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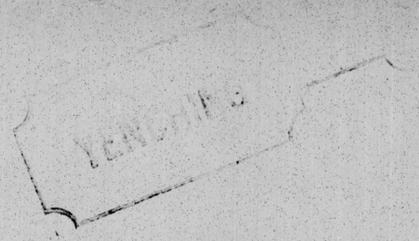

TRANSFER

Yenching University

September 4, 1929.

Mr. Stephen Tsai,
Yenching University,
Peiping, China.

My dear Mr. Tsai:

This is an acknowledgment of your letter of August 6th reporting on the sale of three drafts,- Nos. 1002, 1003 and 1005. All have been received and authorized for payment by our bank.

With kindest personal regards, we are,

Very sincerely yours,

Assistant Treasurer,
Yenching University.

CAE:A

TRANSFER

Yenching University

September 9, 1929

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

G29-9-9-1

My dear Dr.Galt:

We have just received from the American Board a bill for $229.60 covering an order placed by Mrs.Porter for Yenching University. We are attaching a copy of this order hereto. I understand that this is one of the purchases Mrs.Porter made in connection with furnishings for the President's office and the Bashford Auditorium.

Following the procedure we used in paying for the order purchased by Mrs.Porter in December, 1928, we are charging this gold $229.60 to account 31, 1929-30. I would appreciate it, however, if you would let us know whether this procedure is correct and would inform us also whether we have been correct in allowing the December, 1928 purchase to remain in account 31, 1928-29.

You will remember that on November 20, 1928, I wrote referring to this order for furnishings and asking whether we should charge the same to equipment, Bashford Building Account, or Account 31. You replied on January 3, 1929, stating that the matter would be brought to the attention of G.& B.Executive Committee. I note that the G.& B.Executive Committee on January 21, 1929, took the following action:-

> "45 - VOTED that the purchases which Mrs.Porter had been asked to make in America should be charged to Administration Building account, and that, in future, all such orders are to come through the sub-committee on furnishings".

Your letter of February 21, 1929, covering, among other minutes the meeting of the Executive Committee held on January 21, makes no specific reference to the action we have just quoted. The correspondence from your office during February or March, acknowledging our monthly budget statements for December, 1928, and January, 1929, makes no reference to our procedure in charging the cost and shipping charges of Mrs.Porter's first order to account 31; so we let these charges stand in the Managers Current Account and closed the fiscal year 1928-29 in this manner.

The action of the G.& B.Executive Committee does not state specifically whether the charge for these furnishings should be entered against the construction account of the Administration Building (Plant section), or against the maintenance account of the Administration Building (Current section). It seems likely, however, that the former mean-

ing was intended.

Will you please let us know whether our method of charging these purchases to account 31 is acceptable, and if not, which of the two alternative courses we should follow, viz: (1) Should these purchases be charged to account 28x - Bashford Administration Building Construction account, or to account 24a - General Equipment.

Very sincerely yours,

BAG-H

CC: Miss Lane

(COPY)

14 Beacon Street, Boston, Mass.

September 6, 1929.

Mr. B. A. Garside, 150 Fifth Ave., New York City, N.Y.

To American Board of Commissioners for Foreign Missions, Dr.

Harvey L. Meeken,
Purchasing and Publishing Agent.
C.S.

---

102 yds -2 pcs. - Harco Velour No. 8311	204.00	
Express prepaid to Mrs. Porter at Seattle, Wash.	24.60	
Carting to express office	1.00	$229.60

Above ordered for Yenching University, Peking, China

By Mrs. L. C. Porter

Yenching University

September 9, 1929.
G29-9-9-2

Mr. Stephen Tsai,
Yenching University,
Peping, China.

My dear Mr. Tsai,

This will acknowledge receipt of your letter of August 15th dealing with a number of financial matters.

Journal Entry #404 and Journal Entry #506.

Thank you for calling attention to our errors in putting through these Journal entries. As you point out, we failed to post Journal entry #404 in closing our books on June 30th. You will find that our July statements are also incorrect as regards this item. We are, however, making the necessary entries in closing our books on August 31st. You are correct also in stating that Journal entry #506 (not #526 as typed in your letter) should be G$22.00. We are making the necessary correction in our statement as of August 31st.

I have rechecked our Princeton-in-Peking remittances in an effort to discover the discrepancy of Mex.$95.49 between your books and ours. According to our records the remittances sent out before June 30th were as follows:-

	Gold	Mex.
Draft #655, paid Oct. 17, 1928,	$ 900.00	$1,946.25
Draft purchased by New York, Nov.8,1928,	420.75	900.00
" " " " " Feb.4,1929,	617.63	1,350.00
	$1,938.38	$4,196.25

You will note that this total of Mex.$4,196.25 is Mex.$100. less than the figure reported in our letter #G29-5-27-1 and is $4.51 less than the figure reported in your letter of August 15th. The difference of Mex.$100. is due to an error in adding the figures we used in preparing the statement we sent you on May 27th. I cannot account for the difference of Mex.$4.51 between your records and ours but presume it is due to the use of different rates of exchange in computing the Mexican equivalent of Draft #655. You will remember that this draft was drawn by the field in September and was deposited in

your Gold account so no Mexican proceeds were stated on the face of the draft. When the draft was received in our office we noted that two other drafts drawn the same day were sold at the rate of 2.1625 so we recorded Draft #655 at the same rate, giving a figure of Mex.$1,946.25. We reported this procedure to the Field Treasurer's office, and Dr. Galt on November 30, 1928 wrote agreeing to the procedure. Quite possibly, however, when you closedyour accounts at the end of the fiscal year 1928-1929 you used a slightly different rate.

It appears to me that the simplest method of adjusting the matter is for us to send you a draft on the Princeton-in-Peking account 1928-1929 amounting to Mex.$95.49. We are therefore enclosing herewith a draft for that amount. This, together with the sum of Mex.$616.79 carried forward from last year (1927-1928) and Mex.$486.96 drawn by your draft #925 will complete Princeton-in-Peking's remittance of Mex.$5,400. for 1928-1929.

Very cordially yours,

BAG:A
Enc.
cc:- Miss Lamb

Ack 10/15

燕京大學

YENCHING UNIVERSITY

Peking China

September 10, 1929.

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

My dear Mr. Garside:

I returned from my vacation to the University offices last week and have been exceedingly busy taking up the various matters which seemed to call for attention first.

In reviewing the New York correspondence yesterday I find in your letter G-29-7-26-1 a very important matter which calls for first attention this morning. In this letter you make it explicit that the architect's fees for the Women's College Gymnasium, amounting to G.$6,878.46, must be included in the allotment of G.$77,500 for the field expenditures on the Boyd Gymnasium.

So far as I can interpret our thinking on the field, this is a point of view new to us. In your letter now under consideration you report that the action of the Finance Committee of February 1st was reported in a letter of February 4th to President Stuart, a copy of the same having been sent to Mr. Hildebrand. Not until I hunted out Mr. Hildebrand's copy in his secretary's files today had I seen that letter, and so far as I know neither Mr. Hildebrand nor President Stuart reported its important contents at any meeting of the Ground and Building Executive. I find that I have in my files a copy of your Finance Committee minutes of February 1st, and undoubtedly I should have scrutinized more carefully the action of the Committee dealing with the Gymnasium appropriation. However, it seems to me that the recorded action of the Committee, since it does not mention at any point the architect's fees, is ambiguous at this point. It probably is true, as you state, that in general "it is the usual policy to include architects' fees in stating the total cost of completing a building". But in the present case, when the architect's fees were being handled in the New York office and the building is to be constructed on the field, and when, furthermore, we have had no report of any cost for architect's services until the receipt of your letter of July 26th, it seems to me that the grounds for the misunderstanding are not all connected with the field. In the discussion in the G. and B. Executive general reference has been frequently made to the architect's fees, which we knew must be quite an item, and it has been the assumption that those fees

were to be cared for in the G.$12,500.00 retained by the Committee in New York. Certainly neither Dr. Stuart nor Mr. Hildebrand, having received copies of the letter you sent them, expressed any other point of view.

The letter of July 16th, written to your office by Mr. Chuan, reporting fully the estimates for the Gymnasium building as passed by our G. and B. Executive on July 11th, evidently reached your office in August, and was undoubtedly the basis of the cablegram which came to the offices here August 20th, in which you state "Architect's fees were not included in estimate submitted", followed by a reference to your letter of July 26th. Said letter was not in hand when the cable was received and so apparently the significance of this phrase escaped the attention of those who were here in the University offices during August, and the matter was not noted until I came across it yesterday.

You will see from the estimates submitted in Mr. Chuan's letter of July 16th that the budget for the building calls for every cent available and that we will be confronted with a prospective deficit of nearly $500.00. If now we must be responsible for architect's fees, which would amount to approximately $15,000.00 L.C., it will be seen at once how embarrassing the situation is. I have this morning consulted with Miss Stahl, Mr. Chuan and President Stuart. We are preparing a cable, a copy of which I expect to enclose in this letter. The only way out of the difficulty I see will be for the Finance Committee in New York to release some of the funds being held for other purposes, as indicated by the action of the Committee on February 1st. No doubt it seemed to the Committee in New York that the building on the field could be erected for the $77,500.00, but it is in order to point out that when the New York office on one hand determines the plans and on the other hand fixes the fund for the building, it might easily happen that the building could not be erected under these conditions. That is apparently the situation with which we are now confronted.

I may report further that very little progress on the building has yet been made. First, as you know, there was a long delay in getting the plans to the field. After they were received here our consulting engineers, Lethmoller & Co., had to prepare working drawings and specifications before contractors' bids could be invited. After the bids were received we had to reconsider and reduce at several points, as reported in Mr. Chuan's letter of July 16th. Just before the middle of July torrential rains set in and the old foundation area of the building was seriously flooded, and water is standing there to the present day, although some work has been done by the.

contractor in the way of altering the foundations to conform to the revised building plans.

As the matter stands today, we feel that we must acquaint the engineers and contractors with the situation, and then will look forward to some measure of relief as a result of the cable we are sending.

I hardly need to say how much we regret this outcome, but where so many different interests, both in New York and on the field, have been involved in the planning of, and correspondence relating to, this project, perhaps it is not strange that a misunderstanding has arisen.

As soon as I have time for more systematic consideration of treasury problems I shall be writing you again, dealing with other correspondence which has accumulated during the summer. A letter from Mr. Evans has referred to your vacation, and we hope that you secured enough of a vacation to keep you in shape for your heavy duties.

Very sincerely yours,

Howard Gulick

Acting Treasurer.

HSG/LC

Enc.

YENCHING NEW YORK

LYUSKEXUTR AWSAMJOEGW IMAZRIJOML POYLLOTDAT

RYOGJIOZIX XOBYZOAKAX

Referring to your letter of ---- would say
of July 26, this year
Architect's fees
were not included in estimate
field
expenditure
$77,000
$500
This will necessitate
increased funds
Telegraph if it is possible

Howard S. Galt Yenching University

11 Sept '29

YENCHING

TRANSFER

Yenching University

September 12, 1929

Mr. Stephen Tsai,
Yenching University
Peping, China.

My dear Mr.Tsai:

We enclose herewith a duplicate of draft for Mex.$95.49, transmitted in our letter to you No.G29-9-9-2.

Very cordially yours,

BAG-H

Enc.

TRANSFER

Yenching University

September 14, 1929

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

My dear Dr.Galt:

We enclose herewith a copy of a letter we are addressing to the National Savings and Trust Company, requesting that they send quarterly remittances on the Famine Fund account as was done during 1928-29. I trust that we will be able to forward to you the first of these drafts sometime next week. I am sorry that this first draft will reach you rather late. If you wish the Famine Funds sent out at earlier dates next year, will you remind us of the matter sometime before the beginning of the fiscal year and suggest the dates you would like to have the remittances reach you.

I note that we failed to clear from our Famine Fund accounts, when the Yenching books were closed on June 30, 1929, the item of G$92.14 representing the payment we made to Mrs.Chamberlain in November 1928 for freight shipment to America for her from China. You will remember we wrote you on December 3, 1928, asking for instructions as to charging this expenditure to Famine Funds and you replied on January 9, 1929, approving the charge to Famine Funds and suggesting that we clear the item by charging the amount to account 31. I believe that the best procedure will, therefore, be for our office to put through a journal entry this month, charging account 31, 1929-30, and crediting account 51, Famine Fund account, with this item of G$92.14. I trust that you will be able to make the necessary adjustment in your field accounts without difficulty.

Very sincerely yours,

BAG-H

Enc.

CC: Miss Lane

YENCHING

TRANSFER

Yenching University

September 14, 1929

Mr. Stephen Tsai,
Yenching University,
Peping, China.

My dear Mr.Tsai:

This will acknowledge receipt of your letter of August 23.

We are taking up with the National Savings and Trust Company arrangements for the remittance of Famine Funds for 1929-30. I am sorry that the first quarterly remittance will be reaching you quite late, but we trust that remittances for the other three quarters will reach you more promptly.

Very sincerely yours,

BAG-H

INDEXED

YENCHING

TRANSFER

September 16, 1929

G29-9-16-29

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

My dear Dr. Galt,

On March 20, 1929 Dr. Stuart asked us to pay Mr. H.F. Woo sixty dollars per month "until further notice". Our general understanding was that Mr. Woo would be in America about two years.

We have had no intimation either from the field or Mr. Woo as to his plans, so I am sending this informal reminder of his existence. About what date will he be returning to China? Will our office be asked to make advances on his return travel? Are there any other special instructions affecting his case?

Cordially,

BAG/G

TRANSFER.

Yenching University,

September 16, 1929

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

G22-9-16-1

My dear Dr.Galt:

We have your letter of August 30, 1929, (unnumbered). In this letter I will reply only to matters relating to the President's Residence as we note that you will be writing further on the Jane Field Bashford Fund and the Woman's College Plant account.

President's Residence. In accordance with your letter we are putting through a journal entry, charging the cost of the President's silver, G$171.38, to account 31, 1928-30. This transfer will leave the disbursements made on the President's Residence to date at exactly G$11,000. We are therefore purchasing today, and are enclosing in this letter, a Mexican draft for Mex.$3,726.71, being the equivalent at today's rate of exchange of G$1,500. This brings our disbursements in the President's Residence accounts to G$12,500, the maximum amount appropriated by the Finance Committee. We understand, in accordance with your letter, that no further charges on this account under any of the three heads listed in my letter G22-6-44 -2 will be sent us by the field. No further payments on this account can be made unless by express instructions of the Finance Committee.

We note from the analysis attached to your letter of August 20 that when the enclosed draft reaches you, you will still have a deficit in the President's Residence account amounting to Mex.$5,867.11, arrived at as follows:

Previously remitted	G$11,000	Mex.$23,640.00
Remitted herewith	G 1,500	" 3,726.71
		" 27,366.71
Total expenditures on field		" 33,233.82
Total received from New York		27,366.71
Deficit		" $ 5,867.11

The next meeting of the Finance Committee will be held about a fortnight hence, probably on September 27. I will have to make some report to them concerning this deficit in the President's Residence account and I hope that Mr.Hildabrand's explanations, which you have requested him to send, will reach us by that date. If no word has been received from him the Finance Committee may wish to postpone action until we have had his statement. I fear the Committee will be keenly disappointed and greatly annoyed when they receive a report of this large deficit in the President's

Residence account. When they took action F-2306 on May 8, 1928, appropriating an additional G$2,500 beyond the original appropriation of G$10,000, the Committee thought they were leaving an ample margin for all costs connected with the construction of the President's Residence. As late as the end of the year 1928 they read in the minutes of the G.C.B. Executive Committee meeting held on November 30, 1928, that "from present indications the President's Residence will be completed within the authorization of approximately local currency $27,000 - Mex.$21,664 having been expended to date".

I have always tried to keep out of our correspondence with the field as far as possible anything that seems like unsympathetic criticism for I realize constantly how difficult are your problems and how hard all of you are working. I wish, however, that it would be possible for us to broadcast to you the meetings of our Finance Committee where such items as this deficit on the President's Residence account are brought up. The members of our Finance Committee are all keenly interested in the work at Yenching and whole-heartedly in sympathy with your undertakings. As I have often stated, I feel that the Finance Committee has for many years been doing a magnificent piece of service and has had a large share in making possible the building up of Yenching's physical plant and its endowment. Yet, over such matters as this deficit, the Committee very naturally becomes thoroughly incensed and bitterly critical. They sincerely feel that in the spring of 1928, with President Stuart meeting with the Committee, they gave thorough consideration to the requests of the field for funds required for the President's Residence and went the whole way in providing the full amount asked; even going $2,500 beyond the largest total they hoped to receive in funds designated for this particular building. At that time we all tried to make it absolutely clear to the field that G$12,500 represented the very maximum available and authorized. The Committee naturally assumed that the field would use ordinary business discretion in keeping its estimates well within the maximum so as to allow a sufficient margin for any last minute charges not included in the original figures. Their reaction to this deficit will, therefore, be not only one of criticism for this particular building operation, but also of shaken confidence in many other matters of field policy and field recommendation, some of them far more important than this particular question.

These comments are made in no spirit of criticism but simply to re-emphasize the gravity of the effect such deficits as this are bound to have on our committees and boards here at home. We know how valiantly you personally are constantly striving to keep expenditures within appropriations and realize that little if any criticism should fall to you or to your office. You may, however, have an opportunity to pass on these informal comments to some of our friends who do not feel quite so deeply concerned when deficits are created.

Very cordially yours,

BAG-h

CC: Miss Lane
Finance Com.folder

YENCHING

TRANSFER

Yenching University

September 16, 1929

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

CAS-9-16-2

My dear Dr.Galt:

We are enclosing herewith a copy of a cablegram we are sending today.

Boyd Gymnasium. The first part of the message is in response to your cable of September 11 which we have decoded as follows:-

"REFERRING TO YOUR LETTER OF JULY 26 WOULD SAY ARCHITECTS FEES WERE NOT INCLUDED IN ESTIMATED FUND EXPENDITURES OF GOLD $77,500. THIS WILL NECESSITATE INCREASED FUNDS. TELEGRAPH IF THIS IS POSSIBLE".

As we attempted to make clear in our cable, nothing can be done to increase the appropriation of $77,500 for completing the Woman's College Gymnasium except by some further action of the Finance Committee. I am very doubtful whether the Finance Committee would be willing to increase this appropriation except on the specific recommendation of Mr.and Mrs. William Boyd. As you know, Mrs.Boyd was a member of the special Gymnasium Committee, as well as the Finance Committee, and was present at practically every session where financial matters connected with the Boyd Gymnasium were discussed. I understand that both she and Mr.Boyd felt that Gold $77,500 should be sufficient to complete the building and that the remaining Gold $12,500. should be reserved for essential equipment, landscaping, and maintenance and repairs for the building during the first few years. If Mr.and Mrs.Boyd feel that less than Gold $12,500 will be sufficient to provide for equipment, landscaping, etc., the Finance Committee would probably take action at once, making whatever readjustment of figures Mr.and Mrs.Boyd would suggest.

This year we have based all our estimates for the Boyd Gymnasium on the general understanding that Mr.and Mrs.Boyd's gift of $100,000 represented the entire amount available for the construction, equipping and landscaping of the Gymnasium. Several years ago the Yenching College for Women received a few small gifts which were either definitely designated for the Gymnasium or informally understood to be available for this purpose. Mr.Bowman's books show the following entries:

June 1,1927, Mrs.J.B.Moore for Gymnasium Bldg.Fund $500.00
" " Mrs.Elizabeth Hill Lyman " " " 200.00

So far as we are able to ascertain, these are the only gifts credited by Mr.Bowman to the Woman's College Gymnasium Fund. In the minutes of the meeting of the Committee of Yenching College for Women held on April 3, 1928, we find the following statement:- "Mrs.Boyd.....spoke of the hope for money for the Gymnasium but had no definite subscriptions to report except Mrs.Sidney Gamble's G$5,000 and a gift of G$600 from Pittsburgh." This meeting was held before Mr.and Mrs.Wm.Boyd made their pledge of $50,000 for the Woman's College Gymnasium. As you will remember, the pledge was written on April 23, 1928. In this pledge they made the following statement: "We will contribute in the name of the Boyd family the sum of Gold $50,000 for a Gymnasium and social building for the women students of Yenching College under the following conditions:.....Second, that the building shall be called 'the Boyd Gymnasium' or other building designation by which it may be named."

Mrs.Gamble's gift of G$5,000 was made in March, 1928. In the pledge she sent to the Promotional Office of the University she stated simply that her gift of G$5,000 was "for the Woman's College of the University". No reference was made in her pledge to the allocation of this money to the Woman's College Gymnasium. I have not been able to identify exactly the $600 from Pittsburgh" referred to by Mrs.Boyd. A number of gifts for the Woman's College were received from Pittsburgh about this time, but none of them were specifically designated in letters and pledges received from the donors as applicable to the cost of the Woman's College Gymnasium.

When the Campaign Committee met at various times during the latter part of 1928 to review the cash and pledges received during the campaign and to see that all designated gifts were properly allocated, everyone went on the assumption that Mr.and Mrs.Boyd would wish that their gift of G$50,000 would represent the entire cost of the Gymnasium and that no other small gifts would be added to this fund in a way that might be unacceptable to them. Since the name "the Boyd Gymnasium" was to be given to the building it would have been quite unusual to have others than the Boyd family contribute to the fund. The question of allocating to the Gymnasium Mrs.Gamble's $5,000 and the "$600 from Pittsburgh" was, therefore never raised. At the present time the G$500 received from Mrs.Moore and Mrs.Lyman in 1927 are technically still included in the Gymnasium fund. We will ask the Finance Committee to instruct us whether this $500 should be placed with the Boyd's $50,000, or whether we should ask these two donors if they are willing that their gifts be placed with the general building funds of the Woman's College.

Mr.Hung's message to Dr.Porter. I have included the second part of the cablegram in the message to you for the sake of economy. The interchange of messages between Dr.Porter and Mr.Hung in regard to the librarianship has become somewhat prolonged and expensive. I trust, however, that this message will clarify the situation sufficiently to promote further adjustments to be made by correspondence.

Very cordially yours,

BAG-H
Enc.
CC: Mrs.Lee
Financial Com.folder

F

TRANSFER

September 16, 1929

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

Dear Dr. Galt:

Enclosed herewith you will find copy of the Trial Balance as of August 31st, Cash Statement for the month of August, Statement of Account #31, Journal Voucher #519 and copies of invoices covering certain items of disbursement.

Following our usual custom we will forward second copies of these reports in the next mail.

Sincerely yours,

Assistant Treasurer
Central Office

CLL/encl.
L

YENCHING

TRANSFER

Yenching University

September 17, 1929

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

My dear Dr.Galt:

We attach hereto the duplicate draft for Mex.$3,726.71, the original of which was forwarded with our letter No.G29-3-104.

Very cordially yours,

BAG-H

Enc.

TRANSFER

Yenching University

September 24,1929

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

G29-9-24-1

My dear Dr.Galt:

We enclose herewith confirmation copies of two recent cablegrams.

The first cablegram in regard to the plans of Mr.Chang Hou-hsien was answered in your cable of September 20 and this information has been transferred to Dean Bill at Dartmouth.

Today's cablegram is being sent in response to the following message in your cable of September 20:

"COLUMBIA UNIVERSITY:- PLEASE REQUEST REPLY BY TELEGRAM DIRECT IF ADMITTED WANG TSUNGHO CHICHAMCOM MANILLA."

We interpreted this to mean that you wished us to make inquiries of Columbia University as to whether they have approved an application for the admission of Mr.Wang Tsungho, and wished either us or the University to inform Mr.Wang at the cable address "Chichamcom" at Manila as to the status of his application.

An examination of our Central Office files and inquiries in the Yenching Promotional Office and the Princeton-in-Peking office gave us absolutely no information as to any application for admission to Columbia having been presented by Mr.Wang. I telephoned Carrington Goodrich at Columbia but he informed me after an examination of the records in their admitting office that they had on file no application from Mr.Wang. I sincerely hope that we have not overlooked some request or correspondence from the field which we should have attended to earlier.

I am addressing this note to you because we have not yet learned who will take the helm at Yenching in Dr.Stuart's absence.

Very cordially yours,

BAG-H

Enc.

Yenching University

September 26,1929

TRANSFER

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

My dear Dr.Galt:

We enclose herewith draft on the Deutsche Asiatische Bank, Pekin, for local currency, $4,250. This represents the first quarterly remittance from the National Savings & Trust Company on the Famine Fund appropriation to the Department of Agriculture for 1929-30. For your information, the cost of this draft in gold was $1,753.13.

We expect that future quarterly remittances will be sent by the National Savings and Trust Company earlier in the quarter than has been the case in this draft.

Very cordially yours,

BAG-H

CC: Miss Lane

Enc.

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 1, 1929.

TRANSFER

#2952

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

My dear Mr. Garside:

Although many matters are pressing for attention, it seems best to take up first the serial numbering of our letters from this office, so that confusion may be prevented. Let me give a list of the letters written either by Mr. Tsai or myself during the summer, with a corresponding list of the numbers they should bear. To the best of my knowledge the following is the list:

Date	Written by	Number
July 8	H.S.G.	2938✓
" 11	H.S.G.	2939✓
" 15	S.T.	2940✓
" 24	S.T.	2941✓
August 6	S.T.	2942✓
" 8	S.T.	2943✓
" 13	S.T.	2944✓
" 13	S.T.	2945✓
" 15	S.T.	2946✓
" 20	H.S.G.	2947✓
" 23	S.T.	2948✓
" 23	S.T.	2949✓
" 27	S.T.	2950?
September 10	H.S.G.	2951✓

I am sorry that we allowed the numbering of the letters during the summer to fall into confusion. I trust that this may be avoided another year.

There has been such a continual pressure of business since I wrote you last, on September 10th, in the opening of the autumn semester of the University and then the "Formal Opening", in the midst of which we are now, that I have not found time to reply in a systematic wasy to many of the letters during the summer from Mr. Evans and yourself. I am optimistic enough to believe that I shall catch up in that matter sooner or later. In particular there is one matter that I know needs attention, and that is the Women's

College accounts. As you know, the correspondence back and forth on that subject is rather complicated, and I have not yet found an opportunity to consider the complex elements of the problem carefully and in consultation with Mr. Beddow. I may add that he has only had one day, and that very hurried, in the office since I returned from vacation.

AUDITED STATEMENT OF ACCOUNTS

FOR THE YEAR 1928-29

Several days ago Stephen and I posted to your office two copies of this statement, without covering letter. The complete statement reached our office after the middle of September, and it seemed that neither of us could find the time to write a proper covering letter, so we decided to get the accounts to your office as quickly as possible, leaving our comments for a later date. In writing today I am still not prepared to deal with this statement in any comprehensive way. Let me just say, in general, that the statement prepared by Mr. Beddow seems to be full and admirable. I have noted only two or three minor copyist's mistakes. The statement as prepared does not show directly the amount of gain on exchange for the last fiscal year, which you asked us to report. We have made a note of this, and will send it in as soon as possible.

Let me call your attention to the way the Hsu Tê Shan Suspense Account (correspondence regarding which you will recall) is dealt with in this statement. You will find that this item has been included under the heading "Furlough and Other Transits", in the lower left-hand column of the first page of Schedule 10. This is our suggestion as to the best way of dealing with it, and if approved by your office and the Finance Committee, will wipe this troublesome item off our books.

I may say that the accounts as now reported seem to take care of all the items regarding which we have had correspondence during the last year, wipes out all past deficits, and smooths out a number of irregularities. There may be some exceptions to this generalization, and possibly you may find some items to question. I, myself, wish to study these schedules more carefully and write more fully about some of the items later. If the statements are acceptable to the New York office as presented, you will note that we close the year with a surplus of G.$772.69, or L.C.$1,534.58. On the whole, this seems to me a very good showing, for which we are chiefly indebted to the favorable rate of exchange.

I may remark that I have shown a copy of this statement, with its twenty-two different schedules, to Messrs. Warner, McBrier and Boyd. They have expressed interest in it, but no one of them seem to have cared to study into these accounts in detail!

BOYD GYMNASIUM FOR THE COLLEGE FOR WOMEN

This is the matter concerning which I shall more especially write you today. I dealt with the matter of the architect's fees in my letter of September 10th, #2951. In response to the cablegram sent that same day we received your cable of September 16th, the part of which referring to this matter was reported to us by Miss Hague as follows:

"Referring to your telegram of September 10th must leave decision to Finance Committee September 27th consult Boyds cable not later than the date named what their opinion is."

After receipt of this cable I consulted with my colleagues here, and with their approval I sought an interview with Mr. and Mrs. Boyd in their hotel in Peping before they came out to Yenching. Mrs. Boyd was ill, so I only spoke with Mr. Boyd. On the basis of that interview we sent you the cable of September 26th.

Reporting the interview with Mr. Boyd a little more fully I can say that when I showed him the action of the Trustees' committee on finance, property and investment of February 1st (F -2458), which divides the total appropriation of $90,000.00 into two sums of $77,500.00 and $12,500.00, the ~~balance~~ larger for the expenditure of which did not mention the architect's fees in either case, he was perplexed in much the same way that we had been, and as we discussed the matter of architect's charges, he said that it would be a matter of indifference to Mrs. Boyd and himself just where the fees were charged, if they could be covered by the total sum of $90,000.00. But he said, further, that under the present circumstances, if it seemed to us that the architect's charges should be borne by the fund reserved at home, he would be quite ready to approve. On the basis of that, we sent the cable the next day. Regarding that interview, I may add, also, that Mr. Boyd was not entirely satisfied with the idea that part of the funds "be reserved for ----- maintenance and repairs for the building during the first few years". He stated that it was the intention of Mrs. Boyd and himself to contribute a building complete, but they did not wish to reserve any for subsequent maintenance and repairs. I pass this information on to you for the possible consideration of your Finance Committee.

Yesterday Miss Hague, of the President's office, reported the receipt of a cable from your office, the first part of which is decoded as follows:

"Finance Committee agrees to your request since approved by Boyd charge archites fees G$12,500 reserve fund."

The receipt of this cable has been reported to Mr. and Mrs. Boyd, and they seem quite satisfied. I may say that we here much appreciate the action of the Finance Committee in making this concession.

If the full amount of the architect's fees, namely, G$6,878.46, as reported in your letter G29-7-26-1, is charged to the reserve fund of $12,500.00, then the amount left available for equipment will be slightly more than $5,500.00. I suppose no one knows as yet whether this amount will be adequate or not. I just talked with Mrs. Frame over the telephone and she states that so far as she knows no one in New York had prepared an estimate of the equipment which should be purchased abroad, and she intends now to consult with Miss McGowan, our new physical director for women students, and with others of us here, as occasion demands, and will undertake to start the ball rolling in the direction of finding out what equipment should be purchased, and at approximately what cost.

Turning now to the matter of costs here on the field, I have gone over carefully with Mr. and Mrs. Boyd the situation as reported to your office in Mr. Chuan's letter of July 16th. Mr. and Mrs. Boyd feel that it would be a mistake to make the changes necessary to effect the proposed reductions in cost amounting to L.C.$8,975.34, as listed in the separate sheet accompanying the letter under consideration. In order to obviate the necessity of these alterations, Mr. and Mrs. Boyd generously offer to contribute an additional G$5,000.00 to cover the cost of these items, and leave a margin, so we estimate, for the purchase of necessary furniture to be made here on the field. We have expressed to Mr. and Mrs. Boyd our hearty appreciation of the generous way in which they have helped us to meet this issue.

They have noted, as we all have, that our estimates do not include the finishing of the swimming-pool at this time. Without further comments, they have expressed themselves as much interested in this feature, and have asked us to prepare careful estimates of the cost of completing the swimming-pool, but for the present they approve of our going on with the construction of the building, making careful structural provisions for the swimming-pool, if desired later, but not now including the finished swimming-pool in our plans.

In going over with Mr. Boyd the statement of estimated cost and resources in Mr. Chuan's letter of July 16th he has

noted, and fully approves of, our step in contracting exchange for gold up to $50,000.00 between July and December. If you have not authorized us to draw on the Boyd Gymnasium funds up to $50,000.00 heretofore (I have not check up on this point at the moment of writing), kindly do so at your early convenience, so that we will be able to fulfill our contract with the bank. The balance of the gold set down in the statement referred to at $18,508.54 Mr. Boyd agrees to leave in uncontract for the present, thinking that since we will need funds before next spring the rate may not be unfavorable at that time.

later. Your [illegible] See letter #2953

As to the progress of the building, I may say that the contractors have, since the cessation of heavy rains, gone vigorously to work getting the concrete foundation into shape, but the decision of the Boyds to provide for the cost of a granite, rather than artificial stone, foundation may retard the building progress a little more at the present time.

THE WARNER GYMNASIUM FOR MEN

Mr. Franklin Warner attended the meeting of the Grounds and Building Committee September 26th, and caused us to rejoice at the announcement that he and other members of his family were ready to contribute money for the main section of the Men's Gymnasium as soon as plans and specifications for the building can be provided. We will take the matter up here and go forward on the basis of Mr. Murphy's plans, which I suppose we have in hand. Undoubtedly, sooner or later, Mr. Warner will himself write you regarding the financing of the enterprise. We have told him that we thought it would be well to have funds available for use here by January, in order to take advantage of pre-Chinese-New-Year prices in providing in advance certain building materials. Of this more later on, as soon as we can take up plans and estimates.

CONTRACT FOR EXCHANGE ON THE CURRENT BUDGET

I fancy you in New York must have smiled when you received the cable signed by Warner, McBrier and Boyd regarding the contract of exchange. Certainly we here have enjoyed our chance at a smile. Without stopping to report the conference, I may say that we are glad that the representatives of the Trustees now here recognize the soundness of the contract for exchange scheme.

The last part of the cable, referred to above, reported by Miss Hague, is as follows:

"All that follows is for Warner, McBrier, Boyd. Finance Committee appoints you sub-committee with full power to arrange the best possible contract rate of exchange, gain

is subject to vote Trustees." I am today reporting to these three gentlemen the receipt of this cable, and suggesting that they arrange to carry out the mandate as soon as possible. Some of them are leaving very soon, so we in the Treasury office stand ready to help them carry out this step, if the exchange rate of the day seems favorable. It is our understanding, and this Mr. McBrier wishes especially to be explicitly understood, that the budget on the silver basis as approved by the Trustees last April is in effect, and that we are not authorized by the action of the Trustees in approving a contract rate of exchange, to go beyond the limits of this budget.

THE FORMAL OPENING

I have found a little time to write this letter during the afternoon assigned to the Alumni in our Formal Opening proceedings. I will not take time to try to report these in full. We are having a wonderful occasion, with the beautiful North China weather at its best, and attendance at all our meetings in excess of our expectations. I may add that the broad expanses of wall sapce in the corridors of Bashford Administration Building are now almost covered with scrolls and piens sent by many of our friends, and friendly organizations, in Peping. This is the big day of the formal ceremony, and we have every reason to think that it will be the crowning feature in a most successful series.

Very sincerely yours,

Howard S. Galt,

Howard S. Galt,

Acting Treasurer.

HSG/LC

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 2, 1929.

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

INDEXED

#2953

TRANSFER

My dear Mr. Garside:

Before the accompanying letter is posted I find some additional items requiring attention.

DRAFTS RECENTLY SOLD

T-1007. (See page 3.)

No. T-1009 Sold September 19, in favor of Mr. Stephen Tsai, G$3,244.83, your authorization No. 2933, part, your advice G29-6-17, rate 2.49, L.C.$8,079.62. ✓

No. T-1010 Sold September 19, in favor of Mr. Stephen Tsai, G$5,000.00, your authorization No. 2940, your advice G29-7-8-2, rate 2.49, L.C.$12,450.00. ✓

No. T-1011 Sold September 19, in favor of Mr. Stephen Tsai, G$750.00, your authorization No. 2942, your advice G29-7-23-1, rate 2.49, L.C.$1,867.50. ✓

No. T-1012 Sold September 19, in favor of Mr. Stephen Tsai, G$2,811.25, your authorization No. 2950, your advice 29-7-29 to J.L.S., rate 2.49, L.C.$7,000. ✓

No. T-1013 Sold September 19, in favor of Mr. Stephen Tsai, G$2,811.25, your authorization No. 2951, Your advice 29-7-29 to J.L.S., rate 2.49, L.C.$7,000. ✓

No. T-1014 Sold September 19, in favor of Mr. Stephen Tsai, G$2,811.25, your authorization No. 2952, your advice 29-7-29 to J.L.S., rate 2.49, L.C.$7,000. ✓

No. T-1015 Sold September 19, in favor of Mr. Stephen Tsai, G$600.00, your authorization No. 2956, your advice G29-7-31-1, rate 2.49, L.C.$1,494.00. ✓

No. T-1016 Sold September 19, in favor of Mr. Stephen Tsai, G$1,000.00, your authorization No. 2921, your advice G29-4-29-4, rate 2.49, L.C.$2,490.00. ✓

No. T-1017 Sold September 25, in favor of Hongkong and Shanghai Bank, G$20,000.00, your authorization No. 2943 and No. 2944, your advice E29-7-25-1, rate 2.3952, L.C.$47,904.00.

BOYD GYMNASIUM FUNDS

On page 5 of the accompanying letter, #2952, I refer to the amount already authorized on the Boyd Gymnasium fund. I find the following authorizations:

#2926	G$ 7,500
#2928	5,000
#2929	7,500
#2930	10,000
#2943	10,000
$2944	10,000

When we contracted for exchange on the $50,000.00 of these funds (arrangement was made with the bank on July 3), we had already sold Drafts #904 and #913, for G$7,500.00 and $4,714.15, respectively, which aggregated $12,214.15. Accordingly, in order to fulfill our contract with the bank before the end of December, we ask the Finance Committee, through you, to authorize the draft of G$12,214.15 at your early convenience. According to the contract agreement with the bank, the rate is slightly lower with each succeeding month covered by the terms of the contract, so the earlier you can reach us with the authorization the more advantageous the sale will be.

Summarizing the above, I may say that you have already authorized a total of $50,000.00, but of the amount you have authorized we had sold $12,214.15 before contracting with the bank, so this is the additional amount we need now to fulfill our contract. As I have said above, Mr. Boyd was informed of this arrangement, and fully approved.

In this connection, may I ask you to ignore the item of G$8,991.46 mentioned as already sold on page 2 of Mr. Chuan's letter of July 16th. I find that I took that item from the Construction Bureau Balance Sheet of June 30th, without going behind the total to make an analysis of it. The item should have been the $12,214.15, which we have mentioned above. Corresponding changes will have to be made in one or two items on that page, but these are not relevant now.

Very sincerely yours,

Howard S. Galt,

Howard S. Galt,

Acting Treasurer.

HSG/LC

P.S. on page 3.

P.S.

Mr. B. A. G. #3. 10/2/29

No. T-1007 Sold September 19, in favor of Mr. Stephen Tsai, G$956.83, your authorization No. 2911, your advice G29-2-21-2, rate 2.49, L.C.$2,382.51.

All drafts from T-1007 to T-1016, inclusive, were sold to the National City Bank.

H. S. G.

Howard Gale

Yenching University

October 2, 1929

TRANSFER

G29-10-2-1

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

AIR MAIL

My dear Dr.Galt:

We enclose herewith a confirmation copy of a cablegram we are sending today; also a draft for Peking local currency $21,367.68.

As you know, the Yenching College for Women has for a number of years carried on its accounts G$18,750 received from Mrs.Wheeler and the Laura Spelman Rockefeller Foundation on the Wheeler Memorial Chapel account. It has not been possible, however, for the Wheeler family to complete the payment of their pledge for the erection of the Chapel. I understand from a conversation with Mr.Rex Wheeler that no definite figure was ever set for the total amount of their pledge, but that the general understanding was that they would try to provide $50,000. For the last six months or so Mr.Wheeler has been actively engaged in efforts to secure from members of his family the balance required to erect the Chapel. Yesterday he sent us his mother's check for G$12,500. This brings the fund up to $31,250 plus a small amount of interest accruing on $18,750 since January 1, 1929. Mr.Wheeler also states that he hopes in the near future to send two additional remittances totalling G$10,000. This will bring the contributions for the Chapel up to approximately G$42,000. Mr.Wheeler thinks that it is unlikely that his family will be able to make any further contributions beyond this figure.

Since Dr.Stuart is leaving for America within a few days we are cabling asking him to bring with him as full information as he can as to the plans for the Chapel. As soon as he arrives in this country the Finance Committee can take up with him such matters as will have to be solved before we can go forward with the building. The probability that the Wheeler family will be able to give only $42,000 rather than $50,000 may make it necessary to modify materially the plans for the Chapel. There is, of course, a possibility that the Finance Committee may find other funds available for this building or may approve an appeal by the Promotional Office for additional funds. It will be some months before all these details can be settled.

The present rate of exchange is so favorable that Mr.Wheeler suggested it might be well for us to send out a part of the funds for the Chapel at this time. I have talked with several members of the Finance

Committee and they agree to this proposal. We are therefore sending the enclosed draft for Mex.$31,367.63 which is the equivalent of G$12,500 at today's rate. The Finance Committee instructs me to make it absolutely clear in sending this remittance that this amount is to be deposited in one of the most conservative of your international banking corporations, either the National City Bank or the Hongkong and Shanghai Banking Corporation as a special fund for the erection of the Chapel. It is not to be touched for any purpose whatever except for the construction of the Chapel. No expenditures are to be made from this fund until after the Finance Committee has consulted with Dr.Stuart, has agreed on architect's plans for the building, and has authorized the field to proceed with construction. You should be able, therefore, to deposit this amount in such a manner as it will draw a fair rate of income which should, of course, be added to the principal available for the construction of the Chapel.

No decision has yet been reached as to whether the other funds available for the Chapel should be transmitted to the field at this time so as to take advantage of the unusually favorable rates of exchange. Chinese currency has been going down steadily for such a long period of time that it seems inevitable that a reaction must come sooner or later. Each month we think that silver has touched the lowest possible level, only to find that the next month it goes lower still. Should the Finance Committee decide that the bulk of the Chapel funds still on hand should be transmitted to the field we may either send you another draft similar to this one, or else may cable you to draw.

Very cordially yours,

BAG-H

Enc.2

CC: for later mail.

31,367.63
24,702.80
56,135.43

INDEXED

Yenching University

October 3, 1929

TRANSFER

E-29-10-3-1

Dr. Howard S. Galt
Yenching University
Peking, China

My dear Doctor Galt

We are enclosing copies of the Finance Committee Meeting held ~~by us~~ on Friday. There are a number of actions which call for extended comment.

ARCHITECT'S FEES, BOYD GYMNASIUM

The Committee gave very careful consideration to the cable which was received giving the assurance that the donor, Mr. Boyd, approved of the charge of architect's fees against the reserve fund of $12,500.00. It was wholly in view of this approval that the Finance Committee voted to agree to your request. Immediately after the meeting we cabled you accordingly.

MCBRIER TRUST FUND

When the market reached 100 on the Woolworth stock, the trustees in charge of the McBrier Fund lost no time in arranging to have the stock turned over to the trustees. Since August the market has declined to below 100 and the Finance Committee has agreed to hold the stock until there is a reaction to above 100.

DR. JENNEY'S RESIGNATION

This has to do largely with the Promotion Office, but we all very much regretted to have Dr. Jenney resign. He has promised to give considerable time to promotions work when Dr. Stuart arrives in the States. You will notice that a committee has been appointed to confer with him, and it is hoped that a very considerable block of his time can be used for the interests of Yenching. He was an exceedingly valuable man and made some very promising contacts as well as making good in the amount of actual cash secured.

REPORT ON RESIDENCE DEFICITS

The action of the Committee was rather mild as compared to what one might expect after hearing the discussion. The thought that predominated was that there must be definite figures and explanations available to show why such a deficit was incurred. There has been some correspondence regarding this, but it was not of a nature that would give satisfaction to the Committee. In regard to the Wiant deficit, if promises are of any value, this overdraft will be taken care of. However, the Committee would not allow the matter to pass without having complete information as to how and when the deficit was to be raised.

USE OF CAMPUS IMPROVEMENT FUND

This item is self-explanatory as well as the action. We thought that nothing could be done until Dr. Stuart arrived from China.

GROUNDS & BUILDING COMMITTEE MINUTES

You will notice that these minutes had been copied and sent to the members of the Committee, but only two items called forth any action. First the use of the G$25,000.00 for additional residences was considered. The list of buildings upon which some part of the G$25,000.00 is to be used includes remodeling and enlarging of ten residences, whereas three residences are new. Of course, it is to be assumed that some of the remodeling will make living quarters available where they were not previously possible. However, it was thought that no action should be taken until the Field gave more specific explanation as to the interpretation of the use of the G$25,000.00. No hasty action was taken and judgment was suspended pending the Field sending us full details regarding the proposed expenditure of G$25,000.00.

The second item calling forth action was the Bashford Endowment Fund. A previous communication to the Field has inquired as to the source of this fund, but no reply has been received. If the Trustees are to be responsible for the handling of endowed funds, it is felt that the full history of this endowment fund should be forwarded to the New York office. If, however, the money was raised on the field and conditions stipulated that it is to be retained there, of course, the Trustees could not and would not desire to be responsible. It was pointed out, however, that the use of the fund is different than what it would in the hands of the Committee on Investment from the Board of Trustees. Will you not kindly clear up the history of this endowment fund.

CONTRACT RATE OF EXCHANGE

The cable which came to us regarding the rate of exchange and signed by Mr. Wanner, Mr. McBrier, and Mrs. Boyd caused a very noticeable ripple of amusement. The subject has been up for consideration so many times and met its Waterloo that to have it resurrected seemed like meeting an old friend especially when it advocated entering into a contract. It was felt that only one thing could be done which resulted in the action of the Committee in appointing the sub-committee with power to act. Today we purchased a draft wherein the exchange ran above 2.50.

Dr. Howard S. Galt E-29-10-3-1

As a result of the above action and that regarding the architect's fees we cabled you as follows: "Finance Committee agrees to your request since approved by Boyd, charging architect's fees $12,500 U.S. Gold Reserve Fund. All that follows is for Mr. Warner, Mr. McBrier Boyd. Finance Committee appoints you sub-committee with full power. Arranging the best possible contract rate of exchange. Gain is subject to vote trustees.

REPORT OF COMMITTEE ON INVESTMENTS

In order to keep the Field informed as to the handling of invested funds, it may not be amiss to say that the representatives from three leading New York investment houses give considerable time in serving on the Advisory Committee. The name is self-explanatory: they simply advise, the Investment Committee considers, and the Finance Committee approves or disapproves. As the market is away off since the date the meeting was held, it is probably that the securities that were authorized to be sold will not move as rapidly as could be desired. However, we are doing everything to get the very last dollar out of the investments not alone from interest income but from appreciation and prineipal.

The dedication ceremonies are ~~going to~~ come to a close, and it will not be long before we are receiving first-hand reports of the proceedings. We trust that the past growth of Yenching is but an indication of the steady progress it is to make in future.

Very cordially yours

Assistant Treasurer

CAE:MS

TRANSFER

Yenching University

October 3, 1929

G29-10-3-1

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

My dear Dr.Galt:

I am sending you herewith a copy of the minutes of the annual meeting of the Supervisory Committee of our Central Office held on September 30. You will note that the minutes summarize the work of the past year and outline plans for the new fiscal year beginning October 1, 1929.

The volume of work handled by the Central Office has been growing rapidly from year to year but we have succeeded in gradually decreasing the cost per unit of work done. The main increase in work during the year has come through the inclusion of Princeton-in-Peking work and the taking over of the Yenching College for Women accounts. Princeton-in-Peking is, of course, paying directly its share of the expenses of the office. In accordance with the dicisions of the Yenching Board of Trustees the cost of caring for the Woman's College accounts is included with the charges to the general Yenching University accounts. As a result, Yenching's share in the Central Office budget has been materially increased this year. We are always anxious, however, that the Central Office shall continue to give value received for all the charges we make.

Very cordially yours,

BAG-H

Enc.

TRANSFER

Yenching University

October 4, 1929

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

G29-10-4-1

My dear Dr.Galt:

On October 2 we received your cablegram reading as follows:

"FORMAL OPENING A COMPLETE SUCCESS. PLEASE TELEGRAPH FOLLOWING TO WANG TSUNGHO CHICHAMCOM MANILA IF ADMITTED COLUMBIA UNIVERSITY. YENCHING OCTOBER 1,1929 CAPACITY STUDENT ENROLMENT."

We are happy to know of the gratifying success of the formal opening. We are glad to know too that Yenching is embarking on a new year with a large student body.

We are still as much in the dark as ever regarding Mr.Wang Tsungho's admission to Columbia. In my cable of September 24 we reported that no information was available concerning his application for admission to Columbia and requested that we be sent further information. I wrote you at that time explaining the unsuccessful efforts we had made to obtain information regarding Mr.Wang's admission. Immediately after receiving the cablegram of October 2 I telephoned again to Columbia, both to the general admitting office of Columbia, and also to the admitting office at Teachers College. In neither office did they have any information whatever concerning Mr.Wang. We also went through our Central Office files again and asked Mr.Wannamaker to have the Princeton-in-Peking and Yenching Promotional files searched a second time. We have therefore been forced to cable Mr.Wang today stating that Columbia has no record of his application for admission and asking what he wishes us to do. A confirmation copy of the cable is enclosed.

I am sorry that Mr.Wang's case is causing this difficulty. I am impressed again with the great desirability of transacting such matters as this by mail rather than by cable. A number of our American Universities are becoming a bit impatient with Yenching because of our frequent requests to them to make decisions concerning the admission of students on the basis of cabled information only and with very few of the facts they need in order to reach an intelligent judgment. Also, our annual bill for cablegrams of this sort amounts to rather a tidy sum.

Very cordially yours,

EAG-H

Enc.

YENCHING

TRANSFER

October 5, 1929

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

Dear Dr. Galt:

We are sending herewith Trial Balance as of September 30th, Cash Statement for the month of September, Statement of Account #31, Monthly Budget Report, copies of invoices covering certain items of disbursement, and copies of Journal Vouchers #522 to #532 both inclusive with the exception of #525.

The item of 27¢ on the Cash Statement paid to John Boyle & Company covers the order about which Mr. Tsai advised us in his letter dated June 21st, 1929. The price quoted however was $2.00 gold.

Following our usual custom we will send second copies of the monthly reports in the next mail.

Sincerely yours,

Assistant Treasurer,
Central Office

CLL/L
encl.

CAE.
Will you follow up?
BAG

(B) Buckeye Ribbon & Carbon Co
34 Warren St
New York NY

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 7, 1929

#2954

TRANSFER

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

Dear Mr. Garside:

We have on this date ordered from the General Radio Company of Cambridge one Microphone hummer (or Audio Oscillator) at an approximate price of $32.00 gold. Kindly pay the bill if it should be presented to you for payment and charge to our current appropriation.

Last year we ordered through your office a shipment of office supplies. Our stock is getting low. Will you please send us another shipment of supplies as per the list enclosed?

Yours very sincerely,

Stephen Tsai,
Associate Treasurer.

ST:w

RECEIVED
UNIVERSITIES
NOV 4 - 1929
EXT. OFFICE

A

(A) attn Stationery Co 109 Leonard St

✓	B 120	Underwood Ribbons for No. 5 (sealed)	Black record
✓	B 25	Underwood Ribbons for No. 5 "	Black-Red record
✓	B 12	Remington Ribbons for No. 12 "	Black record
✓	B 24	Remington Ribbons for Portable	Black record
✓	A 5 lbs.	Assorted Rubber Bands	
✓	A 5 lbs.	Office Pins 1"	
✓	A 20 M	No. 1 Hotchkiss Staples (1 M to box)	
✓	A 20 M	No. 1 Gem Paper Clips	
✓	A 10 M	Gem Paper Clips size 1"	
✓	A 12 bot.	Carter's Stamp Ink (Purple)	
✓	A 12 bot.	Carter's Stamp Ink (Black)	
✓	LB 1000	Manila Folders (Thick) for letter file	
✓	A 5 Gos.	General Post Office Pen Nibs, Geo. W. Hughes, English 0405 (Not necessary English Made but must be fine & for Bookkeeping Writing)	
✓	A 2 "	G Pen Nibs, Hinks Wells & Co., England (For General office use not necessary English made)	
✓	A 5 "	Polo Pen Nibs, Geo. W. Hughes, Birmingham, No. 1183EF	
✓	W 20 Bx.	Carbon Paper 8½x11 Black 417 (thin)	1-10 copies
✓	W 10 Bx.	Carbon Paper 8½x13 Black 417 " (The most thin one)	1-10 copies
✓	Ream 50 Bx.	B. A. Dick Co. Stencil No. 960 (Fresh)	
✓	A 150	Blotting Paper for office desk use, Green or Blue, thick.	
✓	(W) 50 Ream	Mimeograph Paper (for University bulletin, Size 14"--8¼")	
✓	A 5	Typewriter Brush for cleaning types	
✓	A 24	Pen Holders, any color except red	
✓	A 12	Pen Holders--red color	

(LB) Library Bureau 451 Broadway

395 Broadway

(W) Write Ins 420 Lexington Ave

(W) Union Carbon & Paper Co. 45 Beekman St.

RECEIVED
UNIVERSITIES
NOV 4 - 1929

燕京大學
YENCHING UNIVERSITY
Peping China

Ack 11/5/29

Office of the Treasurer

October 8, 1929

#2955

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

TRANSFER

Dear Mr. Garside:

In your letter No.G29-7-19-2 there is an item called "Frances Jenkins Hall Scholarship" for U.S.$60.00. I do not think that we have ever had this scholarship before. The Women's College Treasurer thinks it does not belong to them. I surmise it is a new scholarship. I am writing to inquire if there are any conditions under which it is to be given. Kindly write us full details so that we may turn this to the Loan and Scholarship Committee for their disposal.

I wish also to report the sale of the following drafts on October 3rd. I am sorry we did not report this earlier.

Draft No.	Account	Amount	Rate	Mex.Equ.	Auth.No.
T 1018	Formal Opening	G$1550.00	25010	M$3876.55	2921(Bal)
T 1019	H. Y. Inst.	G$2798.88	25010	M$7000.00	2953
T 1020	Current Appro.	G$7500.00	25010	M$18757.50	2947

The above three drafts were sold to the National City Bank of New York.

Yours very sincerely,

Stephen Tsai,
Associate Treasurer.

ST:W

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[illegible]020
JOINT OFFICE

YENCHING

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燕京大學

YENCHING UNIVERSITY

Peping China

Office of the Treasurer

October 9, 1929

No.2956

TRANSFER

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

Dear Mr. Garside:

I wish to report to you the sale of draft No.1004 for U.S.$2955.00 on October 9th, on account of McBrier Foundation as per your authorization No.2935, being the Mexican equivalent of $7387.50, at the rate of 250. It was sold to the Banque Belge Pour L'Etranger.

Yours very sincerely,

Stephen Tsai,
Associate Treasurer.

ST:W

Yenching University

October 9, 1929
E10-9-29-1

TRANSFER

Dr. Howard S. Galt
Yenching University
Peking, China

My dear Doctor Galt

We received your cable of September 26 ordering a quantity of books. We interpreted the order to read as follows:

50 Premiere Annee by Cardon published by Scribners

12 Deutsch by Zimmecker published by Heath

6 France Francais by Pargment published by Macmillan

50 English Science by MacDonald published by Van Nostrand

8 Students History of Philosophy by Rogers published by Macmillan.

The orders were placed immediately and are going forward without delay.

Very truly yours

Assistant Treasurer

CAE:MS

YENCHING

Feb 1/19-

燕京大學

YENCHING UNIVERSITY

Peping China

Office of the Treasurer

October 11, 1929
No.2957

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

TRANSFER

Dear Mr. Garside:

Under separate cover I am sending you two copies of statements of the accounts of the Harvard Yenching Institute Agency Funds covering the period from the inception of the funds to June 30, 1929. These statements are drawn up in compliance with your letter of August 8 last. I hope that they cover all the necessary points as desired by the Committee.

Noted

A batch of American mail came to this office this morning, some addressed to Dr. Galt and some addressed to me. These were written between September 9 to 16 inclusive. I have taken notice of the contents in letter G29-9-9-2 and wish to thank you for the draft for Mex.$95.49.

I am glad that the Famine Fund remittance will be coming soon. I hope we will remember to remind you early next year, so that we will not have to go through the same experience again. While we are dealing with the Agriculture accounts, there ~~are~~ coming to my mind two more matters concerning last year's accounts which I have wanted to take up with you for quite some time.

1, THE SPECIAL CONTRIBUTION OF G$1000.00 FOR THE SALARY OF DR. CHEN, THE VETERINARIAN:

Concerning this there had been a good deal of correspondence between the Treasurer's Office and the Department of Agriculture. Dr. Galt on June 21, 1929, replying to the inquiry of the Department regarding this fund, wrote the following:

"I consulted with President Stuart regarding the special contribution of G$1000.00 which was made something over a year ago to cover the salary of Dr. Chen. President Stuart explains how the item inadvertently became swallowed up in a larger contribution from the same man, and states positively that the New York office must find a way of releasing this G$1000.00, and tramsmitting it to the field."

We do not know whether or not President Stuart had taken the matter up with you. But at any rate we have received no remittance from you for this account. Will you please investigate the matter and let us know the consequence.

2, THE ITEM OF MEX.$1460.85 ON ACCOUNT OF GAIN ON EXCHANGE IN 1927-28 ACCOUNT:

There had been some correspondence concerning this between the New York office and here last spring. In the annual meeting of the China Famine Fund Committee held in Shanghai on April 29, 1929, the following action was taken by the Committee:

Writ not Sav 4/1

"139, Yenching University Special Request:-It was voted to approve the request of Yenching University that the Committee authorizes the payment of the sum of $1460.85 Mexican from accumulating interest with which to clear off the deficit in the budget for the year 1928-1929 due to unexpected travel and other emergency items."

The Committee must have transmitted this action to Washington. Will you please have this sum remitted to us soon?

As you have probably noticed that on the Department of Agriculture accounts on Schedule 14 there appear on the liability side "Loan from Treasurer" $2887.19 and on Schedule 15 on the left hand side at the bottom "Deficit for the Year" $2347.02. The Treasurer advanced to the Department the loan on the strength of the assurance given by Dr. Stuart concerning the G$1000.00 for Dr. Chen's salary to be collected from the Trustees and Action 139 of the Famine Fund Committee. If these two items had come when the annual audited statement was drawn up, there would have been in the accounts a surplus for the year instead of a deficit of $2347.02 as appeared on Schedule 15.

Will you kindly clear off these points at your earliest convenience?

Yours very sincerely,

Stephen Tsai,
Associate Treasurer.

ST:w

Yenching

October 18, 1929
EXC-10-14-1

TRANSFER

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

Rates of Exchange, in relation to 1929-30 Budget.

My dear Dr. Galt,

For several months Mr. Garside and I have been discussing various methods of simplifying our methods of handling remittances on the current accounts of the various universities, in an effort to avoid the delays and tedious accounting work both on the field and at the home base related to gains or losses in exchange in connection with field budgets. Below I outline certain changes in our procedure which will, we hope, simplify and speed up processes at both ends.

1. Keeping Mex. figures in New York covering all budget remittances. Heretofore our New York office has kept very incomplete records of the Mex. equivalent of the disbursements made on the current budget account, and have depended on the field to report these figures after the close of the fiscal year. This involves a delay of several months, during which we cannot tell accurately just what has been gained or lost during the year, and are therefore unable to make the requisite adjustments. We desire therefore to set up a process whereby we will know at all times just how much the Trustees have disbursed toward the Mex. appropriation they have guaranteed toward the budget, and will be able at the end of the year to close at exactly this figure. We believe this can be accomplished by the following method:

a. Accounting for Miscellaneous Disbursements in New York. At the end of each month, when we summarize the miscellaneous disbursements we have made on the budget account, including payments of furlough salaries, payments of furlough travel and allowances, payments for purchases authorized by the field treasurer, etc., we will reckon the Mexican equivalent of such disbursements at the basic rate of exchange adopted by the Trustees at the beginning of the year. The rate for this year is of course 2.10 to 1.

b. Accounting for Drafts drawn by Field, or Purchased in New York. We will give Mexican equivalents of drafts drawn by you or purchased by us on the basis of the actual proceeds as shown by the reports you make to us, either on the draft or by separate letter. Where a draft is deposited in your gold account,

is used to pay some gold account, or is employed for some other purpose where a Mexican equivalent is not involved, you should of course be careful to report to us the rate then prevailing so the draft can be correctly charged.

c. Preparation of our monthly "Statement of Disbursements on Managers' Current Budget." Heretofore these statements from our New York Office have given only gold figures. Beginning with this month, October, we will give both gold and Mex. figures. In this way you will be able to check your records with ours, and to call attention to any variation in Mex. totals. For your information we summarize below our disbursements to September 30th. The details of the disbursements in New York are shown in our July, August, and September statements:-

Date	Item	Gold	Rate	Mex.
July 1-31	Miscellaneous Disbursements in N.Y.	$2,772.02	2.10	$5,821.24
July 6	Draft #914 (in part)	4,726.91	2.4316	11,493.96
Aug.1-31	Miscellaneous Disbursements in N.Y.	2,731.78	2.10	5,736.74
Aug. 2	Draft #922	1,200.00	2.415	2,898.00
Aug. 2	Draft #927	7,500.00	2.4242	18,181.50
Sept.1-30	Miscellaneous Disbursements in N.Y.	1,995.62	2.10	4,190.80
Sept. 3	Draft #T1002	7,500.00	2.40601	18,045.07
Sept. 3	Draft #T1006	7,500.00	2.41	18,075.00
		35,926.33		84,442.31

In setting up such a process, it is of course understood that if our office should from time to time be asked to make payment through Account 31 for personal purchases of staff members, or for other items of individuals, departments, and organizations, not properly belonging to the University budget, we would charge such payments at the rate of exchange then prevailing rather than the basic rate adopted by the Trustees, and would report the rate used for your information in making the necessary adjustment with the individual or organization concerned.

2. General and Special Remittances. I believe we are already in agreement with the field as to just what amounts are covered by the Trustees guaranteed appropriation toward the 1929-30 budget, and what amounts are outside this guarantee. The Trustees on April 11th, by action T-2554 stated that they would "contribute toward the 1929-30 budget the sum of M.$248,893.00, as itemized in B-2514." In this list of anticipated receipts are two items, totalling M.$30,598.00, belonging to Yenching College for Women, and seven items, totalling M.$218,295.00 applicable to the General University Budget. The items of income, which we might, for convenience, designate "Class A" are as follows:-

Mission Board Grants	M.$24,150.00	
Endowment Income, Unrestricted	107,415.00	
Endowment Income, Theology	15,015.00	
Endowment Income, H.Y.I. Trust	52,500.00	
Endowment Income, Bashford Maintenance Fund	2,835.00	
Pledged by Yenching Col. Com.	12,600.00	
Special Gift for William Hung or some other Chinese Staff Member	3,780.00	$218,295.00

In guaranteeing that they would furnish the field this year with M.$218,295.00 derived from the above sources of income, the Trustees assumed responsibility for meeting any shortage of income in these sources, and to counterbalance this risk reserved the right to have a voice in allocating any surplus arising from gain in exchange or unexpectedly large income from any of these sources.

At the same time the Trustees noted other sources of income applicable to the general budget or to special current purposes, for which they did not undertake any guarantee, but agreed simply to act as forwarding agent for funds if, when, and as received. The items in this latter group, which we might designate "Class B", as listed in B-3514, are as follows:-

	Gold	Mex.
China Medical Board		$36,753.00
Laura Spelman Rockefeller Memorial	$25,000.00	
China Famine Funds		17,000.00
Harvard-Yenching Institute, for postgraduate study and research		118,500.00
Princeton-in-Peking*		30,737.20

(*Of the Princeton-in-Peking remittance only M.$7,200. is to be paid through the Board of Trustees, and the remainder is to be transmitted through the Y.M.C.A. The figure M.$30,737.20 has been revised subsequently, as reported by Mr. Wannamaker, and also by our letter of April 28th, G-29-4-29-1)

Since the budget was passed on by the Trustees, we have had word that Dr. Coffin will contribute G.$1,800 for a salary in Theology. This gift will fall in Class B, and will be sent out as received. If any other special gifts of this sort are received during the year, we will ask the Finance Committee for instructions. Unless there are special factors involved, they would probably be assigned to Class B.

Included in Class B also are funds for the School of Journalism, concerning which we will be writing in a separate letter this week.

It will be noted that in Class B remittances no basic rate of exchange is involved. Gifts from the China Medical Board, the Famine Funds, and from Princeton-in-Peking for the salaries of Leonard Hsu and S.H. Hsu, will be received in Mex. drafts and will be forwarded in that same form by our office. While the Harvard-Yenching Institute may make their advances in gold amounts, it will be with the understanding that our office will remit to the field in Mex. and will make necessary adjustments with the Institute at the end of the year to cover any gain or loss in exchange. The G.$25,000.00 from the L.S.R.M. will be transmitted to the field in gold drafts or authorizations.

3. Increased Use of Mex. figures in Remittances and Authorizations for Current Budget. Our office has clung to former habits of using gold figures for current budget authorizations; and, to a less extent, sending current budget checks and drafts for gold amounts. We will in future

follow the general policy of sending Class A remittances and authorizations in Mex., and of sending Class B remittances and authorizations in whichever currency is used in the specific appropriation affected. This will of course not modify any authorizations now outstanding.

4. Closing the Fiscal Year. Heretofore we have kept our books open until June 30th, and have planned to get our closing statements in the mails at about the end of the first week in July. This makes these statements very late in reaching the field, and usually means that any final adjustments are not completed until the fall. We plan hereafter to close our books here in New York about June 10th, and to get final statements in the mail about June 15th. I believe it will be possible for us to get all regular June payments and collections cleared off early in the month. Any known items of income or disbursements to be cared for later in the month could be set up as accounts receivable or accounts payable. Should unexpected income or expenditure come up after the books are closed, we could take them up as belonging in the new fiscal year opening July 1st. This speeding up of our final statements ought to be of material help to you on the field in closing your fiscal year.

I trust it will be possible for you on the field to draw your last drafts on authorizations for the fiscal year just closing, not later than May 10th, so we will have all authorizations paid when we close our books about June 10th. We will try to see that our current budget authorizations are set up to make this possible. I presume that we can also arrange authorizations for plant and special purposes so you will not need to make any drawings between May 10th and June 1st, though in these departments the matter is not so urgent.

We believe that the above suggestions do not propose any radical departures from the plans already in effect. They are intended chiefly to simplify and clarify present policies. Please feel free to criticize and to suggest amendments.

Cordially yours,

CAE/G

P. S. The following personal items have been charged out to the Field since the 1st of July:

July	5	John Stuart	G$ 82.60
"	25	Mr. Wilson to Mr. Gamble	100.00
Sept.	5	Insurance Mr. Wilson	84.99
	30	John L. Stuart	250.00

These are involved in the Miscellaneous Items on page 2 for July and September. If you have handled these at a different rate of exchange than 2.10, do you think there will be need for an adjustment? If so, we will, of course, need to know the rate of exchange used, and we will be pleased to receive your instructions.

Yenching University

October 14, 1929

TRANSFER

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

My dear Dr.Galt:

We enclose herewith confirmation copy of a cablegram sent to Yenching on October 8.

The University of the State of New York will probably require that each member of the Yenching Board of Trustees not in attendance at the meeting called for November 6 signify in writing his approval of the proposed amendment of the Yenching Charter whereby the University would be empowered to grant degrees. Mr.Merle-Smith tells us that they will accept a cabled approval by such members of the Board as will not be in the United States at the time of the meeting.

I sincerely hope that it was possible for you to get in touch with the members of the Board listed in this cablegram before they got too far away from the University.

Very sincerely yours,

BAG-H

Enc.

CC: Promotional Office

Yenching University

TRANSFER

October 14, 1929

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

My dear Dr.Galt:

Early this year you wrote us in regard to the disbursement of Mex.$227.30 made by the field to pay for colored photographs sent to the home office for campaign purposes. Again on July 11 you wrote stating that during the fiscal year just closed the field had expended Mex.$458.42 for colored photographs, prints and publicity material sent to the home office. I presume that the figure in your July 11th letter included the charges of Mex.$227.30 reported earlier in the year.

The only way in which our New York office could handle this item would be to charge it against the budget of the Promotional Office. I, therefore, reported your request to Mr.Wannamaker and he gave me on October 3 the following memorandum:

> "If the grant of Mex.$500 allowed the field for publicity can be used to cover this item, this should certainly be done. I do not quite see what other use the field could make of that grant for publicity. The only way we can discover whether it is possible to charge those photographs to the field grant, or not, will be for you to inquire about the use made of that grant. If you approve, will you make such an inquiry?"

In each of our University budgets appears from year to year an item for publicity. Usually the material sent by the field for publicity and promotion work at the home base is paid for from this publicity appropriation in the field budget. So far as I know, we have never had a clear understanding with Yenching as to whether the item in their budget from year to year for publicity is all required for publicity work in China or is available in part at least to meet the cost of materials you send to New York to help with promotion work here at the home base.

I would appreciate it if you would let us know frankly just what the situation is on the field in regard to this item. As soon as we have all the facts in hand we will be glad to consult further with the Yenching Promotional Office, and if the some question still remains, can ask the Finance Committee for a decision.

Very cordially yours.

YENCHING

燕京大學

YENCHING UNIVERSITY

Peping China

Office of the Treasurer

October 15, 1929.

TRANSFER

#2958

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

My dear Mr. Garside:

On page 2 of letter #2952, which we wrote to you on October 1st, we promised that as soon as possible we would send a statement indicating the amount of gain on exchange for the fiscal year ending June 30th. Mr. Beddow, for Thompson & Co., has provided a statement on this subject, two copies of which I beg to enclose herewith.

I have not taken the time, personally, to verify all of the points, but I have no doubt they are correct, and I hope you will find this statement in order. If there are any questions concerning it, please be free to express them.

Very sincerely yours,

Howard S. Galt,

Acting Treasurer.

HSG/LC

Encs.

Re "Thomson Co." 10/9/29

YENCHING

燕京大學

YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 15, 1929.

#2960

INDEXED

TRANSFER

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

My dear Mr. Garside:

CONTRACT FOR EXCHANGE

In my letter to you, #2952, on page 5 I discussed the project for contract for exchange. Shortly after the receipt of your cable I reported the matter to Messrs. McBrier, Warner and Boyd. At that time we were right in the midst of the Formal Opening ceremonies and they expected to leave Peking very soon. Accordingly, they authorized Mr. Tsai and me to go forward with the arrangements.

I can now report for your information the result. We have contracted to sell to the Hongkong and Shanghai Banking Corporation, between October 1st and June 30th of next year, G$100,000.00, at rates varying through the succeeding months as follows:

1929	
October	$249.22
November	248.06
December	246.91
1 930	
January	245.78
February	245.02
March	244.27
April	243.90
May	243.16
June	242.79

From the above you will see that the average is approximately $246, which is six points higher than we dared to mention in the cable sent a few days earlier. When we had completed the deal, Mr. McBrier and Mr. Warner had gone, but I was able to report the result to Mr. Boyd, who showed great satisfaction.

THE $25,000 RESIDENCE APPROPRIATION

We have had the following authorizations on this general fund:

#2938	G$5,000
#2939	5,000
#2940	5,000
#2941	5,000

The above, I think have complied fully with my requests. I believe we have no authorization from you for the last $5,000, and I now request that you send us such authorization, in order to enable us to complete operations under this fund. I may say in this connection that we shall probably provide for a residence for Mr. and Mrs. Nash out of this fund, as suggested by the Finance Committee of the Trustees.

LETTER FROM MR. NASH

I have before me a copy of Mr. Nash's letter to you dated September 11th. He consulted me at the time he wrote that letter, and I fully endorsed his request for further decisions and authorizations by the New York office dealing with Department of Journalism funds.

BALANCE SHEETS

I find that through the summer we have fallen much behind in forwarding you the Construction Balance Sheets. I beg to enclose herewith the Balance Sheet for June, July and ~~August~~. The one for September is not yet in hand. If there are any comments to be made on these, they will have to await a later letter.

Very sincerely yours,

Howard S. Galt,

Acting Treasurer.

HSG/LC

Enc.

RECEIVED
UNIVERSITIES
NOV 18 1929
JOINT OFFICE

TRANSFER

Yenching University

October 15, 1929

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

G29-10-15-1

My dear Dr.Galt:

We are in receipt of your letter of September 10 dealing with various financial items in connection with the Boyd Gymnasium.

The action of the Finance Committee in approving, on the basis of Mr.Boyd's recommendation, the charging of architect's fees amounting to G$6,878.46, to the balance of$12,500 held in reserve for equipment, landscaping and initial maintenance and repairs, clears up, I trust, the main difficulty discussed in your letter.

The only problem which may not yet be fully cleared is that raised by Mr.Chuan's letter of July 16 in which he indicates that after making all possible reductions in estimated expenditures, there is still the danger of a small deficit. Fortunately the prevailing rate of exchange has been even more favorable than was forecast in Mr.Chuan's letter so I trust that the Mex. proceeds of the remittances on the Gymnasium will not only cover this small estimated deficit but will yield a slight surplus to meet unexpected expenses not included in Mr.Chuan's figures.

I am confident that when Mr.and Mrs.Boyd, Mr.McBrier, Mr.Warner and Mr.Stock were present on the Yenching campus you cleared up with them all financial problems connected with the Gymnasium. In this group you had not only the two donors of the Gymnasium, but also a quorum of the Finance Committee. I am confident that the other members of the Committee will heartily approve any recommendations made by the group who were in Yenching at the time of the formal dedication. Unless we receive further information indicating the need for earlier action, we will await the return of at least some of those who were at the formal dedication before having the Finance Committee take any further action relative to the Gymnasium.

The only general comment I would make before hearing from these members of the Finance Committee and from the donors of the Gymnasium is to sound again our oft repeated warning to keep expenditures within the amounts appropriated. Nothing so shakes the relations between the home base and the field as tidings of deficits incurred after the Trustees had thought the appropriations generous enough to cover all possible needs.

For several weeks I have been trying to analyze again a situation which has arisen in connection with the Gymnasium in the hope of learning some lessons which may be valuable in the future. In particular I am interested in the fact that the field made no allowance for architect's fees. When the Finance Committee took action on February 1st it made a deliberate effort to forestall exactly such questions as this. When I wrote my letter of February 4 to Dr.Stuart and Dr.Galt I tried to follow out the instructions of the Finance Committee that I inform the field that every expenditure which could in any way be counted a part of the cost of the Gymnasium should be included within the appropriation of G$77,500. The long paragraph beginning about the middle of page 2 of this letter represents my best efforts to make this plain. We deliberately avoided giving any list of items to be included within the G$77,500 for fear we might overlook some item which could later be brought up and a claim presented that it was outside the $77,500. For that reason we used the statement which we considered to be all inclusive, "In adopting this figure it is the feeling of the Committee that $77,500 should be the maximum cost of the building finally completed with all permanent fixtures installed and with all overhead charges and building costs paid. It is hardly necessary to point out that, since invariably final costs always exceed original estimates, it will be necessary for the field to base its figures well below the maximum of $77,500 so as to leave an adequate margin for last minute charges not included in the original estimate".

On page 2 of your letter of September 10 you make a statement which, I feel, is a bit ungenerous and perhaps somewhat inaccurate - "It is in order to point out that when the New York office on one hand determines a plan, and on the other hand, fixes the funds for the building, it might easily happen that the building could not be erected under these conditions. That is apparently the situation with which we are now confronted." You will remember that the original architect's drawings for the Woman's College Gymnasium were prepared by Mr.Murphy during his trip to Peping in 1925; and I believe were drawn up in consultation with all the properly constituted field authorities of the Woman's College and the University. We have always understood that these original drawings represented at that time the desires of the field. When the construction of the Gymnasium was again brought to the fore early this year the Woman's College Committee and our New York office were in constant communication with the field, both by letter and by cablegram, for several months in order to ascertain what changes the field wished to make in the plans adopted something over three years ago. The only material change in these plans - the shortening of the building by omitting one bay on each side - was approved only after this proposal had been cabled to the field. Before final approval was given here in New York we had received not only numerous letters but also architect's drawings from the field outlining all the changes they wished to suggest. Moreover the Committee felt that because of the presence of Mrs.Frame, the Dean of the Woman's College, we had here in New York a most outstanding field representative of the Woman's College. Our estimates for the cost of the building were likewise based on information from the field which we considered to be complete and reliable. You will remember on January 18, 1929, in response to our cable of January 11 asking for estimates as to cost of the Gymnasium, the field replied as follows:

> "Inside swimming pool desired. Yenching College Gymnasium plans can be made here. Cost with pool without equipment G$83.000".

Mr.Murphy's office estimated that the reduction in size of the building by the elimination of the bays would reduce the cost approximately twenty per cent, that is, to about $66,500. Mr.Hildabrand's letter of February 23 which was also before the Gymnasium Committee gave revised figures for the cost of the Gymnasium after making the reductions through eliminating the bays and placed the estimated cost at between G$60,000 and G$72,000 without the swimming pool. I believe that other letters received by the Wenching College Committee and by Mrs.Frame about this same time gave approximately the same estimates for cost. It should be quite clear, therefore, that the thing we in New York most ardently desired was to avoid dictating to, or disagreeing with, the field authorities of the University either as regards the plans or the estimates for the Gymnasium. So far as I know, the only point at which there was any material difference of opinion was the question of the swimming pool. Our reports from the field as to the wishes of the Woman's College concerning the swimming pool were decidedly contradictory, some saying that the pool was greatly desired and others saying that it was not wanted. The decision of the Committee to include estimates for the swimming pool were influenced largely by the desire of the donors that such a swimming pool be provided for so as to make the Gymnasium as complete and well equipped as possible with the funds available.

Very cordially yours,

BAG-H

5769.00
2800
8569.00

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 15, 1929.

#2959

YENCHING
TRANSFER

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

My dear Mr. Garside:

This letter is to discuss Women's College finances, more or less in reply to the following letters from your office: E29-5-29-1; G29-6-24-1; G29-6-29-2.

Piecing together the times of various sittings at my Treasurer's desk, and consulting with Mr. Beddow on certain items, I am at last ready to deal with the questions raised in the above letters.

The letter from Mr. Evans of May 29 seems to us entirely clear and correct. The putting through your books of the items on the Women's College accounts, first set forth in my letter of January 3rd, seems to balance those accounts.

Dealing now with your letters of June 24th and June 29th, we accept your point of view, and the suggested methods of accounting. We realize now that the cost of the old foundation for the Women's College Gymnasium had been charged to the Women's College "Other Building Operations", and, therefore, when by the bookkeeping items mentioned above you effect a balance in your accounts, the field has been in effect reimbursed for those early expenditures. Accordingly, we are following the suggestion at the bottom of page 2 of your letter of June 29th and considering that the Gold item $4,714.15 represents part of the new appropriation for the Boyd Gymnasium, and we are setting it down this way, as the first item on the "Receipts" side of the Gymnasium accounts.

All of us in this office fully agree with the point of view and the procedure outlined on page 2 of the letter just referred to. We also are wholly against any more ~~reim~~disbursements on "Undistributed" account, and desire to credit every ~~reim~~disbursement hereafter directly to the project for which it is intended. As a further step in carrying out this policy, I have discusses today with Mr. Beddow the best distribution of the funds still remaining on our Construction Balance Sheet under "Undistributed", and we shall probably be sending you a statement soon incorporating our suggestions as to how to clear that item off our books.

BOYD GYMNASIUM ARCHITECT'S FEES

On page 3 of my letter #2952 I dealt with the architect's fees for the Boyd Gymnasium. In my letter #2951 I had stated that we had had no report of any cost for architect's services until the receipt of your letter of July 26th. Later I find that that sentence is not entirely true, for in your statement of the Yenching account for the month of May you had recorded as disbursement to Account #26f9 an item for Mr. Murphy's plans Gold $1,477.66, and for photo prints $13.80, these items being the same as those recorded on page 2 of your letter G29-7-26-1. Having found that item, I next started a bit of research to discover whether the other items mentioned on page 2 of the letter just referred to, aggregating G$5,387, had been remitted to the field or not. When Mr. Beddow arrived today, I took up and carried on my research, but did not have time to bring it to a conclusion. I may say that in a list of the payments which Mr. Bowman had made at various times on account of Women's College Building Expenditures we found these three items listed, but there was no evidence as to whether they had been remitted to the field or not.

I am bringing these points up in order to discover the procedure to be followed when, as we have arranged for by cable, the architect's fees for the Gymnasium are to be met from the reserve fund of G$12,500 held in New York. As to the item of G$1,491.46, since the field has been charged with this item, it will be in order to ask you later for reimbursement, but this matter can wait, so far as we are concerned, until we discover just where the other item of $5,387 belongs. If you can throw any light on this question, or wish to make any comments, we shall be glad to hear from you.

Very sincerely yours,

Howard S. Galt,

Acting Treasurer.

HSG/LC

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D

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

YENCHING
INDEXED

October 16, 1929.

#2961

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

TRANSFER

My dear Mr. Garside:

The present letter will deal with the cost of the President's residence, replying somewhat specifically to your letter of September 16th, G29-9-16-1, as well as to your earlier letter on the same subject.

The draft for L.C. $3,726.71 is duly received and much appreciated.

We sympathize entirely with all that you wrote on page 2 of your last letter on this subject. I feel that Yenching University on the field is subject to just such criticisms as you make on behalf of the Trustees, and feel that every word is justified. We appreciate the careful way in which you have written, and hope you will never feel any hesitancy in speaking right out on such questions.

I have recently received the long-expected letter from Mr. Hildebrand, dealing with this question, a copy of which I am enclosing. I enclose, also, the copy of the analysis of the cost of the President's residence, which, prepared after Mr. Hildebrand went away, we sent to him as a basis for any statement he wished to make. I have noted carefully what he has written, and consider that his statements account in part, rather a small part I should say, for the deficit. But after full allowances are made for his statement, we here feel that the primary responsibility for the deficit rests upon him and upon the organization and management of the Construction Bureau in general, of which he was the last representative.

As I think I have intimated to you earlier, we discovered, after Mr. Hildebrand had been carrying on his operations sometime, that he was very poor in estimates. He, himself, admitted this one time when I asked him why there was this large deficit on the President's residence. He replied, very laconically, "Rotten estimating". But beyond his personal responsibility in this matter, there are a few other circumstances, which I may set down. I shall write rather frankly, thinking that that is what the situation calls for.

In the first place, when the contribution for the President's residence was first received, the President, then in America, wrote out to the field putting the first steps for the plans for his house into the hands of a small committee outside of the organization of the Grounds and Building Committee. This small committee consulted with Mr. Hildebrand and with the architect, Mr. Kendall, and not until a fairly complete set of plans, prepared by Mr. Kendall, were brought before us did we on the Grounds and Building Committee become acquainted with what was going on. When the plans came in, a doubt was expressed about being able to build the building with the funds in hand, and some of us made every effort to get the size of the building reduced. Personally, I argued very vigorously with the architect, but he was rather stubborn, it seemed to me, in holding to his original plans, saying that a reduction in size would affect the design and architectural features. Against my own personal judgment, the committee voted to endorse the plans and call for the extra G$2,500.00. I have tried to abide loyally by the decision of the committee, but I think it is only fair to report what my own judgment was.

Next, as to Construction Bureau organization and management. You are probably very familiar with the fact that the Construction Bureau as originally set up and operated by Mr. Gibbs was a very independent concern as far back as 1924, when I had a year as Acting President during President Stuart's absence. At that time we had great difficulty in convincing Gibb that he was directly responsible to the Board of Managers rather than to the Trustees in New York. He finally yielded that point, but, as everyone knows, to the end maintained a very independent administration. Mr. Hildebrand fell heir to that situation, and, I think without intending in any conscious way to maintain the earlier plan, kept on with the general method as a matter of inertia.

When I came into the Treasurer's office a year ago last May, I found that according to the system in use Mr. Hildebrand was signing his own Construction Bureau checks, thus making all payments more or less independent of the Treasurers. The Construction Bureau ac~~tivities~~, while, of course, subject to the oversight of our auditor, represented by Mr. Beddow, was rather directly responsible to Mr. Hildebrand for the accounting work. One of the worries of the late autumn of 1928 was to get the Construction Bureau accounts written up to date, so that we knew where matters stood.

On account of these circumstances, we were not aware that a deficit of large proportions was piling up in the President's residence until December or later, when the work was practically completed. When we did learn of these circumstances, together with others of a similar nature, these entered into our decision to close out the Construction Bureau as early as possible. Accordingly, we were quite ready to accept Mr. Hildebrand's resignation when he desired to go to the Philippines

and we took advange of that opportunity to put our Construction work on an entirely different basis.

I think we can say no more in explanation of this deficit, which we here regret most thoroughly. The institution on the field is responsible for having allowed matters to go on in such a way that such a result could take place.

In view of what is said above, perhaps it is in order for me to set down a little more specifically our present procedure in construction work. When architects' plans are received from New York, or prepared locally, for any particular project, we place them in the hands of Lethmoller & Company, working on a percentage basis, to prepare working plans and specifications and secure bids from contractors. In their dealings they are directly responsible to Mr. S. J. Chuan, the Comptroller. Mr. Chuan brings in the results of Mr. Lethmoller's work, and the bids of contractors, to the Grounds and Building Committee, or its Executive, which makes the decisions regarding bids and general questions of procedure. All bills for payment pass from contractors through Lethmoller's hands for his vise, then to the Comptroller, who must O. K. them, and indicate specifically the project to be charged, and on the basis of these data checks are written here in our office and signed by Mr. Tsai or myself.

These, in general, are the steps in our present procedure, and we hope that we shall be able to administer the construction work without incurring these troublesome deficits in the future. That is our plan and ambition. Whether we succeed or not, the future will reveal.

I should add one more point, namely, that President Stuart, like the rest of us, has been much disturbed by this deficit, and has assured us that he will try to raise special funds to cover it. We feel that we should by no means hold him responsible for doing this, but if he wishes to do it voluntarily, of course in the interest of the University accounts we shall not object. //

Very sincerely yours,

Howard S. Galt

Howard S. Galt,

Acting Treasurer.

HSG/LC

Enc.

RECEIVED
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NOV 18 1929
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COPY

September 9, 1929.

Dr. H. S. Galt,
Treasurer Yenching University,
Peiping, China.

Dear Dr. Galt:

I have for reply to your letter of August 20th concerning the deficit on the President's Residence, which was accompanied by a statement of the accounts as of May 31, 1929.

In regard to this, though it will not make any difference in your bank balance, there are a few factors which, if brought to light, will tend to give the matter a somewhat different complexion.

First is the architect's fee. If you will look up the minutes for the C. and B. Committee for January, February and March, 1928, you will find somewhere in them that the Construction Bureau was given permission to employ a Chinese Engineer at a salary not exceeding $100.00 per month. Later on when it became known that the planning of the President's Residence was going to be up to the Construction Bureau I put it up to the Committee, though I don't believe it was ever recorded, that we would get along without the Chinese Engineer, one not yet having been employed, if it would be permissable to employ a competent architect for this particular building. This was agreed to and it was my intention that the architect's fee should go into the general overhead and be spread pro rata over all projects underway as would have been the case with the Engineer's salary. This would have made some difference in the cost of the building in question though it would, of course, have caused the item for overhead to be somewhat higher.

As to the amount paid the General Contractor I don't think we could have done any better. There were two bids lower than the one accepted but neither of the bidders were sufficiently responsible in our opinion, at that time, and it afterwards became evident that we were right, since one of them was the man who went broke on Niant's house and the other rebuilt Dr. Chen's house and was found to be hopeless.

With reference to the item opposite General Building materials and stock, this looks high, and if it is only for materials furnished the General Contractor it certainly is, since the major items, exclusive of steel and hardware, which are listed by themselves was the finished flooring, the cost of which would be somewhere between $1,000.00 and $1,200.00, and which would exceed by far the value of all other materials furnished by us. Either there are some erroneous entries in the books or part of this item should have gone into heating and plumbing.

The items opposite steel and hardware are perhaps correct, but I am wondering if the building has been credited with the first set of door locks which were installed pending the arrival of these specially ordered for the house.

With reference to the heating, plumbing and lighting we encountered an unexpected expenditure in the way of building connections for these services. During the period prior to 1928 the HL&W account had been charged with everything pertaining to these installations right up to the building. This was objected to last year, due either to these accounts being overdrawn or closed, I forget which, with the result that the expense of making these connections had to be charged to the house appropriation. This amounted to a considerable sum, and applied to all buildings connected up in 1928. You will find something in the G&B minutes concerning this I think sometime between May and October.

With reference to General overhead I think we all knew that our overhead charge against capital funds was running too high, but at the same time it was difficult to see where we could cut down and still have sufficient staff to efficiently supervise the work. And to charge part of our overhead to either the General Maintenance fund or Faculty Residence accounts was almost precluded by the deficits these accounts were facing.

In addition to the foregoing you will recall that we had a bad period for selling Gold during the middle part of last year, and that transportation and local material costs became very abnormal for a few months after the arrival of the Nationalists in Peking in June of last year.

I think that all connected with the planning of this house felt that we were running considerable risk when we started to build this house with the funds available, but at the same time it was the concensus of opinion of all concerned that a Chinese type residence suitable for the location and adequate for the needs could not be much smaller than the existing one.

As I said in the beginning, this will not make any difference with the amount of money in the bank, but may help to clear up matters for those not so familiar with the project as a whole.

In closing let me take this opportunity to thank the University for the kind invitation to the formal opening this month, and assure you that I regret not being able to attend.

Very sincerely yours,

(Signed) Carl Hildabrand.

燕京大學

YENCHING UNIVERSITY
Peking China

Office of the Treasurer

August 20th, 1929.

ANALYSIS OF COST OF PRESIDENT'S RESIDENCE.

May 31st, 1929.

Architect's Fee.	...		$ 1,479.12
Contractor.	...		16,100.00
General Building Materials & Stock.			3,743.24
Steel.	...		336.53
Hardware.	...		952.34
Installations:			
Plumbing	...	$ 2,229.71	
Heating	...	2,908.59	
Lighting	...	1,319.92	6,458.22
Painting	...		650.25
Overhead.	...		3,514.12
	TOTAL.		$ 33,233.82

燕京大學

YENCHING UNIVERSITY

Peking, China

Office of the Treasurer

August 20th, 1929.

ANALYSIS OF COST OF PRESIDENT'S RESIDENCE.

May 31st, 1929.

Architect's Fee.	...		$ 1,479.12
Contractor.	...		16,100.00
General Building Materials & Stock.			3,743.24
Steel.	...		336.85
Hardware.	...		952.34
Installations:			
Plumbing	...	$ 2,229.71	
Heating	...	2,908.89	
Lighting	...	1,319.72	6,458.32
Painting	...		680.28
Overhead.	...		3,814.12
TOTAL.			$ 38,253.88

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YENCHING

Yenching University

TRANSFER

October 19, 1929
L29-10-19-1

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

Dear Dr. Galt:

We herewith transmit Hongkong & Shanghai Banking Corporation Draft #0746 in the amount of L.C. $1,379.31 representing $500.00 Gold, gift from Dr. H. S. Vincent for Leather Department, and $50.00 Gold received from Holley Presbyterian Sunday School for scholarships.

The payment of Dr. Vincent's gift will cancel authorisation #2863 which we cabled to you October 1, 1928.

Very sincerely yours,

Assistant Treasurer,
Central Office.

Enc.
CLL:JC

YENCHING

Yenching University

TRANSFER

October 21, 1929

G23-10-21-1

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

My dear Dr.Galt:

I note that our office has paid premium on an insurance policy for Mrs.Ruth Alexander Price to November 11. Another payment will therefore soon be due. The premium on this policy is 50¢ per week and may be paid any number of weeks in advance.

My mind is not clear as to the present status of Mrs.Price so I am writing for instructions as to whether or not we should continue the payment of this insurance premium in her behalf. Since we will not have time to receive your reply before November 11, we will at that time pay this premium for eight weeks which will bring us to the early part of January. That should give ample time for your reply to reach us.

Very cordially yours,

BAG-H

CC: Miss Lane

YENCHING

TRANSFER

Yenching University

October 21, 1929
#29-10-21-1

Dr. Howard S. Galt
Yenching University
Peping, China

My dear Doctor Galt

We are enclosing two copies of the Treasurer's Report for the fiscal year ending June 30, 1929. This has been compiled for the Trustees Meeting which is to be held November 6. We are hurrying forward these copies and later on you will receive the Minutes which will give full information as to how the Trustees treated the recommendations.

Without doubt you will be interested in our treatment of the situation, but in view of the Auditor's Report received from the Field, there does not appear any other method of arriving at a conclusion. We have tried to cover the whole situation as thoroughly as possible and still at the same time we wish to have you feel free to call our attention to any differences that you may observe. With kindest regards, we are

Very truly yours

Assistant Treasurer

CAE:MS

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 22, 1929.

#2962

TRANSFER

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

My dear Mr. Garside:

This is to acknowledge receipt of your letter of September 26th, unnumbered, with enclosed draft for L.C. $4,250.00, representing the first quarterly remittance on the Famine Fund appropriation for 1929-30.

Also your letter G29-9-16-1, with the enclosed draft for L.C. $3,726.71, on account of the President's house.

Dr. Galt is acting for Dr. Stuart during his absence. Your letter G29-9-24-1 will be dealt with by him from the President's office.

I wish, also, to acknowledge receipt of the duplicate copies of Trial Balance as of August 31st, Cash Statement for the month of August, and Statement of Account #31, with copy of J. V. #521.

Very sincerely yours,

Stephen Tsai,

Associate Treasurer.

ST/LC

RECEIVED
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NOV 18 1929
JOINT OFFICE

YENCHING
INDEXED

Yenching University

October 22, 1929

TRANSFER

G29-10-22-1

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

My dear Dr.Galt:

I enclose herewith confirmation copy of a cablegram sent you today. On October 8 Dr.R.P.Angier, the Chairman of the Department of Psychology of Yale University, wrote us the letter of which I enclose a copy herewith. This letter gives in detail the description of Mr.Chu's state at the present time and is practically all the information we have received in regard to him. At the same time Professor Angier wrote us he also corresponded with the Chinese Educational Mission in Washington, and the Director of this Mission wrote us for advice. I sent Mm.Hang a copy of Professor Angier's letter and asked him what he would suggest. He has just replied, and proposes that we cable Yenching asking you to report to Mr.Chu's father the essential facts in the case and ask that he arrange for the immediate return home of his son. Professor Angier warned that "no slightest suspicion that anyone thinks that Mr.Chu is to any degree abnormal should reach him. If he could be recalled to China it must be on quite other grounds. We, therefore, added to our cablegram the suggestion that Mr.Chu's father make no reference to his son's mental condition in corresponding with him concerning his return.

Very sincerely yours,

BAG H

Enc.

Yenching

Oct. 26, 1929
G28-10-26-1

TRANSFER

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

My dear Dr. Galt,

We enclose herewith a draft for M.$4,250.00, being the second quarterly remittance, 1928-29, for the Famine Fund appropriation toward the work of the Department of Agriculture. For your information, the cost of this draft in gold was $1,747.81.

Cordially yours,

BAG/G

Enc.
Copy by later mail.

October 28, 1929
G29-10-28-1

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

TRANSFER

Dear Dr. Galt,

We enclose herewith a draft for M.$24,767.80. This is the equivalent of G.$10,000. at today's rate of exchange.

This represents a further, and probably a final, remittance from the Wheeler family toward the Wheeler Memorial Chapel.

This remittance should be placed in a special fund in the same way as described in my letter G29-10-2-1. It should be added to the special account you have no doubt already opened up with the National City Bank or the Hongkong-Shanghai Bank in depositing the M.$31,367.63 sent for this same fund on October 2nd. This fund is to be kept inviolate until after final approval has been given for the plans for the Wheeler Chapel, and construction has been authorized, and is to be used then only for expenses in the construction of the Chapel.

The balance of the Chapel funds, G.$18,750.00 are for the present being held in New York, set up in a special account, at interest. The interest is to be added to the principle. It may be that if the prevailing favorable rates of exchange take a decided trend toward more unfavorable rates the Finance Committee may instruct us to make further remittances in order to take advantage of the prevailing rates.

Very cordially yours,

AG/G
Enc.
CC Later mail

Yenching

TRANSFER

October 28, 1929
G29-10-28-2

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

My dear Dr. Galt,

At the request of William Hung we are today paying bills amounting to $24.04 for stationery with the Harvard-Yenching Institute letter head which William has ordered at the request of Dr. Lucius Porter. William states that this should be charged to the office expense account of the H.Y.I. in Peping. We are therefore charging the item to account 31 in the expectation that you will make the necessary adjustments in your accounts on the field.

Cordially,

TAG/C

TRANSFER

October 28, 1929
G29-10-28-3

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

My dear Dr. Galt,

Mr. Rex Wheeler's letter of October 22nd, with which he sent G.$10,000. for the Wheeler Chapel, contains the following:-

"With these checks there is a total of $35,000. from three members of our family, which with the Rockefeller Fund of $6,250. makes a total of $41,250. I am hoping that with the favorable exchange this may be sufficient toerect the Chapel. It is Mother's desire that an inscription be placed in the Chapel reading as follows:-

To the Glory of God and
in Loving Memory of
Nelson Platt Wheeler
1841-1920
From his Wife and Children

"Blessed are the dead which die in
the Lord; they rest from their
labors and their works do follow them."

Will you please see that this requested inscription is properly noted, and that when the Chapel is ultimately constructed the matter of the inscription will be followed up.

Cordially,

BAG/G

Copy for later mail

YENCHING

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 30, 1929.

TRANSFER

#2963

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

My dear Mr. Garside:

Notes from Mr. Beddow of Thompson & Co. for transmission to you have been accumulating in this office and should go forward today.

"BUILDING ACCOUNTS"

"These have all been agreed with New York Trial Balances for July and August.

"New York Office should be asked to put through the following entries:

"Debit A/c 22c, Alumni Gate and Flag Pole A/c, G$ 83.34
"Credit A/c 122z6, Miscellaneous Gifts, G$ 83.34
"(The 1929 Class Gift of $200 for a Flag Pole.)

"Debit A/c 26z2b, Lake Front Dormitories, Unit 'B' A/c, G$8,710.28
"Credit A/c ~~122z6~~, Miscellaneous Gifts, G$8,710.28
"(Sundry gifts from local sources towards the building of Lake Front Unit 'B' Dormitory. It should be noted that A/c 26z2b is a new a/c.)"

"NOTES ON NEW YORK TRIAL BALANCES FOR JULY AND AUGUST"

"CURRENT ACCOUNT"

"(Attached hereto are certified reconciliations for July and August.

"A/c 31 - New York Office received refunds of payments made by them during the 1928/9 Budget on a/c of Laura Spelman Rockefeller Fund. These are detailed on Schedule 19 of the Annual Field Accounts. New York Office have never remitted these refunds to the Field. The Field in their Annual Accounts showed the grant of G$20,000 from the Laura Spelman Rockefeller Fund for

1928/9 Budget as fully received and debited New York Office A/c 31, 1929/30 Budget with the short remittance of G$320.67."

"A/c135.4 - New York Office Account at August 31st shows the balance of this account as G$41.00, while the only item which has been incorporated in the Field Accounts is G$16.00 for a cable in August. It is not possible to trace any entry explaining the G$25.00 difference in the New York Accounts. It should be noted, however, that copies of Journal Entries No's 514 to 518 have not been forwarded to the Field and the explanation may be in these entries."

"A/c 135.5 - New York Office have charged to this account Draft 925 for L.C.$486.96 = G$201.65, which draft applies to the 1928/9 Budget and is part of the sum of L.C.$5,400 promised in the 1928/9 Budget.

"New York Office confirms this in the last paragraph of their letter of September 9, 1929. They should be asked to transfer the item G$201.65 from A/c 135.5."

"New York Letter of September 9 - G29/9/9/2 - Princeton-in-Peking 1928/9 Budget - New York's statements in this letter are correct."

"Draft #855 (not 655 as in their letter) produced according to Field Books L.C.$1,950.76, not L.C.$1,946.25, as per New York Books. The difference is L.C.$4.51."

"New York's mistake in preparing the figures shown in their letter of May 27th amounted to L.C.$100.00, and deducting the above figure of L.C.$4.51 we get the shortage of L.C.$95.49 which they have now remitted. This sum is being credited to Budgets Surplus 1928/9 A/c, as it was not taken into account in the Annual Accounts at June 30, 1929."

"BUILDING FUNDS UNDISTRIBUTED REMITTANCE ACCOUNT"

"FOR PLANT, A/c 26f2"

"A further distribution of A/c 26f1 has been made and we should be glad if you would put through the following entry in your books:

"Debit 26f2, Heat, Light, Sewage and Water, G$14,681.32;

"Credit 26f1, Undistributed, G$14,681.32.

"This represents the over-expenditure of Heat, Light, Sewage and Water Account of L.C.$27,989.93 at exchange 190.65.

"It is hoped shortly to eliminate entirely the Undistributed Account."

I have sent the above notes in the form in which Mr. Beddow has prepared them, and I trust you will find them all in order.

Very sincerely yours,

Howard S. Galt,

Acting Treasurer.

HSG/LC

Encs.

TRANSFER

Yenching

October 30, 1929
G-29-10-30-1

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

My dear Dr. Galt,

I have today received a letter from William Hung containing the following paragraph:-

> "The enclosed letter of Mr. D. C. Butler to Mr. Tien, the acting librarian of the Yenching University library, has been sent to me by Mr. Tien with the request that our office in New York pay the money to Mr. Butler. I suppose a two dollar check would be quite acceptable to Mr. Butler as a payment for the book valued at $4.00 Mex. Please charge this on the Harvard-Yenching Institute fund for library in Peking."

The essential paragraph in Mr. Butler's letter to Mr. Tien reads as follows:-

> "On May 22nd I sent you a copy of "Moral Tenets and Customs in China" by L. Wieger, translated by L. Davrout, which you had agreed to take for Mex. $4.00. Please send the money by International Money Order. - - -"

I do not understand why Mr. Tien did not take up the matter of payment with your office direct, rather than via William and New York. I presume, however, that payment is in order, so we are at this time sending Mr. Butler a check for $2.00. The simplest method of handling this seems to be to charge the disbursement against Account 31 with a request that you make the necessary adjustment on the field. This will avoid the complications of our making deductions from H.Y.I. remittances to cover this small item. We are therefore charging the $2.00 to account 31.

Yesterday I received a cablegram from Dr. L. C. Porter containing the following messages: "IF NOT ALREADY SENT, SEND AS SOON AS POSSIBLE FUNDS SET APART FOR PASSAGE OF MR. TIEN HUNG-TU. LEAVES FROM HERE SECOND OR THIRD WEEK OF NOVEMBER." After securing approval from Dr. North as representative of the H.Y.I. we cabled last night

as indicated in the attached confirmation copy. For your information our authorization No. is 2968. This will of course be charged to our H.Y.I. agency account.

Cordially,

MG/G

Copy to Miss Lane

YENCHING

燕京大學

YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 31, 1929
No.2964

TRANSFER

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

Dear Mr. Garside:

We have placed an order for apparatus and chemicals amounting to approximately $500.00 Gold with the Central Scientific Company of Chicago. We have told the concern that they may apply payment at your office on the presentation of invoices and shipping documents. Will you please look after this and charge it to the Trustees' Current Appropriation Account?

I wish also to report the sale of draft No.T1025 for G$7500.00 under authorization No.2948, being the Trustees' montly remittance for November 1st. This is the first draft we are selling under our contract (rate 24922 for October) with the Hongkong & Shanghai Banking Corporation. Technically this authorization is not effective until November 1st, but we are selling it a day before (October 31st) because there is a difference in the contract rates of 1.16 between October and November (October 24922, November 24806). The local currency equivalent of this draft is $18,691.50. We take the liberty to sell the November 1st draft to-day to take the advantage of the better rate. If this procedure of drawing one day before the authorization is due is acceptable to you, we will from now on sell the draft for the following month on the last day of the preceding month. Kindly let us know on this point.

I wish also to report the sale of draft Nos. T1021 & T1022 for G$131.62 and G$868.38 at the rate of 247 for L.C.$325.10 and $2144.90 respectively, both on account of Barbour Blair Fund under authorization No.2943. We did not report this earlier because draft No.T1021 calls only for a small amount and draft No.T1022, even though converted into Mex. on October 22 is still in our hands and will be deposited to our Gold Account with the Banque Belge Pour L'Etranger.

Please also note we have jumped in our drafts from Nos. T1022 to T1025, this is because draft Nos. T1023 to T1024 were both cancelled on account of errors in filling out the drafts.

Yours very sincerely,

Stephen Tsai,
Associate Treasurer.

ST:W

RECEIVED
UNIVERSITIES
NOV 22 1929
JOINT OFFICE

YENCHING

燕京大學
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

October 31, 1929.

#2965

TRANSFER

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

My dear Mr. Garside:

I am coming more and more to think that summer vacations are a general nuisance. Among other interruptions, I find that the transmission of the Grounds and Building Committee Minutes to you is far in arrears. The present letter will take this matter up.

I am enclosing herewith two copies of Minutes of various meetings, as follows:

MINUTES OF THE G. AND B. EXECUTIVE JUNE 14, 1929

On the first page you will note a reference to the Cooperative Store and Post Office. I think I have not heretofore explained this project.

The Cooperative Store is what its name implies, and is especially under the supervision of our Department of Economics. It is a matter of great convenience to the University community. Its financial basis has heretofore been none too strong, but it seems to be starting on an upward movement now. There is general conviction that it should be retained and receive general support from the University community.

It has been housed in Chinese buildings left over on the northeast corner of our site. Those buildings must soon be demolished to make place for the athletic field. In the same court with the Cooperative Store we have housed a branch of the Government Post Office. This branch is not only a convenience, but almost a necessity, and according to the terms of the agreement we must provide a suitable building. Accordingly, the Grounds and Building Committee, after consultation with all concerned, has decided to use old building materials, in part, and put up some small buildings on a suitable site bordering the north line of the Power Plant lot. For the ready money necessary for these buildings we are using certain odds and ends of funds from our construction operations in general. For example, the last credit came from the sale of the Construction Bureau motor car, which, after serving that organization for many years, was not longer required. The Economics

Department, considering that the Cooperative Store is to a slight extent a laboratory, is agreeing to put in a small amount to help out in the present transfer. The buildings, reference to which you may find in Minutes of later meetings, are now almost completed, and the transfer can soon be made.

MINUTES OF G. AND B. EXECUTIVE JUNE 19, 1929

On page 2 you will see reference to "Wang Huai Ch'ing's Garden". Other references appear in later Minutes. I may explain that this is a large summer garden, newly reconstructed by General Wang a few years ago, lying about a quarter of a mile northwest from our site. On account of political affiliations, General Wang is unable to make use of his beautiful garden, and offered to lease it to the University for a period of three years at a very reasonable figure. We have completed the arrangements and installed a considerable number of our staff, unmarried men or men whose families are not in residence. Of course we have had to spend some money remodeling, and we found it desirable and practicable to install electric lights. References to these expenditures you will find in later Minutes, also. The whole plan has proven to be a satisfactory and rather economical way of meeting certain pressing needs.

MINUTES OF G. AND B. EXECUTIVE JUNE 27, 1929

On page 2 of these Minutes, and here and there in subsequent Minutes, you find reference to the Elementary School buildings project. This to me presented a very perplexing situation. It was my own desire not to undertake these buildings until we had sufficient funds to complete and equip them properly, and this decision had been reached some weeks earlier. But many of the parents of the children in our Elementary School are members of our Faculty. They have complained emphatically of the unsanitary conditions surrounding the temporary quarters of the school in Chengfu village, and there is much ground for their complaint. They insisted that there must be some way of stretching the funds to provide for the necessary buildings this year. I finally yielded to this pressure, and, with the approval of all the committees concerned, it was agreed to use part of the local endowment funds as an investment to complete these buildings. The project has gone forward on this basis.

In an earlier letter I have already referred to your earlier comments on the policy of using our local endowment funds for such a purpose. It was my intention to consult with Mr. McBrier and Mr. Warner during their presence here for the Formal Opening regarding this matter, but those days were so full of important meetings and conferences that I failed to find the opportunity. Therefore, all I can say now is that before you had raised the question we had decided to invest certain of these funds in the two projects, telephone reconstruction and these practice schools. As you will see, we cannot very well draw back

now. But we will undertake not to repeat this procedure, at least not without the definite approval of the Trustees.

As it is, the Practice School and Kindergarten are nearing completion, and children and parents, as well as those in our Department who are interested, are taking great pleasure in the outcome. President Stuart has been solemnly commissioned by our Department to be sure to raise for us the necessary funds this year to provide for us the whole system of practice schools which the Department needs.

On page 4 of these Minutes you will find a reference to the scheme for insulating the heating mains. The work on the most needy section of the system is now being carried out by a Tientsin engineering firm in accordance with the specifications set down here, with the exception of a coat of tarred felt paper in place of the plastering mentioned as the outer covering. The estimate for funds to complete the entire system is almost ready for transmission to you, and will be the subject of another letter probably in a few days. What we are now doing is covered by the L.C.$10,000 authorized by the Trustees last spring.

MINUTES OF G. AND B. EXECUTIVE JULY 11, 1929

The estimates for the Women's College Gymnasium, on the first two pages of these Minutes, have been largely superseded by subsequent communications.

On page 4 you will note a reference to the tablets for the academic buildings. Mr. Chuan succeeded in getting what we consider beautiful and clear bronze tablets made in Tientsin, and we had these placed on the buildings in time for the Formal Opening.

MINUTES OF G. AND B. EXECUTIVE SEPTEMBER 4, 1929

On page 1 of these Minutes, and in Minutes of later meetings, you will find reference to the purchase of certain plots of ground in the south part of our campus. It is probably known to the New York office that there are three such small "islands" of real estate within our lines. I am glad to report that five of the members of the Trustees present during the Formal Opening contributed sums aggregating an amount sufficient to purchase those sites, so we supposed. As a matter of fact, there is still a little hitch in the negotiations and we have not been able to consummate the deal. We are hoping that additional stimuli connected with the Chinese New Year period may enable us to complete the deal, but we must confess that there is some uncertainty in the matter.

MINUTES OF G. AND B. COMMITTEE SEPTEMBER 26, 1929

On page 3 the finances of the Wiant residence are referred to. This is another matter which has resulted in very unsatisfactory conditions. Reference has been made to it occasionally in past correspondence. The large deficit was due, primarily, to Mr. Hildabrand's "rotten estimating", to use again his own phrase. Mr. Wiant showed me a letter from a superintendent of a group of Methodist churches in Ohio which he considered evidence that further contributions would be forthcoming to cover the whole cost. He, although deeply disappointed at this large deficit, feels that he would like to have the entire sum covered by friends of his family, thus completing the memorial sentiment regarding the building. On the strength of this representation, he asked for the authorization of an additional small sum to complete certain minor features around the building. The Committee voted to grant this request, as you will note. For the present we will have to carry the deficit, still retaining the hope that Mr. Wiant's friends will make it up in due time. If there are any ways in which you can cooperate in this at the New York end, we shall appreciate it.

On page 4 are references to further residence needs in 1930. Mr. Chuan will prepare statements regarding these, to be passed by the Committee and sent to the New York office later.

The reference to a different site for the athletic field which you will find on page 5, is connected with a number of other subjects, and I think I had best leave the whole matter for another communication as soon as I can get to it.

MINUTES OF G. AND B. EXECUTIVE OCTOBER 9, 1929

The reference to Ex-President Hsu's garden, on page 1 of these Minutes, and on page 2 of the Minutes of the meeting of October 11th, indicate something of the status of this proposal. I may say in a word that we are making no progress in negotiations at the present moment, President Stuart having been unable to complete them before he left. This subject is part of that which in a sentence above I said I hoped to deal with in a separate letter.

MINUTES OF THE G. AND B. EXECUTIVE OCTOBER 11, 1929

With regard to the Women's College Gymnasium, dealt with on the first page, I can say more specifically that Mr. Boyd, in order to prevent the undesirable economies in the building contemplated by our Committee at its meeting July 11th, very generously agreed to give an additional G$5,000.00. This sum was intended to include enough for furniture and furnishings such as will naturally be made on the field. His generosity is deeply appreciated. Other aspects of this Gymnasium call for further treatment in a separate letter as soon as we can find the time.

MINUTES OF G. AND B. EXECUTIVE OCTOBER 16, 1929

Regarding the additional machinery for the Power House mentioned on page 1, I shall be writing to you later.

President Stuart will discuss with you and others the situation with respect to the proposed Wheeler Memorial Chapel. The sum of G$42,000 does not seem to us adequate to build the chapel which we have always contemplated. Therefore, it seems best to hold the matter in abeyance for the present. In this connection I may report that we received the draft for L.C.$31,000 plus (I do not have the figure at hand in this office), being a portion of these chapel funds which you sent out for deposit here. We have deposited the amount in the Hongkong and Shanghai Bank, to bring in three per cent if for six months, and four per cent if for twelve months. We appreciate the "vote of confidence" implied in your entrusting us with this draft!

MINUTES OF G. AND B. EXECUTIVE OCTOBER 24, 1929

No comment seems to be called for.

PRESIDENT STUART'S ABSENCE

I have not taken opportunity to comment on this important situation heretofore. Although we have contemplated President Stuart's absence for several months, it is very hard to adjust to the fact. As you may have heard, I am asked to help in the President's office again. At the same time I have not been able to lay down my work in the Treasurer's office. A result is that I, besides a teaching schedule of ten hours a week, rotate around amongst three different offices, leading on the whole a rather unsatisfactory life. However, the University very generously supplies me with a full-time secretary and every possible clerical and office staff help. Accordingly, we shall try to carry on this year and hold things together. Chancellor Wu is the real administrative head of the institution, and we are all deeply gratified at the noble way in which he is undertaking his responsibilities. In this respect the situation is very different from what it was two years ago, when he and I were co-acting Presidents.

In this connection I may report briefly regarding another matter. In one of your earlier letters you commented on having noticed in the University Bulletin that Miss Alexander was to be married. When this took place about the middle of the spring, she fully intended to continue her work in the University without interruption. But as the weeks went on it proved to be very difficult for her to try to maintain a home in the city with her husband, Mr. Price, and continue her work at the University. In the midst of this situation President Stuart found an opportunity to invite from Shanghai Miss Lula Conover, a friend of many years' standing, for secretarial work, and with this possible provision for University

needs, it was possible to allow Mrs. Price to resign, a step which her husband, especially, considered wise. Miss Conover has been here since the last of August and has undertaken a many-sided task in a very satisfactory way.

I realize that I am still behind in my correspondence in other directions, but hope gradually to overtake the task.

Very sincerely yours,

Howard S. Galt,

Acting Treasurer.

HSG/LC

Encs.

F 2589

Yenching University

October 31, 1929

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

TRANSFER

G29-10-31-1

My dear Dr.Galt:

We acknowledge receipt of your letters Nos 2952 and 2953 written on October 1 and October 2. This letter will deal with a number of items covered by these two letters. Certain items I will write on separately.

Numbering of letters from your office during summer. We note the list of numbers given on the first page of your letter of October 1 and find that all of these letters have been received by our office.

Audit of accounts of 1928-29. We are glad to have your comments and explanations covering the audited statement of the 1928-29 accounts. At the time this statement reached our office we were preparing for presentation to the meeting of the Trustees on November 6 a summary of the accounts of the University for 1928-29, and so reported a number of figures appearing on your field statement. We sent you a copy of our Trustees' Treasurer's Report a couple of weeks ago. As far as I can tell, our interpretation of your field accounts agree with the explanations made in your letter No.2952. If we are incorrect at any point I hope you will call the matter to our attention.

In particular we wish you to verify our understanding of the amount of the gain on exchange and the way in which this was handled. You will notice that on pages 4 and 5 of the Trustees' Treasurer's Report we make the following statements:-

"Gain on Exchange
On April 10, 1928, by Action T-2285 the Trustees guaranteed an appropriation toward the 1928/29 budget of M$204,180.50. This, at the accepted exchange ratio 2.05 to 1, would amount to G$99,600.24. Accordingly G$99,600.24 was disbursed by the Trustees Treasurer on the 1928/29 field budget, as shown below. Due to the unusually favorable rate of exchange, however, this amount produced M$218,093.24, a gain of M$13,913.34, or approximately G$6,750."

"The income toward the 1928/29 budget amounted to M$454,707.03. The expenditures within the regular budget amounted to M$453,172.45. This would leave an apparent surplus of M$1,534.58.

"In reporting these figures, however, the field applied on the 1928/29 budget the entire gain in exchange, amounting to M$13,913.34. However, to date the Trustees have authorized the field to use gain in exchange only to meet the following two items, amounting to M$11,443.79:-

(a) To meet reduction in estimated income from Woman's College for Administration (see Action B-2481)	M$7,543.00
(b) To meet expenses of Mr.K.A.Wee in excess of M$2,000.00 allowed in budget (see Action F-2421) M$5,300.79 - M$2,000.00	3,900.79
	M$11,443.79

"The balance of the gain in exchange, M$2,469.55, has not yet been allocated by the Board of Trustees.

"When we substitute M$11,443.79 in place of the figure of M$13,913.34 used by the field, as the gain on exchange applicable to the 1928/29 budget, the total income is reduced to M$452,237.48. Since expenditures amounted to M$453,172.45, there thus remains a deficit of M$934.97."

I have not been able to find in your Field Treasurer's account any specific reference to your handling of excess expenditures of K.A.Wee. Apparently you received from theWoman's College for administrative expenses only the reduced figure agreed upon after the budget was originally adopted, so it is in order to apply Mex.$7,543.00 of the gain in exchange to meet this reduction. The audited statement and your letter of October 1 make plain that the Hsu Ti-shan deficit of Mex.$2,557.09 was cleared during 1928-29 by including this item with other charges for furlough and other transits. If the Trustees approve of Recommendation #2 on page 5 of the Trustees' Treasurer's Report it will apparently clear up your 1928-29 accounts and make it unnecessary for the Finance Committee to take specific action on this Hsu Ti-shan item.

I believe that we have not had any specific information concerning one item I referred to in my letter of July 25, viz: the home coming expenses of Dr.Paul Anderson.

It is probable that from time to time other questions will come up on matters covered by the field's audited statement of the 1928-1929 accounts. We are very much gratified at having so full and complete a summary of your accounts for last year and will be very greatly assisted by the report available for reference.

Warner Gymnasium. We are glad to note that Mr.Warner's visit to Yenching has made possible further progress in his plans for supplying the funds necessary to complete the Warner Gymnasium. I know that these plans have been gradually maturing in Mr.Warner's mind for a number of months but I am sure that his visit to the campus will do much to clarify and to speed up the completion of his plans.

Contract for exchange on current budget. As yet we have re-

ceived from the Trustees appointed a special sub-committee to arrange a contract rate of exchange only the most general information as to what they decided upon. A letter from Mr.McBrier indicates that such a contract was entered into but we do not yet know the details. The Finance Committee approved the cabled recommendation of the Trustees present at Yenching without taking time to go again into a detailed consideration of the merits of the case. The Committee felt that, inasmuch as those present on the field really constituted a quorum of the Committee and wished to recommend such a contract, it would be unwise for the Committee to disapprove such a recommendation. I suspect, however, that some members of the Committee still reserve judgment as to the wisdom of such a contract. If the plan works out happily they will have nothing more to say, but if it does not prove entirely satisfactory it will give some of the members a beautiful opportunity to say "I told you so". I have been interested in seeing how your contract for the Boyd Gymnasium has worked out in practice. I note that your recent drafts for $20,000 drawn under your contract, net about ten cents Mex. less for each gold dollar than did your uncontracted drafts drawn at the same time.

Of course, the recommendation of the Trustees in Yenching as to the adoption of the contract rate of exchange was considerably different from the recommendations coming from the field earlier this year. The field's recommendation was that a contract rate of exchange be entered into and that the entire gain above 2.10 to 1 be applied to the 1928-29 budget. The Trustees recommendation was that a contract rate of exchange be entered into but that the 1928-29 budget remain at the figure originally adopted on a 2.10 to 1 basis.

Recent drafts. We note your summary of the proceeds of drafts Nos. T-1007 and T-1010 to T-1017. I believe that all these drafts have now been presented and accepted.

Boyd Gymnasium Fund - I am writing a separate letter on this subject.

Very cordially yours,

BAG-H

Yenching University

October 31, 1929

TRANSFER

G29-10-31-2

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

My dear Dr.Galt:

Re: Boyd Gymnasium

We very much appreciate the information you give us in your letter of October 1 as to your discussions with Mr.and Mrs.Boyd concerning the Gymnasium. It is highly gratifying that they were able to discuss with you in person all the questions in connection with the Gymnasium. We rejoice at the news that Mr.and Mrs.Boyd have generously offered to contribute an additional G$5,000 in order to prevent the threatened deficit in the Gymnasium account. Now that the donors have made this additional contribution we must all be more careful than ever to see that the total cost of the Gymnasium does not exceed the amount of this increased contribution for we would all lose a great deal of face, and probably also the confidence of Mr.and Mrs.Boyd, if we allowed the cost of the Gymnasium to go even higher than our own revised estimates have indicated.

We note also the way in which the matter of the swimming pool has been left at the present time. I presume nothing further need be done about the swimming pool until after Mrs.Boyd returns to America.

I note your comment that Mr.Boyd was not wholly satisfied with the phraseology used in defining the purpose for which the $12,500 balance of funds available was being reserved. Everyone understood clearly that Mr.and Mrs.Boyd did not wish any of their contribution kept for regular maintenance purposes. No one in the Finance Committee had any intention of using any of their contribution for such purpose. What they had in mind was the situation which has arisen in the case of several of the Yenching buildings where, after we thought the building was completed and paid for, additional expenditures have been necessary for minor alterations, repainting, or correction of defects not remedied in the original construction. The special appropriation for painting the library this year is an instance of this sort. It is always easy to realize that once an appropriation is entirely spent nothing more is available without borrowing from funds designated for other purposes.

I note with some concern that your letter of October 2 shows you will have to draw an additional G$12,214.15 before the end of December in order to complete your contract which calls for the sale of

Gold $50,000 before the end of this year. Our concern is due to the state of our Boyd Gymnasium finances which I summarise below:

Expenditures to October 31, 1929

Drafts drawn by field during 1929	G$50,000.00
Expended by field for foundations(see my letter No.G29-6-24-1 and your letter #2923	4,771.04
Architect's fees	6,878.46
Total Expenditures	$61,649.50

Receipts to October 31,1929

Received from sale of 300 sh. Curtis Publishing Co.stock plus dividends paid	38,808.69
Deficit	G$22,840.81

At the present time we still hold 200 shares Curtis Publishing Company stock turned over to us by Mr.Boyd. He requested, without actually requiring, that we try to dispose of this stock at 120 or better. At the close of the market yesterday Curtis Publishing Company common stock was selling at 107-1/2. Under the present extremely unsettled market conditions it is difficult to forecast when we will be able to dispose of this stock to advantage. I hope that before the end of the year the market may recover sufficiently for us to sell this at a figure acceptable to Mr.Boyd. When the stock is sold we will probably receive just about enough to clear off the present deficit and possibly leave a balance of a thousand dollars or so. When I last talked with Mr.Boyd just before he sailed for China we had not learned that the field had contracted for the sale of Gold $50,000 in this account between July and December, and all reports indicated that your progress on the Gymnasium was somewhat slower than at first anticipated so that your expenditures during the time Mr.and Mrs.Boyd were to be away from the United States would not be very large. I therefore told Mr.Boyd that I thought the 300 shares of stock he had turned over would be ample to carry the account until he and Mrs.Boyd returned to America in March, 1930. If we are to authorize you to make further drafts on this account before the end of this year to complete your contract we face the certainty of a deficit of approximately twelve thousand, and the probability of a much larger deficit, due to the inability to sell the 200 shares of stock now on hand.

As yet we have not received sufficient information from the field to understand clearly why you found it desirable to draw G$50,000 between July and December in addition to the G$12,214.15 drawn earlier this year. Your letter of October 1 states that at that time the contractors were still repairing the foundations put in several years ago, so obviously new construction work had not even been begun. It seems unlikely, therefore, that by December 31 you will have expended as much as G$62,214.15. We must, of course, face the fact that when the contract for the sale of $50,000 during this year was made in July a rate of 2.30 looked very favorable and well worth securing, even at the cost of advancing funds to the field more rapidly than they were needed. Now that the exchange has continued downward and uncontracted drafts yield substantially better than 2.30 the situation is not quite so favorable. There is, however, no thought of criticism of the field for entering into this contract at a figure that seemed at the time unusually satisfactory. The only question we might raise is that whether G$50,000 was not a rather large order.

If it were not for the fact that sending an authorization for $12,214.15 on the Boyd Gymnasium account means the creation of a large deficit, our office would at once dispatch such an authorization to you in order to enable you to complete the contract for $50,000. Since, however, the by-laws of the Board of Trustees forbid the Treasurer's office to incur a deficit without specific approval from the Finance Committee I will have to report this matter to the Committee at the meeting which will be held sometime during November. We will write or cable you immediately after that meeting.

Very cordially yours,

BMG-H