My dear Mr. Chang:

We hand you herewith a check for $615.08 which, together with the check for $200. already given you, represents an advance for your living expenses and travelling in America during the month of June and your travel expenses while returning to China immediately thereafter.

Our method of arriving at these figures for your living and travel advances is as follows:

For transpacific and China travel -	$400.00
For railway fare as per attached schedule -	175.56
For Pullman fare as per attached schedule -	59.52
Living expenses for 30 days at $6. -	180.00
	$615.08

We believe that in each case the estimates we have used in making this advance are quite liberal so we sincerely hope that you will find it possible to save a substantial amount. For example we have included Pullman fare for each of your contemplated trips but believe you will not wish to incur the additional expense of riding in a Pullman on short journeys taken during the day. The estimate for your living expenses assumes that you would spend each night in a hotel, whereas it is probable that a number of nights will be spent in travel, thus saving the necessity of hotel bills.

Please keep a careful and detailed record of your expenses and on arrival in Peking submit this expense account to Dr. Howard S. Galt, the Field Treasurer of Yenching University, giving him at the same time any unexpended balance of this advance.

We hand you herewith a supply of expense blanks for keeping a record of your expenditures. We suggest that duting the month of June you prepare weekly expense statements, sending one copy of each weekly statement to our New York Office for our information and keeping one copy to hand to Dr. Galt on arrival in Peking. For your transpacific voyage and your travel in China, one expense statement should be sufficient. It should be prepared in duplicate and both copies handed to Dr. Galt.

Very sincerely yours,

BAG:A
Encs.

Assistant Treasurer.

Copies to - Dr. Galt
Miss Lane.

Ack 7/8/29

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

June 7, 1929
Letter No. 2931

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York City, N.Y.

TRANSFER

My dear Mr. Garside,

Various uncertainties in our building program have made it impossible to earlier comply with your request on page 2 of your letter G-29-3-18-1, regarding a schedule of payment needs on the residence appropriation of G$25,000.00.

As far as needs can now be foreseen, the following will probably supply our demands:

June 1st,	G$5,000.00
July 1st,	5,000.00
July 15th,	5,000.00
August 1st,	5,000.00

It is possible I may not be able to await a reply to this letter before drawing what I have set down for June 1st. It has not been necessary to draw this sum thus far, but we may need it before the end of the month.

Also, in view of the lateness of the present advice, we will not be able to have a reply from you by letter before the first of July. It seems to me safe to assume that you will not object to this schedule, so if you do not cable a negative on the receipt of this letter, I will assume that the schedule is approved, and will draw from July onward accordingly.

I may add that the reason I have not been able to prepare this schedule earlier was because President Stuart had some hope that there might be a surplus fund from the results of his local campaign, which would take care of some of the residences, but at the present time, and in view of our latest estimate on Unit B Dormitory, there seems to be no prospect of funds from that source.

Very sincerely yours,

Howard S. Galt

Howard S. Galt,
Acting Treasurer.

hsg/a

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

YENCHING

June 10, 1929
Letter No. 2934

TRANSFER

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York City, N.Y.

My dear Mr. Garside,

On June 7th, we sent you letter No. 2933. On the letter itself, this was numbered 2929 by mistake, and I made an attempt to correct the mistake by a note on the outside of the envelope.

My last letter acknowledging correspondence from your office was No. 2930, of May 23rd. Today, I have a number of communications to acknowledge.

Your letter of May 6th, unnumbered:

This letter gives us authorizations to draw the G$5000 on Practice School Account. I have already written you that it is not our expectation to draw these funds now. The restructions placed upon our plans by the insistence of the New York committee that the structures built this year must be entirely complete with regard to the installations made it impossible to complete any unit satisfactorily this year; and so we feel it is best to hold the funds until larger resources are in hand for a more complete project. This is a great disappointment, especially to some members of our staff, but it seems the only wise policy.

Your letter of May 7th, unnumbered:

In this letter, you refer to the G$300, a check for which was sent out January 2nd, which represented a donation from Mrs. H. A. Strong for general scholarships. This item remains a credit on our books, and has not as yet been expended. I will take up at once with the Committee on Student Loans and Scholarships this question, and inquire whether they have any committments calling for the use of these funds or not. If not, then presumably we can return them to you as requested. As soon as I hear from the Scholarship Committee, I will advise you again.

Your letter G29-5-8-1

This contains authorization No. 2925, covering 1c$1000 for the Fukien Anthropological Expedition. I have noted the indirect request in this same letter for information on other related items, and am taking this matter up with President Stuart to see that the information is supplied.

not in file

Your letter G29-5-11-1.

This letter reports Mrs. Frame's comments on the alternative plan for the locker and shower rooms in the Boyd Gymnasium. I am passing the information on to the offices concerned.

I am glad to note from this letter that you have at last received from Mr. Bowman the books, securities, and funds of the Women's College treasurer. We shall be very happy to have a statement regarding the financial status of the Women's College, and the reimbursement of the funds which the University has supplied towards Womens College Buildings, if this is possible.

I also note your impression regarding the payment for the foundations of the Women's College Gymnasium already in. I think that your uncertainty will be cleared up by the later correspondence which has already gone from this office.

Your letter G29-5-11-2.

This contains authorization for G$1800 from Dr. Henry Sloane Coffin. We have drawn this draft, and entered it on the proper account.

E29-5-14-1:

This is an inquiry from Mr. Evans regarding the amount of the Allan B. Wallis scholarship. The information called for can be found on the first page of schedule eight in the audited statement of accounts for the year ending June 30, 1928. However, on the page referred to, this scholarship fund is marked "anonymous". The amount received, you will note, was G$50, as mentioned in Mr. Evans' letter. We have no knowledge of any sum other than this.

see Evans & Hall 7/18/29

Your cable received June 9th:

This cable, as decoded by the President's office, reads as follows:

"Referring to your telegram of
May 22nd of this year
Finance Committee
recommend-ed-ing
Peking University, Trustees of; 5th Ave., New York City

do not change (unless)
minutes of meeting (held)
April 11th, of this year
2550
51
54"

Our interpretation is that the Finance Committee of New York does not approve of changing the actions recorded in votes numbered 2550, 2551, and 2554, of the minutes of the meeting of the trustees on April 11th. This means that we are limited in this year's budget to l.c.$248,893.00; that the Trustees approve of a rate of 2.10 as the estimated rate for the next fiscal year, and do not approve of our contracting exchange in advance.

This position of the trustees is to us very perplexing, and on the basis of any data or reasons which have been supplied to us, seems unreasonable.

Since we cabled you on May 22nd, exchange has continued to advance, and the contract rate now available would on the basis of the amount of gold income which can be counted upon in New York easily cover the entire budget for the next fiscal year, as drawn up here on the field, making retrenchments of any kind unnecessary. This being the case, we cannot imagine any valid or cogent reasons why the trustees should disapprove of this step. If exchange should remain during the current year at a point anything like as favorable as it is now, and the trustees limit us to the sum in local currency mentioned above, the trustees will make a large profit on the operations of the year; or perhaps, I should say there will result a large reserve fund. I do not mean to intimate that there is a profit involved in the commercial sense of the term. We thoroughly understand why the trustees do not wish to commit themselves to expenditures beyond the assured gold income, and we can also understand why a slight margin should be reserved to cover unforeseen contingencies; but when the University is confronted by the wide-open opportunity to assure its local currency income for next year at a figure well above the budget askings, we cannot understand the reasons why the trustees will not consent to such a step.

President Stuart is absent in Tientsin for these few days, and will not be back before tomorrow. At the moment of writing, therefore, I have not talked with him. Just what action he will advise, or the General Faculty Executive Committee may take when confronted by the demand from the trustees that we reduce the budget by lc$22,364.00, I cannot now say. We shall doubtless have further correspondence regarding this matter.

Sale of Drafts.

I have today to report to you the sale of drafts as follows:

No. 914 Written in favor of Stephen Tsai, sold June 7th to Hongkong and Shanghai Bank, G$8,800, rate 2.4316, lc$21,398.17, account of current appropriations, your authorization No. 2920, advice G29-4-29-5.

This item in G$8800 added to the G$1200 drawn by mistake on William Hung's salary account, makes up the G$10,000 authorized by you for June 1st.

" 915 Writtenin favor of Mr. O. J. Krause, not sold, G$200.00; for purposes of record, rate 2.4316, lc$486.32, authorization No. 2927 (in part), as per your advice G29-5-11-2.

not recd

" 916 In favor of Stephen Tsai, sold June 7th, to the Hongkong and Shanghai Bank, G$1600, rate 2.4316, lc$2890.58, authorization No. 2927,(in part), advice as above.

£ 6 3890.58

These two drafts make up the $1800 authorized.

" 917 Written in favor of Stephen Tsai, sold June 7th to the Hongkong and Shanghai Bank, G$4,398.38, rate 2.4316, lc$10,695.15, account of Scranton-~~Loose~~ Lee Social Center, authorization No. 2862, advice of September 22, 1928.

Regarding the funds for this project, I should like to make further inquiry. The amount reported as available is the exact amount mentioned in the item above, namely, G$4,398.38. In the minutes of the meeting of the Committee on Finance, Property, and Investment, of April 26th, 1929, Vote No. F-2572 records the approval of "the plans for the Scranton-~~Loose~~ Lee Social Center as submitted, with the understanding that the cost of the Social Center will not exceed G$5,000." Are we to understand, therefore, that the total sum available is G$5,000, and that, therefore, we may expect from you another authorization for the remainder, G$601.62? If so, kindly advise me regarding this point.

4 ce mice. 9/12/28

7/18/29 auth. 4037 for H 6 Ent. Ex

Cordially yours,

Howard S. Galt

HOWARD S. GALT,
Acting Treasurer.

HSG/RAA

June 10, 1929
L29-6-10-1

Dr. Howard S. Galt,
Yenching University,
Peping West, China.

Dear Dr. Galt:

Enclosed herewith we are sending Trial Balance as of May 31, Cash Statement for the month of May, Statement of Account #31 in which is included #135.1, #135.5 and #136, representing the total charged to Current Budget for 1928-29, Monthly Budget Report, and copies of bills covering certain items of disbursement.

We are sending also copies of journal vouchers #477 and #480.

Following our usual custom, we will send second copies of the Trial Balance, Cash Statement, Statement of Account #31, and Monthly Budget Report in the next mail.

Sincerely yours,

Assistant Treasurer,
Central Office.

Enc.
CLL:JC

(COPY)

June 14, 1929.
E29-6-14-1

Dr. Howard S. Galt,
Yenching University,
Peping West, China.

My dear Dr. Galt:

In handling orders through the New York office it is our custom to insist that authorization come through your office. However, we are now guilty of deviating from that very set rule. It is because we saw no way of avoiding it without going to considerable expense and trouble.

The facts are that Mr. Nash secured a $5,000.00 pledge from Dean Williams of the University of Missouri, who is also donating a quantity of books for the School of Journalism. He became greatly interested in the projected and suggested a list of books that are to be purchased in connection with the setting up of the School of Journalism in the near future. It appears that Mr. Nash OK'd this procedure without definitely knowing what the individual items would amount to.

The order has been OK'd by the Promotional Office and we have gone ahead with it as it would not be possible for us to wait until a reply was received from the field. This is one of the exceptions to the rule which we hope to very strictly adhere to, but we are quite sure you will understand the circumstances.

Sincerely yours,

Assistant Treasurer.

CAE:JC

(Colwell)

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

TRANSFER

June 17, 1929

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York City, N.Y.

My dear Mr. Garside,

Our last letter, numbered 2934, was sent June 10th. Today, I have the sale of drafts to report, correspondence to acknowledge, and a few other comments to make.

Sale of Drafts.

No. 918 Sold June 12, to Mr. O. J. Krause, G$150, rate 2.4150, lc $362.25, your authorization No. 2921, part, your advice G 29-4-29-4.

" 919 Written June 14, in favor of Miss Bessie E. Barnes, G$300. This draft is supplied Miss Barnes, one of our own secretaries, who is, at the end of this month, coming to the end of her three year contract; and the sum mentioned is supplied her as part of her return travel allowance. Accordingly, there is no rate and no local currency equivalent to report. Your authorization No. 2921, part, advice G-29-4-29-4.

I may add that the above drafts are sold to meet local demands for small gold drafts, and we are charging them to the account mentioned for convenience.

Your letter of May 7th, unnumbered,

I have already acknowledged this letter, but I have now to report that our Committee on Scholarship Funds reports that it has no committments involving the $300 contributed by Mrs. Strong; and therefore, we are ready to give you credit for this $300 in accordance with the last paragraph of your letter, accepting it in lieu of a remittance of $300, which you will connect with some future remittance which you will be making.

Contract of Exchange Rate

In the last paragraph on page 3 of letter No. 2934, I mentioned that President Stuart was absent in Tientsin at the time; and that I might report later his attitude and that of our Executive Committee toward the attitude of the New York trustees, disapproving of the proposed contract procedure.

President Stuart returned from Tientsin early last week, and the matter was brought up at the meeting of the Executive Committee on Tuesday. President Stuart's attitude, and that of the Executive Committee, are essentially the same as that which I expressed on p. 3 of the letter just referred to. In other words, we are quite perplexed at the New York attitude, and cannot understand why the request we are making is not granted. The Committee did not feel ready to undertake such drastic reductions in next year's budget as the action of the New York trustees calls for. We preferred to wait, at least for a few weeks, to see what light upon the question might be thrown by further letters from New York. Also, we have hoped that further letters from this end might perhaps give a clearer idea to the trustees of what the proposed procedure involves. Accordingly, in a word, our position is one of watchful waiting, hoping that either we shall have new light to explain the position of the trustees, or the trustees may be led to modify that position. At the present moment, I may report that exchange has declined somewhat from the high figure of a few days ago, and stands now at approximately 2.40.

Further Correspondence from your Office

Your letter dated May 13th, unnumbered,

This encloses the usual statements of account for April 30th. Second copies of these statements have now been received by a later mail.

Your letter of May 21st, unnumbered,

With this letter are enclosures relative to an order for periodicals placed with G. E. Stechert & Company of New York by Professor C. W. Luh. This letter just reached us today. I shall make inquiries at once regarding the manner of payment, and advise you later.

Letter from Mr. Evans, E 29-5-24-1,

The first part of this letter deals with authorizations on the Boyd Gymnasium funds, and is entirely satisfactory.

Looking forward to the prospective needs of further funds on this project, I suggest that you authorize $10,000 for July, and $10,000 for August.

294

Regarding the progress of this project, I may report that the contract is not yet let, but we think that Leth Moller & Company will be reporting the bids of contractors now in a few days. In the meantime, we have gone forward with further purchase of materials, knowing that we can secure them at rates no less advantageous than those of the contractors, in order to be sure and have materials on hand for rapid progress as soon as the contracts are let, and before the heavy rains begin, which make heavy hauling very difficult.

On the 2nd page of this letter, Mr. Evans refers to the third quarterly installment of funds for the Department of Agriculture, and reports that these may be expected soon. This word will bring great relief to the members of that department.

Mr. Evans letter E 29-5-25-1,

This letter reports authorization No. 2931 for $7,500, to be drawn July 1st as a start toward the new budget. We are glad to have this authorization thus early.

Replying further to the inquiries in this letter, we quite agree that it will be more convenient both for your office and curs, if you will send us a list of the regular authorizations effective at the beginning of each month for the next fiscal year, according to Mr. Evans' proposals. The scheme we have followed this year has been thoroughly satisfactory, and I see no reason why we should not continue it for the next year, as proposed. I have not checked up the figures of the budget, but I should think that G$7,500 each month would be an approximate figure, adjustment to be made at the end of the fiscal year.

Minutes of the Grounds and Buildings Committee

I am enclosing herewith two copies each of the minutes of the meeting of the general committee on May 30th, and of the executive committee on June 7th. A few comments are in order.

Minutes of Grounds and Buildings Committee, May 30th,

On the first page of these minutes, and on the first page of those of the executive committee of June 7th, there are references to funds for the Cooperative Store and Post Office. Some explanations seem to be called for. It is probably known in the New York office that we have at Yenching a Cooperative Store, started a number of years ago, by several persons interested, the capital of which was furnished chiefly by members of the staff, and a few students. This Cooperative Store has been accomodated free of rent in certain old Chinese residences located on the site we are now preparing for the permanent Athletic Field. Accordingly, these old buildings must soon be removed, and the question has arisen

as to another location for this store.

Adjoining the store is a branch post office, nominally for the village of Chengfu, which adjoins our campus immediately on the east, but really a branch post office for the special accomodation of Yenching. According to the agreement with the postal authorities, we are to furnish a building, rent free, so located as to be convenient to the Chengfu Village residents.

With regard to the finances of the Cooperative Store, the University is not directly responsible, but the institution has given to that store encouragement and moral support. The store has not done very well financially thus far, but those most interested feel confident in its future success, and have urged strongly that the University continue to supply the store with a suitable building. There has been much discussion of the matter back and forth, and finally, the University authorities have agreed to assist as indicated on pages 1 and 2 of the minutes now under discussion. These remarks, I trust, give sufficient information for a general understanding of the situation, and perhaps that is all that is necessary, as we are making no direct demands on the New York office.

I may add that the question of the social center for workmen is still under consideration, and not yet in form to be reported to your office.

On p. 4, there is mention of the telephone reconstruction project. We are glad to report that at last this project is nearing completion, and already the new phones are established in our offices and residences, and giving good satisfaction.

Minutes of the Executive
Committee of June 7th,

On the first page, there is another reference to Unit B Dormitory. President Stuart has not yet quite finished with the local campaign, and has, I believe, gone to Tientsin again today in its interests. Last week, he reported that slightly more than lc $40,000 was already in the banks. He still hopes to round the sum out to $50,000, which was the original objective.

Other items seem not to call for comment, but if you have questions regarding them, we shall be glad to deal with them.

Very sincerely yours,

Howard S. Galt

HOWARD S. GALT,
Acting Treasurer.

HSG/RAA
Enc.

TRANSFER

Yenching University

Dr. H. S. Galt,
Yenching University,
Peping, China.

June 17, 1929

G29-6-17-1

My dear Dr.Galt:

Mr.Evans sent you several days ago a copy of the Finance Committee minutes of the June 7th meeting. I note, however, that there are one or two points on which we should write you further.

Correction in 1928-29 budget. You will note that the Finance Committee by action F-2616 voted to approve the reversal of the charge we made earlier in the year of Gold $5,473.64, being the amount carried forward on June 30 as an excess payment to the field on the 1927-28 budget. This action will reduce by G$5,473.64 the amount shown on our books as disbursed to the field in account 31 for 1928-29. I find by checking up our accounts, however, that even with this reduction we will have disbursed to the field on June 30 something more than the total of G$99,600.24 required by the 1928-29 budget. My letter to you of May 27 (G29-5-27-1) stated that, if this reduction was approved by the Finance Committee, there would be due the field a balance of approximately G$742.40. I find, however, that in my letter of May 27 I did not take into account authorization #2913 for G$6,500.00 which was outstanding since that time. The draft covering this authorization was paid on June 10. Adding G$6,500.00 to the total of G$102,331.48 shown on page 2 of my letter would give a total of G$108,831.48. Subtracting from this total the reduction of $5,473.64 authorized by the Finance Committee would still leave G$105,357.84 as a total of disbursements we will have made on June 30, or shortly thereafter, toward the 1928-29 budget. This would give us a surplus of approximately G$5,757.64 to carry forward as an advance in 1929-30. When we close our books at the end of this fiscal year we will give you the correct figure for this advance.

Special gifts from Dr.Coffin and from three ladies for William Hung's salary. You will note that the Finance Committee instructs us to consider these two gifts as within the G$99,600.24 general funds guaranteed by the Board of Trustees. You will remember I mentioned this matter in my letter of May 27.

Completion of payment for Residence #30. You will note that the Finance Committee by action F-2613 voted to approve disbursement from General Residence Fund of the balance required to complete payment to the Woman's College for Residence #30 of the sum of Mex.$17,394.62. You have already been authorized to draw on us for G$6,000.00 of this amount. We therefore authorize below a draft on us for the balance of this amount.

Authorization No.2933. You may draw on us at three days the amount

necessary to complete the payment of Mex.$17,394.62 to the Woman's College for Residence No.30. This payment will be charged on our books to account 26m. This authorization is in addition to our previous instructions to you to draw G$6,000.00 on this account.

I note from a recent Yenching Faculty Bulletin that Miss Alexander was to be married in May. Will that mean that you will need a new secretary next year? Probably there is a letter from you on this point already en route.

I hope this will find you happily through with your academic and financial work for 1928-29 and enjoying a very pleasant period of relaxation at Peitaiho or some other summer resort.

Very cordially yours,

BAG-H

CC: Later mail
Miss Lane

June 18, 1929.
E29-6-18-1.

Dr. Howard S. Galt,
Yenching University,
Peping West, China.

My dear Dr. Galt:

Several of your letters are still on hand, one dating back to April 4th - Letter No. 2923. The first page consisted of details regarding the sale of drafts, which have been noted. Page two requires no comment.

The principal item on page three is regarding the insurance. This appears to be rather an acute problem in China at the present, and only yesterday we responded to a very urgent plea from President Lin of Fukien wherein we started an investigation on the insurance problem in connection with the university. Of course, we can only definitely take steps regarding Fukien, but if anything interesting develops in the course of our investigation, we will take it up with other universities that might be interested. We shall advise you of progress.

We are very grateful for the statement of cost of the Women's College group. We have used this in setting up the account of the Women's College, and we trust it will work out satisfactorily.

Very cordially yours,

Assistant Treasurer.

CAR:JC

TRANSFER

June 18, 1929.
K29-6-18-2

Dr. Howard S. Galt,
Yenching University,
Peping West, China.

Dear Dr. Galt:

This is in reply to your letter No. 2925, dated April 11th. The undersigned greatly appreciates the very cordial welcome that has been extended by the different cooperating universities, and is particularly appreciative of your very cordial expression.

As you may know by this time, Dormitory No. 3 has been adjusted according to your letter of January 3rd. Science Building No. 1, however, has been carrying a charge of $295.28, but agreeable to your request we are making a journal entry reversing this charge and substituting a debit of $962.99 against 2641 and credit the First Science Building. We have already written regarding the Women's College Balances, but we believe that your suggestion regarding the separation of residences completed and uncompleted is very good, and we hope it can be worked out along these lines.

Your explanations of the differences in building operations undistributed for the month ending November 30th is appreciated. This brings our books into line. The request for a copy of the statement as sent to the National Savings and Trust Company is being complied with, and we are enclosing copy herewith.

Very sincerely yours,

Assistant Treasurer.

Enc.
CAK:JC

TRANSFER

Yenching University

June 21, 1929

Dr. Howard S.Galt,
Yenching University,
Peping, China.

G29-6-21-1

My dear Dr.Galt:

We have just received from Mrs.Mary Barbour Blair a payment on her pledge amounting to gold $2,000.00 for the following purposes:

$ 500.00 for Religious Education Library
500.00 " Psychology Library
1000.00 " " Laboratory

We will hold these funds for draft by the field as Dr.Stuart may direct, I give you below a formal authorization.

Authorization #2934. You may draw at three days as may be directed by Dr.Stuart, up to Gold $2,000.00 for the following contribution received from Mrs.Mary Barbour Blair:

G$500.00 - Religious Education Library which will be charged on our books to account 24a
50 .00 - Psychology Library, which will be charged on our books to account 24c
1000.00 - Psychology Laboratory, which will be charged on our books to account 24b

Very sincerely yours,

BAG-H

CC: Dr.Stuart
later mail

Miss Lane

INDEXED

TRANSFER

Yenching University

June 21, 1929

Dr. Howard S. Galt,
Yenching University,
Peping, China.

G29-6-21-2

My dear Dr.Galt:

Mr.McBrier has handed me your letter to him of May 21 in which you discuss the question of our method of sending remittances during the coming year for the items totalling gold $2,955.00 to be paid for from the income available from the McBrier Foundation. Mr.McBrier states that he wishes us to employ our usual method of sending out these funds. I am therefore, giving you below an authorization to draw these funds during the coming year at any time, and in whatever way Dr.Stuart may direct.

Authorization #2955. You may draw at three days during the fiscal year 1929-30, as President J.Leighton Stuart may direct, the amounts which will be paid by our office from the income of the McBrier Foundation:

For Scholarships	G$ 715.00
" Travel by members of the Theological staff	240.00
" religious books	2,000.00
	G$2,955.00

BAG-H

Very sincerely yours,

CC: Dr.Stuart
later mail
Miss Lane

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

June 21, 1929

TRANSFER

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York, N. Y.,
U. S. A.

Dear Mr. Garside:

The Department of Chemistry has ordered from the following firms for the following articles. Please pay the bills when presented and charge same to the Trustees' Current Appropriation:-(1929-30)

Firm	Article	Approximate Price
Corning Glass Works,	4 Wilson-Kern Extractors (@7.50 ea)	U.S.$15.00
John Boyle & Co.	3 ft. of 10 oz. S.F. white cotton filter cloth	U.S.$ 2.00

Yours very truly,

Stephen Tsai,
Associate Treasurer.

ST:W

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

June 21, 1929
Letter No. 2936

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

Dear Mr. Garside,

We sent you on June 17th a letter which should have borne the number 2935. Only one letter has been received from your office since.

Your letter G-29-5-27-1,

This letter summarizes the remittances and accounts for the year, and indicates your proposal for settling up the year's accounts. Your statement is clear, and seems, on the whole, entirely satisfactory. Only one point of discrepancy with our conceptions here is to be noted.

On page 2, you state that G$1200 equivalent of our draft No. 902 (written by mistake at this end) is considered by you as a remittance to the field, and included in the item marked "Amounts Disbursed in Account No. 31, May 1st to May 25th, 1929, G$8,432.13). Then, in accordance with this point of view, you give us credit for full G$10,000 in authorization No. 2921.

Here, at this end, not foreseeing from the last paragraph of your letter of May 1st, that you would deal with draft No. 902 in this way, I subtracted this $1200 from the gold $10,000, your authorization No. 2921, covered by our draft No. 914. Accordingly, we will be charged for this $1200 twice. In order to remedy this mistake, I expect to write some time before the end of June a new draft for $1200, thus restoring the amount, as it were, to the total of G$10,000, which I should have drawn. Mr. Beddow is in the office today, and has looked over the situation, and agrees with this interpretation, so I trust it is quite correct.

Funds for the Scranton-Luce Social Center.

Note 929-7-8-1

You may have noticed on the Construction Bureau Balance Sheet under this heading, an item of lc $1,204.79, expended and received, being the equivalent of G$651.24. I have traced this account back through the months, and find that several years ago, it was reported out as an expenditure from New York, and we presumed it was for architects' plans for some buildings on the island.

Gift fund was $1 million 1/11/24 1000.00

Now that we are commencing to build this project from a wholly different set of plans, which were developed here on the field, and items of expenditure are already to be set down, the question arose of starting a new account under this title, or of continuing this account as it has heretofore appeared on our balance sheet. In looking up the New York office accounts, we noted on page 2 of your trial balance at April 30th under heading No. 122, Special Funds, (p) Scranton-Luce Social Center, G$6,049.62.

Turning to your advice of September 22nd, 1928, and our draft No. 917, based on the same, we take the item $4,398.38, and add it to the gold item $651.24. We get $5,049.62, which is exactly $1,000 less than the $6,049.62, set down in your balance sheet. On this basis, we conclude that according to your point of view, the expenditure of G$651.24, of several years ago, is an integral part of the project we are now beginning, and the accounts should accordingly be combined. This then is the plan we propose to follow in our accounting here. Incidentally, we note this discrepancy of $1,000 just mentioned, and wonder what the explanation of that may be. Probably you will be able to enlighten us on this point.

Reconciliation of Building Appropriation
Accounts with New York Trial Balance of
April 30th, 1929. (By M. Reddin)

Bashford Memorial

ok

Balance as per New York accounts,		G$126,015.10
Add Drafts not paid, No. 905,	$861.20	
(by N.Y.) " 906,	400.00	
" 907,	1,738.80	3,000.00
Balance, as per field accounts,		G$129,015.10

Residences

ok

Balance as per New York Accounts,		G$291,821.73
Add Drafts not paid by New York, No.901,	$3,000	
" 903,	$2,000	5,000.00
		G$296,821.73

Science Building No. 1

ok

Balance as per New York Accounts,	G$ 80,561.73
Less New York Entry to be reversed by New York,	295.28
	G$ 80,266.45
Less New Entry to be made by New York, crediting this account, and debiting Undistributed,	962.99
Balance, as per Field Account,	G$ 79,303.46

Women's College Buildings

ok

Balance as per New York Accounts,	G$318,998.19
Less Adjustment forwarded by Field to New York, but not yet entered by them in their books,	4,742.54
Balance as per Field Account,	G$314,255.65

Women's Science Building

ok

Balance as per New York Accounts,	G$ 71,924.70
Add Adjustment forwarded by Field for New York but not yet entered by them on their books,	9,755.27
Balance as per Field Books,	G$ 81,679.97

Undistributed

Balance as per New York Accounts,	G$ 24,839.38
Add Draft not yet paid by New York, No. 913,	4,714.15
	29,553.53
Add Adjustment described above under heading Women's College Buildings,	4,742.54
	34,296.07
Less Adjustment described above under heading "Women's Science Building",	9,755.27
	24,540.80

Mr. Garside, p.4. June 21, 1929.

Add Adjustments described above under heading "Science Bldg. No. 1,		(Fwd) $24,540.80
	$295.28	
	962.99	1,258.27
Balance as per Field Books,		G$ 25,799.07.

Very sincerely yours,

Howard S. Galt

hsg/raa HOWARD S. GALT, Acting Treasurer.

Yenching University

June 22, 1929
E29-6-22-1

Dr. Howard S. Galt
Yenching University
Peping West, China

Dear Dr. Galt:

RE: LETTER NO. 2927

The first paragraph reported the sale of drafts Nos. 905, 906 and 907, which have all been received and paid.

Page two is a continuation of the discussion of the rate of exchange. Mr. Garside has gone into this situation very thoroughly and reported in detail the action of the Finance Committee as ratified by the Executive Committee yesterday. There need be no fear that all of the facts were not before the Trustees and the other two Committees when actions were taken. The discussion involved all phases of the situation and very sympathetic consideration was given the claims from the field. However, it was felt that all of the resultant actions were for the very best interest of the University.

There is no further comment needed upon the balance of the letter, other than to thank you for the statement of Thompson and Company showing the reconciliation of the Current Account for February.

RE: LETTER NO. 2928

We appreciate your letter of May 10th, No. 2928, wherein you enclosed detailed cost for the residences. In a previous letter you referred to the division of the account, and in transferring our books on July 1st we shall make the effort to institute this change.

RE: LETTER NO.2929

We have noted the sale of drafts Nos. 908, 909, 910, 911, 912 and 913, deducting the charges involved in Nos. 909, 910, to the amount of $3.28 and balances the authorized appropriation. 178.73

It is gratifying to learn of your continued and increasing confidence in Mr. Chuan. The position he is filling is an exceedingly important one, and he is sure to improve.

In dealing with the solution of your own problem, there is one thing to be

borne in mind and that is that treasurers for such positions are rare. Very few men with the capacity for the work are willing to go on the field. The problem will have to be very carefully worked out. Too much is at stake to act hastily, and is a relief to know that you will carry on through June 1930. By that time, surely, someone will probably have been found for you to break in.

Evidently, mail by way of Siberia travels more rapidly, and we will try to watch sailings in order to take advantage of this saving in time.

We note your comments regarding the setting up of the budget as advocated by the Budget Committee. You are absolutely right in your statement that the more involved in details one becomes, the larger will be the costs. But there is more in the operation of such a budget than in the handling of funds in accounts of larger units. That idea could be carried to the extreme just as it is possible to make a budget an unwieldy instrument. There is much to be said, however, in allocating a certain amount to each different department, and of having the one in charge of that particular department, so budget expenditures as to keep within the restricted amount. A budget built on this basis will be a joy and a perfect godsend. If, on the other hand, the thin income of the university is spread over the needs, there will be no end of trouble in the operation of the budget. We once considered getting out a form that the different universities could use in making out the budget. We have been wondering whether it would be worth while.

Of course, the mention of the budget brings up the rate of exchange which, however, has been previously dealt with. We note the various comments regarding the building plans and cannot see that anything can be done regarding the Practice School group. The Committee would not consider any other action than that reported to the field by Mr. Garside on April 20th.

We shall be further interested in the solution you reach regarding the repairing of the heating mains. The Committee seemed to think that the conditions are of exceedingly grave importance.

We are exceedingly gratified with the report regarding President Stuart's local campaign. We sincerely trust that the amount you mention will be realized. President Stuart is to be congratulated upon the accomplishment.

Mr. Garside has written regarding the duplication of authorization for $4,500 for auditorium chairs. Simply cancel No. 2919.

As a closing note, we have complied with Mr. Beddow's request, making a charge against 22c of $100 for the Alumni Gate Lamp Account.

With sincerest regards, we are

Very cordially yours,

Assistant Treasurer,
Yenching University.

CAE:JC

TRANSFER

Yenching University

June 24, 1929

Dr. Howard S.Galt,
Yenching University
Peping, China.

G29-6-24-1

My dear Dr.Galt:

Mr.Evans has replied to your letters Nos. 2927, 2928 and 2929. I am, however, sending this supplementary note as an added comment on one or two matters you discuss in those letters.

Controllership. I am glad to have your comments on the attitude of the field as to the Controllership. You understand, I am sure, that the Trustees have had no criticism whatever for the work of Mr.Chuan. The duties they have had in mind are, however, such that they could probably be performed only by a Westerner. Such a financial officer would have a close relationship with the Board of Trustees, and particularly with the Finance Committee. He would at times serve the important function of being a liaison officer to interpret to the Trustees the viewpoint of the field and to interpret to the field the viewpoint of the Board of Trustees. Since we have received word from Dr.Stuart that he does not favor the appointment of such an officer at this time, there has been no inclination on the part of any of the Trustees to press the matter. I believe there is, however, as firm a conviction as ever that there is a real need for such an officer. Probably Mr.McBrier will discuss the matter with Dr. Stuart and yourself when he is on the Yenching campus in October.

Draft for Gymnasium Foundations. We have received and paid draft #913 for G$4,714.15 on account of the Boyd fund for the Woman's College Gymnasium. I note that the cost of the Woman's College Gymnasium foundations was included in the statement prepared by your office, showing the standing of the Woman's College Plant accounts as of December 31, 1928. This item is, therefore, a part of the deficits on which we have asked repayment from the Woman's College. Attached to the Finance minutes of June 7, copies of which have been sent to the field, is Appendix D which we prepared on the basis of your Dec.31st statement, together with our New York books and Mr.Bowman's records. You will note that according to this statement, the net balance due the field on the Woman's College Building Operations was Mex.$9,144.63. (This figure may be increased to M$9,374.95 if we follow the Construction Bureau statement of Dec.31,1928). This net deficit is obtained by subtracting from the balance due the Field Treasurer on the Second Science Building the balances on hand in the other Woman's College Building Operations. Since the Mexican proceeds of draft #913 amount to Mex.$10,948.61, there should thus be a net balance now in your hands for the Woman's College Building Operations amounting to Mex.$1,843.98

(or Mex.$1,613.66 if we follow the Construction Bureau figures of Dec.31, 1928). We find ourselves in a somewhat difficult position at the moment inasmuch as the Finance Committee on June 7 asked the Committee of Yenching College for Women to examine this statement of their Plant accounts to see whether it is in order and whether they are willing to have us pay the general University the amounts shown as due. By paying draft #913 we have, as a matter of fact, remitted to the field something more than the balance due you without waiting for the ladies to give their consent to this request.

If we interpret correctly your statement of Dec.31,1928 covering the Woman's College accounts, this deficit of Mex.$8,074.53 on the Woman's Gymnasium was more than covered by the balances on hand in the other Yenching College Building Operations exclusive of the Second Science Building. We will await your replies to the other correspondence we have sent during recent months discussing adjustment of the Woman's College Plant accounts before making final clearance of this item of the Gymnasium foundations.

Exchange contract. Voluminous correspondence and numerous cablegrams have already been exchanged on this subject. Our office this morning received an urgent cablegram that the Board of Trustees reconsider their decision as to the amount of the budget for next year and the basic rate of exchange for the remittances sent out by the Trustees in gold. This cablegram was at once reported by telephone to all members of the Executive Committee who were present at the meeting on Wednesday of last week, with an inquiry as to whether they desired to have a further meeting of the Committee to reopen the question. All five members of the Committee voted unanimously (and some of them rather emphatically) to adhere to the actions already taken. I am therefore cabling the field to that effect today and will write an explanatory letter to Dr.Stuart.

I think the Trustees have had very clearly in mind since the beginning all the important factors in volved in the proposed contract for a higher rate of exchange than 2.10 to 1. The Trustees have adhered to the basis originally adopted because they believe that this provides a fair amount of funds for the 1929-30 budget and feel that any gain in exchange above this amount can best serve the interests of the University by being applied to meet urgent special needs not included withintthe regular budget. In my previous correspondence I have pointed out these facts at some length and need not rehearse them again. We all regret that the Board of Trustees has reached a decision on this matter that is at variance with the wishes of the field. I need not assure you, however, that all the Trustees are working just as heartily as ever for the best interests of Yenching and sincerely feel that the actions they have taken will work out for the ultimate good of the University

Very sincerely yours,

BAG-H

Yenching University

June 25, 1929
E29-6-25-1

Dr. Howard S. Galt
Yenching University
Peping West, China

Dear Dr. Galt:

RE: LETTER NO. 2930

We wish to clear the desk of all pending correspondence, and find Letter No. 2930 of May 23rd still unanswered. Mr. Garside has written you regarding the President's residence, and aside from that there is not much left requiring comment.

We note that Letters Nos. G-29-4-29-1, 2 and 4 were subsequently received and that at the time your letter of the 21st was written, it had not arrived at hand.

The third quarterly remittance from the Department of Agriculture was also taken care of, leaving our office June 1, 1929. We also wish to acknowledge the receipt of Mr. Beddow's reconciliation of accounts for March.

With kindest regards, we are

Very truly yours,

Assistant Treasurer,
Yenching University.

GAE:JC

Yenching University

June 25, 1929

Dr. Howard S.Galt,
Yenching University,
Peping, China.

G29-6-25-1

AIR MAIL

My dear Dr.Galt:

Mr.Evans has already acknowledged receipt of the Grounds and Buildings Committee minutes of March 23, March 28, April 2 and April 12, together with your letter commenting on these minutes. We now acknowledge your letter #2931 of May 28 with which you enclose copies of the Grounds and Buildings Committee and the G.& B.Executive Committee minutes of April 19, April 27, May 3, May 10, May 20, and May 21. We are also having this second set of minutes mimeographed and distributed to the Finance Committee for their study. Since the Committee is quite widely scattered during the summer months it may not be possible for us to have a meeting until the fall. We will, however, bring to their attention at the earliest possible moment such matters as require their action.

Minutes of April 19. We are glad to have the information you give as to the progress in securing funds and beginning construction on Lake Front Dormitory Unit B.

We have passed on to Dr.Eric North the information you give as to the latest developments in the University's efforts to complete the purchase of the marble columns. It is too bad that so many political uprisings have delayed the completion of these negotiations. I am sure, however, that the University will ultimately be able to obtain a clear title to these very interesting historical objects.

Construction of Department of Education Practice Schools. I sincerely sympathize with the difficulties you are having in going forward with the erection of your Department of Education Practice Schools, due to the fact that the Gold $5,000.00 you have available for this work is not sufficient to complete either a unit of the elementary school or a unit of the kindergarten. I can quite appreciate the fact that the delay in the completion of all of the buildings will seriously interfere with your plans for the work of the Department of Education. However, our Finance Committee was merely following its very definite policy in giving authorization to undertake construction only in so far as funds available would complete the erection and installation of permanent equipment in the buildings undertaken.

Jane Field Bashford Fund. References are made to this fund and

to its investment in several meetings of your Grounds and Buildings Committee. Our office here in New York does not have as full information as we would like in regard to this fund. Our general understanding is that it was secured several years ago by contributions on the field and amounts approximately to $18,000.00. About two years ago Dr.Eric North sent an inquiry to the field for fuller information in regard to this fund, but so far as I am able to find, no reply was received. We would appreciate it, therefore, if, at your convenience, you would send us for our records here the essential details as to the exact amount of this fund, the sources from which it was secured, and the purposes for which it was given.

I note that a part of this fund was to be used for work in connection with the repair of your telephone system (presumably being considered a loan on which income will be paid and the principal will ultimately be refunded). We note also that there was a discussion of the possibility of investing some of this fund in residences to be rented to members of the staff supported by Harvard-Yenching funds or Princeton-in-Peking funds, but evidently this proposal has not yet been carried into effect. Possibly the receipt of information from New York that the Trustees would be willing to advance G$25,000.00 for new residences made unnecessary any further discussion of this proposal to use the Bashford endowment funds for residences.

Our Finance Committee always examines keenly, and often critically, any proposal that ties up endowment funds even temporarily with the current or plant accounts of the University. You will remembers that the By-laws covering the endowment funds read as follows:-

> "Endowment funds shall neither be expended nor hypothecated for current expenses, but shall be retained & preserved inviolate".

Of course, where endowment funds are secured on the field through the efforts of the Board of Managers our Finance Committee should look to the Managers to control the investment policy covering such funds. What the legal responsibility of the Trustees would be is a rather involved question, but I know that, from a practical standpoint, we would all agree that the same general policy should be followed in China as in New York. The experience of all our China colleges over the last few decades has shown that it is extremely easy to get into serious embarrassments if the endowment funds, both on the field and at home, are not kept absolutely distinct and separate from the current and plant accounts. In one or two of our Universities we have been rather seriously embarrassed in accounting to certain of our donors and have been forced to adopt very rigid measures to restore to our endowment section certain funds that we employed to help out an institution's current and plant needs in what looked like an emergency situation.

I hope that by the time our Finance Committee meets we will have the full facts regarding the Bashford endowment fund to present to the Committee for its information.

<u>Schedule for remittances on new residences</u>. I believe we have not yet received a statement as to the dates and amounts of remittances on the G$25,000.00 appropriated in March for new residences at the University. In my cable of March 16 and my letter of March 18 we asked that the field send us a schedule of dates and amounts for remittances on this account. If such a schedule has not been sent will you please see that

rec'd 6/7/9

this information is forwarded to us so we will be able to more effectively meet your needs.

Very cordially yours,

B A Hanside

BAG-H

CC: Later mail

Ack 7/19/29

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

June 26, 1929
Letter No. 2937

TRANSFER

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York City, N.Y.

My dear Mr. Garside,

On June 21st, we wrote to you letter No. 2936.

Today, I have to take up the form of contract or employment agreement which the New York office has been using.

As to salary, these contracts are based on the schedules earlier prepared by the University. The one I have before me is dated July 24th, 1925, and I think was sent out by your office. According to the salary schedule, the amounts are set down first in United States dollars, and then in local currency at the rate of 2 to 1.

In the employment agreement (for instance, I have before me that issued to Miss Barnes three years ago) the first item is

> "Salary at the rate of Gold$840 or Mex $1680 per year, beginning on day of sailing".

The question has arisen as to whether the recipient of such a salary may have the option of demanding the monthly payments either on a gold basis or on a silver basis.

So far as I know, it has been the uniform practice of the University to pay all salaries on a silver basis; that is to say, in the case of Miss Barnes, for instance, her monthly salary is lc $140. With exchange where it stands at the present time, if Miss Barnes, for instance, were to ask for $70 gold as her monthly salary, this would bring her a much larger sum local currency. During recent

years, the rate has been hovering around somewhere near 2 to 1; and I believe at the time when these salary arrangements were made, $1.00 gold was bringing less than $2.00 local currency. But with exchange standing where it does now, there would naturally be a desire on the part of members of the University staff to ask for payment in gold, if this were a possible option.

I am writing to express our point of view here to the effect that the salary on the field is payable in local currency according to the amounts specified in local currency, and that persons do not have the option of asking for the 2 to 1 gold equivalent. This being the case, we would suggest that in the form of employment agreements hereafter used, a slight revision be made so as to make this item clear.

Persons who are home on furlough would naturally draw salary payments in gold, and in such cases, no doubt the gold amounts, as set down in the salary agreement, apply.

The above sets down our point of view and interpretation here on the field, and I am writing to request that in future agreements, the matter be made clear. If, for reasons involved in this discussion, or for any other reasons, there should be a revision of our schedule of salaries and allowances, that is a larger matter which should be taken up later. In view of the slight increase which we are making in the monthly payments for foreign members of the staff for this coming year, as a provisional measure, it is possible that when our regular budget is made out for the year 1930-1931, a new basis of salaries and allowances should be drawn up. If so, of this more later.

Very sincerely yours,

Howard S. Galt

Howard S. Galt
(Acting Treasurer)

TRANSFER

per fran

Yenching University

June 29, 1929

G29-6-29-1

Dr. Howard S.Galt,
Yenching University,
Peping, China.

My dear Dr.Galt:

We give below an authorization covering the first quarterly installment on the Laura Spelman Rockefeller appropriation for 1929-30, the check for which was received today.

Authorization No.2936. You may draw on us at three days the sum of G$6,250.00 covering the first quarterly appropriation of the Laura Spelman Rockefeller Memorial toward the work of Yenching University's division of Social Sciences. This draft will be charged on our books to account 135.4

As I have already pointed out to Dr.Stuart, and as Mr.Wanamaker has cabled to the field, since this is a gold appropriation for this designated object, the Yenching Board of Trustees are not directly interested in the rate of exchange at which the appropriation is converted into Mexican, inasmuch as the entire proceeds should be used for the purpose designated. Any gain in exchange above 2.10 to 1 of course belongs to the work of the School of Applied Social Sciences.

Very cordially yours,

BAG-H

CC: Later mail
Miss Lane

TRANSFER

Yenching

June 29, 1929.

Dr. H. S. Galt,
Yenching University,
Peping, China.

G29-6-29-2

My dear Dr. Galt,

This letter will deal with the Woman's College Plant Accounts, particularly the Boyd Gymnasium.

As you know, we have delayed putting through the journal entries affecting the Woman's College accounts asked for in your letter of January 3, 1929. However, we have now been able to put through these entries, as follows:-

Debit 26f3 Second Science Bldg.	G.$9,755.27	
Credit 26f5 Y.C. Other Bldg. Operations		$4,742.54
Credit 26f1 Bldg. Op. Undistributed		5,012.73
		$9,755.27

With these entries put through these two Woman's College Building accounts will stand as follows:-

Account	Previous Total		Correction	New Total
26f3 Second Science Bldg.	G.$71,924.70	add	G$9,755.27	G$81,679.97
26f5 Y.C.Other Bldg. Op.	318,998.19	deduct	4,742.54	314,255.65

These entries, which I understand you have already put through on your books, have the effect of putting your Woman's College accounts in balance to December 31, 1928, the amounts received being exactly equal to what you had spent. At the same time these entries increase by G.$5,012.73 the deficit in the Woman's College accounts as they stand on the general university records here in New York, bringing this total deficit to G.$19,007.28. Obviously, therefore, if and when the Woman's College Committee agrees to pay this sum of G.$19,007.28 into the general university plant accounts, this money should go into our New York funds, to clear off the cash deficit now existing in this account and to restore balances in such plant accounts as have not yet been fully called for by the field.

Assuming the correctness of the above reasoning, we find ourselves at variance with the procedure suggested by Mr. Beddow as

quoted on page 4 of your letter of May 29th, No. 2932. Here Mr. Beddow says:-

> "I suggest that you should draw a draft for G.$4,714.15, being the equivalent of l.c.$8,974.33, at exchange 190.37, which is the average exchange of the debt due by the Women's College, G$18,959.10 = lc$36,092.20, as per your letter of January 3, 1929. The last mentioned debt would have this sum deducted from it, and the balance due would be G.$14,244.95 = lc$27,117.87. The whole of the debt has been financed by money remitted from New York under the heading "Undistributed", and therefore New York Office, when they pay this draft for G.$4,714.15 should be instructed to charge it to acct/26fl, Bldg. Op. Undistributed."

The draft forG.$4,714.15 referred to above, No. 913, was paid by our office on June 17th. We note that the Mex. proceeds were lc$10,948.61. We did not charge this to 26fl, B.O. Undistributed, however, but charged it direct to the Boyd Gymnasium. Our reason for this I will attempt to make clear.

Since the journal entries described on the preceding page succeeded in balancing your Woman's College accounts, and transferred to our office the necessity of making the collection of the outstanding deficit, it seems to me incorrect for your office to take any further steps in the matter. You had repaid your funds the amount you had advanced for the Gymnasium foundations. The next step was for us to collect from the Boyd Gymnasium fund account, and to restore to our general plant funds the G.$4,771.04 which we advanced as general funds when these foundations were put in. We are therefore making this collection from the Boyd Gymnasium fund account of G.$4,771.04 as a part of the collection of G.$19,007.28 due from the Woman's College.

In the second place, we do not wish to make any more remittances to the field on the Building Operations Undistributed account. This account was created in the initial stages of construction when it was necessary to purchase large quantities of general materials which would be used in various buildings, and when it was difficult to keep separate the costs of the various buildings. That part of the work is now past, and we ought at the earliest possible moment clear Acct. 26fl entirely off our books. We have gotten it down to about twenty thousand dollars, and trust that every entry hereafter will whittle down the balance, rather than increase it. Only when this account is entirely wiped off will we know just where we stand. And at this point let me interject a request that you let us know just what the balance still in Acct. 26fl, B.O. Undistributed, represents, and when we may hope to have it finally allocated to the proper accounts?

It seems to me that your proper procedure is to consider this draft for G.$4,714.15, lc $10,948.61 as new money for proceeding with the construction of the Boyd Gymnasium. The money should be placed in this account, where it logically belongs, rather than in any general building fund account to which it has no direct relationship. We have disbursed to you, or authorized you to draw, sufficient funds to meet all the general university building work to which the Finance Committee

has given its approval. If further funds are required either now or in future, we will send them out labelled as belonging to some specific piece of construction work.

We trust the procedure outlined above will prove to be a practicable and feasible one. We always welcome your comments and criticisms.

I believe there are no other matters in your letter 2932 requiring extended comments. Glad to have your comments on the minutes of the Annual Meeting of the trustees, and also on the other material acknowledged by your letter.

Cordially,

BAG/G