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1930 Jul

學大京燕
YENCHING UNIVERSITY
Peping China

INDEXED *ccw*

Office of the Treasurer

July 1, 1930.

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

YENCHING

G331

TRANSFER

My dear Mr. Garside:

The end-of-the-year exercises of the University passed off in good order the first of last week. Chancellor Wu preached the Baccalaureate sermon Sunday morning. The regular Commencement exercises were held at ten o'clock Tuesday morning. Although a large number of students had returned home, a considerable number of friends and guests from the city were present, so that the Auditorium was well filled. Chancellor Wu presided, of course, and the ceremony took place in a very satisfactory manner. Slightly more than a hundred students received the Bachelor degree, and twelve Master's degrees were conferred.

The day following Commencement a considerable number of the members of the Staff went to Peitaiho, travelling in a third-class car which had been chartered for the purpose. This excursion, together with other goings at about the same time, has cleared out the teaching and administrative staff quite thoroughly. None of the academic deans are present, and my associate, Mr. Tsai, has gone with his family to Peitaiho for a short vacation. Last year he remained in the office all summer, and so was entitled to a vacation this summer.

The Chancellor is here, a veritable tower of strength in all administrative matters, and we are clearing off administrative problems as soon as possible, and hope shortly to settle down to a routine of half-day work for the summer, staff members and secretaries rotating in order to keep offices open, according to our usual custom.

I am writing today to acknowledge receipt of a large number of letters from your office, although many of them may require study and comment later on.

Letter E30-5-13-1.

This letter to Mr. Tsai deals more especially with the form in which authorizations for field orders should be transmitted. Your request for a duplicate copy of orders seems a reasonable one, and when Mr. Tsai returns we will see if that procedure is practicable. In this connection I may remark upon

Mr. B. A. Garside, 2.

7/1/30

your cable of June 18th, which we decoded as follows:

"Awaiting instructions before paying 433 Gold Bocker Company order placed Mr. Holm please telegraph definite answer immediately Evans".

In reply we cabled June 21st:

"Bocker Company 433 Gold authorized".

We regret that this order slipped through without proper authorization. It was due to the action of Mr. Holm, who, apparently following the earlier independent procedure of the Construction Bureau, thought he could place orders directly. We think he will understand the procedure in the future.

Letter E30-5-14-1.

No comment.

Letter G30-5-15-1.

No comment.

Copy of Letter of May 16th to Mrs. Frame.

Noted and reserved for further study.

Letter E30-5-20-1.

We note the action with regard to the investment of the Jane Bashford Memorial Endowment Funds in the Practice Schools. Since we have now received the cable from President Stuart, reporting that other funds are available for the completion of the building units undertaken last year, we are expecting to use the necessary funds from this new appropriation, and not call upon the Bashford Endowment Funds. The result will, therefore, be in accordance with the judgment of the Trustees with regard to those funds. I shall be reporting to you later further investment of these funds.

Letter E30-5-20-2.

No comment.

Your letter of May 22nd, unnumbered.

The matter of appointment in the Department of European Languages has already been dealt with in another direction.

Copy of your letter of May 26th to Miss Roberta White.

Noted.

Mr. B. A. Garside, 3.

7/1/30

Letter G -5-26-1.

This letter deals with the contributions for the salary of Mr. C. F. Chou. As I have already telegraphed and written, we were unable to retain Mr. Chou, who has secured a position in his own field of specialization, namely, agriculture. The matter of dealing with these contributions in reference to Mr. Chou's successor can be taken up after President Stuart and Mr. Ritter return. We note that the contribution does not cover the five-year period which was mentioned in the cable.

Letter E30-5-27-1.

No comment.

Letter E30-5-27-2.

This letter deals with the question of further machinery for the Power Plant. The matter is under consideration here, and we have had tenders from several companies. I will pass on the information Mr. Evans reports regarding a representative from Frazar & Co. to our Comptroller, Mr. Chuan. In this connection also I can report the receipt of a cable of June 25th, stating that Fairbanks offered the lighting plant apparatus for \$15,000 F.O.B. New York City. We are taking this into account also, but apparently the price does not compare favorably with tenders we have which cover the cost of transportation to Tientsin. The whole matter will probably be the subject of another letter to your office as soon as I can take it up more systematically.

Letter of May 27th, copy of a letter to Miss Cookingham.

It seems best to leave to Mr. Beddow the untangling of the items mentioned in this letter. Probably he will not be in our office again before next week.

Letter G30-5-28-1.

I have noted this letter with great interest and realize the difficulty which you in the New York Office may have had in dealing with this matter. I have more recently had a letter from President Stuart himself dealing with the same question. I hope that before he left some definite way of covering this obligation was found, for we at this end accepted the cable from President Stuart in good faith and went on at once with contracts for completing the building units. President Stuart's cable, with the background of my letter of last February, which explained so definitely the purpose for which we wanted these funds, it seemed to us could not be interpreted any other way except authorization to go forward. I have already written to you, asking for authorizations under this fund at certain dates. President Stuart is sailing today from San Francisco, we suppose, and if he has not been able to make satisfactory arrangements for these funds before leaving, we will have to take the matter up upon his arrival here. The matter gives me a good deal of anxiety, but we hope that

Mr. B. A. Garside, 4.

7/1/30

President Stuart has been able, or will be able, to make available the necessary funds.

Letter G30-5-29-1.

The draft for G 100 for the account of Miss Roberta S. White was duly received, and will be dealt with in accordance with her wishes. I have not sold it as yet, but expect to do so at an early opportunity. This morning's paper quotes exchange at 3.73.

Letter E30-5-29-1.

This letter from Mr. Evans is addressed to Mrs. Frame, and comments on the Minutes of the last Finance Committee meeting in New York.

We have noted the action of the Trustees' Committee with regard to the Warner Gymnasium funds. In Mr. Evans' letter we read:

"The day prior to our meeting we received a call from a representative from one of the large athletic goods houses, which showed that an order for equipment was being placed in the States."

We feel that this conclusion on your part is premature, although we do not know what representations were made. We have not authorized any order for any equipment from abroad on this account. Mr. Wee has prepared a list of certain requirements, and we have the matter under consideration. But it is our understanding that the \$35,000 Gold is fundamentally for the building, and only for equipment if there is a surplus after the building is fully provided for. The work is going on now satisfactorily, and is nearly all covered by contracts. After we have studied the account more carefully, and when the building is far enough along to be more certain with regard to contingencies, we may send you an order for certain equipment to be purchased in New York. Let us assure you, if we do so, that we will leave enough reserve in your hands to cover any such order. The amount will not be anything like G 5,000, and we shall certainly need part or most of that final 5,000 for the building. Accordingly, we request again, as we have already done, that you give us authorization for the final 5,000, leaving it to us to reserve whatever may be necessary for an order abroad. If you still feel that this will not be satisfactory, and want a definite sum mentioned, then shall we say give us an authorization for another \$3,000 of the final 5,000, leaving in your hand 2,000. We think, however, it will save time and simplify accounting if you authorize the whole and leave it to us to make the necessary adjustment.

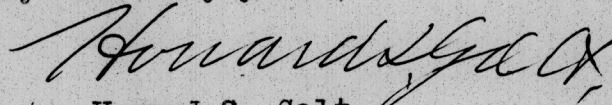
Mr. B. A. Garside, 5.

7/1/30

Possibly one or two other matters in the letter under review may call for comment later on.

We hope that you and Mr. Evans will be able to get some summer vacation and the strenuous duties of the office in New York not weigh too heavily during the summer months.

Very sincerely yours,

A handwritten signature in cursive script, appearing to read "Howard S. Galt", with a large, stylized "X" or flourish at the end.

Howard S. Galt,

Acting Treasurer.

HSG/LC

RECEIVED
UNIVERSITY
JUL 28 1930
JOINT OFFICE

YENCHING

TRANSFER

Yenching University

July 2, 1930

ESG-7-2-1

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

My dear Mr. Tsai:

This will acknowledge your letter of May 29, T30-38. This has special reference to travel allowance and to advance of amounts to be allowed from localities other than New York City. We are endeavoring to secure rates of travel across the continent which will have a bearing upon the total rate to the Orient.

Our understanding of the situation is that if a person is traveling from a locality where we would allow \$500 to the field, that same amount and not any more would be allowed in case he desired to travel home by an indirect route.

As regards other points of the world, we presume you mean England. In that case figures should be secured as to the relative costs for travel.

Very cordially yours,

CAE-H

YENCHING

TRANSFER

Yenching University

July 2, 1930

E30-7-2-2

ack 10/14/30

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

My dear Dr.Galt:

This is supposed to be a joint letter to you and Mr.Tsai in response to his communication T30-39 which calls attention to opening with some other bank in the States an account in the name of Yenching University for the special purpose of paying salaries in gold.

I have talked to Mr.McBrier and he is agreeable to the request provided the Trustees will pass the necessary authorization. This authorization is required by all banking institutions and will have to be a special motion to fit this particular case.

We are, therefore, drafting a resolution to be sent to the Executive Committee and just as soon as we receive a majority vote by circulation we shall be glad to proceed accordingly. Meantime we would suggest that payments be made in local currency to the amount desired by each individual and the gold check can be paid as soon as the account is set up.

Very cordially yours,

CAE-H

CC: Mr.Tsai

TRANSFER

Yenching University

July 2, 1930

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

E30-7-2-3

ack 10/14/30

My dear Dr. Galt:

There is not much to be said in reply to your letter G-321 dated May 27. As a matter of fact, we very carefully endeavored to avoid making any different arrangements with any individual staff member than the others are enjoying. We are perfectly conscious of the results such a procedure would bring and the mere fact that there have been statements made that special arrangements with the New York office were in effect is evidence in itself that, did we actually enter into any such agreements, the situation would be infinitely worse.

In all of our contacts with the field there are only a couple of instances where these special arrangements are in force and they have caused such lamentable results that the parties themselves have requested the handling of the situation in such a way that they would be relieved of the excessive amount of trouble they have been caused. The Trustees are doing everything possible to relieve the situation on the field and the salary as recently established should take care of the condition without further difficulty.

Very cordially yours,

CAE-M

YENCHING

Yenching University

TRANSFER

July 2, 1930

E30-7-2-4

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

My dear Dr.Galt:

Your unnumbered letter of June 2 has just come to hand. This is more particularly in reference to the cable which cleared up the rate of exchange to be used on foreign salaries. Mr.Garside's letter of June 4 covered the situation very clearly. With exchange on its present basis the action taken by the Trustees seems to have been all the more timely. We believe they followed the only just course.

Very sincerely yours,

CAE-H

YENCHING

INDEXED

Yenching University

July 2, 1930

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

TRANSFER

E30-7-2-5

My dear Dr.Galt:

We are reporting to you regarding the advances to Dr.Robert M.Duncan who is going out under Princeton-in-Peking. His total travel allowance is \$1,100. We have also paid freight, \$11.20, and advanced him one month's salary (for August) at the rate of L.C.\$400 figured on the basis of 2.10 to 1. You will make adjustments according to your procedure on the field. Dr.Duncan made his own arrangements for transportation.

Very sincerely yours,

CAE-H

YENCHING

INDEXED

Yenching University

TRANSFER

July 2, 1930

E30-7-2-6

ack 10/14/20

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

My dear Dr. Galt:

This is to confirm our cable of July 1 relative to travel for Mr. and Mrs. de Vargas. There has been some misunderstanding as to whether or not travel for Mrs. de Vargas is also included in the Harvard-Yenching Institute budget. After a very careful investigation, and in conference with Dr. North, we have concluded that the travel for both Mr. and Mrs. de Vargas is included in the Harvard-Yenching Institute budget, and, therefore, we cabled as follows:-

"HARVARD-YENCHING INSTITUTE BUDGET INCLUDES TRAVEL BOTH MR. AND MRS. PHILIP DE VARGAS. HAVE WE AUTHORITY TO REMIT TO LI BING-HUA MONTHLY THE SUM OF G\$150 BEGINNING JULY 1 OF THIS YEAR."

The latter part of this cable refers to Li Bing-hua of whom we wrote some time ago. He is rather insistent upon receiving the G\$150 as he is absolutely out of funds. When you authorized the payment of \$500 nothing was said about the monthly payment. We endeavored to straighten this out when Dr. Stuart was here but he had forgotten the transaction. We hope, therefore, word is on the way so there will be no further difficulty.

Very cordially yours,

CAE-H

F

YENCHING

Yenching University

TRANSFER

July 2, 1930

(L 30-7-2-1)

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

Dear Dr. Galt:

The enclosed check #99 in the amount
of \$30.00 covers the semi-annual payment due the
first instant on the E. L. Richards Scholarship for
the Yenching Women's College.

Sincerely yours,

Assistant Treasurer,
Central Office.

Enc.

CLL/C

YENCHING

INDEXED

Yenching University

TRANSFER

July 3, 1930

E30-7-3-1

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

My dear Dr. Galt:

We have before us your letter of June 6 which requires very little comment. We shall be very much interested in receiving further information regarding the investment of the Bashford Endowment Fund.

The work of the Committee on Salaries and Pensions is still moving forward. The Insurance Company is preparing a leaflet to be sent to the field which will describe the plan in detail. We are quite confident that the plan will meet with general approval.

We note the reference to two letters written relative to straightening out the Residence account. Our books are correct in so far as the gold is concerned. The real disparity comes in the different figures quoted on the local currency. In your letter of April 8 you state that the local currency equivalent for Houses Nos. 57 and 58 amounts to \$27,175.36. In your letter of April 28 you state that the total cost amounts to Mex.\$28,528.86. As we are carrying only the gold on our books this does not affect us.

Very cordially yours,

CAE-H



Yenching University

July 3, 1930

E30-7-3-3

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

My dear Mr. Tsai:

We have before us several letters which need no further reference than their acknowledgment.

Letter T30-40 of June 3 refers to the remittance of G\$1,562.60 from Mr. Gamble. That has since been received and properly taken care of.

Letter T30-41 advises us regarding several drafts which have been received and paid.

Letter T30-42 gives us the local currency rate on drafts T-1069 and T-1072. The silver situation certainly is complicated. However, there is some satisfaction for you in the knowledge that both Mexico and Spain are suffering a terrific depreciation of their currency. This is in spite of having gold reserves to bolster up values.

We have noted your authorization to pay a bill from George H. Wahmann Manufacturing Company, also one from the Central Scientific Company.

Very sincerely yours,

CAE-H

學大京燕
YENCHING UNIVERSITY
Peping China

YENCHING

TRANSFER

Office of the Treasurer

July 5, 1930.

G332

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

My dear Mr. Garside:

This letter is to discuss the matter of final arrangements during the furlough for certain members of our Staff.

Mr. and Mrs. Harold E. Shadick are on furlough in England. Mrs. Shadick travelled via Suez, and Mr. Shadick via Siberia. Before returning to Yenching they expect to cross the Atlantic and Mr. Shadick will spend some time studying in one of the Canadian universities. This is to follow a period of study in London, I believe. In view of this plan, we here have voted to allow full travel expense for furlough for the two, namely, \$550 each at the present time, and presumably \$550 each again upon their return to Yenching a year later. According to our new arrangements, they should be paid a salary during furlough of \$2,000 for the year; in addition, \$50.00 per month for rent. Payment on these accounts should begin with July. I have not Mr. Shadick's London address in hand, but if available will enclose it before this letter goes. If I do not do so, then presumably you will depend upon communications from Mr. Shadick for the address.

Mr. George R. Loehr, unmarried, is also on furlough, with headquarters, at least for the first part of the period, at Florence, Italy. Upon his return he is to be in the Department of European Languages, and is during the furlough period residing and studying in Europe, in preparation for further teaching here. His furlough salary should be at the rate of G\$1,000 per year, with an allowance of G\$25.00 per month for rent, if he asks for it. I will enclose his address, if available.

As to his travel expenses, we allowed a sum sufficient to take him via Siberia to Europe. I think he does not expect to visit America, and, accordingly, his return travel will presumably be from some point in Europe, and your office can arrange for a suitable amount for travel back to Yenching. We have allowed him a small sum for study in Europe during the period. This amount has already been paid to him, and no note need be taken of the item in your office.

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cancelled by Miss Little, 8/5/30-53

July 30

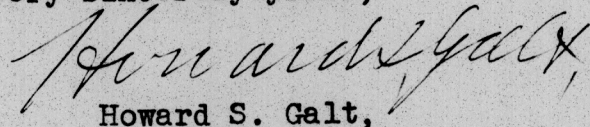
Mr. B. A. Garside, #2.

7/5/30

Mr. and Mrs. Maxwell Stewart resigned at the end of the academic year just closing, and we have advanced three months' salary (since their resignation was at the request of the University), and have allowed them the full amount of travel as if the terminus of their journey were New York. We also paid freight on four tons, according to the new schedule. Mr. Stewart raised the question of our covering the cost of insurance on his freight. We were not familiar with the procedure of the New York Office on this point, and I think the question has not arisen here before. Accordingly, we told Mr. Stewart that we would not advance the money for this insurance, but, after he arrived in America, if he discovered from correspondence with the New York Office that it is your custom to pay insurance on freight shipments, we would authorize such payment. Accordingly, please accept this present statement as authorization to pay the insurance on his freight shipment, if that is in accordance with the practice of your office.

I hope these statements cover all the cases of furlough which are related to our University Treasury direct.

Very sincerely yours,



Howard S. Galt,

Acting Treasurer.

HSG/LC

RECEIVED
UNIVERSITIES
JUL 30 1930
JOINT OFFICE

YENCHING

TRANSFER

Yenching University

July 7, 1930
E30-7-7-1

ack 8/5

Mr. Stephen Tsai
Yenching University
Peping, China

My dear Mr. Tsai

This acknowledges your letter of May 26, No. T30-57, relative to the check which was sent in error to Nanking.. This was the fourth quarterly remittance on the Famine Fund Appropriation, and we are unable to explain the mistake of having sent it to Miss Priest at Nanking.

Very truly yours

Assistant Treasurer

CAE:MB

YENCHING

INDEXED

Yenching University

TRANSFER

July 7, 1930

E30-7-7-2

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

My dear Dr. Galt:

Your letter of June 2, G323, has been fully answered by Mr. Garside's letter of May 28. When your letter was received a day or two ago I was tempted to cable you but after reading Mr. Garside's communication I decided that it so clearly and fully covered the situation that it would not be necessary to go to that expense.

There have been no new developments. The Promotional Office has not received the pledge or the money for the elementary school and kindergarten and, therefore, you can readily see it is impossible for us to issue any authorizations at the present time. I notice that Mr. Garside has indicated that there might be a possibility of the Finance Committee seeing its way clear to vote sufficient funds to complete the project. The best we can do is to put it on the docket for the next meeting and see what can be done. We sincerely wish the funds were in hand and thus avoid further delay.

When first reading your letter I nearly had heart-failure. It appeared as though you had placed contracts for the buildings. A second perusal reassured me, that you had not gone that far, and I breathed easier. Just the same, it is no pleasant task to write and say "funds not available" to one who has an enterprise so much at heart as you have this one. The best I can do is to sympathize.

Very cordially yours,

CAE-H
1

YENCHING

TRANSFER

Yenching University

July 7, 1930

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

My dear Dr. Galt:

Your letter of June 2nd relative to the procedure followed in handling the Cherry case is before us. Mr. Garside, as I have stated before, is absent, attending the Shantung and West China annual meetings in London.

The fact that Miss Cherry finally refused to go to the field because of "marriage" sort of puts the finishing touch on the whole question. I have been wondering whether the delay in proceedings brought about the marriage or whether the simple fact that she was considering a foreign proposition made the young man hasten.

I wish I could say that I disagree with you in the same tactful and gracious manner as you put it. There are only two points upon which I base my disagreement, and while I agree with Garside that post-mortems are sorrowful affairs, yet it might not be out of the way to call attention to these two particular items.

The first is in regard to the duties of the Women's College Committee. It has been our understanding ever since the Women's College has become a part of the University that the Women's College Committee would have the major responsibility in the selecting of women members of the staff. On November 5, 1929 the by-laws of the Committee were amended and accepted on the 6th of November by the Trustees, and this amended form, Section 3 of Article III, reads as follows:-

"The appointment of all women members of the staff, so far as final responsibility rests with the Board of Trustees for such appointment, shall first have the approval of the Committee of Yenching College for Women."

That is the reason why the Women's College are asked to give consideration to all women applicants, and it would hardly be just for us to

allow the papers for any candidate to go through without their consideration. Under this assumption the women had all the right in the world in taking up Miss Cherry's case.

My second point is that whoever does the hiring must have all of the facts and take all of the responsibility. If the trustees are to engage what are normally called the western members of the staff, then all of the correspondence and facts should be before them. This is not criticizing anyone for participating in this particular instance, but it goes to show how, when several are corresponding with the same person, that different statements can be made and the others not be informed.

Let us take a similar case; while not exactly parallel, yet it gives an idea of the thing I have in mind. The cooperating boards of our different universities occasionally will give the name of a candidate for the University. It is possible for them to appoint them under their own quota, but if they know that the trustees are after a particular candidate for a particular place, they will give us the papers and we proceed to follow the matter from then on. At no time thereafter is there continued correspondence between that board and the candidate. It is all carried on through our office, which gives us full and complete information as to what has been said and what promises are made.

In one sense I am saying this as an outsider, as I had no reason to participate in Miss Cherry's case. I am just stating the matter as I see it, which I am quite sure you would agree with were you located similarly. The thing that I am continually reminded of is that things are so well done at both ends on correspondence that is a month apart, and where correspondence gets stale after a week and one's mind has to be constantly refreshed as new phases of an old situation appear. Whenever a case comes up similar to the Cherry incident, I consistently endeavor to readjust my thinking and make an analysis with the purpose of doing better next time. That is the only way that we can improve, which I believe is the very sincere desire on the part of us all.

I just had a letter from Dr. Stuart which indicates that he was not very well on his trip to the Pacific coast. I hope he arrives all right after his very strenuous period in the states.

Very sincerely yours,

CAE:A

Ack 8/13/30
WAG

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

July 9, 1930.

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



My dear Mr. Garside:

With letter G319, written May 17th, I sent you copies of the G. and B. Committee Minutes up to and including May 14th. I now have Minutes of subsequent meetings to transmit, with comments as below:

Minutes of G. and B. Executive, May 21st.

The first two pages of these Minutes indicate various tenders and estimates for the new residences we are erecting. I may report in general that we are building three new residences in the East Residence Compound and one in the South Residence Compound (in addition to that of Mr. Nash). The erection of these residences completely fills both of these residence compounds. In the case of future residences to be built, other sites will have to be found as best we can.

On page three of the Minutes under review is recorded action regarding a request from the Biology Department. This is a rather frame-like structure, covered with screen, in order to house certain activities of the Biology Department. The funds, we understand, are to come from the Biology Department itself. Thus far these funds have not been reported and the exact location of the structure has not yet been determined.

Minutes of the G. and B. Committee, May 29th.

No comment required.

Minutes of the G. and B. Executive, June 4th.

On page two is a statement with regard to the proposed alteration of the heating system in the Dean's residence of the Women's College. The inadequate heating of this building, as far as the comfort of foreign ladies is concerned, has been obvious from the beginning. Apparently the size of the pipes leading from the heating mains into the building were not adequate to bring the temperature up to American standards of comfort.

Mr. B. A. Garside, #2.

7/9/30

Mrs. Frame and her fellow-residents in that building have complained of this discomfort for years, and it seemed that something should be done. The plan we have in mind is to install a separate hot-water boiler in the basement of this building, disconnect the pipes from the central heating system, and operate the boiler and the system in this building independently. It happens that we have on hand a good boiler, ordered many years ago for temporary use in the buildings at Kuei Chia Ch'ang, but owing to the change of plans was never required there. Later, during the first winter of building operations out here, Mr. Gibb installed that boiler temporarily in Ninde Hall, in order to use that building as office headquarters. Later it was taken out, and has been stored for some years. The use of it now to supply the heat for the Dean's residence seems to us a good solution of the problem. The exchange of cables with New York has brought the necessary authorization of the Women's College Committee, and we are planning to undertake this work now as soon as Mr. Holm returns from a short vacation.

Minutes of G. and B. Executive, June 11th.

No comment necessary.

Minutes of G. and B. Executive, June 18th.

No comment necessary.

Minutes of the G. and B. Committee, June 24th.

On page three of these Minutes there is another reference to the insurance of the academic buildings. Since the action taken there has been no meeting of the Executive Committee. I will consult with the Comptroller, Mr. Chuan, and see whether the matter will be in shape for report to the Trustees soon.

On this same page is a reference to the purchase of the new machinery for the Power Plant. This rather important matter is having our very careful attention. Mr. Chuan has returned from Tientsin, where he has consulted with experts. The matter will be the subject of a special communication to you now within a few days, I trust.

omitted
The next action, regarding the campus improvement fund, is referred to the Trustees for action. You will recall that in an earlier communication I reported that it is the plan of the Landscape Committee, which, under the G. and B. Committee carries on operations under this fund, ~~should~~ use the last G\$5,000 as an endowment fund for campus up-keep. Since the income on this fund is to be administered here, the suggestion is that it may well be invested here also, and the high rate of exchange would seem to make it advantageous to transmit the funds to the field for this purpose at the present time. It would be our thought to invest

in Government Bonds, or some other good security, and thus a considerable revenue would come in every year for the proposed fund. The matter is now referred to the Trustees for approval, and, if approval is given, then we ask for the transmission of the funds to the field.

On page four there is reference to the installation of heating mains for the Practice Schools. The situation is somewhat complicated and needs a few words of explanation.

The Department of Education has plans, not only for the location of the Elementary School on the site which has been assigned to the Department, but for the erection of buildings for a Girls' Middle School and for a Boys' Middle School, also. These two groups of buildings are to flank the Elementary School on the west and east respectively. The general lay-out for these groups has been considered repeatedly here on the field and has met with approval. Furthermore, it has always been the plan to connect with the central heating, lighting and sewage system. When we began with the Elementary School group last year the funds in hand were not sufficient to provide the necessary large main connections with the central system mains. Accordingly, we were compelled to put in for the small group of buildings built last year a temporary heating system, using for the purpose an Arcola already on hand. That temporary heating installation is not adequate to include the later additions to the Elementary School group which we are adding this year. Accordingly, some new arrangement had to be undertaken. Either a further expense for a temporary heating system must be undertaken, or else pipes necessary to bring in heat from the central heating system must be installed. The size of these pipes is, of course, determined by the requirements of the whole group of schools expected later, and, therefore, the cost for these larger pipes is a rather heavy strain on the resources available for the building additions this year, but, in the long run, both economy and efficiency is served by installing these larger heating mains which will be adequate for the whole system later.

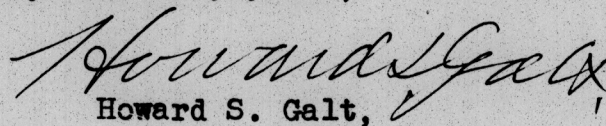
Mr. Holm drew out plans and specifications, and asked for tenders. When these came in, we found that a tender from Elab Liss Ements Arnoult was based upon the use of old stock, the price of which had not yet been affected by the rise in exchange. Therefore the price mentioned was far less than any other bid, and far less than could be expected, at least for the immediate future, because of the prevailing rate of exchange. Accordingly, it seemed best to accept the bid, even though, as I say, it strains somewhat our resources for that building group this year. If the present good rates of exchange prevail, we think we will get through all right.

Mr. B. A. Garside, #4.

7/7/30

I will try to enclose with this letter a blue-print which will show the general lay-out of the school group and the heating main connection.

Very sincerely yours,


Howard S. Galt,

Acting Treasurer.

HSG/LC

JUL 11 1930
JOINT OFFICE

Ack 8/13/30

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer

July 10, 1930.

G334

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

INDEXED

TRANSFER

YENCHING

My dear Mr. Garside:

Perhaps it has come to your knowledge that our good and generous friends amongst the Trustees who visited Yenching in connection with the Formal Opening last autumn, after learning of the existence of three plots of land within our lines in the southwest part of the campus, the proposed purchase of which had given us trouble for a long time, generously contributed to a fund aggregating G\$10,000 for the purchase of these plots. The amounts subscribed were as follows:

Miss Gouldy,	G\$1,000	Paid;
Mr. Pilling,	1,000	"
Mr. McBrier,	2,500	"
Mr. and Mrs. Boyd,	2,500	"
Mr. Stock,	500	Unpaid;
Mr. Warner,	2,500	"

Shortly after these contributions were promised, we undertook further steps to secure those plots, but the owners tightened up on their holdings, and nothing could be done until February. At that time we succeeded in purchasing the one having the largest area, at an expenditure of \$7,000 local currency.

The owner of the next largest plot, which has upon it the best buildings, has been very obstinate, but after long negotiations, we have brought him to the point where he is selling to us, and today I have authorized the second payment on his plot. This deal will be completed soon, we think, and will be followed almost at once, we have reason to believe, by the purchase of the third and last plot. We are very happy to report this situation, and if we finish these deals, we will have purchased all the small plots left within our lines when the major purchases were made some years ago. In view of the fact that the purchases could not be effected at once, and the funds were not needed, we had not taken any steps to collect the contributions from Mr. Stock and Mr. Warner. I am writing now to report these circumstances and to request you to communicate with these two gentlemen, and, if convenient, secure the payments of these contributions, and transmit the same to the field.

Mr. B. A. Garside, #2.

7/10/30

I am enclosing herewith two extra copies of this letter for your use in communicating with these two gentlemen, to facilitate matters. We feel that the rest of the Trustees, as well as ourselves here on the field, deeply appreciate the generosity of ~~these gentlemen and~~ those who have made these purchases possible and will rejoice in the promised results which now seem so near.

Very sincerely yours,

Howard S. Galt
Howard S. Galt,

Acting Treasurer.

HSG/LC

Encs.

Copy sent Stock & Warner 8/13

RECEIVED
UNIVERSITY
JUL 30 1930
JOINT OFFICE

YENCHING

TRANSFER

July 10, 1930
L30-7-10-1

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

Dear Dr. Galt:

About the middle of May the Duriron Company settled the field claim by a remittance in the amount of \$8.56 thru the American Express Company, and we are here-with transmitting this account by our check #5428 in like amount.

You will have noted before this reaches you by reference to our reports for the month of May that we credited this payment to Account #136, Special Gifts for Current Budget. Since this settlement is considered an item due the field we really should have entered it in Suspense. However as we are now clearing it thru Account #136, and will see that it is eliminated in showing the amounts received for and disbursed to the field in this account, it will simply appear on our books as an in and out item not in any way affecting the Current Budget.

Sincerely yours,

CLL/L
encl.

YENCHING

INDEXED

Yenching University

TRANSFER

July 11, 1930
E30-7-11-1

ack. 10/14/30

Dr. Howard S. Galt
Yenching University
Peking, China

Dear Doctor Galt:

We are replying to your letter of May 7, 1931.

The first paragraph of this letter refers to the additional cost of the Pagoda Water-tower above and beyond the original contribution of \$7,000.00. This was reported to Dr. Stuart, and \$250.00 has been received toward the iron cap.

The main part of your letter refers to the remittances made on the original \$7,000.00 received for this particular object. We have very carefully checked through remittances to the field and very easily locate the \$3,500.00 sent to Mr. Wiant, which is in agreement with Dr. North's letter of March 9, 1927. There is no other amount equivalent to the \$3,500.00 that has been specifically marked for the water-tower, which, however, does not indicate that the money has not been used. Heat, Light, Water, and Sewage funds have absorbed \$332,450.27. The analysis of this account on October 31, 1929 is as follows:-

Charges		332,450.27
Credits		
Mechanical Installation	925.00	
Charles M. Hall Estate	168,599.00	
Cashier Well	750.00	
Porter Pagoda	<u>7,000.00</u>	175,175.00
Deficit		157,275.27

Under these circumstances, it is hardly possible for us to issue an authorization for the \$3,500.00 requested. The best we can do is to report the whole matter to the Finance Committee at its next meeting and have a decision rendered. To author-

Dr. Howard S. Salt

July 11, 1930

-2-

ise \$3,500.00 now would be simply adding to the already large deficit. Before taking this action, however, we shall again check through our remittances to the field to ascertain if there has not been a remittance that would tie up with this particular amount.

Very cordially yours

Assistant Treasurer

CAR:MS

YENCHING

INDEXED

Yenching University

TRANSFER

July 11, 1930
E30-7-11-2

ack 10/14/30

Dr. Howard S. Galt
Yenching University
Peking, China

Dear Doctor Galt

Letter 6327, dated June 13, 1930 and addressed to Mr. Garside, hardly needs acknowledgment, as most of the items therein have been dealt with otherwise.

We are quite sure that the matter of responsibility vested in the Woman's College for the hiring of women teachers will be ironed out when Dr. Stuart reaches the field.

Your cable relative to the Investment Committee in Peking came in time for us to secure action from the Finance Committee, and the minutes of the meeting held on June 11 indicate the result of the consideration.

The "Deferred Requests" have also been dealt with, but, as you indicate, the whole matter rests upon the successful handling of the new endowment for Natural Sciences.

We note your request for the authorization to draw \$3,000.00 for the residences. The fact is that at the present time and in all probability up to January 1 we will be running very short of cash. We would rather postpone issuing this authorization for a short time but will make a notation to bring it to our attention in time to issue authorization by October first, if conditions so warrant.

We note the progress you made on the purchase of power plant machinery. Information we have had indicates that it will be possible to secure the desired equipment at a figure under the anticipated amount.

We are very sorry that consideration was not previously given to the pension and salary plan. After a very thorough combing of the field,

Dr. Howard S. Galt

July 11, 1930

-2-

we can find nothing better to offer, and it has the added advantage of being absolutely sound in principle and just to all concerned. The literature descriptive of the plan is in process of publication and as soon as it is proofread will go forward to field, giving a very clear and complete idea of the whole plan.

Very cordially yours

Assistant Secretary

GAB:MS

YENCHING

TRANSFER

July 11, 1930

(230-7-11-1)

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

Dear Dr. Galt:

The Trial Balance as of June 30th with closing figures on page three, Cash Statement for the month of June and Statement of Disbursements on the Current Budget for the entire year from July 1st, 1929 to June 30th, 1930 of the Women's College Accounts are herewith enclosed. In connection we are sending copies of Journal Vouchers #11 and #14 of August 31 and October 1, 1929.

June 1930 Journal Vouchers #33, #36 and #37 are enclosed also.

Sincerely yours,

OLL/L
encl.

YENCHING

TRANSFER

July 11, 1930

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

Dear Dr. Galt:

Enclosed herewith please find Trial Balance as of June 30th with page 6 showing closing figures for the fiscal year ending June 30th, two copies of Cash Statement for the month of June, Monthly Budget Report, and Statement of Disbursements on Managers' Current Budget.

We have changed the Mex. budget figures on the Monthly Budget Report for June to conform to the Revised Budget 1929/30 as shown on Appendix B of the Minutes of Joint Meeting Committee on Finance, Property & Investment with Budget Committee on May 21, 1930, in which the amount of income from the Trustees is stated at Mex. \$218,295, and Salary Increase Mex. \$5,120. The amount, Mex. \$55,752.01, on the Monthly Budget Report includes the CMB appropriation of M.\$28,753, and the Mex. sent out to the field on the Princeton-in-Peking appropriation, namely, \$26,999.01.

The gift of Dr. Henry S. Coffin received on February 11th, 1930, and paid to the field account on April 28th in draft T1054 is brought forward to 1930/31. In this connection we notice (as you called to our attention in a recent letter) ^{the new entry} was incorrectly stated on our April Statement as Mex. \$4,396.80 instead of \$4,396.86, but fortunately we deducted the former figure so that our Mex. total was not affected. Mr. Garside and Mr. Evans also have both written you with regard to the \$1800. carried over from last year, and Mr. Evans has now under consideration an answer to your last letter with regard to the final disposition of it.

Journal Vouchers #597, #598, #602, #605 to #610 are also enclosed.

Sincerely yours ,

OLL/L
encl.

學大京燕
YENCHING UNIVERSITY
Peping China

YENCHING

Office of the Treasurer

July 16, 1930.

G335

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

INDEXED
TRANSFER

My dear Mr. Garside:

Some time ago Mr. Tsai wrote, with my concurrence, suggesting that the New York Office arrange a bank account upon which we here could draw checks for salary payments in gold during the new fiscal year. We do not know as yet what your reaction to that proposal will be, for thus far we have not heard from you.

In the meantime, the necessity is upon us to begin paying the salaries of some of our foreign staff, especially as it is necessary in a few instances to provide for the vacation needs of these members.

Accordingly, I have begun to write drafts on the regular forms, beginning with a new book, the initial number being T1101. Since these drafts are given to the persons concerned, we have no information regarding the rate of local currency equivalents. We take it that it will not be necessary to record this data for these payments, as we assume it will be necessary for the New York Office to open up a salary account in gold.

For your information I report the following drafts written:

ch. to # 31	T1101	July 12	Samuel D. Groff	G\$ 79.17	8/8/30
# 31.1	T1102	" 16	Dora M. L. Bent	156.22	8/18/30
	T1103	" 16	Lula Conover	156.22	8/18/30

I may remark that we have a general regulation here that in case of advance payment of salaries eight per cent interest is charged. This has resulted in a reduction of \$2.11 from the amounts in the last two drafts mentioned above, otherwise the amounts would be \$158.33. Also I must confess that the subtraction of interest escaped my notice in the case of the first draft to Mr. Groff.

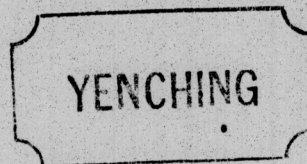
Very sincerely yours,

Howard Galt,
Acting Treasurer.

HSG/LC

83328

RECEIVED
UNIVERSITY
JUL 11 1930
JOINT OFFICE



TRANSFER
Yenching University

July 18, 1930
E30-7-18-1

Dr. Howard S. Galt
Yenching University
Peking, China

Dear Doctor Galt

On March 8, 1930, Mr. Garside wrote a detailed letter enclosing a study of residence accounts. In your letter of April 8 you acknowledged this communication, and while we are very frank in admitting that it requires some study, nevertheless we did not want to let it drop entirely out of sight. As our follow-up system brings us face to face with the situation, we are simply dropping this line so that, when a few hours are at your disposal, you will find ready occupation for them.

Very sincerely yours

Assistant Secretary

CAE:MS

YENCHING

INDEXED

Yenching University

TRANSFER

July 19, 1930
E30-7-19-1

ack. 10/14/30

Dr. Howard S. Galt
Yenching University
Peping, China

Dear Doctor Galt

We have before us your letter of May 1, G315, wherein you request that we remit the balance from the fund account for the Wiant Memorial Residence. This fund has increased, as you will note in the June 30 closing, to \$5,916.28. In checking up your statement, we find that, aside from the \$5,000.00 remitted to the field, there is an additional charge of \$153.10 for radiators. This leaves a balance of \$763.18 in this particular account.

However, in view of the method in handling the residence accounts, it does not seem consistent at the present moment for us to remit this balance to the field without authorization from the Finance Committee. In the resume of plant accounts of October 31, 1929, you will notice there is a deficit in residences to the amount of \$41,940.58, and the sending of the balance of the Wiant Memorial Residence fund will simply increase this deficit by an equal amount. In view of this fact, we would prefer to wait until the Finance Committee authorizes this remittance.

We agree with you that it is a temptation to send funds to the field to take advantage of the present rate of exchange. However, we are getting over the excitement of the exchange situation, and some of our best banking brains tell us there is nothing on the horizon that indicates that there is to be any change in the situation.

Very cordially yours

Assistant Treasurer

SEE:MS

YENCHING

INDEXED

Yenching University

TRANSFER

July 21, 1930
E30-7-21-1

Ans'd 9/26/30

Mr. Stephen Tsai
Yenching University
Peking, China

My dear Mr. Tsai

This is in reply to your letter of June 18, No. T30-44. In giving authorizations for the \$35,000.00 you have contracted for under the College of Applied Social Sciences, we find that \$6,250.00 has already been authorized under #3046. This leaves a balance of \$28,750.00 to be paid over a period of ten months. In other words the \$6,250.00 covers June, July, and August 1930. You are therefore authorized to draw as follows:-

Authorization #3047:- On or after September 1, 1930 to draw \$3,125.00 against the College of Applied Social Sciences to be charged to account 135.4.

Authorization #3048:- On or after October 1, 1930 to draw \$3,125.00 against the College of Applied Social Sciences to be charged to account 135.4.

Authorization #3049:- On or after November 1, 1930 to draw \$2,500.00 against Princeton-Yenching Foundation to be charged to account 135.5.

Authorization #3050:- On or after December 1, 1930 to draw \$3,125.00 against Laura Spelman Rockefeller Fund to be charged to account 135.4.

Authorization #3107:- On or after January 1, 1931 to draw \$3,125 against Laura Spelman Rockefeller Fund to be charged to account 135.4

Authorization #3108:- On or after February 1, 1931 to draw \$2,500.00 against Princeton-Yenching Foundation to be charged to account 135.5.

Authorization #3109:- On or after March 1, 1931 to draw \$3,125.00 against Laura Spelman Rockefeller Fund to be charged to account 135.4.

Mr. Stephen Tsai

July 21, 1930

-2-

Authorization #5110:- On or after April 1, 1931 to draw \$3,125.00 against Laura Spelman Rockefeller Fund to be charged to account 135.4.

Authorization #5111:- On or after May 1, 1931 to draw \$2,500.00 against Princeton-Yenching Foundation to be charged to account 135.5.

Authorization #5112:- On or after June 1, 1931 to draw \$2,500.00 against Princeton-Yenching Foundation to be charged to account 135.5.

Trusting that this will work out to your entire satisfaction,
I remain

Very sincerely yours

Assistant Treasurer

CAE:MS

CC: Miss Lane

YENCHING

Yenching University

INDEXED

July 21, 1930
E30-7-21-2

TRANSFER

ack 10/10/30

Dr. Howard S. Galt
Yenching University
Peping, China

My dear Doctor Galt

Confirmation copy of cable is enclosed herewith.

The banks will not open an account for a corporation without proper resolutions having been adopted. The Executive Committee has voted permission to open such an account as requested, but very serious objection by one board makes us hesitate to proceed without more detailed reasons for establishing an account in the States. Lingnan and Hanking salaries are being paid a month in advance from our office. Some staff members have accounts in the States, and we make deposits for them.

We shall be glad to cooperate in any way, but it is not a very convenient affair to have a checking account nine or ten thousand miles away.

The balance of the cable is from Mr. Gamble and is self-explanatory.

Very cordially yours

Assistant Treasurer

CAE:MS
Enc.

YENCHING

INDEXED

Yenching University

TRANSFER

July 22, 1930
E30-7-22-1

Dr. Howard S. Galt
Yenching University
Peking, China

Dear Doctor Galt

We are in receipt of your letter of June 25, G-330. This is a covering letter relative to the pension plan. In view of the attitude of the field, we are immediately mailing copies of the field's findings to members of the Pension Committee. Two are on their vacation at the present time, so it will be impossible to get any action until later on. There will be no meeting of the Finance Committee until in September, and it will hardly be possible to get any action from the Trustees before the fall meeting.

The Committee made such a thorough study of all plans that the Trustees felt that the suggestions made tended in the proper direction. After very carefully reading the field's plans and your covering letter, I feel that in justice to the Committee, certain evident misunderstandings should be cleared up immediately. This does not involve a meeting of the Committee, but a clarifying of the understandings surrounding the investigations carried on by the Committee.

First of all, the Committee did not consider any company that would not accept Chinese lives. That was very emphatic. The Trustees also absolutely refused to listen to any plan that took in Westerners only. Had we been thinking of white lives alone, the plan would have been relatively simple and without doubt would have been worked out long before this. The reason why the white lives were listed as a basis for the statistical report was that in the very beginning we had all of the data regarding these individuals and did not have statistics for the Chinese staff members. At no time has there been any thought that the plan applied to white lives only.

The $3\frac{1}{2}\%$ basis which the Committee arbitrarily set up as the one to be used is that adopted by all companies working an annuity plan. To use any other basic percent is suicidal, unless it be less than $3\frac{1}{2}\%$. In actual practice, however, the Sun Company is paying $5\frac{1}{2}\%$, the Equitable about $4\frac{1}{2}\%$, the Teachers Annuity between 4 and $4\frac{1}{2}\%$, but the basic figure is always $3\frac{1}{2}\%$.

At one place you mentioned as an illustration regarding investments that you are getting .815 for LC\$12,000 Chinese Government Bonds. We presume you mean .0815. If this is the basis on which investments are to be figured on the field, my personal reaction is that the Trustees will not approve of this procedure. The swing of the pendulum is towards safety in investments rather than a large income. When any such amount is paid for interest, the loaning corporation is forced to do it in order to float the bond issue. There is always some element of risk very largely reflected in the rate percent. I have been in the Orient and have seen some bond with 8, 9, and 10% yield, which I thought possessed ample and adequate security, but in every case a weakness developed somewhere.

The plan originally adopted by the field is not new. It has been given very, very careful consideration, not alone by Yenching Committee but by committees of other universities, and it had been in use for years in some American colleges. Again and again, however, it has been declared to be unsound and uneconomic. Further than that, institutions such as the University of Pennsylvania and such corporations as the Illinois Central Railway and the Imperial Oil of Canada, where there are a large number of employees to furnish proper averages for operating an annuity plan and where they have thoroughly investigated the self-operated plan, have in each instance used private companies instead. The head of the Annuity Department of the Teachers Association told us a while ago that their best business came from taking over self-operated plans from universities and setting up the individual policy plan with the teachers.

There are several reasons why the system originally proposed by the field is almost prohibitive.

First, there are too few people on the Yenching staff to provide a sound basis for operation.

Secondly, it is too expensive to operate a small number of accounts of this nature. The task of caring for the investments, if they are properly taken care of, is no small item in itself. Each month's income should be invested immediately, and there is not enough money coming in to make such investments worthwhile, and if they are not made monthly, there is a loss in income.

Thirdly, where a University operates its own plan, there have been too many opportunities for modifying the basic features and so changing its complexion that it defeats its own purpose. The larger the group, the less danger; the smaller the group, the more difficult it is to refrain from making such changes. When an outside company takes over the whole plan and one policy is adopted, there is no change of the basic conditions. A policy is written covering the plan. While the field possibly thinks that this is a disadvantage, on the other hand it actually works out to the advantage of the insured.

Fourthly, it is noted that in the field plan the representatives of the beneficiaries are to pass on all proposed investments. The question arises - how many of the proposed beneficiaries are capable in any way of passing upon the investments for such trust funds? With all of the investments we are handling in this office, we are daily reminded of the difficulties involved in purchasing and selling securities. There are a number of things to be done which do not appear on the surface, and under present conditions in China these difficulties would be multiplied. On the other hand, the insurance companies have

staffs of employees who are doing nothing except studying the investment problem and they are doing it with the purpose of securing safety with the largest possible income.

Fifthly, Section 4 is set up to relieve the Trustees of all responsibility, but under the laws of the State of New York, such a section is absolutely unconstitutional. Trustees cannot be absolved from losses by any statement or conditions that are imposed contrary to the laws of the state. Regardless of Section 4, the Trustees would be responsible for any losses, should such a question come to issue. The Trustees must approve any plan, and the simple act of approving places the burden where it rightly belongs - on the Trustees. Do not misunderstand me! It is quite possible for any group or number of the faculty to get together and form an organization for their own benefit, and it is conceivable that the Trustees might agree to donate something toward such an organization. However, it is not probable, and further there would be no permanency to such a plan.

It is conceded that, when the entire plan is accepted, the budget will necessarily be enlarged, but any plan that is adopted will take considerably more study and application before it actually becomes operative. The thought of the Committee has been that if the plan could start operation September 1, wonderful progress would be made, - this, providing that the field would agree to the plan proposed by the Trustees' committee.

Pages 4 and 5 of your covering letter deal with the contributions of the University. Dr. Pritchett's handling of the pension question has been discussed at some of our meetings. First of all, any experience gained by the Carnegie Foundation in its handling of the \$19,000,000 fund is hardly a credit to the pension system, for it has found itself very gravely involved and finally had to right-about-face and take an entirely different attitude to the whole pension plan. Much of what is left of that \$19,000,000 of the Carnegie Fund is now assisting in paying the overhead of the Teachers Annuity Association. The Teachers Annuity Association is fundamentally set up with the idea of issuing an individual policy to the teacher. Under their plan the university, if it so desires, can contribute any portion toward the payment of the premium, and in that case it is understood very distinctly that it is an out-and-out contribution to the annuity policy. If the teacher goes to an institution where the plan is not operative, he has to pay the entire premium himself. Dr. Pritchett's statement that a pension plan is essentially a part of salary is absolutely contrary to the generally accepted theory. A pension is not salary, and where any plan is set up where the individual can take his funds out, which he can do with the Teachers Association, such a fund is simply a bonus; and again, bonuses and annuities are widely separated.

We have one university working along the bonus idea, but it is one of the finest examples of how the proposed system works. It operates in this manner:- the individual may take his retirement fund and invest it or buy any commodity. The fundamental purpose of the idea is absolutely defeated, namely that of relieving the person's mind regarding future income. Where a properly operated annuity plan is set up, the tone of the entire organization is changed. Experience has been that a deeper sense of loyalty has been engendered. There is closer application to tasks, better work is done, and the people live longer. The worry over their future has been lifted.

The University is very decidedly interested in all of its employees. It desires to retain them as long as possible. It is willing to assist in pro-

viding for their old age. The sole aim has been to help in solving a growing problem of administration, but to provide a plan whereby a person builds up a fund which in five or six years amounts to such proportions that it looks attractive for personal use and which permits of the individual taking it and using it as he desires, simply defeats the entire purpose that the University has set out to accomplish.

I had no intention of going so much into the matter when I started, but I feel that the Committee should be properly represented, and if I may inject a personal word, I feel that more thought and consideration for the fundamental and economic features of the whole plan should be given by the field. Wherever it has been possible for our committee to gain any additional light on the subjects of pensions and annuities, no pains have been spared in securing the information. The conclusions reached only came after the very closest scrutiny of all plans and ideas.

As stated in starting, there does not seem to be anything that can be done at the present time. With our people so widely scattered during the summer holidays, we cannot gather a quorum of the Trustees, to say nothing about having the Committee review the whole question in the light of the suggestions from the field.

Just yesterday we received the proof of the pamphlet being issued by the Sun Company in explanation of the pension plan. In fact, the company has also worked out a very excellent plan of insurance which they are now submitting, and at first glance it appears to be a very practical proposition. We have not applied it to all of the University staff to ascertain the exact cost, but it is possible for both Chinese and Western lives to participate in it. Of course, this will also have to be cast aside for the present until some decision is reached on the pension plan.

Very cordially yours

Assistant Treasurer

CAG:MS

P. S. Your letter and the action of the field committee was sent to the Pension and Salary Committee. One vote came in this morning from a member leaving on an extended vacation. He is perfectly agreeable to the proposition that any individual can and may handle his money as he pleases but is quite firm in his conviction that for funds wherein the Trustees are involved, gold is the only thing to be considered.

YENCHING

TRANSFER

Yenching University

July 23, 1930
B30-7-23-1

Dr. Howard S. Galt
Yenching University
Peping, China

Dear Doctor Galt

We have received the enclosed papers from Montgomery Ward and Company along with a letter stating that last May they shipped three boxes to Yenching for Mr. Robert Duncan. They also sent the papers in his name to Yenching, and the envelope has been returned marked "No longer at Yenching."

We are sending them to you and trust you will take care of the shipment, as Dr. and Mrs. Duncan are traveling through Europe on their way to Yenching.

Very cordially yours

Assistant Treasurer

CAB:MS

Enc.

YENCHING

TRANSFER

Yenching University

July 23, 1930
E30-7-23-2

ack. 10/14/30

Dr. Howard S. Galt
Yenching University
Peking, China

Dear Doctor Galt

The main question raised in your letter of May 22, G321, was regarding the salary originally contributed to Mr. C. F. Chou. The question you raise is whether or not, in view of the fact that Mr. Chou has resigned, this same amount could be used for the salary of some other well qualified person.

When your letter came to hand, this matter was being dealt with by the Promotional Office, and we have now received a memorandum from Mr. Wannamaker indicating that the \$1,000.00 donated for Mr. Chou's salary are available for a successor to Mr. Chou. To phrase it more in the manner Mr. Wannamaker expresses it, it can be assigned to any one else doing the work left by Mr. Chou.

Very truly yours

Assistant Treasurer

CAE:MS

YENCHING

TRANSFER

Yenching University

July 28, 1930

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

E30-7-28-1

CCN. 10/24/30

My dear Dr. Galt:

This is in response to your letter of July 1, G-331. It is indeed fine to hear the splendid reports regarding the commencement exercises. Miss Margaret Speer was in to see us the other day and gave us a very glowing account also.

Vacations are on here also and we are running rather short-handed. Mr. Garside expects to be back during the first week in August which will let me away for a period.

In reality there is not much in this letter that calls for any extended comment. The Bocker bill has been paid and while we regretted exceedingly having to cable the field, yet it was our conviction that any agreement with your office should be followed out to the letter.

The Bashford Fund situation, as we understand it, is being adjusted according to the action of the Trustees. The salary for the successor of Mr. C. F. Chou has been referred to in previous correspondence, and as previously stated, the Power Plant proposition is being left entirely to the field.

We note your reference to letter G30-5-28-1. This ties up with the request for authorization to complete the Practice School Building. One reason for Mr. Garside's writing this letter was to forestall any action which would involve additional expenditure. Both of us here in the office are exceedingly sympathetic with this particular proposition, but to complete the building when funds are not actually available is going to cause embarrassment in some places. I am quite convinced that there is only one method of handling appropriations which are to go through the Treasurer's office in New York. That is, to make no move except on authorization of the Treasurer or the Assistant Treasurer which will indicate that the funds are either in hand or have been specifically authorized by the Trustees. Of course, this is purely and simply my own personal reaction. However, our previous communication has covered this point.

We note your reference regarding funds for the Warner Gymnasium and will endeavor to straighten this matter out within the next few days. Mr. Warner has been away and we have been trying to get in touch with him. Just as soon as we can secure some definite word we will review

the whole situation and issue the final authorizations if circumstances so warrant.

This brings us to the consideration of your letter of June 6, G-324. In this letter you ask for authorization for the balance of the funds to be used on the field. Mr.Garside's letter of June 21 anticipated your needs for the summer and gave you authorization for \$15,000. He also enclosed a memorandum of a conversation which he had with Mr.Boyd. This called attention to the fact that there was a balance of \$33,115.96 due the field. Your statement indicates that there is a balance of \$27,785.85 due the field. We also note that there is a qualifying clause which indicates that there is a possibility of revising these figures. We have carefully reviewed Mr.Garside's statement and find that it is correct, and we shall be interested in knowing how you arrive at your result.

A conference with Mr.Boyd last week, at which Mr.McBrier was present, indicated that it would be some time before Mr.Boyd would find it convenient to make payment. We have, however, the authorization to borrow if necessary, but, of course, we would rather not place a loan until it is absolutely necessary. We are, therefore, authorizing the following:

Authorization #3005 - On or after September 10 you may draw at three days G\$10,000 on account of the Boyd Gymnasium; this to be charged on our records to account 26b, Yenching Women's College accounts.

Very truly yours,

CAE-H

CC: Later mail.

YENCHING

TRANSFER

Yenching University

July 28, 1930
E-30-7-28-2

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

ack 10/14/30

My dear Dr. Galt:

We have deferred answering your letter of June 12th, #G-326, pending final action in placing order for apparatus for the Boyd Gymnasium.

After a consultation with the representative of the Narragansett Machine Company, we changed three orders to conform to universal specifications generally used by the company. It is simply in the matter of the kind and length of rope used in some of the suspended apparatus. We have been assured that the lockers are of the knock-down type and will ship at the lowest freight rate for this type of commodity. It is our understanding that apparatus and equipment is to be paid for from the funds on hand in the States.

Mr. Garside's letter of June 21st indicates the amount of balance which we have on hand, to which of course will have to be deducted \$2,548.30 for equipment. If you are to buy additional furniture and apparatus in China, a very careful check will have to be kept, as in a recent conversation with Mr. Boyd he stated that one thing he would not consider would be a request for additional funds to complete the building.

Very truly yours,

CAE:A

學大京燕
YENCHING UNIVERSITY
Peping China

Office of the Treasurer



July 29, 1930.

T30-45

TRANSFER

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

Dear Mr. Evans:

This is to advise you that we have
on this date drawn on you U.S. \$6250.00 on account
of Laura Spelman Rockefeller Fund as per your
Authorization No. 3046. This is being sold under
the contract rate for July for these funds, namely
381.861. The Local Currency equivalent is \$23866.31.

Social Sciences

Dr. Galt has left for Peitaiho, and
I am just back from there. I will attend to the
many other letters which have come from your office
as soon as I can clear off the other more urgent
matters which are piling up on my desk.

With kindest regards,

Yours very sincerely,

Stephen Tsai
Stephen Tsai,
Associate Treasurer.

ST:w

PD. 9/2/30 - No #550.7

RECEIVED
UNIVERSITY
AUG 25 1930
JOINT OFFICE