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YENCHING

INDEXED

Yenching University

December 4, 1929

TRANSFER

B29-12-4-1

Dr. Howard S. Galt
Yenching University
Peiping, China

Dear Doctor Galt

We are enclosing herewith minutes of the Finance, Property and Investment Committee meeting held on November 26. There are a number of items that call for extended explanation, and we are writing at length even though it is possible that this letter will miss the last mail.

Pages 1, 2, and 3 of the minutes require no further comment, as they contain information regarding the activities of the Investment Committee. It might be said in connection with the investments of Yenching that after the recent drop in the stock market, Yenching investments were very little affected and a careful survey of the entire list within the last week or two indicates that there is no reason for any change in the holdings.

There is nothing to be said regarding the promotional activities, as the report submitted simply outlined the activities of the promotional office during the summer and fall.

Gift of \$35,000 for Warner Gymnasium

The Committee was exceedingly appreciative of this fine gift, and you will notice passed a suitable resolution. It is another indication of the Warner family's continued interest in the University and shows that there is a genuine desire to have the gymnasium completed at as early a date as possible. Of course, the money has not been received as yet by the New York office, and the Committee did not feel that it was proper to proceed without all the facts in hand. Mr. Warner's letter announcing the gift to the Board of Trustees briefly stated the facts and that he felt that the Finance Committee should take action regarding the continuance of the project. We have written Mr. Warner at some length, as the Finance Committee instructed us to secure further details on the following points.

1) What is the status of the plans for the main unit of the gymnasium? The latest plans we have in our New York office are those drawn by Mr. Murphy in the fall of 1925 and the spring of 1926. In March of the latter year Mr. Murphy made a set of eight drawings showing the details of the gymnasium plans, and the question arises, is the Field planning to continue construction along the lines shown on these plans. We understand that one wing of the gymnasium is now complete but do not know whether it is the right or left wing. We would like to have definite information regarding the plan and its relation to the finished portion.

2) If these plans as indicated above are not being used, they have, however, probably been modified, and we are asking if the Field is making new drawings and is it the intent of the Field to send us these drawings for the formal approval of the Finance Committee.

3) The Field estimate of the cost of this main portion is a very vital question. Will \$35,000.00 be sufficient to complete the construction of this particular unit leaving sufficient margin for the unexpected additional expenses which always arise before construction is completed. A recent analysis of plant funds indicates that at present there is an overdraft of approximately \$6,500.00 on the first unit of the Warner Gymnasium. Will the new gift of \$35,000 be ample to care for this overdraft as well as to complete the main unit?

4) What, in a general way, will be the schedule of needs for funds for construction on the main unit? The Finance Committee, of course, wishes to know just how rapidly it will be necessary to transmit funds to keep the construction going forward and how far this schedule will fit in with the plans of the Warner family in making payments on the \$35,000.00 pledge.

The discussion indulged in at the Finance Committee meeting touched upon the different points as covered in the four preceding paragraphs. It will give you the reason why authorization was not immediately voted, and while it is possible that Mr. Warner will answer some of these questions, still it will be in order for the Field to likewise give us complete information. This is indeed a very happy result of the visit of some of our trustees for the dedication and it speaks for itself regarding the deep interest of Mr. Warner in Yenching.

Gift from Philip Kind

Agreeable to the action of the Committee we are enclosing check for \$25.00 to clear this donation from our books. It was received at the time when Mr. Gibb was working on a financial campaign anticipating his return to the Field. You will note that it is to be used for equipment in the Chemistry Department.

"Promotional Finances" do not call for any further remarks, but it indicates the Committee is endeavoring to supervise very carefully expenditures at this end.

The Vocational Practice School

This caused considerable discussion. Up to the present moment we have no means of knowing how the impression was obtained that authorization to change the location had not been given. In reviewing the whole situation the Committee felt that in giving previous consideration all the factors involved

in the situation had not been presented and felt very decidedly that the whole matter should be clarified before any further progress is made in construction. You will therefore note that it voted to stop the work on the Practice School Building pending further conference between Dr. Stuart and the Board of Trustees. It will probably be late in December before such a meeting can be held, and while it is regretted that any suspension of plans was necessary, yet it is obvious that especially in view of the anticipated purchase of the Prince's Garden, no further work should be done.

In reality we have not definite word regarding this proposed purchase, and it would be of great assistance if we could have a map indicating the location of the Prince's Garden, also the site of the Practice School as originally proposed as well as the site where construction was actually started. According to Mr. Warner's suggestion, part of the 32 acres in the Prince's Garden could accommodate the Practice School and the eastern end could be saved for the future site of the School of Religion. It is possible that Mr. Warner will also write us regarding this, but you are better equipped to make a sketch of the Campus giving relative distances and locations.

We presume that Mr. Warner will also write us regarding the method that was considered for paying for the land. Dr. Stuart wrote a letter dated October 5 containing the following statement: "Our trustees, with a \$1,000 from Mr. Pilling, contributed among themselves \$10,000 for purchase of some holdings within our Campus which have been extremely annoying and were held at exorbitant figures because they had us at their mercy." We have been wondering if this purchase ties up with the Prince's Garden's purchase.

Without doubt Dr. Stuart will also help to clarify the situation, but this indicates the trend of the discussion at the meeting, and surely as full and complete information should be given the Finance Committee as it is possible to render. As the situation now stands, there is to be no construction on the Practice School buildings until further authorization from the Finance Committee.

Allocation of Campaign Gifts

This action is self-explanatory, and we do not think it requires further explanation.

Boyd Gymnasium Contract

We are still holding 200 shares of Curtis Publishing Company Common. This stock was never a favorite for market manipulation and therefore never reached any excessively high altitude on the market and never did it make such drastic recessions as some of those more generally dealt in. Yesterday's market closed at 112 and a fair valuation puts it at 120, and that is also the figure mentioned by Mr. Boyd. The Committee therefore did not see its way clear to authorize the sale of this security to meet further funds to be sent to the Field. However, to relieve you from the very embarrassing situation occasioned by the signing the contract, the Committee felt that it was justified in taking the action as indicated in the minutes.

The items relating to the Woman's College are perfectly clear in themselves, and the transactions as authorized will be carried out on the books of the Woman's College. We are writing a separate letter to the treasurer of the Woman's College and enclose a copy herewith. Incidentally you might possibly be able to give us some information regarding the Shanghai French Municipal Council 7% debentures. You probably would also be interested in one trend of the discussion regarding the investments which questioned when the Department of Agriculture would be able to retire its 8% debentures of which the Woman's College owns thirty shares.

If you have anything further to contribute on the question of insurance, I am quite sure the Finance Committee would be pleased to receive it. It is a rather involved question and any light we can secure will be appreciated.

1928/29 Gain in Exchange

There is not much left to be said aside from the comments contained in the minutes regarding the 1928/29 gain in exchange. Considerable surprise was expressed regarding the Field's treatment of the Hsu Ti-Shan deficit especially in view of action F-2494 of March 14, 1928. If we have overlooked anything which changed the status of that deficit since March 14, we shall be happy to be corrected. Therefore for the present the allocation of the balance of \$3,943.17 is deferred until Dr. Stuart's arrival.

1930/31 ^{Rated} Gain in Exchange

This requires a separate letter which we hope to get off within the next day or two. Mr. Garside will probably write on this subject, but from appearances it will be impossible to get the communication off in this mail.

Wheeler Memorial Chapel

There is a very sincere desire on the part of the Committee to cooperate in every possible way in converting the present cash on hand for the Wheeler Memorial Chapel into a larger Mexican fund especially as Mr. Wheeler in behalf of the family had expressed such a desire. Indeed the Committee was very happy to vote its approval in sending out up to \$32,500.00, but at the same time due consideration was given to the fact that invariably there are unforeseen expenses arising which frequently lead to an overdraft and resultant embarrassment. The Wheeler family have made it clear that there is no more money available for this particular enterprise, and it is therefore necessary to keep expenditures well within reasonable bounds. At the present time there is a charge of \$750.00 for architect's fees for the chapel which, of course, decreases the actual reserve to \$8,000.00. As this fund is held on certificate on deposit and drawing interest subject to thirty days' notification, we are giving notice today that \$10,000 will be withdrawn at the end of thirty days. At that time a Mex. draft will be purchased and sent to you.

Dr. Howard S. Galt

-5-

December 4, 1929

Journalism Budget

As it was quite evident that Mr. Vernon Nash had conferred with your office regarding the proposed budget for the Department of Journalism, the Committee felt that it was perfectly proper to approve such a budget as would come within reasonable bounds giving full consideration to shrinkage in pledges as well as the cost of the residence. It therefore decided that the latter item should be spread over the period of five years during which the pledges are payable, and that \$7,500.00 for the current budget should be ample. Of course, the usual course of procedure in the future will be for the Department to submit its budget with others when the annual budget is made up.

This about covers the situation. We are sorry to have made such an extended document out of this covering letter.

Very sincerely yours

Assistant Treasurer

CAE:MS

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

December 5, 1929.

#2983

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

INDEXED

TRANSFER

My dear Mr. Garside:

This letter acknowledges and is to reply to your letter of October 31st, G29-10-31-1.

The main point to deal with seems to be the question of gain on exchange for our last fiscal year. I have already sent to your office copies of the memorandum on this subject prepared by Mr. Beddow, under date of October 9th. After the receipt of the report of the Treasurer in New York for the year ending June 30th, and after the receipt of your letter to which I am now replying, Mr. Beddow again looked into the matter, and has prepared another statement, a copy of which I enclose herewith. You will note that the difference depends upon the different treatment in the two annual statements of the Coffin gift. I think the comparison of this statement with that forwarded to you earlier presents no difficulties.

See "Hudson & Co."

12/2/29

However, in comparing your letter of October 31st with this last statement of Mr. Beddow, another discrepancy appears, which I will now try to explain.

On page two of your letter you put down as the "Reduction in Estimated Income from the Women's College for Administration" L.C. \$7,543. But on the first page of Mr. Beddow's memorandum of exchange the amount is set down as L.C. \$6,531. Regarding this discrepancy, Mr. Tsai has undertaken a bit of research, the results of which I will now indicate.

According to the University Budget for 1928-29, the University expected to receive from the Women's College L.C. \$33,022. Twenty thousand dollars of this was for the Power Plant, leaving a remainder to cover general administration expenses of \$13,022. In the Women's College Budget the amount set down as payable to the University was \$25,765, of which \$20,286 was set down for the Power Station, leaving a remainder of \$5,479 for administration expenses. The item in your letter of \$7,543 was apparently derived by subtracting from the \$13,022 which the University expected from the Women's College for administration, the \$5,479 which the Women's College expected to give.

Mr. B. A. Garside, #2.

12/5/29

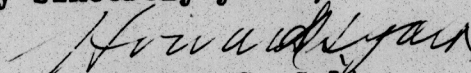
However, the Women's College actually paid in to the University Treasury \$6,491 (this item will be found in the audited statement of accounts from the Field) instead of the \$5,479 set down in their Budget. And if from the \$13,022 expected from the Women's College there be subtracted this \$6,491 actually received, the remainder is \$6,531, the item used in Mr. Beddow's statement, which item had been supplied to him earlier by Mr. Tsai.

If the above gives a correct view of the situation, as we believe, then this second statement by Mr. Beddow is a correct presentation of the gain on exchange.

On page two of your letter there is an inquiry regarding the expenses of Dr. Paul Anderson, as touched upon in your letter of July 23rd. I have searched our files but do not find any letter of July 23rd, and no reference to Dr. Anderson's expenses in any letter ^{of that date} ~~previous to~~ that date. I will have our files searched more thoroughly for the last references to Dr. Anderson's expenses, and if I find anything significant, I will deal with this in a later letter.

Other topics in your letter apparently do not call for further comment now.

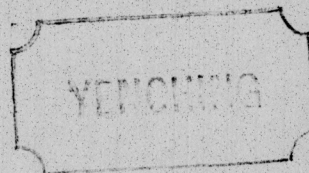
Very sincerely yours,


Howard S. Galt,

Acting Treasurer.

HSG/LC

Enc.



TRANSFER

December 5, 1929
L-12-5-29-1

Dr. Howard S. Galt
Yenching University
Peiping, China

Dear Dr. Galt:

We are sending under this cover copy of the Trial Balance as of November 30th, two copies of the Cash Statement for the month of November, Statement of Account #31, Monthly Budget Report, and copies of Journal Vouchers Nos. 543, 544 and 545, also copies of invoices covering certain items of disbursements.

We are enclosing also copy of the Trial Balance as of November 30th and Cash Statement for the month of November for the Yenching Women's College.

Following our usual custom we will forward second copies of the financial reports in a later mail.

Very sincerely yours,

Assistant Treasurer,
Yenching University.

Encs.
CLL:JC

*C.A.F. please follow up
by out. p.p.s*

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

December 6, 1929.

#2984

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

YENCHING

INDEXED

TRANSFER

My dear Mr. Garside:

I am enclosing herewith for your information the Balance Sheet of the Construction Department for September 30th and for October 31st.

See under

*Manager -
Treasurer*

Turning first to the September 30th account, I would like to point out that on page two our accountant has confused two sets of accounts, one marked "Residences" and the other marked "New Residences", so that the balances shown on these items do not give a true picture of the accounts. To be more specific, Houses No's 60 and 64 should be on the "New Residences" account, and not on the old. As soon as I observed this discrepancy I called the attention of the accountant to the matter, and the proper adjustment has been made in the account for October 31. The relatively large surplus shown on the "Residences Account" is what we might call a fictitious surplus, and we have in mind certain plans for transferring this to other accounts. Whatever we do, however, can better be done after the December 31st Balance Sheet is available. At that time we expect to reckon all general overhead charges on building projects for these six months, and then we hope to be able to close out quite a number of building projects which have been going on this year. Any explanations due will be made at that time.

With regard to the deficit on the Warner Gymnasium account I have a word or two to add. When Mr. Warner was here we spoke of this deficit, but it did not seem opportune to raise with him the definite question whether he would be responsible for it or not, or whether he would like to have it carried over to the next section to be built. At the time he was here I had not had an opportunity to analyze the account and see if there were any discoverable cause for the deficit. Recently I looked into the accounts, and find that the equivalent of L.C. \$7,721.39 has gone into architect's fees for the whole building. This represents a gold item aggregating \$4,078.12. It is evident, therefore, that the cost of the structure as we have it today, amounting to \$34,714.55, includes the whole of the architect's fees.

Mr. B. A. Garside, #2.

12/6/29

So far as the cost of the entire architect's fees enter into this deficit, then, I suppose it is quite in order to carry the deficit forward as a charge on the next section of the building. The other factor which accounts in part for the deficit has, I think, been a topic of correspondence in earlier letters. I refer to the fact that on account of the location of the building on a hillside, a very deep basement wall was necessary, and this, made entirely of granite, of course added much to the cost. But it should be pointed out that we have gotten the worth of our extra money by utilizing the basement to the full, placing in the basement lockers and shower baths originally planned for a floor above. If the whole of the architect's fees be subtracted from the cost of the building as it now stands, the remainder is slightly less than \$27,000, (27,000) which I would say, in general, is not an excessive sum for this building, well-built, and equipped with its three stories of space.

Perhaps some of this information should be passed on to Mr. Warner, if you think he is interested. I will leave that matter to you to decided.

Very sincerely yours,

Howard S. Galt
Howard S. Galt,

Acting Treasurer.

HSG/LC

Encs.

RECEIVED
UNIVERSITIES
JAN 3 - 1930
OFFICE

YENCHING

學大京燕

YENCHING UNIVERSITY

Peping China

Office of the Treasurer

December 6, 1929.

#2985

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

INDEXED

TRANSFER

My dear Mr. Garside:

In one of my earlier letters I intimated that I would be sending you word regarding a \$7,000 item affecting the Library. This letter is to deal with that request. In reconstructing our Budget, in order to effect the saving required by action of the Board of Trustees, we reduced the item for Library books from \$12,000 to \$5,000. When this matter came to the attention of the General Faculty Executive Committee, there was strong remonstrance. Members of the University have felt for some time that our provision for Library books for most departments (such departments as cannot participate in the Harvard-Yenching Library benefits) was pitifully small. In preparing the Budget for the current year we ventured to set down a sum of \$12,000 for Library books. Then, when pressed for economy, we proceeded to cut out \$7,000, the major portion of this sum. In view of the situation, the General Faculty Executive voted to communicate with the Trustees in New York, call their attention to this reduction, and request as a special Budget item this \$7,000 for Library books.

I think now I have communicated to you regarding all the items which I fore-shadowed in Letter #2973, of November 21. We will leave it to the Trustees to deal with the various requests presented and determine the order of precedence, and to grant whatever in their opinion seems to be wise.

Very sincerely yours,

Howard S. Galt
Howard S. Galt,

Acting Treasurer.

HSG/LC

RECEIVED
UNIVERSITIES
JAN 3 - 1930
JOINT OFFICE

Number 9, 1929

YENCHING

YENCHING UNIVERSITY

*Pres. Stuart
For Information only
(Not authoritative)*

REPORT OF THE SPECIAL COMMITTEE APPOINTED BY THE
GENERAL FACULTY EXECUTIVE TO CONSIDER THE
UNIVERSITY SALARY SCHEDULES

The personnel of the Committee is as follows:
Dean Luh, Messrs. Chen, Tsai and Chuan; Miss Boring, Messrs.
Nash, Tayler, S. D. Wilson and Galt.

The Committee has met on five occasions as a whole, one of these being an open meeting, at which members of the University Staff were invited to be present and ask questions or express their views. For part of its work the Committee divided into two sections, one composed of the Chinese members, which formulated a proposed revision of the Chinese salary schedule; the other a foreign section, which undertook a similar task for the foreign schedule.

The results of the Committee's deliberations are presented in three sections, as below, and are recommended for adoption by the General Faculty Executive, to be put into effect for the academic year 1930-31

SECTION I.

PROPOSED PLAN FOR INSURANCE, AND ENDOWMENT AND ANNUITY FUND
FOR THE FACULTY OF YENCHING UNIVERSITY

Yenching University hereby adopts the following plan for insurance and an Endowment and Annuity Fund for all full time members of the Faculty and Staff and for employees, whose positions are included in one of the following classifications, and whose employment is not regarded as temporary.

CLASS A: Administrative officers and teaching staff of a professorial rank.

CLASS B: Lecturers, instructors and administrative officers of similar rank to be designated by the General Faculty Executive Committee.

CLASS C: All other employees not included in Classes A. and B.

(The General Faculty Executive Committee shall have authority in individual cases to determine what employment is temporary.)

I. INSURANCE.

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

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

3. Members of Classes A., B. and C. must pass medical examination by the University physician before they are eligible for the Life and Disability Insurance.

II. ENDOWMENT AND ANNUITY FUND

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

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

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

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

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

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

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

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

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

III. DEFINITIONS.

12. For the purposes of this scheme, full time service shall require that the individual concerned give his entire time to the University, and that if he takes any outside employment it shall be on the express understanding that it is approved by the University, and that the whole amount of any honorarium or salary is to be paid to the University. Any infringement of this rule will disqualify the member concerned for participating in the benefits of the scheme during any one term of service (6 years).

13. In the case of foreign members the term salary shall be defined as including the basic salary and the regular children's allowances.

SECTION II.

PROPOSED CHANGES IN THE REGULATIONS GOVERNING
THE TREATMENT OF CHINESE TEACHERS

Principle governing treatment of Chinese members of the Faculty:
Treatment of Chinese members of the Faculty is based on the actual standard of institutions in China of similar rank on the one hand, and the financial resources of the University on the other. But, in spite of the fact that our salary schedule is much lower than that of the government institutions we decided not to recommend any salary increase in view of the present financial stringency of the University.

- I. Maximum salary: It is proposed to increase the present maximum from \$300 to \$350, for the following reasons:

According to the salary schedule for Government Universities, as promulgated by the Ministry of Education, the salary for assistant professors is from \$260 to \$400 per month, and that for professors is from \$400 to \$600 per month. Therefore our present maximum is just half of the maximum salary provided by the Government Universities. But, because of lack of sufficient funds, government institutions, in practice, now only engage teachers as assistant professors so as to limit the actual maximum of salary to \$400, or to pay professors only the minimum salary.

The teachers in the Government Universities, however, are permitted to teach outside for not more than six hours; by so doing they receive additional income.

If Yenching raises the maximum of salary for Chinese teachers to \$350, this sum, together with free house, insurance, teacher's annuities, free medical service, will give a Chinese teacher in actual cash value a salary not much less than what an assistant professor would actually get in salary and pension in a government institution.

If Yenching does not raise the maximum of salary it will run into danger of losing some of its best teachers, who may be attracted to other government institutions with better treatment; but with this new maximum of salary the University will be provided with a means to make salary rearrangements for those really good teachers, who need additional funds, and whom the University must retain for the good of the University, as occasion demands.

- II. Furlough: It is proposed to cancel the second paragraph of article G. of the Regulations Governing the Treatment of Chinese members of the Faculty, which deals with the housing question of members on furlough, because it is considered quite unfair and creates a good deal of hardship on the teacher's family, which has to vacate their house while he is on furlough.
- III. Medical Fees: It is proposed to give both Chinese and Foreign members of the Faculty medical and dental treatment on the same basis.
- IV. Treatment of distinguished teachers or lecturers: It is proposed to insert an additional article in the said regulations to the effect that the University shall have the right to make special provisions for inviting distinguished teachers or lecturers on short term appointment, in which case these regulations do not apply.

SECTION III.

YENCHING UNIVERSITY SCHEDULE OF SALARIES AND ALLOWANCES

FOR FOREIGN STAFF

(Proposed revision of December, 1929)

The University engages members of the foreign Staff on what is commonly known as a missionary basis. In other words, the salary given is not fixed with entire reference to services rendered, but is regarded as an allowance to cover necessary living expenses. The schedule of salaries and allowances set down below is formulated by studying and comparing the corresponding schedules of the missions in North China with which the University is in most intimate contact. All arrangements are subject to revision from time to time, as the cost of living or other conditions may change.

A. FIVE-YEAR CONTRACTS AND PERMANENT APPOINTMENTS

1. Salaries on a Gold Basis.

Salaries shall be paid on a Gold basis, with a guaranteed income of Local Currency not less than 2:1.

2. Salary Schedule.

Married, G\$1,800 Single, G\$950

Salary begins on date of sailing from home country.

3. Children's Allowances.

Under six years of age,	G\$200
Age seven to twelve,	300

Age thirteen to seventeen, G\$400
Age eighteen to twenty-one, 500

Allowance of \$500 to continue to age twenty-two, if study is continued.

Travel expenses of children to and from furlough will be paid, but not for return to China after the age of sixteen years.

Where tuition fees in schools in China exceed U.C. \$50.00, the University will provide toward fees not to exceed G\$50.

4. Outfit Allowance.

	<u>Married</u>	<u>Single</u>
First outgoing,	G\$500	G\$250
Re-outfit on each return to the field,	250	125

5. Residence.

For families the University will supply residences and keep them in repair. For single persons the University will provide living accommodations.

6. Medical Provisions.

The free services of the University Physician are provided (or when the Physician is not on the field, there is a budget administered by the Medical Committee). The Trustees request each member of the Staff to have an annual examination and a semi-annual consultation with the University Physician.

7. Dental Fees.

One-half of dental fees are paid if incurred with the prior approval of the University Physician or the Medical Committee.

8. Language Study.

The University will bear the expense for one year.

9. Furlough. (For extended contracts or permanent appointments.)

a. Frequency: At the end of the first five years of service on the field; thereafter at the end of each six years; additional service on the field. Length: Fourteen months' absence from the field.

b. Salaries (annual): Married, G\$2,000; single G\$1,000.

c. Children's Allowances: Same as under No. 3.

- d. Medical and Dental Fees: Same as under No's 6 and 7.
- e. Rent: Up to C\$50.00 a month for families; C\$25.00 a month for a single person on application to the Trustees.
- f. Study Allowances: Subject to recommendation by the Board of Managers in individual cases.
- g. Travel Expense: Borne by the University in both directions, as under No. 10. Freight allowance on return to the field, two cubic tons per family, one cubic ton per single person.
- h. Re-outfit: See under No 4.

10. Travel expenses.

Provided by the University from the home of the appointee to Peking by the most direct route. On five-year or permanent appointments the University will similarly provide return travel. The University expects economy to be observed. It allows for first-class railroad travel; regular first-class fare on trans-Pacific boats; moderate-priced hotel; meals; tips up to C\$10.00 per adult for the entire trip; passports; baggage transfer; taxi-cab, if necessary.

Freight Allowance: First outgoing, four cubic tons per family, two cubic tons per single person. Return after furlough, two cubic tons per family, one cubic ton per single person. In case of permanent retirement after a full term of service, or longer period, the University will provide for four cubic tons of freight per family, or two cubic tons per individual.

11. Pension Provisions. (See separate statement.)

12. Miscellaneous Items.

Cost of medical examination, preliminary to appointment, is borne by the University, but not the costs of inoculation, vaccination, etc.

13. Other Work.

The salary paid to a married man on the Staff, is, in accordance with mission practice, expected to secure for the University the services of both man and wife, so far as is practicable. Accordingly, foreign members of the Faculty, or their wives, are not to engage in additional remunerative employment, except by special arrangement.

9 December, 1929.

Copy of fields Report
 Committee Report
 Sects letter

Medical and Dental fees: same as under No's 6 and 7.

Grant: up to \$50.00 a month for families; \$25.00 a month for a single person on application to the Trustees.

Travel Allowances: subject to recommendation by the Board of Managers in individual cases.

Travel Expenses: borne by the University in both directions as under No. 10. Freight allowance on return to the field, two cubic tons per family, one cubic ton per single person.

See under No. 4.

Travel expenses.

provided by the University from the home of the appointee to taking by the most direct route. On five-year or permanent appointments the University will similarly provide return travel. The University expects economy to be observed. It allows for first-class railroad travel; regular first-class fare on trans-Pacific routes; moderate-priced hotels; meals; baggage transfer; taxi-cab, if necessary.

Freight Allowances: first outgoing, four cubic tons per family, two cubic tons per single person. Return after tour, two cubic tons per family, one cubic ton per single person. In case of permanent retirement after a full term of service, or longer period, the University will provide for four cubic tons of freight per family, or two cubic tons per individual.

Remain Provisions. (See separate statement.)

Miscellaneous Items.

Cost of medical examination, preliminary to appointment, is borne by the University, but not the costs of inoculation, vaccination, etc.

Other Work.

The salary paid to a married man on the staff, is, in accordance with custom practice, expected to secure for the University the services of both man and wife, so far as is practicable. Accordingly, foreign members of the Faculty or their wives, are not to engage in additional remunerative employment, except by special arrangement.

YENCHING

學大京燕

YENCHING UNIVERSITY

Peping China

file

Office of the Treasurer

December 10, 1929
No. 2987

INDEXED

TRANSFER

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

Dear Mr. Garside:

We wish to acknowledge receipt of your letters of November 4, 5, and 15. We hope to hear before long Dr. Jenney's success in both the gift for the salary of Dr. Chen and for the University's larger interest. Please consult with President Stuart in this and inform him again that for the present, we are carrying in our books Dr. Chen's salary as well as the special appropriation of Mex. \$1460.85 by China Famine Fund Committee as loans to the Agriculture Experimental Station. We are very anxious to have ourselves reimbursed as we have no funds on hand to finance such loans.

Yours very sincerely,

Stephen Tsai
Stephen Tsai,
Associate Treasurer.

RECEIVED
UNIVERSITIES

JAN 3 - 1930

JOINT OFFICE

YENCHING

學大京燕

YENCHING UNIVERSITY

Peping China

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Office of the Treasurer

December 10, 1929
No. 2986

TRANSFER

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

Dear Mr. Evans:

✓ We wish to acknowledge receipt of your letter E29-11-6-1 enclosing one draft on the Hongkong & Shanghai Banking Corporation for L.C. \$7188.25 being the first quarterly installment of the China Medical Board grant for the current year. We have accordingly recorded in our books U.S. \$2893.27 as gold equivalent as stated in your letter.

✓ We wish also acknowledge receipt of your letter of November 11, not numbered, enclosing one draft on the same bank for L.C. \$1121.50 representing one quarterly payment of the American Board for the salary of T. T. Lew. No gold equivalent is given in your letter for this draft. The American Board grant for the year on this account is C\$1800.00. Since the present remittance covers one quarter, we take that the gold equivalent is C\$450.00.

Your letter E29-11-8-1 has also come to hand. We wish to thank you for the trouble in securing the office supplies for us.

With kindest regards and best wishes,

Sincerely yours,

Stephen Tsai
Stephen Tsai,
Associate Treasurer.

ST:w

RECEIVED
UNIVERSITIES
JAN 3 - 1930
OFFICE

*CAE of Cong. Galloway up & set
1/20/20*

學大京燕
YENCHING UNIVERSITY
Peping China

file

Office of the Treasurer

December 10, 1929.

*Portion of Dr. Galt's letter Dec. 10/29
Regarding Bashford Endowment Fund
#2988*

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

check 1/20/20

YENCHING

INDEXED

TRANSFER

My dear Mr. Garside:

In a recent letter from your office you requested information regarding the Jane Field Bashford Endowment Fund. I have already replied that I was endeavoring to gather more complete information.

When going into the city one day I took occasion to call on Mr. Krause, former Treasurer of Yenching University. From conversation with him and from documents in his possession I have pieced together several items in the history of this fund.

The copy of the document enclosed, originally drawn up in 1911, will acquaint you with the first steps in the foundation of this fund. You will note that the amount at that time was \$5,000. Subsequently, other payments were made until the total aggregated \$18,000 local currency. You will note that the fund was in the form of an annuity during Mrs. Bashford's life. The fund was administered in that form by the authorities of the former Peking University, or Hui Wen University, and naturally there was not much interest in discussing the arrangement as long as all the income was going annually to Mrs. Bashford.

Some time about the year 1923 or 1924 the question was brought up in the Methodist Mission as to whether this fund belonged to Yenching University, which had been created a few years earlier, or did it belong to Peking Academy, or Hui Wen School, retained by the Methodist Mission when the college classes were incorporated in Yenching University. Mr. Krause states that in view of this question, he wrote directly to Mrs. Bashford, and in reply received word from her that it was her intention that the fund should belong to Yenching University. Accordingly, Mr. Krause reports that on June 23, 1924, he wrote a letter to President Stuart, transferring the fund definitely to Yenching University. (I am sorry to report that search in the files by Miss Hague does not bring to light this document sent to President Stuart.)

had been
At the time the transfer was made the fund ~~was~~ invested in real estate in Tientsin, purchased for and used by a Methodist

12/10/29

Mission institution there. The investment was evidently in the form of a mortgage, and annual payments included not only interest but the gradual return of the principal itself.

Early last spring Mr. Krause reported that the Finance Committee of his Mission was prepared to repay the entire sum, and asked if we were ready to receive it. We replied that we were, and accordingly Mr. Krause paid into our Treasury L. C. \$15,146.50, which was the amount of the capital and accrued interest then due.

It will be noted that this sum is less by ~~\$8~~²,253.50 than the original capital of \$18,000. Mr. Tsai reports that during the years 1925-1928 annual payments made by Mr. Krause were supposed to be payments of interest, purely, and, accordingly, the amounts were spent in the current Budget of the institution. Evidently, therefore, either the records in the Treasurer's Office did not indicate that the annual payments covered part of the capital, or else those who were in the Treasurer's Office at the time overlooked the records and did not inform themselves as to the facts. At any rate, the sum mentioned, ~~\$8~~²,253.50, indicates the shrinkage in the capital.

As soon as Mr. Tsai and I discovered this fact, in connection with the repayment by Mr. Krause last spring, we realized that somehow or other this capital should be restored, and we are on the lookout for unbudgeted income or other sources from which payment can be made. If necessary, it may be best to budget definitely for the return of the capital of this fund. But for the present we wish to see how rapidly we can pay from possible receipts under the head "Unbudgeted Income".

Upon the repayment of the fund by Mr. Krause last spring we realized that the question of further investment was before us. Various possibilities were considered, some of them being reflected in the Minutes of the Grounds and Building Committee last spring, as you have noted. On account of various uncertainties, the matter was delayed until early autumn, when, on the basis of the best advice we could get from such persons as Mr. Beddow, our Auditor, and Mr. Bennett, Agent of the National City Bank in Peking, we invested in Chinese Government Bonds, 14th Year of the Republic, at a face value of \$13,000, the interest rate being eight per cent. These bonds were somewhat below par, and cost us \$11,643.93.

The remainder of the fund we are considering invested in the Elementary School Building, as has already been reported. The amount authorized at the time was \$5,000. The building accounts are not yet complete, and it is probable that something less than this amount will be required. We hope to settle the matter up definitely at the December 31st settlement. In the meantime, I may report that funds are already in hand to meet the interest on this portion of the Endowment investment for the current year.

Mr. B. A. Garside, #3.

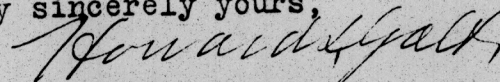
12/10/29

One of the actions of the Grounds and Building Committee also called for a portion of this Endowment Fund to help capitalize the re-construction of the telephone system. We now have completed the telephone re-construction, and have examined the operating accounts carefully, and are convinced that the income from the operating account can be made to take care of the capital fund expenditure in a very short time. Accordingly, it is our present plan to provide for this need in the telephone department without calling on these Endowment Funds.

The document received from Mr. Krause, copy of which is enclosed, indicates that Mrs. Bashford's original purpose was to start a fund to found a Chair in the University. Not until the present document came to hand did the present administrators in the University realize this purpose. On the basis of the information now in hand, presumably steps should be taken to carry out Mrs. Bashford's purpose and designate some Chair as that supported in part by this Endowment Fund.

The above are the main facts regarding this fund, as I have been able to search them out. If the Trustees have any questions, we shall be glad to reply to them, if the information is available.

Very sincerely yours,



Howard S. Galt,

Acting Treasurer.

HSG/LC

Enc.

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UNIVERSITIES
JAN 3 - 1930
JOINT OFFICE

Copy

December 3 1929

WHEREAS : This contract between Jane Field Bashford (Mrs. James W. Bashford), party of the first part and the Trustees of Peking University, a corporation located in New York, New York Witnesseth, That,

WHEREAS: party of the first part, said Jane Field Bashford, has transferred to the party of the second part, the sum of Five Thousand (5000) dollars, to be used as an endowment of said University, the receipt of which is hereby acknowledged, party of the second part hereby agrees:

1- To pay said Jane Field Bashford during her natural life an annuity of five percent per annum upon said amount; provided however that if at any time during the period of her natural life the income received from the investment of the endowment funds of the University shall fall below an average of five percent per annum upon said endowment, the amount to be paid to said Jane Field Bashford shall be reduced accordingly so that the rate of interest which she receives on said five thousand dollars shall in no case exceed the average rate of income received by the said Trustee from the endowment of said University.

2- At the death of said Jane Field Bashford, the said five thousand dollars shall be used toward the founding of a chair in the said Peking University for the instruction in such branches of learning as said Trustees may judge wise and be called by such name as said Trustees may decide upon.

Peking China
Nov. 15 1911

H. H. Lowry, President

O. J. Krause, Treasurer.

YENCHING

INDEXED

Yenching University

TRANSFER

December 10, 1929

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

Dear Dr. Galt:

Our covering letter which went forward with the Finance Committee minutes omitted to include the check for \$25. We apologize for the oversight and enclose the check herewith.

You will also find draft No. 65/63 for Mex. \$1,118.01 which is the quarterly remittance from the American Board on account of T.T. Lew's salary.

We are also enclosing a schedule for the 1930-31 budget. Mr. Garside has been working on this and practically completed the figures and intended to write on it. However, his mother died very suddenly on Sunday evening and he is away from the office for a few days although in close touch with us. We do not wish to delay the matter until another mail so I am sending this by air mail to the Pacific Coast. This is as complete as we can figure at the present time. You will notice that there are several items which must be cleared up in China; for instance, the Famine Fund and, to a large extent, the School of Journalism. It will also be necessary to proceed very carefully regarding the contingent income on page 1. The final result will depend upon the attitude of the Trustees. Of course, just as soon as any uncertain items are definitely decided upon we shall notify the field.

There are a number of other items pending in your correspondence but we are not delaying this information to take them into consideration at the present time.

Very cordially yours,

CAE-H

Enc.

CC: for later mail

學大京燕
YENCHING UNIVERSITY
Peping China

CAE
Please note
and order
as required
1/29

Office of the Treasurer

December 11, 1929
No.2989

YENCHING

Handwritten signature

TRANSFER

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

Dear Mr. Garside:

This is to acknowledge receipt of your letter G29-11-18-1 enclosing a draft for Mex. \$7188.25, representing the second quarterly remittance on account of China Medical Board grant for 1929-30. We have taken note of the gold equivalent G\$2879.79 and have recorded in our books accordingly.

Your letter G29-11-15-2 has also come to hand, authorizing us (Authorization No.2960) to draw G\$298.67 for the balance of the Laura Spelman Rockefeller Fund brought forward from last year. We have accordingly made out draft T1032 for this amount, payable to Banque Belge Pour L'Etranger to be deposited to our gold account with them, @ to-day's rate, 247. The local currency equivalent is \$737.71.

The Trial Balance as of Oct. 31, Cash Statement for the month of October, Monthly Budget Report and Statement of account #31, also copies of Journal Vouchers No.14-15-16-17 have also come.

Yours very sincerely,

Handwritten signature of Stephen Tsai
Stephen Tsai,
Associate Treasurer.

ST:w

RECEIVED
UNIVERSITIES
JAN 3 - 1930
JOINT OFFICE

學大京燕
YENCHING UNIVERSITY
PEPING, CHINA.

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

December 11, 1929.

President J. L. Stuart,
Yenching University,
150 Fifth Avenue,
New York, N. Y.,
U. S. A.

TRANSFER

My dear Leighton:

Yesterday's post brought your letter of November 21st, with enclosure, from Honolulu. I was glad to hear from you and know that you have progressed satisfactorily thus far on your journey. It certainly was interesting to note that you were staying in the home of Mrs. Sheffield and her sister. I am glad that you could report to them directly matters connected with their Yenching friends.

I have noted with much interest the communication from Burgess regarding the proposed changes in the College of Applied Social Sciences. The matter had been reported to New York in such a way as to give a somewhat distorted view of the situation. We are glad that you will be in a position soon to set their thinking right. I have not yet had opportunity to discuss the contents of Burgess' letter with any of the heads of the three departments concerned. I agree with you that there is nothing definite which I should do regarding the matter now. I have already written to you in an earlier letter the latest comments of Chancellor Wu regarding the subject. The particular aspects of the relation of the three departments which you discussed briefly in one of your letters from Japan I have not taken occasion to discuss with anyone. In general I am inclined to take the view that the three departments should be organized and operated on a parallel basis, unless Government requirements which we cannot avoid interfere.

Work in Yenching is moving along quietly and successfully, keeping us all extremely busy. Messrs. Shuhsi Hsu and P. C. Hsu have been back from Japan for some time, and have been much in demand for reporting various aspects of their conferences and experiences in Japan. Last evening Mr. P. C. Hsu, leading our Tuesday evening Faculty Prayer Service, reported on some aspects of his observations and experiences in Japan.

Since writing you last we have gone steadily forward in the work of the Committee appointed by the General Faculty Executive to consider salary schedule revisions. The Committee

of eight, four Chinese and four foreigners, besides myself as convener, prepared a report in three sections, which was brought before the General Faculty Executive meeting yesterday. I am enclosing a copy for your information. Please note that the report has not been adopted, and, therefore, is in no way authoritative. It simply represents the thinking of the Committee up to the time of the meeting yesterday.

The most noticeable effect of the report when presented yesterday was to draw out discussion of the inadequacy of Chinese salaries and of the unsatisfactory provisions of the report in dealing with this subject. I was not at all surprised at this discussion. Ever since the matter came up several weeks ago I have felt, apart from the one aspect of the rate of exchange, that the general cost of living has affected our Chinese Staff practically as much as it has the foreign Staff, and I have been ready to face the conclusion that schedules adopted six, seven and eight years ago are not now adequate. When the Chinese sub-committee brought in its report to the Committee as a whole, their report being essentially that incorporated in Section II, I was somewhat surprised that no advances were proposed. We certainly appreciated the spirit of the Chinese members of the Committee and their recognition of the financial limitations of the University, but at the same time it is evident that their point of view is not in accord with the prevailing point of view of the Chinese Staff as a whole. Accordingly, if salaries are considerably increased on the foreign side and no change is made on the Chinese side, a general feeling of injustice can scarcely be avoided. Possibly I should add that the proposal to increase, nominally, the upper limit of Chinese salary from \$300 to \$350 was not in the minds of the Chinese sub-committee a measure to be put into effect in any general way. They had thought of it as a contingency measure to cover individual cases, if the University had need of it. Personally, I may say that the wisdom of this proposal seemed to me somewhat questionable, and I expressed this point of view in our Committee meeting. At the same time, as I have already said, we appreciated the desire of the Chinese sub-committee to maintain economy as far as possible.

After long discussion of the report as a whole in the meeting, no conclusions were reached, and a vote was passed that the matter be placed on the agenda for the next meeting.

Personally I am firmly convinced that a substantial increase must be made in Chinese salaries. It seems to me that the University must frankly face this situation. Perhaps, as one of your letters from Japan intimated, this may mean reduction of the staff, but if so, it seems to me that the University must courageously face the situation. The whole question is as complicated as it is important, and you can readily understand is taking an immense amount of time and thought. We trust we shall be guided to the wisest possible solution and may have the sympathetic consideration of the Trustees for the proposals which may eventuate.

President J. L. Stuart, #3.

12/11/29

A continual stream of letters comes from the New York Office on various matters. Letters to the Treasury Office are answered in part by Stephen and in part by myself.

A letter from Mr. Garside, dated November 15th, written to Mr. Tsai, deals again with the embarrassing question of that \$1,000 for the salary of the veterinarian in the Department of Agriculture. I have no doubt you will consult with the New York Office regarding the best way of dealing with that question.

A letter from Mr. Garside to me, dated November 16th, sets forth at length conditions connected with the finances of Mr. S. J. Chang. I have not yet replied to Mr. Garside's letter. Mr. Garside reports that he considers Mr. Chang's financial management very uncertain and unsatisfactory, and there is implied certain indirect criticism of the University for its way of dealing with him. On reading Mr. Garside's letter I felt that it should have been addressed to you, rather than to us of the University Staff. As soon as I can get time I will examine the letter and its contents more carefully and see if it seems opportune to take the matter up with Mr. Chang. Our understanding is that the whole matter has been at no point a University affair, but something which you were intending to arrange privately. On that basis, I think it would be well for you to discuss the matter quite fully with Mr. Garside and with members of the Finance Committee.

With cordial regards.

Very sincerely yours,

Howard S. Galt
Howard S. Galt,

Acting President.

HSG/LC

Enc.

The Chancellor and I have been consulting with Y. P. Mei and S. J. Chuan, and we have strong hope that they will continue in their positions after this year. -

YENCHING
學大京燕
YENCHING UNIVERSITY
Peping China

*Mr. Garside
will you
acknowledge,
and follow
up as may be
necessary. 12/12/29*

Office of the Treasurer

December 12, 1929.

#2990

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



TRANSFER

My dear Mr. Garside:

Your letter of October 31st, G29-10-31-2, was duly received. This letter deals with the finances of the Boyd Gymnasium, and calls for some explanations from this office.

The chief point is with regard to the contract to sell G\$50,000 before the end of the year. In view of the situation during the months following the early summer, we can readily understand why you ask questions regarding this procedure. I will try to explain, and there are two points to be noted.

In the first place, we expected that work on the Gymnasium would go forward much more rapidly than it has, and that larger amounts of construction funds would have to be paid before the end of the year. With regard to summer rains, of course heavy rains are always to be expected, involving interruption of construction work, but a circumstance which we could not foresee was that the torrential rains would raise the level of the water in the ground to the point where the foundations were flooded, and in spite of constant pumping water could not be kept down so as to facilitate construction work. On account of these conditions, the early autumn saw the building with scarcely any progress made over the original foundations. I may add that the ground level at the Gymnasium site is many feet higher than here at the central academic-building group, and we had no idea that the water in the ground would rise to such a point as to give trouble. For this reason, construction work was much delayed.

In the second place, our reason for contracting a considerable amount was the desire to eliminate as much uncertainty from the financial side of the project as possible. The situation early in July was a very difficult one. On the one hand, we were trying to get the building project started after many weeks of delay, and on the other hand we were confronted with a limitation of funds so close that the scheme as it appeared early in July gave us some doubt as to the wisdom of going forward at all. It was desired to eliminate as far as possible the uncertainty of varying exchange rates which led

Mr. B. A. Garside, #2.

12/12/29

us to contract for this relatively large amount. With the uncertainty hanging over us, if we had not contracted for exchange, we felt that the risk of deficit would be too great.

Of course we all know that the exchange rate improved much after that date, and so now we can see that it would have been better if we had not entered into the contract, but of course foresight is never as clear as "hindsight," and there was no way of predicting further changes of exchange at the time that we entered into the contract.

When we put the deal through I had in mind the fact that in New York the Boyd funds were in the form of stocks, and we did not wish to embarrass you by forcing the sale of those stocks any sooner than possible. At the present time we suppose, also, that the great break in the Stock Market in October has affected the value of these stocks and made it more difficult than it would otherwise have been for you to convert into cash the amount needed. We certainly sympathize with you in the difficulties of your office in this respect, and regret that we have unwittingly added to your embarrassment.

I can also acknowledge receipt of your cable of December 6th, corrected December 10th. Putting together the messages of the two dates, we interpret the meaning as follows:

"You may draw at three days G\$12,500 current funds Account 31 in order to complete Boyd Gymnasium contract rate of exchange Finance Committee voted abandon work for the present on Practice School wish to confer with President J. L. Stuart."

With regard to the form of the cable I may add a word or two of explanation. When the message first came, the first letter of the symbol for "school" was incorrect, bringing uncertainty at that point, although we had, by changing the first letter, got the word "school" out of it. But the last symbol gave the name of S. J. Chuan, which did not convey any definite meaning to us. I may add that when the correction came back, the symbol for "school" was correct, the last word was changed from "Chuan" to "Stuart", but the word for "Practice" was mutilated. However, as I have intimated above, we have now what we think is your meaning.

We appreciate the action of the Finance Committee in sending this cable, permitting us to complete our contract with the Hongkong and Shanghai Bank. As I have said, we regret that it caused you embarrassment.

Having spoken of the cable above, I may perhaps add a word regarding the last sentences. The work on the first part of the Elementary School group and the Kindergarten Building, which we undertook last summer, was completed at the time your cable arrived. Of course nothing further in the way of buildings is contemplated for the winter, and we will expect to have

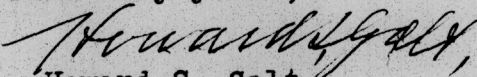
Mr. B. A. Garside, #3.

12/12/29

further instructions from your office regarding steps for the future, in case funds should be in hand.

Coming back to the Boyd Gymnasium, I am enclosing herewith copy of a letter, with enclosure, which I wrote to Mr. Boyd some time ago. This is sent for your general information, in order that you may know how the question of the swimming-pool lies in our plans and in Mr. Boyd's thinking.

Very sincerely yours,


Howard S. Galt,

Acting Treasurer.

HSG/LC

Enc.

RECEIVED
UNIVERSITIES
JAN 7 - 1930
JOINT OFFICE

COPY

November 21, 1929.

Mr. William Boyd,
C/o American Methodist
Episcopal Mission,
Bombay, India.

My dear Mr. Boyd:

As soon as I could take the matter up in a systematic way after your departure from Yenching I requested, through our Comptroller, from our Consulting Engineers, Lethmoller & Co., estimates for the completion of the swimming-pool of the Boyd Gymnasium, conforming as nearly as possible to the suggestions which you had made.

I enclose herewith a copy of the estimates and suggestions which Lethmoller & Co. have supplied.

I do not know that we are in position to offer any further comments or explanations here. After you return to America, if you wish to do so, you can no doubt get expert opinion regarding technical points from engineers or architects in America.

I may report that we have had continued mild weather during the weeks since you went away, and the work on the Boyd Gymnasium has gone on without interruption. The concrete work is now at the level of the floor of the second story, and if the weather remains mild possibly the casting of the slab of that floor level may be completed before the winter.

I may add, also, that the granite for the base has arrived in large consignments, and the clicking of chisels and hammers of scores of stone-masons greets one's ears as he passes the site daily.

We hope that you and Mrs. Boyd have enjoyed thoroughly your further travels, and that you will reach your home without being too much fatigued by the journey.

Let me assure you again that we appreciate the deep interest which both you and Mrs. Boyd are taking in Yenching University, and the substantial contributions which you have made.

With cordial greetings from Mrs. Galt and myself.

Very sincerely yours,

HSG/LC

Acting Treasurer.

CPY

V. LETH-MOLLER & CO.

Consulting Engineers
23 Tsung Pu Hutung

Peking. Nov. 15th, 1929.

S. J. Chuan Esq.,
Yenching University

Dear Mr. Chuan:

With references to your request for an accurate estimate for completing the swimming pool for the Women's Gymnasium we have now prepared the estimate for alternative proposals which we now give in detail below.

The prices given in the first part are only for completing the room, in the second part we give estimates for the machinery to circulate, heat and clean the water.

Alternative I

1. Ceiling with marble plaster
2. Wall plaster with marble dust
3. Skirting 6" high to be of terrazzo
4. Terrazzo floor
5. The pool to have white tile lining with rounded curb at bottom; top to have special tiles for gutter for overflow and cap also of white tile
6. Brass rail as shown in drawing

Total cost Mex. \$4764.00

Alternative II

1. Ceiling plaster with marble dust
2. Walls with white tile surface
3. 6" skirting with white tile
4. Floor to be of white tile
5. The pool to be lined with white tile and to have slightly round curb at bottom, the top to have special tile for gutter for over flow and cap also of white tile
6. Brass rails as shown in drawing

Total cost Mex. \$8740.00

Alternative III

1. Ceiling plaster with marble dust
2. Wall with marble surface
3. 6" skirting to be of white marble
4. Floor to be of white marble
5. The pool to be lined with white tiles and to have slightly rounded curb at bottom, the top to have special tile for gutter for overflow and cap also to have white tile
6. Brass rail as shown in drawing

Total cost Mex. \$17943.00

Alternative IV

1. Ceiling plaster with marble plaster
2. Plaster wall with marble plaster
3. Wainscoat 5' high all round the walls to have terrazzo with slightly projecting cap
4. Floor to have terrazzo
5. The pool to be lined with white marble with curbs and gutter as above specified
6. Brass rails as shown in drawing

Total cost Mex. \$10405.00

As a fifth alternative we would suggest to finish the room as specified under alternative IV but have the floor (item 4) and a low wainscoat (3' 0") also in white marble. The extra cost for this will be Mex. \$4263.00. making a total Mex. \$14668.00

Further we would like to point out that although it may be said that white seems the color most desirable from a sanitary point of view, it is not always the best, because if the water is at all turbid, it will look worse in a white pool than in a basin finished with colored tiles or marble.

If the water is filtered, what we propose to do, it will of course be quite alright, but even then it might be considered to have the walls and sides lined with greenish tiles, which will make the water look very inviting and resemble more than if water in lakes or clear streams.

We have therefore also obtained estimates for this alternative if green tiles should be used instead of white tiles. The extra cost for using tiles for lining of side and bottom of pool would be Mex. \$800.00.

We have not yet been able to get an exact quotation for the machinery, as no firms out here can give this before consulting with the manufacturers. We have however obtained an approximate estimate which should be on the safe side.

For supplying all machinery and piping and installing same and making necessary connections we estimate Max. \$17000.00

This installation will include:

Pump and motors for circulating water
filter to clean the water
x ray apparatus for disinfecting the water
heaters.

The heaters we propose to have connected with the heating pipes from the power station. This will of course, only be sufficient as long as the University provides heating, during the rest of the year we propose to change the connection to the domestic hot water pipes and let the hot water circulate through the heaters, which will be sufficient to insure water of the required temperature (70°) during the summer it should not be necessary to heat the water at all.

We believe that x ray system is the only alternative which need be considered. The same water can then be used at least 6 months within safety.

Yours faithfully,

(Signed) V. LETH-MOLLER & CO.

(To the above letter Mr. S. J. Chuan, Comptroller, has added the following note:-

"To the above estimate should be added overhead charges")

COPY

October 25, 1929.

Mr. S. J. Chuan, Comptroller,
Yenching University.

My dear Mr. Chuan:

As you know, for many days I have been trying to find time to write out the request which Mr. Boyd made for estimates on the cost of completing the swimming-pool in the Boyd Gymnasium. I will endeavor to set down the main points below, and I am enclosing an extra copy which you can transmit to Lethmoller & Co., if you approve.

Mr. Boyd wished estimates on alternative plans, presumably of varying costs, and I think I can best represent his ideas in tabular form, as below:

PROPOSED METHODS OF COMPLETING THE SWIMMING POOL IN
THE BOYD GYMNASIUM

	1st	2nd	3rd
Pool lining	White tile	White tile	White tile
Floor	Terrazo	White tile	White marble
Walls	Cement plaster coated with white enamel	White tile	White marble

With regard to treatment of the walls, it occurs to me that a fourth alternative with reference to their finishing worth considering would be the use of white tile from the floor up to a distance of, say, five or six feet, the wall above that being finished with white enamel over the plaster.

The above represents Mr. Boyd's request as far as I understand it. As to the use of marble, Lethmoller & Co. will know whether there are Chinese marbles suitable and available, or whether imported marble would be required. I think both possibilities were in Mr. Boyd's mind.

Mr. Boyd was anxious that the estimates be based upon the best available expert opinion, and that the workmanship be of a thoroughly good and permanent quality.

Mr. S. J. Chuan, #2.

10/25/29

When the estimates according to the above are available, I shall be glad to transmit them to Mr. Boyd, as he requested.

Very sincerely yours,

Howard S. Galt,

Acting President.

HSG/LC

YENCHING
TRANSFER

Yenching University

December 12, 1929

E29-12-12-1

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

My dear Dr. Galt:

This is to acknowledge letter #2962 of October 22 from Mr. Stephen Tsai which gives us information regarding the receipt of drafts and letters; also your letter of October 2, No. 2953. This also enumerates drafts sold which agree with our records of the transaction. You also devote a page to Boyd Gymnasium funds which have all been cleared up in recent actions of the Finance Committee.

The situation in China seems to be rather threatening. Newspaper dispatches, as well as cables which are being received on all sides, indicate that everything possible is being done in a precautionary way to obviate any attack upon foreigners.

Very sincerely yours,

CAE-H

YENCHING

TRANSFER

December 12, 1929

Mr. Stephen Tsai
Yenching University
Peiping West, China

Dear Mr. Tsai:

J. B. Lippincott Company rendered us a bill dated August 9th for a book shipped to Yenching University Bookstore, Peiping, China. Upon its receipt we communicated with them and received information that it was filled on order #651, and that the order was signed by Stephen Tsai. We decided that payment would be sent directly and so advised them, stating however that if the remittance was not received by the end of October we would make payment and advise you that we had done so.

Their statement dated November 30th showed that this item of \$1.38 was unpaid and therefore we forwarded a check. This amount has been charged to account #31. A duplicate invoice is herewith enclosed.

Very sincerely yours,

Assistant Treasurer,
Central Office.

Enc.
CLL:JC



J. B. Lippincott Company
Publishers

Washington Square

Philadelphia

PHILADELPHIA
LONDON
MONTREAL
CHICAGO

Esteemed Customer:

December is the month when all of us like our outstanding accounts cleared up. In our particular case, it is also the end of the fiscal year, naturally, we wish to carry as few open accounts as possible into the coming year.

We are counting on your cooperation to assist us in this programme, through a prompt response to the enclosed statement.

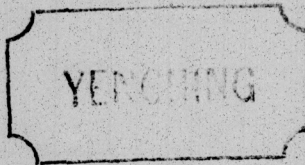
Let us thank you for your manifest interest in our publications and express the hope of serving you in an even larger capacity next year.

Pray accept our Best Wishes of the Season.

J. B. LIPPINCOTT COMPANY

December 1st, 1929

RECEIVED
UNIVERSITIES
DEC 1 - 1929
JOINT OFFICE



Yenching University

December 16, 1929
E29-12-16-1

Mr. Stephen Tsai
Yenching University
Peiping, China

TRANSFER

My dear Mr. Tsai

We have before us your letter of the 19th of November and find that in addition to the G\$500.00 from Dr. H. H. Vincent and G\$50.00 scholarship fund from Holley Presbyterian Sunday School, we also remitted G\$200.00 or L.C.\$501.57, account of Rochester Presbyterian Sunday School. We presume that you overlooked including the latter item in your acknowledgment.

We have noted that drafts T1026-29 are forthcoming and are making arrangements to accept them, although none has made its appearance up to this writing.

We also received your letter of November 19 regarding the order placed with J. Bishop and Company for chemistry equipment to the amount of approximately G\$160.00. Same will be taken care of upon receipt.

The Methodist Board are packing several articles for Yenching, a portion of the same being books for Mr. Wu Wen Tsai of the Department of Sociology. These are from Mr. Burgess, and we trust that they can be delivered upon receipt of the package. The rest of the shipment is the balance of the office supplies sent a short time ago.

Very sincerely yours
London

Assistant Treasurer

CAE:MS

YENCHING

INDEXED

Yenching University

December 16, 1929

TRANSFER

G29-12-17-1

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

My dear Dr.Galt:

For your information I am attaching a copy of a report we are at this time sending the Harvard-Yenching Institute covering the work done by the undergraduate departments of Chinese for the fiscal year ending June 30, 1929. Dr.Eric North is uncertain as to whether this report includes all the information the Institute will desire. If anything further is needed we may have to write or cable the field. Possibly Dr.Stuart will be able to supply any further information the Institute may desire.

You will have noted from the March 30, 1929, letter from the Harvard-Yenching Institute that the Institute requires in October of each year a report covering the work of the Chinese departments for the fiscal year ending on June 30. From Dr.North I understand that the Institute wishes a report covering not only the receipts and disbursements for work in the Chinese departments, but also a summary showing work done, the members of the teaching staff, the courses offered, and all other information that will help the Institute visualize the progress and accomplishments of the Chinese departments. Obviously such a report can only be prepared on the field if it is to be entirely satisfactory. Will you call this matter to the attention of the proper persons so that they will be planning a satisfactory report for the year ending June 30, 1930? For this initial report covering the year 1928-29 we have been forced to blaze a new trail and submit the information as best we can. For 1929-30 the Institute will no doubt expect a more complete and more detailed report.

Very cordially yours,

BAG-H

Enc.

COPY

Sent 12/3/29

HARVARD-YENCHING
INSTITUTE

YENCHING UNIVERSITY
1928-1929

DEPARTMENT OF CHINESE

1. Cost of staff	
a. Salary	\$20390.00
b. Rent	4078.00
c. Medical and Dental	500.00
	<u>\$24968.00</u>
2. Expenses and Supplies	<u>1063.75</u>
Total for Chinese.	\$26031.75

DEPARTMENT OF HISTORY
(Chinese Section)

1. Cost of Staff	
a. Salary	\$10080.00
b. Rent	2016.00
c. Medical and Dental	250.00
	<u>\$12346.00</u>
a. Expenses and Supplies	<u>169.00</u>
Total for History.	\$12515.00

DEPARTMENT OF PHILOSOPHY
(Chinese Section)

1. Cost of Staff	
a. Salary	\$ 1920.00
b. Rent	384.00
c. Medical and Dental	<u>50.00</u>
Total for Philosophy	\$ 2354.00

Found Correct

(Signed) Stephen Tsai
Associate Treasurer

August 26, 1929.

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

December 18, 1929.

YENCHING

#2991

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

TRANSFER

My dear Mr. Evans:

Your letter, E29-10-12-1, has been in hand for some time. Mr. Beddow made a very careful study of its contents, as did also Mr. Tsai, and I have also considered its points in general. You realize, of course, that Messrs Tsai and Beddow are much more concerned with accounting details, for I find it impossible to give much attention to those, so it is natural for them to give more attention to your communication.

I think we may say that, in general, we consider your statement very clear, and the plans proposed very satisfactory. Certainly we wish to cooperate in every way which will make double-currency accounting at each end more responsive to the accounting at the other end, so that reports and statements may proceed through the year as nearly parallel as possible.

We are also interested in the plans to have the work of closing the fiscal year undertaken more promptly, as presented on the last page of your letter. We shall try to cooperate to bring about that early settlement as best we can.

Mr. Beddow, after studying your letter carefully, and adjusting our accounts thereto, for the most part, sent me a memorandum dated November 30th, as follows:

"Dear Dr. Galt:

I have now dealt with all the questions in New York's letter of October 12th 1929 Ref. E29-10-12-1 and the Field Accounts are now in line with the Trustees' Accounts.

The only question that has not been settled is the exchange at which the items shown in the postscript of the letter are to be taken.

If you want these items charged to the individuals at the rate of exchange ruling on the day the Cash Statements for the month are received here, we must arrange to adjust our accounts and also notify New York Office of the actual Mex. dollar

Mr. C. A. Evans, #2.

12/18/29

figure charged. They will then adjust their accounts to bring them into line with ours. At present we have charged all the items at Exchange 2.10.

Would you let me know your decision when I next come to Yenching.

Yours sincerely,

(Signed) L. T. Beddow."

On the basis of this presentation, the one point left unsettled seems to be the point raised in his last paragraph, which is related to the paragraph at the middle of page 3 of your letter. There seem to be three possible ways of dealing with these items:

1. They might be charged arbitrarily at the rate adopted by the Trustees for the current year. (*This year 2%.*)

2. They might be charged at the prevailing rate as you estimated^{it} in New York. This would seem to be the meaning of the paragraph in your letter.

3. The items might be charged at the rate ruling here on the field on the day the reports from New York are received. This is apparently what Mr. Beddow has in mind in his last paragraph.

A. (So far as I understand it, these items are merely "in and out" items on our books, and the rate used, it would seem to me, is not very important, but it is important that the rate recorded on your books and our books should be the same. As a procedure on the one hand most convenient, and on the other hand as approximating the actual rate in force, I would suggest the use of plan two, as I have stated it above. Before posting this letter, I will try to consult again with Mr. Beddow on this point. He was expected in the office today, but changed his plan, and I suppose now that he will be here to-morrow. //

If there are other points which develop later, due to putting the measures of your letter into effect, we can discuss them from time to time.

Very sincerely yours,

*Late Mr. Beddow favors
plan 1, above as best
in the whole, I agree.*

Howard S. Galt
Howard S. Galt,

Acting Treasurer.

HSG/LC

*He questions the accuracy
of my statement "A."*

RECEIVED
UNIVERSITIES
JAN 16 1930
JOINT OFFICE

YENCHING

TRANSFER

Yenching University

December 18, 1929
E29-12-18-1

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

My dear Mr. Tsai

This is to acknowledge your letter of October 31, 1929.
We shall be glad to take care of the charge from the Central Scientific
Company of Chicago upon receipt.

Relative to the date on which drafts will be drawn, we have
no objection to your anticipating the date of issue by twenty-four hours
especially in view of the fact that you are able to secure a better
rate. It will make very little difference with us here, and you are
therefore authorized to issue a draft for any given month on the last
day of the preceding month. This applies to the duration of the con-
tract which you have entered.

We have noted the sale of the different drafts as mentioned
in your letter, which check up with our records on the Yenching books.
With sincerest regards we are

Very cordially yours

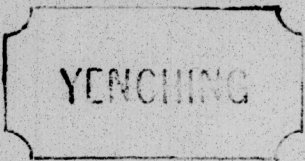
Assistant Treasurer

學大京燕
YENCHING UNIVERSITY
Peping China

Ask 1/24/20

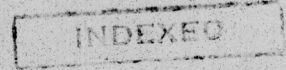
Office of the Treasurer

December 19, 1929.



#2992

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



TRANSFER

My dear Mr. Garside:

As I have already written you, in dealing with the finances of the Boyd Gymnasium we have had to reckon very closely, and are doing whatever seems possible to control expenditures in such a way as to avoid a deficit. Recently I have been checking up our estimated expenditures with Mr. Chuan, the Comptroller, and with our Consulting Engineers, Lethmoller & Co. For the general information of the New York Office it seems worth while to report the present status.

The accompanying sheet indicates our best estimate of the available funds in local currency, and of the expenditures for the building. If you have any comments or criticisms, we shall be glad to consider them.

A committee has been dealing with the question of apparatus and equipment to be purchased in America, and I hope to be sending you a communication regarding that matter before long.

Very sincerely yours,

Howard S. Galt
Howard S. Galt,

Acting Treasurer.

HSG/LC
Enc.

*Your Christmas card just in.
Many thanks, and reciprocal greetings.*

RECEIVED
UNIVERSITIES
JAN 16 1930
POST OFFICE

YENCHING UNIVERSITY

BOYD GYMNASIUM ESTIMATES

Available Funds:

	<u>Gold</u>	<u>L.C.</u>
Drafts already sold,	\$50,000.00	\$116,739.28
Balance, contracted,	12,214.15	28,996.00
Balance of the original gift, to be used on the field,	15,285.85	36,684.00
Additional gift,	5,000.00	12,000.00
Total	<u>\$82,500.00</u>	<u>\$194,419.28</u>

(Last two items at
estimated exchange
rate of 2.40.)

Estimated Expenditures:

	<u>L.C.</u>
General Contract, including granite base,	\$108,550.00
Sand, (Purchased)	496.67
Stone, "	626.84
Bricks, "	3,173.73
Cement, "	17,750.00
Steel, "	4,557.74
Roof trusses, (Contract)	15,600.00
Hardware, (Estimate)	1,700.00
Heating, (Contract)	16,000.00
Plumbing, (")	6,111.00
Electrical Installation, (Estimate)	2,950.00
Connections, (")	1,050.00
Painting and Decorating, (")	2,500.00
(Local) Architect's Fee, (Percentage)	6,337.30
General Overhead, (Estimate)	2,000.00
Furniture & Locally-made Equipment	2,500.00
Reserve Fund,	2,516.00
Total	<u>\$194,419.28</u>

December 16, 1929.

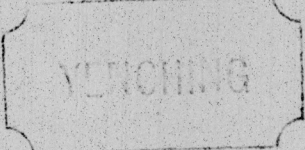
學大京燕
YENCHING UNIVERSITY
Peping China

CAC
J. Ross Babb
of and out
PA

Office of the Treasurer

December 20, 1929.

#2993



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

TRANSFER

My dear Mr. Garside:

I am enclosing herewith Thompson & Co's reconciliation of the October account for current Budget No. 31. Mr. Beddow asked me to call your attention to the mistake in notation at the bottom of the sheet comprising the New York statement. The change to be made is shown in red pencil.

Letter G29-11-25-2.

This letter is duly received, with the draft enclosed. We are glad to have this credit to clear off that indebtedness of the Department of Agriculture to our Treasurer's Office.

I note what you say concerning the roundabout way in which word concerning this item reached your office. Here, we have assumed that the China Famine Fund Committee reported its actions not only to the Trust Company in Washington but to your office as well. This evidently has not been the case. I will take up with the Secretary of the Famine Fund Committee in Shanghai this matter and try to arrange either for his reporting actions of this Committee direct to your office or else undertake to make such reports from our own office here.

Very sincerely yours,

Howard S. Galt

Howard S. Galt,

Acting Treasurer.

HSG/LC

Enc.

RECEIVED
UNIVERSITIES
JAN 20 1930
OFFICE

New York October Reconciliation 1929

Account No. 31

Balance as per Field a/cs.....G\$51203.60 M\$122377.37

Less Drafts not yet paid by N. Y.

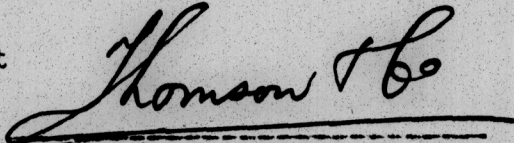
No. T 1020	G\$7500.00	M\$18757.50		
No. T 1025	7500.00	<u>18691.50</u>	15000.00	37449.00
			36203.60	<u>84928.37</u>

Add Items detailed on Schedule 19 of
Annual Field a/cs not remitted by
New York to Field in 1928-29 Budget
(Rockefeller Fund).....

320.67 769.61

New York Balance.....G\$36524.27 M\$85697.88

Certified Correct



Chartered Accountants

October 31, 1929

STATEMENT OF DISBURSEMENTS

ON MANAGERS' CURRENT BUDGET 1929-1930

Acct. #31

Dr. 1929

		<u>Gold</u>	<u>Mex.</u>
Oct. 1	To Balance	35,926.33	84,442.21
11	H. F. Woo - Allowance	60.00	
14	D. C. Heath - Books - Dr. Galt	15.88	
	Macmillan Co.- " " "	23.54	
	Scribner's - " " "	56.39	
	Van Nostrand - " " "	83.08	
	Longman's Green-" H. C. Chang	1.90	
26	Corning Glass Works - Chem. Dept.	33.11	
29	Harvard-Yenching Institute - Stationery & Postage - William Hung	24.04	
31	Amount sent to Field Dec. 28, 1928 - a/c Scholarship	<u>300.00</u>	597.94
	@ 2.10		1255.17
	Total disbursed to Field for Current Budget- 1929-1930	<u>36,524.27</u>	<u>96,998.95</u>

YENCHING

TRANSFER

Yenching University

December 20, 1929

G29-12-20-1

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

My dear Dr.Galt:

Dr.Stuart, who arrived in the office yesterday, re-
quests that we send you another copy of the employment agree-
ment with Dr.C.W.Parr.

According to our records, we sent a copy of this agree-
ment to Dr.Stuart under date of June 23, 1928. I understand that
this copy has in some way gone astray. We are, therefore, attach-
ing hereto another copy of this agreement as executed on May 4, 1928.

Very cordially yours,

BAG-H

Enc.

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

December 24, 1929.

#2994

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

YENCHING

INDEXED

TRANSFER

My dear Mr. Garside:

GRADING FOR THE WARNER GYMNASIUM

As you know, our Grounds and Building Committee has under consideration further plans and estimates for the second section of the Warner Gymnasium. We are hoping that funds will be in hand early enough so that work can begin when the spring building season commences. This will depend, we suppose, on Mr. Warner's decisions.

At a recent meeting of the Grounds and Building Executive in dealing with the matter they took note of the small hill which occupies the site where the next section is to be built, and which will require to be graded down before building can commence. This is usually a slow process, unless a very large number of men are employed, and an excessive number of men, of course, is not economical on such a task. For this reason, it was pointed out that if we could have funds in hand for the winter months, this grading work could begin any time, and the space could be cleared ready for the building as soon as the building project is ready. In view of these considerations, the Grounds and Building Executive asked me to write, requesting the advance of L. C. \$500, if Mr. Warner will consent to make this sum available, to cover the cost of this grading work. I am writing to bring this request before you and ask you to take it up with Mr. Warner and with the Finance Committee. If the funds can be made available, we ask that you send a message by cablegram, so that we can get an early start on the work.

I may mention that there is a second reason for having the grading work done early, although this is of minor importance. The earth to be removed is to be spread over the athletic field, which is now cleared of buildings and occupies the space directly adjoining the Gymnasium on the east. The earlier this layer of clean earth can be spread over the athletic field the better it will be for the spring use of the field.

Mr. B. A. Garside, #2.

12/24/29

THE CONTRIBUTION FROM DR. COFFIN FOR 1929-30

Mr. Tsai calls my attention to the fact that this contribution of \$1,800 gold, which the University has been receiving annually from Dr. Coffin, has not been coming in with entire regularity. The sum of \$1,800 gold for 1927-28, and a similar sum for 1928-29, were both received during the Budget year of 1928-29. You will recall that regarding this item we have had correspondence in dealing with the University income for last year in connection with the gain on exchange.

We understand that Dr. Coffin's gift is available each year, if requested, and I am only calling your attention to the matter with the suggestion that if the situation is as represented you try to secure this gift from Dr. Coffin for the current year, before the year comes to a close, so that our Budget and accounting will be regular from year to year.

Very sincerely yours,

Howard S. Galt

Howard S. Galt,

Acting Treasurer.

HSG/LC

RECEIVED
UNIVERSITIES
JAN 27 1930
JOINT OFFICE

YENCHING

INDEXED

Yenching University

December 28, 1929
E29-12-28-1

TRANSFER

Dr. Howard S. Galt
Yenching University
Peping, China

Dear Doctor Galt

We are enclosing a copy of the minutes of the last meeting of the Finance Committee. While most of the actions are covered in the minutes with explanatory paragraphs, still there might be other things said to add further light.

Woman's College Finances

In the overdraft on the Residence Account for the Woman's College, you will note that the Finance Committee has approved the action of the Woman's College Committee in caring for the approximate deficit which, according to correspondence from the field, seems to point to the deficit as shown in action 2709. You are therefore authorized to draw at three days' sight for the Woman's College double residence any required sum up to \$10,605.38 L.C. This will be authorization #3011.

1928/29 Gain in Exchange

In this action the Hsu Ti-Shan deficit of \$2,597.69 L.C., which the field charged against the 1928/29 gain in exchange, is cared for. Dr. Stuart satisfied the Committee that there was no alternative ^{but} to take care of it in this manner, which accordingly was agreed to in 2710. There still remains \$1,348.48 L.C. of the 1928/29 gain in exchange, which should be allocated by the Trustees.

Building Accounts

Mr. Garside has before him data and correspondence regarding building accounts and is writing a separate letter on changes in the building accounts

Warner Gymnasium

The authorization to proceed with the expenditure of G\$35,000.00 for the middle unit of the Warner Gymnasium does not fully indicate how the

Committee felt regarding the situation. "That this amount be the maximum expenditure for this particular unit" is mildly stating the sentiment expressed, but without doubt you have made full preparation for controlling this expenditure so that it will not go beyond the indicated maximum. It is to be hoped that there are to be savings upon the erection of the third unit, when it is authorized to offset the overdraft in the erection of the first unit.

Wheeler Memorial Chapel

Considerable investigation and preliminary work had been done on this item before the meeting of the Committee. Dr. Stuart had talked with Mr. Rex Wheeler and had fully advised him of the feeling on the field. It is quite possible that a little more can be secured from the Wheeler family, but at the outside it will not exceed G\$3,000.00, which, of course, will not reach the amount that is desired for the finished building at \$150,000.00 L.C. In view of the fact that funds are not at hand to erect such a building, the Committee felt very decidedly that the balance of any funds secured should be held on hand until the total amount is pledged. Considerable apprehension was expressed regarding the funds already sent to the field, but there was a unanimous feeling that the National City Bank is amply sound to take care of trustee's funds, and it was decidedly preferred to any other. That is the reason that motion 2718 prevailed.

On December 5 we sent a letter to the Central Hanover Bank and Trust Company notifying them that the Wheeler Memorial fund would be withdrawn on thirty days' notice. At that time a draft will be purchased and forwarded, which if the present rate continues, will yield more than any fund previously sent to the field. The \$8,750.00 will also be more permanently invested, where a larger income will be secured.

Salaries

The salary question received the most careful and sympathetic attention. There was absolutely no question regarding the necessity for revision, and the only question was regarding the process involved and the proper schedule to adopt. Our office at the present time is working on a similar problem at Nanking, and in the last minutes of that University we notice that they have reached a partial solution on the field. All the data we have on hand will be put in the hands of this special committee. You will notice that there is a limited time given for consideration. In other words, the report is demanded within one month.

Promotional Activities

These items are self-explanatory, but there was some doubt expressed regarding the method of approach to the California campaign. To a large degree the policy will be affected by the action of the Trustees relative to the Chinese gift of \$625,000.00 L.C. to match the Rockefeller premedical gift of G\$250,000.00. However, that matter is in the hands of a special committee, and as Mr. Barber expects to be in southern California within the next few days, things will probably move rapidly.

Dr. Howard S. Galt

December 28, 1929

-3-

Report on Investments

The principal item, of course, as you will note is the G\$250,000.00 gift from the Rockefeller Foundation. The Committee felt that it could not take action on such an involved question. Without doubt, it will be necessary to have an early meeting of the Trustees to give consideration.

Gathering the items together which seemed to require immediate communication with the field, we accordingly cabled on December 24 as follows:

"Finance Committee approves proceeding Warner Memorial Gymnasium. Maximum cost must not exceed 35,000 gold. Send by post schedule on what dates shall we make remittances. With reference to Dr. Galt's letter 2972 Finance Committee has given sympathetic consideration. Expects to be able to act shortly and shall wire. Christmas greetings."

The reason for our requesting that dates for remittances on the G\$35,000 be forwarded by mail was that the money has not been paid as yet and consequently we cannot issue authorization to draw. Mr. Warner has written that he hopes the money will be coming very shortly; just as soon as the way opens for the use of any actual cash, we shall communicate with you.

We trust our cable arrived in time so that the greetings had some effect upon the annual Yuletide festivities. We hope that the fact that the Trustees were sympathetic toward the salary proposition will also bring some happiness to the Campus.

Very cordially yours

Assistant Treasurer

CAE:MS

YENCHING

INDEXED

Yenching

December 28, 1929
G29-12-28-2

TRANSFER

ACK 4 28 30

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

My dear Dr. Galt,

This letter will discuss the various Building Accounts matters discussed by the Finance Committee meeting held on December 23rd. Mr. Evans has already dealt with these minutes in a general letter, and has sent you a copy of the statistical summary of "Plant Fund Balances and Overdrafts", which is attached to the minutes of the meeting as "Appendix A." I am enclosing herewith, for your convenience in reference, another copy of this summary.

I believe that no detailed explanation of the summary itself is necessary. It is quite similar to former summaries prepared at intervals of about a year. In preparing the tabulation of "Combined Balances and Deficits" shown on the next to the last page, we had of course to use approximations in arriving at the gold figures equivalent to the local currency figures shown on your books. Even though these figures were not absolutely accurate they enabled us to get a fairly accurate picture of how our plant accounts stand at this time. You will note that the Finance Committee did not follow the first three recommendations, but took instead actions which we very much welcome but did not suggest because we had a suspicion they would not meet with approval.

Use of Surpluses on Dormitories and Refectories. You will note that by action F-2711 the Committee instructed that these small surpluses, totalling G.\$31,534.97, be applied to meet, so far as they will, the proportional share of these buildings in the cost of the Heat, Light, Sewage, and Water system of the campus. In accordance with this action we will before the end of December, put through the following journal entries:-

Debit Account 20 Finley Dormitory	G.\$5,580.07	
Wheeler Dormitory	6,017.39	
Forbes Dormitory	4,168.65	
Gamble Dormitory	4,191.18	
Refectory #1	7,024.17	
Refectory #2	6,532.91	
Credit Acct. 26f2 H. L. & W.		G.\$31,534.97
	G.\$31,534.97	G.\$31,534.97

Debit Acct.122a Anonymous 115	G.\$3,557.08
122a Finley Estate Fund	13,580.67
122r1 Wheeler Dorm. Fund	6,017.39
122r2 Forbes Dorm. Fund	4,188.65
122r3 Gamble Dorm. Fund	4,191.18
Credit Acct.120 Anon.#115 (Refectories)	G.\$3,557.08
Finley Estate (Dormitory)	3,580.67
Finley Estate (Refectory)	10,000.00
Wheeler Dormitory	6,017.39
Forbes Dormitory	4,188.65
Gamble Dormitory	4,191.18
	<u>G\$31,534.97</u> G\$31,534.97

The result of these entries will be to show that the amounts received and spent for these buildings are as follows:- Finley, Wheeler, and Forbes Dormitories, \$50,000. each, Gamble Dormitory, \$43,756.65, and the Refectories, \$42,850. each. The amount shown in Acct. 26f2 as disbursed on the H.L.S. & W. System (as of Oct. 31st) is reduced from G.\$352,450.27 to G.\$300,915.30, and the deficit in this account is reduced from G.\$157,275.27 to G.\$125,740.30.

Policy for apportioning H.L.S. & W. Costs to Individual Buildings. The Finance Committee by action F-2712 asked for recommendations as to a general policy to be followed in closing out the building accounts of buildings now under construction, and also future buildings. It was understood that in preparing these recommendations we should seek the judgment of the field as well as the home base. I outline below my preliminary thinking on the problem. I would very much appreciate the field's comments, criticisms, and suggestions.

After putting through the above entries, the total cost of the H.L.S. & W. System, exclusive of the share borne by the Woman's College, is G.\$300,915.30. The distribution of G.\$14,681.32 from Acct. 26f1, as requested in your letter No. 2963, will increase this to G.\$315,596.62. The gifts specifically designated for this system amount to G.\$175,175.00, leaving an unmet deficit of G.\$140,421.62. At the present time requests from the field are pending for approximately G.\$45,000. to purchase new power plant equipment and provide for re-insulating the heating mains. If these requests are granted, and new funds are not secured, the deficit would be increased to approximately G.\$185,000.

The first question which arises is whether the entire cost of the H.L.S. & W. system should be apportioned among these separate buildings, whether only the outstanding or prospective deficit should be so apportioned, or whether each building should be asked to bear whatever portion of its share it can and the remainder be sought from new gifts or undesignated general plant funds.

The second question is as to whether future buildings should be charged with a share of the present deficit, or should be charged some proportionate share of the cost of future expansion or repair of the H.L.S. & W. system, or should be left free of charges.

It is simpler perhaps to consider present buildings and future buildings separately:-

(a) Present Buildings. The October 31st summary of the Plant Accounts show that the buildings now completed, or practically completed, have cost to date about G.\$1,050,000. This does not include the Woman's College Buildings or the proposed Wheeler Memorial Chapel.

If we take the entire cost of the H.L.S. & W. System (less the Woman's College Share), which will be approximately G.\$400,000. when pending needs for new power plant equipment and repairs to the heating mains have been included, and apportion this among the completed buildings it would mean that each would be assessed approximately 39% of its present cost.

If we take the present deficit, plus the expenditures now urgently requested, giving a total of approximately \$185,000. and apportion this among the various buildings, each would be assessed approximately 17.6%

If we take the actual deficit at present, G.\$140,421.62, and apportion it among the various buildings, each would be assessed about 13.9%.

We are faced by the difficulty that practically no unexpended balances on present building funds would be sufficient to cover an assessment of even 13.9%, much less the larger percents shown above. This would mean that building accounts would be closed out with deficits, or else the University would have to set aside general building funds sufficient to cover these deficits.

It seems that the most feasible plan would be to adopt a general policy that each building be assessed some definite percentage of its cost to cover its proportionate share in the H.L.S. & W. system, with the understanding that if the funds available for the building were not sufficient to cover the entire assessment the University would seek to supply, either by new gifts or by the assignment of undesignated general funds, whatever amount might be needed to complete the assessment. Do you think this would be a desirable and feasible plan? If so, what percentage would you recommend? What modification of such a scheme, or what substitute for it, would you suggest.

(b) Future Buildings. If some such system as proposed above is adopted it will perhaps care for the present deficit. Would it not be desirable; however, in preparing estimates for all future buildings, to add to the cost some percentage of the basis cost which would be considered a fixed assessment to cover the cost of any necessary expansion or depreciation of the H.L.S. & W. System. What percentage would you recommend?

(c) The Woman's College. Thus far the Woman's College has con-

tributed G.\$125,000. as its share in the cost of the H.L.S.& W. system. It was not wholly clear at the time this payment was made whether or not it represented a complete and final settlement of their share in this system. Most of the ladies considered it a final settlement; some of the trustees thought of it as a temporary settlement which would be subject to further consideration when the total cost of this H.L.S.& W. system was more definitely known. I believe it is fair to say that the costs of the system have greatly exceeded the figures in the minds of the trustees and the Woman's College Committee when this payment of G.\$125,000. was made.

You will remember that last year a move was made to request a further payment from the Woman's College on the H.L.S.& W. account, but the trustees discouraged any action at that time, chiefly because they felt it was too early to bring the matter up in a definite way. I believe it would be quite in order to consider this question, however, along with these other matters of the general policy of the University on H.L.S.& W. costs. Two questions seem to be the most important:- What adjustments, if any, should be made ~~to~~ equitably ~~to~~ apportion the present H.L.S.& W. costs, and what should be the policy for the future? The most immediate question affecting future policy is that of what charge, if any, should be made against the Boyd Gymnasium for its share in the H.L.S.& W. system.

All these are apt to prove perplexing questions, but we hope they will not prove too formidable to cause a prolonged delay in your replies, for we should proceed with submitting recommendations to the Finance Committee sometime during the next few months.

McBrier Building Account. Coming back to the Finance Committee minutes, you will note that action F-2714 authorizes us to transfer the McBrier Hall account to the Completed Buildings section, and instructs us to ascertain from the field what unexpended balance you still have on hand. According to your July 31st Construction Bureau report you had L.C.\$2,352.31 balance on hand, though possibly this figure has now been substantially altered. What is the present balance, and what obligations, if any are outstanding against this balance? What will then be the net balance available for assignment by the Finance Committee?

Berry Library. Your July 31st statement showed a deficit of L.C.\$728.90 on the Library account, but you had not yet received the last G.\$750. sent out for this account. That would have given you some hundred dollars balance. What is the present balance in the account, available for assignment by the Finance Committee?

Residences. I believe you have already sent all the information we will need to carry through action F-2716. If I find anything further is needed, I will write again.

Cordially yours,

BAG/G
Enc.

Robert Galt

YENCHING

INDEXED

Yenching

December 28, 1929.
G29-12-28-1

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

TRANSFER

My dear Dr. Galt,

We acknowledge receipt of your letter of October 30th, No. 2963, dealing with various adjustments in our building and current accounts. We are putting through before closing our books at the end of December the various entries discussed below.

Building Accounts:-

In accordance with the requests contained in your letter #2963 we are putting through the following journal entries:-

(a) Alumni Gate and Flag Pole

Debit acct. 22c Alumni Gate and Flag Pole	G.\$83.34
Credit acct. 122z6 Miscellaneous gifts, 1929	
Class Gift L.C.\$200. for Flag Pole	G.\$83.34

The above is identical with your request.

(b) Lake Front Dormitory, Unit B.

Debit acct 26z2b Lake Front Dormitory, Unit B	G.\$8,710.28
Credit acct 122z8b Fund for Lake Front Dormitory, Unit B	G.\$8,710.28

You will note that instead of crediting Acct. 122z6, Miscellaneous Gifts, we are setting up a separate fund account to record gifts received for Unit B of the Lake Front Dormitories. This is in accord with our policy of keeping wherever possible a distinct fund account and a distinct building account for each building. In order to bring our present accounts into harmony with this new account, we are changing the number and name of Acct. 26z2, Lake Front Dormitories, to read "Acct. 26z2a, Lake Front Dormitory, Unit A." I believe that as a matter of fact there are certain charges in this account which are for architect fees and general expenditures for the entire Lake Front Dormitory Group, rather than for Unit A alone, so at some future date we will probably have to apportion some of these general charges to the entire Lake Front group instead of leaving them all on Unit A. We have also changed

the number and name of the corresponding fund account, Acct. 12228 Lake Front Dormitories, to read "Acct. 12228a Lake Front Dormitory, Unit A." Within this account are included certain gifts designated for the Lake Front group as a whole which may later be available for use in other units or for meeting the cost of general plans, if so required.

(c) Building Operations Undistributed.

Debit acct. 26f2 Heat, Light, Sewage, and Water	G.\$14,681.32
Credit acct. 26f1 B.O. Undistributed	G.\$14,681.32

We joyously welcome this further step in the direction of closing out the B.O. Undistributed account, though our rejoicing is somewhat lessened by the fact that this action will still further increase the dimensions of the H.L.S. & W. System deficit!

Current Accounts

The following notations follow the order and the number of the comments in your letter #2963:-

Acct. 51. I believe that Mr. Beddow's comments on the item of G.\$320.67 are entirely cared for in my letter of Nov. 15th, G29-11-15-2.

Acct. 135.4. The item of G.\$25.00 in this account is a charge in the July accounts for cables. You will find it correctly entered on page 2, line 9, of our Cash Statement for July, 1929.

Acct. 155.5 This item of G.\$201.65, which should have been reckoned within the 1928-29 budget but by mistake was entered in the 1929-30 budget was corrected on September 30th by Journal Voucher No. 532. I believe that the records of this adjustment reached you a short time after your letter was written.

Adjustment of shortage of L.C. \$95.49 in P. in P. accts. Thanks for your further explanations of this difference, which I believe has now been satisfactorily adjusted.

Very cordially yours,

BAG/G

Copy will leave

To Dr. Galt
Y. U. at
Yenching

2

December 30, 1929

Dear Howard:

This is to report on the Department of Education project. A day or two after reaching New York, I had lunch with Mrs. Maclean and Mr. Eldridge, and found them as cordial as ever. They had already sent a letter to the office that I was to make their home mine during my stay in New York and insisted that Jack, who had come up to be with me through the holidays, should be included. They were away for the actual holidays, but urged me to make use of the home for any guests I wished to have, and it was very nice to be able to entertain our Yenching students there on Christmas Day.

Night before last was the first opportunity I had for a conference with Eldridge, the outcome of which is as follows:

Although quite offended by the incident with which you are already familiar, it did not in any way affect his own or Mrs. Maclean's attitude to the project. It happened that at that time he was in the midst of attempting to avert a very serious crisis in her affairs which resulted in the loss of \$1,300,000 and might have been such more disastrous. There were also certain family problems, and an unexpected increase in income tax, amounting to \$200,000. To be told that he ought to help in the matter brought to his attention, and that he could do it if he really wanted to, was what gave him offense, knowing, as he did, certain facts which he did not care to share with others. However, immediately after this episode, he persuaded Mrs. Maclean to write \$250,000 in her will in order that that much at least would be assured whatever happened. He also arranged with her, as these financial difficulties cleared, to provide the rest in a cash distribution to be made when certain stocks had reached a figure which he had fixed upon. As it happened, these stocks were within about ten points of his goal when the stock market crash came. He hopes, however, that they will return to their original value during 1930, and if so, or whenever he feels that the time has come, he intends to carry out the original purpose.

Mrs. Maclean is seventy-nine years old, but appears to be in excellent health, both of mind and body. I shall keep in very close touch with both of them during the months of my stay in this country whether I actually live in the house or not, and you can rest assured that I shall do my utmost for a safe and speedy settlement of this issue insofar as it will not be jeopardized.

Dr. Galt.....#2 - Dec. 30, 1929

A curious circumstance in this whole transaction, is, that immediately after the codicil to her will had been arranged, he wrote me, at length, describing the whole situation, and had often wondered why I had never acknowledged so important a letter. It seems strange that the letter which probably would have meant more to me than any other from America, after my last departure, was somehow lost in the mails.

With the resulting anxieties and perplexities, I am disappointed that it is impossible to assure you at this writing of any actual cash to be available in the immediate future, but it is an immense relief to know that nearly half of the total amount is guaranteed in the will, and there is good hope of securing the remainder in a year or two. It may be that when the remainder is in, we can find some plan for financing the income, possibly with the help of the donor and her adviser.

Let me take this occasion to acknowledge your letter of November 23rd with its detailed account of many matters of interest to me. There is no time this afternoon to do anything more than assure you that the "contents" are carefully noted. Be sure to take care of your lumbago. I feel a twinge of conscience in the thought that the additional worries caused by my absence and others, for which I am more or less responsible, are aggravating this condition.

I have had a very pleasant interview with Doctor Max Mason regarding the matter of the science endowment, but could not have expected him to make any commitment so early. The first quarter of a million dollars has already been paid over to our Trustees and is here on deposit. We are making plans for our various financial efforts, but with no results as yet. Everywhere people speak of the stock market crash and its far-reaching consequences. Not a few campaigns have been definitely abandoned for this reason, and people seem surprised that we are even attempting to go ahead with ours in this situation. But if we had waited during these past years until things looked favorable, we should probably still be only waiting.

Affectionately yours,

JLS:KE

Dictated but not read
after transcription.



Office of the Treasurer

Dec. 30, 1929

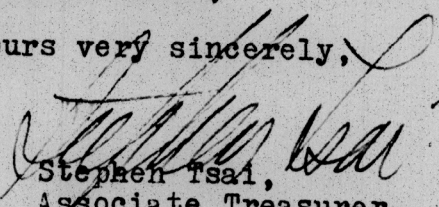
TRANSFER

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

Dear Mr. Garside:

Kindly forward the enclosed letter
with a check for U.S. \$8.00 to the Chemical Foundation,
and charge to the Account No. 31.

Yours very sincerely,


Stephen Tsai,
Associate Treasurer.

Id. 1/31/29 - Vo. #5131

ST:w

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JAN 27 1930
JOINT OFFICE

學大京燕
YENCHING UNIVERSITY
Peping China

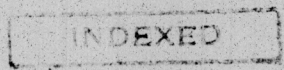
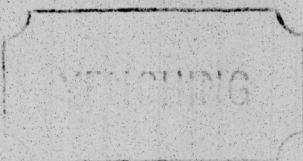
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Office of the Treasurer

December 31, 1929.

#2995

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



TRANSFER

My dear Mr. Garside:

The present letter is to deal with Minutes of the Grounds and Building Committee herewith enclosed. Regarding this matter I wrote you last Letter 2965, which dealt with the Minutes up to and including those for the meeting of October 24.

MINUTES OF THE MEETING OF THE G. AND B. COMMITTEE OCTOBER 31ST.

Vote G.B. 1598 asks the Chairman to take up with the New York Office the question of whether funds from the McBrier Foundation could be used for the increase of the seating needs in the Ninde Chapel. The Committee was not fully informed as to the purpose of the McBrier fund, and therefore passed the action in this form. The benches in the Ninde Chapel, including those on the main floor and gallery, will seat about one hundred fifty people. This is sufficient for most occasions, but during the year there are several occasions when the chapel will not seat all who are present. In view of the present prospect of delay in the erection of the University Chapel, it seems probable that we must continue to use the Ninde Chapel for these meetings for some period to come. In view of this situation, the question of increase of seating capacity came up. The sum required, you will notice, is about \$200. Will you kindly take this matter up with the committee in charge of the McBrier fund, or with the Finance Committee, or both, at your discretion.

MINUTES OF THE G. AND B. EXECUTIVE COMMITTEE MEETING FOR NOV. 28.

On page 2 of these Minutes you will find reference to proposed plans for residences for single men teachers and staff members. The matter had been discussed informally at earlier meetings. The general outlines of the scheme, as recorded in these Minutes were considered, and later Mr. Lethmoller brought in proposed plans for the building. These have not been brought formally to the attention of the Committee, because the expenditure involved seemed too large, and the matter is still under consideration, with the idea of reducing the cost.

On page 3 there is reference to the men's swimming pool. Personally, I do not know much of this proposal, but I understand that Mr. Warner discussed the matter with the Comptroller while he was here for the Fromal Opening, and on the basis of Mr. Warner's request tentative plans were prepared. As yet we have nothing more definite to propose.

Appended to these Minutes are Lethmoller's estimates for the cost to complete the swimming pool in the women's gymnasium, which estimates have already been reported to you in a separate letter.

MINUTES OF THE G. AND B. EXECUTIVE COMMITTEE MEETING FOR DEC. 13.

On the first page of these Minutes estimates for the construction of the main section of the Warner Gymnasium are recorded. A request for the small item for preliminary grading of the site, as voted at the bottom of the page, has already been reported to you. Further reference to this project will be made in the section below, dealing with a later meeting of the Committee.

On page 2 of the Minutes before us there is a reference to further funds for the Bashford Administration Building. We have in hand the material for report on expenditure of the funds authorized last spring in response to the request from Mr. Hildabrand, and such a report will be prepared and transmitted to you later. Just now the Comptroller has in hand the question of determining what further funds will be needed for the completing of the building throughout. This matter will be reported to you later.

MINUTES OF THE G. AND B. EXECUTIVE COMMITTEE MEETING FOR DEC. 16.

At this meeting the Committee studied carefully the plans for the Warner Gymnasium. In this connection it seems best to acknowledge here the receipt of your cable of Dec. 24th, the first part of which we interpret as follows:

"Finance Committee approve proceed Warner Memorial Gymnasium maximum cost must not exceed G\$35,000 send by post schedule of what dates we shall make remittances."

And I acknowledge also the receipt of Mr. Evans' letter, E29-12-4-1, which also discusses the Warner Gymnasium funds, and asks a number of questions. This letter has been in hand only a few days, and the Comptroller has not had time to consider in detail all its questions. Therefore, what I have to say today will be in the nature of a general reply, and an explanation of the vote recorded in the Minutes of the G. and B. Executive of Dec. 16. Turning first to Mr. Evans' questions.

12/31/29

1. The plans we are using in the development of this Gymnasium project are the plans sent out from the New York Office, eight in number, bearing the date March, 1926. Replying to the question as to which wing has been constructed, the one already built is at the north end of the building (although I notice on the plan that directions are not indicated), or, in other words, the wing at the left of the building as you face the floor plan.

2. This quest^{ion} is practically answered by what I have just written. The plans made on the field are the detailed working plans and drawings required for the contractors, and are made by Lethmoller & Co. We suppose it is not necessary to send copies of these to the New York Office.

3. We agree with you that the field estimate of the cost of this main portion of the building is a very vital question. According to the estimates set down in our meeting of December 13, we fear that G\$35,000 is not adequate to cover the cost of this section. The second item in these estimates, "Connections with the existing wing, L.C. \$3,000", is based on the fact that the north wing of the building already built was roofed as if it were a completed structure, the roof sloping down symmetrically on all four sides. Therefore, in connecting the roof of this wing with the main portion to be built there must be a good deal of tearing up and reconstruction of the wing already built. I suppose that at the time the plans for this first wing were made it was the expectation that it would be a long period before a further section could be added, and, therefore, the roof of this first section was treated in this way to give it a more finished appearance. The paragraph in Mr. Evans' letter now under consideration calls attention to the overdraft of approximately G\$5,500 on the first unit of the Warner Gymnasium. When this item is taken into consideration, it is evident that the \$35,000 now available will fall much short of meeting this deficit and adding the main section. Exchange is in our favor at the present moment in a remarkable way, the morning's paper quoting a rate of almost 2.62, but even with such a favorable rate, G\$35,000 would still be inadequate. As soon as possible our G. and B. Executive will take the latter under consideration, and we may find it necessary to communicate with you by cable.

4. The schedule of remittances will be dealt with later, as we cannot now formulate our needs.

Now a further word about the items set down in the estimates as "Extra funds, L.C. \$3,000", and the paragraph in the Minutes of December 16th. In the inspection of the east elevation of the Gymnasium, drawing #6 in Mr. Murphy's plans, indicates that the building was supposed to be located on a hillside, with higher land at the south, or left, end of the building. A recent careful inspection of the small hill or grade on this side has convinced the Committee that there is not enough of a hill there to justify a sloping ground line, as indicated in Mr. Murphy's plan. There-

Mr. B. A. Garside, #4.

12/31/29

fore, the Committee considers that both appearance and utility will be best served by having the east ground line level, following the line marked "Level of basement passage" at the right of the drawing. In other words, such a change will involve a basement wall of granite the same height along the whole east side of the structure, following the structure of the basement of the wing as we already have it. On the west side of the building, however, the contour of the hill is such that Mr. Murphy's scheme can be carried out as planned and a basement wall will not be shown on this side of the building.

The above should explain what we mean by the recommendations in the Minutes of December 16th. In other words, deep foundation wall on the east, which, if carried the whole length of the building, would provide space for a basement, and suggests the treatment of the whole structure in such a way that the space can be used for a basement later on, if desired. The item for extra funds for \$3,000 is our estimate of what is involved in this change of plan at the present time. However, some additional granite will be required for the east wall, if the change is made, and the estimate for the expense of this has not yet been reported by Mr. Lethmoller. Accordingly, we are not now ready to report a complete estimate of the cost of the change in the basement structure which our recommendations involve. This will have to await later discussion and report. We shall communicate with you further, either by cable or by letter, as soon as we have the data.

Other matters referred to in Mr. Evans' letter, E29-12-4-1, will be dealt with in another letter.

Very sincerely yours,

Howard S. Galt

Howard S. Galt

Acting Treasurer.

HSG/LC

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