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Krause, O. J. 1916-1920

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O. J. KRAUSE,
TREASURER

NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH
PEKING

ask 13/11/16
Krause
PEKING

FOREIGN MISSION AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE, PEKING"

October 4th, 1916. ANSWER

Dear Dr North:-

I have your letter of August 7th, 1916 replying to my statement of accounts of the University. In your letter you ask for a distinct list of the properties held under the new Board of Trustees of the University. The preparation of such a list has occupied a lot of my time through the summer and fall and I have just finished making such a list. Dr Hobart who helped in writing out this list of details from deeds has gone through the statement which I am submitting to you here with and certifies his findings.

You will find in a few cases that one or more of the facts listed is missing. This is due to the fact that so far I have not been able to put my hand on the deeds whose properties are numbered in my accounts as indicated in the list. In nearly every case it happens to be a vacant lot. The Chinese assistants who have helped in securing all or nearly all of these properties have assured us that deeds were made and should be in hand. I have no doubt that when Dr Lowry returns again in a couple of months these will be found in due course of time. He, of course, thought, as I did, that all deeds had been handed to me but this seems not to be the case as I am unable so far to locate them.

You will note that I have prepared ^a balance sheets

0826

as it stands September 18, 1916. In order to understand this sheet the better I would say that ^{the} the results shown were arrived at in the following manner. ^{the} Presbyterian Mission turned over for this property account Gold \$10000. which realized Tls 15461.25. American Board Mission turned over \$12,000. Gold which realized ^{the} \$16,211.02. These amounts were turned over to us during the current year. Since this is the beginning of real union in this matter ^{of property purchase} the average rate ^{found to be 1.94%} on these two amounts was worked out as the basis for arriving at the Gold amounts of the ^{other} two items named, that is, the Birchel account and our own Mission account.

A word in regard to the Birchel account. It appears in this statement from the fact that Mr Birchel, a British subject, acquired a property within the area desired for our new university plans in the name of the Neking University under an agreement that at the expiration of ten years from the date of the agreement the property is to be turned over to the University authorities, by repaying Mr Birchel for the amount he has invested in the property ^{or at a valuation of the property by assessors at that time.} It therefore seemed to me wise since the property is already in the name of the University to let it appear here and to let it be taken by the new Board of Trustees and Managers for administration ^{and} the carrying out of the agreement between Mr Birchel and the University. In regard to our Methodist Episcopal Mission account I would say that listing the amount Gold \$86,504.76 means that our Mission have underwritten all loans thus far made in this ^{property details}. This has been done on the understanding as it has been given to me that each mission

A. M. M. M.

was to put into the union plan Gold \$100,000.⁰⁰ In a later statement I shall plan to go into full details as to this Gold \$86,504.76 or its equivalent in Taels, to show what of this amount has been received from our Board, how much of it represents loans negotiated locally and at the same time draw up a statement of properties held by our mission outside of these properties, properties which are held as endowment and supposed to cover our endowment funds as shown in our annual reports. I shall endeavour in this later statement to indicate the amount of our endowment funds invested here in Peking and elsewhere. In regard to the lists submitted here I would say that I am asking the property committee of the new Board of Managers to examine these lists together with the deeds in hand with a view to a more or less formal acceptance of this statement as the opening statement of the new university scheme. I believe this will give you ^{the} data necessary for presenting these sheets of the new Board of Trustees. Any further information desired will be gladly given upon request. Dr. Lowry being here later ~~he~~ can add further data in case I shall be unable to answer all questions that you may have to ask in later correspondence.

Very sincerely yours,

O. J. Krause

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Very sincerely yours,

10130/16
 REFERRED
 BY THE BOARD
 3/6/16
 FILED MAR 7

ack *Have this
Copies &
Sent to all
Trustees* *(Mailed
to Trustees
Jan. 18-1917
Sh.)* *No 5* ✓
Peking, China, Nov. 26th, 1916

com X
To the Trustees of Peking University,
New York City,
U. S. A.

Dear Sirs:-

✓ If you have received the minutes of the actions taken by the newly organized Board of Managers of Peking University you are aware that this body has already assumed the direction of the collegiate work done by the Peking University formerly and by the North China Union College, located at Tungchow, and the Union Theological College, which latter is now located on the grounds of the Methodist Mission. It has also appointed various committees among them being one on Property which is also empowered to act as a committee on Finance. This Committee is now addressing you in this letter in order to set forth the immediate financial needs from its standpoint, at the risk of some repetition of facts, you already know.

This committee proceeded to an examination of the deeds of the property already acquired to the value of gold \$123,091. We found that of this amount the sum of \$15235. is invested in the northern third of the proposed site of 100 acres, the balance being in what we term the southern two thirds. Of this balance the Missions have paid \$93,269 and \$14,587. is on the "Birchel Account", for land already deeded to the University but not yet paid for by it. For the still unpurchased part of the southern two thirds we have

0830

options and prices practically all fixed to the value of \$78,587. and make a rough estimate of \$35,000 more, or \$113,587 all told for the rest of this southern two thirds, excepting ~~for~~ some Government plots for which we believe exchanges can be made.

In order to prevent any lots in this southern two thirds being sold to speculators or others who would prevent our securing them in the future we, the committee, recommended to the Board of Managers, ^{that} for the present ~~that~~ we purchase or secure options on all plots thrown on the market in this section. This, the Board of Managers authorized us to do. For the past month the committee has proceeded under these instructions and has had to close deals for some seven or eight pieces of land in important centres involving us in an immediate expenditure of nearly Mexican \$25,000. In order to avoid selling gold at the present very unfavourable rates we have deposited \$16,000. in gold drafts remitted for Property accounts, (\$15,000 by the Presbyterian Board and \$1,000 by the American Board,) with the banks as security for sums needed immediately but have not enough of such security at present to meet the demands on us. As the Chinese New Year, January 23rd 1917, approaches there will be more places offered, almost at forced sale, and further if the money were in hand we could negotiate the purchase of many others at that time. There is great danger that important pieces may fall into the hands of speculators. The government has already warned property holders from selling to other parties than the University in the whole area of 100 acres but we can hardly take advantage of that for any length of time unless we have the money to

buy from parties anxious to sell at once.

Again, the government having temporarily abandoned its plans for streets in this section waiting for us to make our purchases throughout the area we feel the pressure for haste. There are countless alleys and streets in the plot which we cannot buy but which the government will exchange with us for land we own where parks and streets will finally be located. We are glad to note that the representatives of the government wish to retain control of streets within our area and it is the opinion of Dr Reinsch and others that the cost of paving, ditching, policing and lighting will be met by the Government. You may not be aware that in Peking these expenses are not taxed upon adjoining property owners but are paid for by the Ministry of the Interior from the octroi. The former opposition of the government to our scheme seems to have been due mainly to the fear lest we would try to wall ourselves in and assume complete control of the thoroughfares as is the case in the Legation quarter. Their opposition has been withdrawn since learning that we were ready to co-operate with them. This means great financial relief to the University and at the same time a more efficient administration of these things than we could hope to render.

In view of these considerations this committee desires to emphasize the immediate urgency of the action taken by the Board of Managers on the field on October 23rd, 1916 viz. "Moved that we urge the Trustees to authorize the Board of Managers to purchase the remaining plots of land in the two thirds of the area mentioned as soon as they are available and in danger of passing into other hands: to urge the Mission

Boards to provide as soon as possible the funds required for the inauguration of the university scheme, and in the meantime to borrow or authorize the borrowing of funds for the purchase of land as above mentioned."

As stated, we have already realized cash by borrowing from the bank and placing our available gold drafts assigned to Property as security. The treasurer of the American Board Mission has drafts in hand which could be used for this purpose for a few months if he were authorized to do so by the Treasurer in Boston. Since it is impossible for you to send drafts to us before the date named if you could secure such authority from Treasurer Wiggan of Boston, and have him cable to his treasurer in North China and cable us authority to use such drafts up to the amount of \$50,000, before the Chinese New Year it would greatly facilitate the work of the Managers in this important matter of securing the site. We hope that you will cable us authority before January 15th to proceed on the plan until drafts from you can reach us.

Respectfully submitted,

J. F. Krause, Chairman
For the Committee.

*Members of Committee
are, A. G. Kelder,
A. F. E. Diller
Rev. J. D. Liddell*

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Respectfully submitted,

For the Committee.

116/17
REFUSED
ANSWERED DATE
9/10 3/84
FILED MAR 6

0834

done 1/19

January
Nineteenth
Nineteen Seventeen

Mr.
~~The~~ Rev. O. J. Krause, D.D.
Peking, China.

Dear ~~Barton~~ *Mr. Krause* Krause:-

Acknowledging your favots concerning Peking University, let me answer as best I can, yours of November 26th.

I have just completed a full statement to Dr. Hobart of the instructions concerning the University, covering the period since the reorganization and I am asking him to let you see that communication.

You will see that some of the proposals sent forward from the field have not been acted upon simply because no meeting of the Trustees could be secured. We hope to have such a meeting at an early date.

Your appeal on the matter of property was copied and sent to the members of the Board without waiting for a meeting. There information therefore, will be in the hands of the Secretary and the other members. I can assure you that the pressure of need for property has been felt and the anxiety for securing funds has been constantly urged. Dr. Barton advises me that he has just received a gift of \$25,000 for property. I have no doubt he will send it forward at once, as I have kept him posted as to the requirements set forth in your communications. We shall do our best to proceed along the lines indicated. The anxiety which is upon you on the field, some of us appreciate more than do others, but the main purpose is come to us all and we shall do all we can to push forward the enterprise.

I note that you will require for the southern twethhirds of the property, \$113,587 and that you have \$15,235 invested in the northern one-third of the proposed site. I am myself clear that no risk should be taken in the matter of securing options on all plots thrown on the market in the southern two-thirds. It is my personal opinion, not the opinion of the Board, that the Board of Managers were wise in making this authorization. Money available from the American Board will help you to carry out these deals. Our own resources for additional funds are just now limited, as you know. We are hoping, however, that something can be done by the other Boards to bring the investment in the property more nearly level.

I shall not at this writing traverse your earlier correspondence which covers other items to which I will give

0835

1/29/17

answer.

A call from Mr. Hussey of Hussey & Shattuck has been very suggestive of conditions which were not clearly stated to us, perhaps were not known at our meeting of October 13th. These had to do with the purposes of the Government to acquire and develop for park purposes, a broad strip along the east wall, and your statement of the Government dealing with the streets and other community costs, gives a more favorable outline to the whole proposition. I have urged the policy of cooperation with the Government to the fullest extent, believing that the authorities will favor our plans if we but let them know frankly what we seek to do and assure them of our purpose not to impose upon them a Legation proposition, but one of cooperation in education.

I will ask for Trustees' action at the earliest possibly opportunity covering the items contained in the recommendation of the Board of Managers at their meeting on October 23rd.

The question of the use of funds in the hands of the Treasurer of the American Board has been brought to the attention of Dr. Barton. He will, of course, take such action on that matter as his Committee deems wise. The power to determine this is entirely with the American Board authorities. I am unable to respond to your request to cable you authority to proceed on this plan. I have, however, taken the matter up with Dr. Barton, urging that he give your request favorable consideration, if possible.

Yours cordially,

FMN
AET

0836

*Peking Univ.
Trustees*

PEKING UNIVERSITY,
PEKING, CHINA.

Document #2
TRANSFER

PEKING

March 6th, 1917.

Dr F. M. North,
Secretary Board of Trustees of Peking University,
150 Fifth Avenue,
New York City.

Dear Dr North:-

Referring to our letter of November 25th, 1916, relating to property our Committee have been instructed by the Board of Managers to bring further details to your attention.

We would call attention to the new lay out for the property as shown on the accompanying chart.[#] The Board of Managers has approved this plan and is practically a unit in its judgement that the whole area 66.308 acres, should be secured for the future development of the University. We believe that it will meet with the approval of the Government as it comes much nearer to their own original plan for the streets in this section than the plan first presented to them and to your Board by Dr Lowry.

In this connection we wish also to say that the plan presented to the Board of Trustees by Dr Lowry was not made with any thought of being a final lay out. It was hastily drawn up by the architect here to meet an emergency. The Government were laying out streets on lines that would not fit into any plan admitting of a proper lay out for our work. Having it in hand as something moderately concrete and definite it was possible to win the Government to honour our request to delay on the matter of streets until our plans could be perfected. Because of the present unsettled conditions in the Government this new plan has not yet been laid before them but as already stated we have no doubt it will meet with approval.

Attached to the chart is also a statement of areas in the several plots. As will be seen from this statement the total available area for our University plans is 66.308 acres. It is proposed to locate all the educational plant on the central plot, the rectangular plots to be utilised for dormitories as needed.

As stated in our former letter the Government will, we believe, take charge of all road making expenses which in this plan compared to the one in your hands is very materially reduced. Under these more favourable circumstances we hope the Trustees will authorise the purchase of the entire plot before any building operations are begun as it involves only sixteen acres more than the Trustees have already directed us to secure. This will enable us to

Sent under separate cover.

0837

locate the necessary buildings with more ease and satisfaction than could be done if we had to build on a plot of which we only controlled a part. It will also place us in a better position to secure from the Government what has already been promised, besides the matter of exchanging land which we are to give for the new streets, for the present streets and alleys belonging to the government but which we shall want to occupy with our buildings can hardly be accomplished until we have made all our purchases in area and the government lays out the final streets. We believe that this will be the best method of hastening the full development of the plans of the University.

We are not moving forward in the matter of purchase as fast as possible because of lack of funds at our command. A number of properties are offered now but we are compelled to ask for delay in the matter. We believe if funds were available practically the entire section could be in hand within a period of six months to a year. A few plots would perhaps be held up, these however could be handled later on.

The Board of Managers appointed a committee to see what arrangements could be made toward beginning work next fall. The committee inspected the various Chinese buildings on the new campus and found that accommodation could be found for dormitories to house additional students that will come from Tungshou, but there was practically nothing suitable for the additional recitation rooms and laboratories necessitated by the coming of these students without considerable outlay in the way of reconstruction of buildings and for equipment. A final report will have to wait for further investigation.

Very sincerely yours,

J. Krause

Chairman

Property Committee

H. H. Lowry

President.

4/23/17	
FOR THE UNIVERSITY	
BY	ANSWERED
7	5/25
4/23/17	3/6/18

*Copy of letter of March 12, 1917 to
Dr. H. H. Lowry and copy of Board of Managers -
as per - Laws as adapted by
minutes. March 9th enclosed -*

March
Thirteenth
1 9 1 7

Mr. O. J. Krause,
Peking, China.

My dear Brother Krause:-

I am enclosing herewith a copy of a letter to Dr. H. H. Lowry, which puts into formal statement, the actions of the Trustees of the University at their meeting on the 9th inst. I shall follow this by some added statements when the Minutes are fully prepared and other items are brought in hand.

I placed before the Committee your exceedingly useful summary of the properties, sent forward under date of October 4th, 1916. You will see from the recommendations from the Committee on Property, the very natural and earnest desire of the business men on the Board, to have something more than a general description of the properties involved. I think nothing will promote confidence more surely than the prompt attention to these requests. I do not think that it will be necessary for you to have an exact survey, but surely the properties included in your list, by number, might be indicated upon a suitable diagram or map in their general dimensions and location. The Trustees are particularly insistent upon the observance of their direction that purchases shall be made first in the southern half of the plot.

There is some desire to proceed with appeals for buildings, though there is no money so far as I know in sight for them, but it is impossible to do anything in this particular without some knowledge of the condition of the properties as now held.

The proposal to put into the bank the remittance of the American Board, created a distinct reaction in the Committee of that Board. You might do well to consult with the representatives on the field of the American Board as to their method of financing, which, I judge, is different from ours.

I will write of other matters as soon as practicable.

With best wishes,

Yours cordially,

FMN
AEP

0839

PEKING UNIVERSITY,
PEKING, CHINA.

May 19th, 1917.

Dr. Frank Mason North,
Secretary, Board of Trustees,
150 Fifth Ave., New York City.

Dear Dr. North:-

Under separate cover I am mailing today another chart of the University land transactions. On the chart the plots already purchased, those for which we hold the deeds, are shaded, and numbered according to the numbers given to the several deeds. The plots unpurchased are left plain, and are numbered consecutively. Two plots are cross-sectioned, without numbers, these we have definite options on and are in the hands of Chinese friends.

The areas of the several lots as numbered have been worked out from the chart by the ~~xxx~~ architect, and it appears that to date the total area purchased is ~~1~~ 1,137,750 square ft, while the unshaded areas equal 1,235,550. The latter includes the "Old Mint" area, #1 which was mentioned in our earlier correspondence and estimates.

I am preparing a complete statement covering all purchases to date, showing the number, area and cost of the several lots for which we have deeds. This will bring your office fully in touch with this matter and all future transactions will be reported by number as they occur so that you may be able to follow right along with the progress of this business.

This brief statement is sent now that the chart may be interpreted when it arrives.

Very sincerely yours,

B. The chart sent was not checked up
as to the numbers, on the several plat,
this will be done before the full statement
is sent, and any discrepancies will
be noted in the statement of

6/20/17
TO — REFERRED — DATE
BY — ANSWERED — DATE

0840

*Peking Univ
Trustees*

May
Twenty-fifth
Nineteen Seventeen

Mr. O. J. Krause, Chairman of the
Committee on Property,
Peking University, Peking, China.

My dear Brother Krause:-

Let me report action of the Trustees of Peking University, taken at their meeting on May 14th, affecting matters reported upon in your letter of March 6th, which was read in full to them. The charts which you sent forward were also shown and are filed with the records of the Trustees. I stated also that you had promised a more complete descriptive diagram locating by number and list the various plots.

At the previous meeting the question had been raised as to the advantage of continuing the development of the University on the land which had been so long under consideration. I am writing Dr. Lowry the status of the case in this particular. He will doubtless feel free to confer with you as to the present status of the matter.

Your cable saying "Attitude unchanged" was presented and interpreted as meaning that the Field Board of Managers held to the proposal to proceed to purchase the additional property to complete the plot under consideration.

It would be very much to our advantage at the present time if there could be given to us that exact analysis with a diagram and numbered list with prices of the present property, that long ago should have been in the hands of the Trustees. It is no one's fault that this has not been done, but it has been a serious detriment to consideration that these facts have not been in our possession.

Let me refer further to your letter of March 6th. In this letter you analyzed the property matter and say that what we actually require for the University, would be approximately 66 acres. This does not place us where the purchase required is only 66 acres, but the additional amount in order that the proper exchanges may be made with the Government property for streets, etc., so that the point is made here that the total cost will not be modified as it would be if we had to acquire only 16 acres more than the 50 acres originally planned for. Will you state explicitly that it is the plan of the Board of Managers to buy and pay for out of the funds raised including the amounts already invested by the Methodist Board,

O.J.Krause, Chairman,

- 2 -

5/25/17

If you can make this clear and can make an estimate that is within reasonable distance of the facts so that the Trustees will have in mind not a varying amount based upon modifications and exchanges with the Government and the like, but a definite amount required for investment in the property which will be actually needed, the way will be greatly cleared.

✓ Touching your last paragraph which refers to the beginning of work next Fall, you will note my letter to Dr. Lowry will state the case. I shall send a letter also to Mr. Gleysteen for the Board of Managers.

I hope that matters will clear up soon.

With best wishes,

Yours cordially,

FMN
AET

0842

150 Fifth Avenue,
Sept. 26, 1917

The Rev. O. J. Krause,
Treasurer Peking University,
Peking, China.

My dear Brother Krause:

I presented to the Trustees of Peking University at their meeting held September 21st your annual report as Treasurer. This reached me through Dr. North to whom you had sent it, doubtless not knowing that he resigned the Secretaryship of the Trustees and that I had been elected to that work.

The Trustees took action that the report be received and be handed to the Treasurer of the Trustees, Mr. McBrier, that he might look it over and report to us on it, excepting those parts which relate to the property account. This latter goes to our Committee on Property. Should there be any further correspondence involved I shall be in touch with you again concerning it.

The Trustees desire to secure a combined itemized budget covering the entire work of the University for consideration and action. I have conveyed this request to the Managers through their Secretary, Mr. Cleysteen but feel that you should have notification also of the wishes of the Trustees in the matter.

Cordially yours,

GHJ
EAB

0843

FORM 62
22190

CABLEGRAM



RECEIVED AT
JP1
PEKING 12 ✓

944 BROADWAY
TELEPHONES:
GRAMERCY 2891
GRAMERCY 2892

"VIA COMMERCIAL"

M. SUBJECT TO TERMS AND CONDITIONS AT BACK HERE OF, WHICH ARE RATIFIED AND AGREED TO

OFFICE MANAGER	
OCT 24 1917	
TO	REFERRED DATE
BY	ANSWERED DATE
BY	PASSED TO FILE DATE
BY	FILED DATE

NORTH MISSIONS NY

MISSION OWEPOSES CHANGING UNIVERSITY SITE AWAIT LETTER

HOBART KRAUSE

No inquiry respecting this message can be attended to without the production of this paper. Repetitions of doubtful words should be obtained through the Company's offices, and not by applying directly to the sender.

0844

FORM 62
22190

CABLEGRAM



RECEIVED AT
JP1
PEKING 12✓

944 BROADWAY
TELEPHONES:
GRAMERCY 2891
GRAMERCY 2892

"VIA COMMERCIAL"

M. SUBJECT TO TERMS AND CONDITIONS AT BACK HERE OF, WHICH ARE RATIFIED AND AGREED TO.

TO	DATE
BY	DATE
FILED	DATE

NORTH MISSIONS NY
MISSION OWEPOSES CHANGING UNIVERSITY SITE AWAIT LETTER
HOBART KRAUSE

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0844

O. J. KRAUSE, TREASURER

NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH
PEKING

FOREIGN MISSION AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE, PEKING"

November 7th, 1917.

Dr George Heber Jones,
150 Fifth Avenue,
New York City.

My dear Dr Jones:-

Your letter dated September 26th is received. I note that my reports as treasurer of the Peking University in North China were received and are now in the hands of the Board of Trustees. Dr North reported to me sometime ago that you had been elected secretary of the Board of Trustees in his place, but this letter was not in my hands until after the sending of my reports. Future communications in reference to University matters I will address to you.

The question of a combined itemized budget covering the entire work of the University is having our consideration and I hope that we shall be able to send forward such a budget in the course of another week or so.

Yours sincerely,

O. J. Krause

12-6-17

H. J. 12-6-
" " "

0845

Ed. J. Krause

April 29th, 1918.

Mr. A. J. Krause,
Peking, China.

My dear Brother Krause:-

At the annual meeting of the Trustees of Peking University, held April 11th, 1918, attention was called to the fact that it was important to review the exact legal terms under which the property of the University is held. The Trustees, therefore, took action as follows:-

"That the Executive Committee be instructed to inquire into the exact legal terms under which the property of the University is held, and to report to the Trustees."

At a meeting of the Executive Committee held Saturday, I was instructed by the Executive Committee to write to you and ask for information on this point. I am also mentioning the matter in a letter to Doctor Lowry who is, doubtless, the best informed man on the field in this matter.

What the Trustees wish to know is this, - are the deeds for the property now owned by the University held in the corporate name of the University, or are they held in the names of individuals? If in the corporate name of the University, give us the romanization of that name as it is

0846

Mr. Krause, --2--

credited on the deeds; if in the name of individuals, send us information as to their names.

We shall await your annual report as Treasurer of the University with interest. How are you getting on with the work of compiling and unifying the budget of the University. The Trustees would greatly appreciate early word in regard to it.

Very cordially yours,

GHJ
VAE

0847

*Mailed on 30 April.
Recd on 17 June*

FOREIGN MISSIONS AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE PEKING"

PEKING UNIVERSITY
NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH
TREASURER'S OFFICE
PEKING

Doc 5

April 29th 1918

6/17/18

Enclosure in file

Dr. G.H. Jones,
150 Fifth Ave.
New York City.

Dear Dr. Jones,

On Friday afternoon last a meeting of the Board of Managers of the Peking University was held, and the budget prepared some time ago by the Committee appointed for that work, was approved, and I am in a position therefore to send the budget forward to you for the consideration of the Board of Trustees.

The budget, with the exception of the items for equipment, represents approximately what has been spent on the departments listed, that is the Theological College, and the Arts College. Deducting the rents item which appears on both sides of this statement, the total budget comes to \$57,975. Again deducting the \$18,000. covering equipment items for the different departments, shown on sheet 3, reduces the total to \$39,975, which is the amount actually expended for these two departments during the past year. The work of arriving at the figures shown is based on the expenditures both at Tungchou and at Peking, with a combined result as shown.

It is perhaps necessary to call attention to the note on sheet 1 in regard to the division of the income from the rents of the property held by the Peking University. As noted this division is made pro rata to the amount invested by each of the several Missions. The length of time of the various amounts contributed by the several Missions for the past years was taken into account when making the division last December.

I need to call attention also to the fact that this budget is made out on the basis of the two departments, Theological and Arts, as at present constituted, and looks toward 125 students. The action of the Board of Managers at its meeting on Friday was that the 'Yü Ke' become a department under the management of the Peking University. If this plan is carried out, it means the addition of something like 100 students more, and the budget would need to be increased correspondingly, as far as the items covered by the fees shown are concerned. The action of Friday contemplates uniting the work on the new campus this Fall in accordance with cable instructions received from you.

It will require a considerable amount of work and expenditure of funds, in order to put into shape buildings for dormitories and recitation halls. In order to give facts to the Board of Managers covering the item of rents received during the past year or more from the University property, a Balance sheet showing the different accounts was drawn up for their information. A copy of this Balance sheet I enclose herewith for the information of the Board of Trustees. I should say that this is not a report, and is intended merely to show the present standing of our University accounts. At the foot of the

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PEKING UNIVERSITY

NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH

FOREIGN MISSIONS AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE PEKING"

TREASURER'S OFFICE
PEKING

-2-

Balance sheet I have indicated what the present total credit or deficit is in the accounts of the various Missions in the Union. Taking these figures as a basis, I stated that from our income, ^{here} there would be available something like \$2000 from each Mission, provided those Missions whose accounts are not up to that amount, will pay into the account the same as those Missions whose accounts show a credit of approximately the amount named. If this is done, there will be in the hands of the Board of Managers \$8000. by the end of June with which to proceed in the work of repairing and putting up temporary quarters as necessary for the coming work this Fall. This amount should go a long way toward putting in order the buildings we need for the Fall. I doubt however whether it will give us the Schoolroom equipment that is necessary. Our Committee having this work in hand will prepare at the earliest possible moment an estimate covering the work of fixing up buildings and the needed equipment, and lay the same before the managers here for approval to pass on to you.

Without waiting for this estimate, if the work of the Union is to be put into operation this Fall, it seems to me wise at this time to ask for a remittance from the Trustees of from \$5000 to \$10000 Gold. -All amounts named earlier are in local currency.-

Referring to sheet 2 of the budget submitted, we have given there the names of those who are linked with this work in the University. The first column of figures represents amounts covering the salaries of two men from each of the uniting Missions. It was our understanding that each of the Missions was to furnish two men and that, when fully organized, and the budget for the rest of those doing work in the University would be provided for by the funds supplied by the Board of Trustees and not directly by funds from the Missions. It is to be noted therefore that in the budget of expenditures the amount representing the total of these several amounts under Mission control are not taken account of. In this respect therefore the budget for the coming Fall and Spring terms will no doubt be modified by the fact that until full organisation is effected and the Board of Trustees are fully behind the finances of the University, the various Missions will provide for the payment of the several Professors taking part in this united work. In all of these statements I do not mean to intimate that our interpretation of the intention of the Trustees in regard to these matters is the final or correct one, and I speak of these details that you may know on what basis we have proceeded in making the budget as shown. Sheet 3 is an attempt to indicate the needs of the several departments as regards equipment of Laborotaries. The amounts named seemed to the Committee modest when it is remembered that practically each department needs to begin at the bottom in getting together ^{material & equipment} for its work.

As the departments are not ^{fully} organized ~~as a unit~~ at present, it seemed impossible to indicate more in detail the requirements of the various departments. As stated just now the amounts are not such as to admit very much latitude for unwise expenditure of funds. It is also true, I feel, that during this first year in the work of starting up the work on a union basis it will be found

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PEKING UNIVERSITY

**NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH**

FOREIGN MISSIONS AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE PEKING"

TREASURER'S OFFICE
PEKING

93-

unwise to attempt a fitting up of these several laborotaries in ^{fully} up-to-date way, so that the expenditures probably will not reach the sums named, if granted.

Very sincerely yours,

J. Krause.
Secy.

0850

Doc 12

Peking University.

Sheet No. 1

Budget.

July 1 - 1917 - June 30 - 1918

Estimated Incomes

Appropriations - American Board		681000	82000	
	L. M. S.	1000	2000	
	M. V. V.	1000	2000	
	Presb. Mission	1000	2000	
Departments				
	Theol.		Arts	
No. Students	25		1000	
Item.	Fees	Amt	Fees	Amt Total
Tuition	10	250	20	2000 2250
Room Rent	10	250	10	1000 1250
Inc. Fee	4	100	2	200 300
Athletic Fee	1	25	1	100 125
Medical Fee	1	25	1	100 125
Board Fee	40	1000	40	4000 5000
Totals	66	1650	74	7400 9050 9050
From Rents - Estimated				12000
Additional Appropriation required				40925
Total				69975

Estimated Expenditures

Item	Theol	Arts	Total
	Coll.	Coll.	
Salaries, Chinese		5000	5000
" Foreign	6200	16650	22850
Board	1000	4000	5000
Supplies	100	100	200
Light	200	600	800
Heat	200	800	1000
Traveling	20	60	80
Servants	120	600	720
Repairs	150	500	650
Postage, Sta. Ptg	50	150	200
Laboratories			
Current Expenses			
Chemical		500	
Physical		200	
Biological		150	
Geological		200	1050
Athletics	60	240	300
Sundries	100	400	500
Equipment			
See Sheet III	1000	17000	18000
Literary	500	1000	1500
Medical	25	100	125
Rents X			12000
Total			
	9725	48250	69975

X. Under present unequal investment of funds by the several Missions incomes from rent are assigned to each Mission, pro rata to amount invested.

Foreign Salaries include Estimates as follows:

Dept. of Theology. -	a. G. B. Wilder	G\$1500	o		
	a. Vicks			\$1200	
	l. R. K. Evans	1200	o		
	m. C. A. Felt			1400	
	m. W. F. Hobart			1500	
	m. E. J. Winans	1200	o		
	p. C. L. Ogilvie	1400	o		
	u. G. T. Candlin	1500	o	G\$3100	\$6200
Dept. of Arts	a. H. S. Galt	1500	o		
	a. L. C. Porter			1200	
	a. E. J. Woodall		1/2 time	300	
	a. Beers			600	
	l.	1500	o		
	l. J. B. Tayler			1400	
	m. H. H. Lowry	1500	o		
	m. H. E. King		1/2 time	775	
	m. A. Terrell		"	450	
	m. J. McG. Gibb Jr		"	1350	
	m. W. H. Congdon		"	350	
	m. C. J. Krause		"	750	
	p. Corbett	1200	o		
	p. Jordan			600	
	p. L. Wolfers			600	
	W. W. Davis				
	R. J. Eaton				
	a. - American Board Mission				
	l. - London Mission				
	m. - Methodist Mission				
	p. - Presbyterian Mission				
	u. - United Methodist Mission				
				G\$8325	\$16650

Names are listed in order of seniority.

o. - amounts the several missions are responsible for; it has no reference to the assignment of professors to the University.

Sheet No. III

Estimated minimum requirements for Equipment of Laboratories
of Departments.

Includes books for the Departments.

Chemistry	\$3000
Physical	3000
Biology	2000
Geology	2000
Psychology	2000
Physiology	2000
History	2000
Normal	2000
	\$ 17000

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Doc 5
FOREIGN MISSIONS AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE PEKING"

PEKING UNIVERSITY
NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH
TREASURER'S OFFICE
PEKING

April 30th 1918
Krause

Dr. G.H. Jones,
150 Fifth Avenue.
New York City.

Dear Dr. Jones,

I am reminded by the passing of time that on November 15th this year there is due on property number 116, \$14,000. local currency, at the present rate equivalent to nearly \$11,000. Gold. I wish you would make note of this and have provision made to meet our obligation in this regard.

This property comes within the lower half of the original plot, as can be seen from the charts in your hands.

In connection with these property transactions, I would say that it is our purpose to list the remaining unpurchased properties in this lower half, and submit to you the amount required for consolidating this section of property. There are something like 30 pieces of property still to be purchased, all of them except 1 or 2, are small. However, without going into detail now, I shall plan to show definitely in the list to be prepared what is required for each of these several plots.

Yours sincerely,
Krause

0854

FOREIGN MISSIONS AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE PEKING"

Doc 5
PEKING UNIVERSITY
NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH
TREASURER'S OFFICE
PEKING

4/17/18
7/10/18
7/10/18
April 30th 1918

Dr. G.H. Jones,
150 Fifth Avenue.
New York City.

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Yours sincerely,
Krause

0854

952 of 974

July
Eleventh
1918

Mr. A. J. Krause,
Peking, China.

Dear Brother Krause:

My first opportunity to present to the Executive Committee of the Trustees of Peking University the matters contained in your two letters of April 29 and 30th occurred at our recent meeting of July 6. We are gratified to have the unified budget in your letter of April 29 in explanation of its terms, and thank you for the great care which you have exercised in the matter. The report has been referred to a special committee which will give it careful examination and recommend such action as may be deemed necessary.

Turning now to your communication of April 30, we note the need which you have to make the payment on property No. 116, amounting to \$14,000. local currency. In due time the necessary arrangements and instructions will reach you in order that you may meet the obligation on its due date.

Very cordially yours,

CHJ
MCC

0855

Enclosure in Finance file

RECEIVED BY
SECY. JONES (AU)
DATE
9/24/68
TO REFERRED DATE
BY APPROVED MONTH DATE
OCT 19-26
BY PASSED TO FILE MONTH DATE
BY MONTH FILED MONTH DATE

August, 14, 1918.

BY SEARCHED INDEXED SERIALIZED DATE
JUN 19 1964
BY SEARCHED INDEXED SERIALIZED DATE
JUN 19 1964

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PEKING UNIVERSITY,
PEKING, CHINA.

-2-

Mr Gordon 15 hours. 39 hours, making a total of 191 hours.

Following the action of the Board of ^{Trustees} ~~Missions~~, it has been proposed that each Mission shall be responsible for the support of two full time men or 30 hours; for the four Missions. This would result in a total of 120 hours. It will be noted that this leaves a matter of 71 hours, or an equivalent of more for men on full time, uncovered so far as support is concerned. The professor of Biology, Prof. Dobson, is not on the field and added to the ^{amount unprovided} ~~support unfounded~~ for makes altogether six salaries to be provided for; at an average of Gold \$1300, this requires a direct appropriation from the ^{Trustees} ~~masters~~ of Gold \$7800. The Executive Committee wish to call the attention of the ^{Trustees} ~~masters~~ to this situation for consideration with a view to reimbursing those missions giving more than the quota of hours suggested. It hardly needs stating, but it cannot be expected that the Missions can withdraw from their own work as large a number of men as is shown in two cases without in some way being able to replace men ^{turned} ~~allowed~~ over to the work of the University.

The Executive Committee consider it of great importance to have in connection with the school at the earliest date possible a physician, who will also take the position of physical director. The Committee suggest an appropriation of Gold \$2500, to cover out-coming, salary and a modest physical directors outfit.

Mr Gleysteen our Executive Secretary has doubtless already written on these same points; I mention them as matters growing out of the Budget.

The work of erecting temporary buildings is progressing nicely, and there is every prospect of opening the college work on time.

Yours very sincerely

[Signature]

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August 28, 1958
TRUSTEES OF
PEKING UNIVERSITY

MEMORANDUM FOR DO. JONES

Mr. Krause raises the question whether in a statement as to participation, the record says:

- 1st - The agreement entered into for the University requires the provision of two professors at a minimum of \$1000 actual cash toward expenses or
- 2nd - That a minimum of two professors and \$1000 actual cash toward expenses be provided by the several uniting missions. He believes that the location of the word minimum has a very definite bearing upon the policy of the University. Which is it?

F.M.N.

0858

TRUSTEES OF
PEKING UNIVERSITY

150 Fifth Avenue,
Oct. 24, 1918

Mr. O. J. Krause,
Peking, China

Dear Brother Krause:-

The Executive Committee of the Trustees of Peking University at their meeting held October 11th, considered a number of matters bearing on the financial interests and status of our University enterprise. Possibly we can best discuss these matters in the form in which they came before the Executive Committee.

- I. Consideration of joint financial responsibility of the Trustees and the Managers for the budget of the University.

Consideration was given to the proposed budget of the University for 1918-19 as you have submitted it to us and it was referred to the Finance Committee of the Trustees with power. As it involves the joint financial responsibility of the Trustees and the Managers it was felt that correspondence should be instituted in order that an understanding may be arrived at in the matter of our joint financial responsibility. It was therefore VOTED:

That the Secretary and Treasurer enter into correspondence with the Board of Managers as to the method of handling the income of the University, the provision for the salaries of the foreign missionaries attached to the faculty, sources of income on the field including the disposition of income from rents, the question of exchange and its bearing upon the budget, also that of paying the \$100,000 a year financial participation of the cooperating Boards and report upon the proper method for this payment upon which the Executive Committee can base a recommendation to the Trustees.

In explanation of this action I would say that it is the desire of the Trustees to have a clear understanding in regard to the income of the University and the facts concerning the provision made for all the items of expenditure. The budget, as submitted by your good self only partially covers the expenditures involved as there is no indication of the provision to be made for the salaries of the foreign missionaries attached to the faculty beyond a mere statement that they represent their various missions on the

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faculty. We note that in the report on the budget of the University from July 1, 1917 to June 30, 1918 you list six men as being connected with the University from the American Board mission, three men from the London mission (one not named) four men from the Presbyterian Mission, one man from the United Methodist Mission, and eleven men from the Methodist Episcopal Mission. We note that Mr. Woodahl of the American Board mission is down for half time, while five of the teachers from the Methodist mission give a total of $2 \frac{3}{4}$ time, making the net time given from that mission the equivalent of $8 \frac{3}{4}$ times of the missionaries involved. Probably the Managers have worked out an adjustment among the various missions in this matter of the recognition of the time which is required of the two men for which each participating Board is responsible under the terms of the cooperation. We have been instructed to make inquiry on this point and will appreciate a definite explanation as to the relation of these foreign salaries to the budget of the University, and the adjustments with the Missions and the Boards concerned which the Managers propose.

We note your estimate of an income of \$12,000 Mex. from rents, reported in the budget for 1917-18 but which is estimated at one-half that amount for the budget of 1918-19.

We note also that the Managers have included in their budget the \$1000 a year participation by the cooperating Boards under the terms of the agreement. We have been instructed by the Executive Committee to make inquiry about whether these amounts have been paid to you in the past by the Field Treasurers of any or all the missions in participation or whether it is your understanding that these amounts are still due and are to be forwarded to you by the Treasurer of the Trustees. Please let us have the facts if you have received from the Missions on the field any payments on these items. We are under the impression from the budget as you have submitted it that the Managers have gone on the basis that this \$1000 a year from each of the missions would be at the Managers' disposal to be included in their budget. In view of the fact that the Trustees are expected to assume responsibility for certain items of the budget such as the salary of the men called for by special action of the Managers, it is our understanding that this \$1,000 shall be at the Trustees' disposal to meet such items and exigencies as may arise.

The question of exchange and its bearing upon the University budget is a matter concerning which we desire word from you. We note that in the budget for 1918-19 as in the previous year's budget, the \$1000 anticipated from each of the cooperating missions is credited as income at the rate of 2 to 1, whereas the rate at the present time is almost at par so that the \$1000 instead of yielding \$2000 Mex. as you credited, will yield only a little more than half that amount. I am sure that you will appreciate the desire of the Trustees to have these matters placed upon a basis of more definite understanding and we now write to invite a statement from the Managers in the matter.

II. Appointment of Professor Breece.

The appointment of Professor Breece to the English Department received very careful consideration on the part of the Trustees. It was felt that in view of the questions now arising concerning the joint official responsibility that under ordinary circumstances it would

have been well to postpone his appointment until they had been cleared up. The cablegram from the Managers, however, was both clear and urgent and in view of the very desirable character of Mr. Breece for University service on the one hand, and the difficulty, due to war conditions, in securing well qualified men for missionary service, that the Trustees would be justified in proceeding immediately in the matter of his appointment, asking the Managers, in view of the fact that it appears from your Budget that you have included the amounts of the financial participation of the Boards which alone would have been available to the Trustees for this purpose, to make the necessary provision for Professor Breece. The source from which his salary is to come will, of course, be adjusted by correspondence. In the mean time the payments, called for on his account, will necessarily lie with yourself as treasurer of the Board of Managers. I here quote the action covering his appointment which you see is a positive one and removes any question as to his standing as a member of the faculty.

VOICED that Professor F. B. Breece be appointed as Professor of the English Department in Peking University as per request of the Board of Managers, his salary and expenses to be charged to the Managers' budget; that as in the precedent established in the appointment of Professor Wolfert that the members of the University faculty appointed by the Trustees go out under the missionary appointment of some Board, the Board of Foreign Missions of the Methodist Episcopal Church be requested to take the necessary steps in connection with Professor Breece; and that the cable to Dr. Smith mentioned in connection with a previous item of these minutes, include a statement concerning the terms under which Professor Breece is appointed.

III. Financial provision for Mr. Gleysteen.

The Executive Committee took final action approving the appointment of Mr. Gleysteen as Executive Secretary. The action was as follows:

VOICED that the Executive Committee notes with approval the word from Mr. Gleysteen that it will be agreeable to him to accept election as the Executive Secretary of the University. The Executive Committee approve of the terms contained in his letter of June 21st, namely that of his giving half or three quarters of his time to the work involved, retaining his connection with his mission and the Presbyterian Board and his church in Detroit; approving of the necessary salary charge for the employment of a substitute to give such time to his school as he gives to the University and also the employment of a stenographer on part time for the work of the office of the Executive Secretary. The Trustees would refer the perfecting of these arrangements to the Board of Managers with instruction to charge to the Budget of the University the amounts involved in this arrangement.

OJK - 4

Here again you will see that the financial provision involved must necessarily come under the Managers' budget for the same reasons that caused action in connection with Professor Breece.

We note certain recommendations from the Managers involving additional financial provision and will have them under consideration pending word concerning the further adjustments required by the budget. After hearing from you in the above matters we can then proceed to see what can be done to meet the needs of the situation as it may finally develop.

We are now making arrangements for the \$14,000 required as payment on property #116 and one of the undersigned will be in cable communication with you concerning it in ample time for you to make the payment.

Anticipating the favor of an early reply.

Very cordially yours.

Treasurer

Secretary

CHJ
EAB

0862

FOREIGN MISSIONS AND F. I. M. CODES
CABLE ADDRESS: "TRAUSE PEKING"

NORTH CHINA MISSION
OF THE
METHODIST EPISCOPAL CHURCH

TREASURER'S OFFICE
PEKING

R. Z. D # 3,

Salisbury, Md.

Feb. 10, 1919

Dr. Geo. H. Jones,
150 Fifth Ave.,
New York City.

My dear Dr. Jones: Your letter of the 4th enclosing copy of the communication from Bro. Gibb relating to the University finances came duly to hand.

I have gone over his letter, and statement and feel he has given a full statement so far as I can judge from the figures given.

There is nothing I can add, except perhaps to say that I realize keenly the fact that relief should be given them by the Trustees in the matter of meeting the accounts as early as possible.

The heavy budget for the Foreign Staff was as Bro. Gibb says not estimated for in our earlier budgets.

The fact also that the London Mission is not helping on finances puts the accounts of the Treasurer somewhat behind. It was also expected that the \$1000. participation appropriations on the part of the four Boards would be available on the Field. Not any of these funds, so far as I can read the balance sheet, have been sent to the Field.

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This fact coupled with a falling off of the rents, makes a very difficult situation for the friends on the Field.

The flaw in mind when arranging the Budget last summer, was not to charge expenses pro rata to the several Missions; but to draw from each Mission's rental income account a sum of \$1000. ^{fully} and apply this sum to the University budget account; this covers the \$6000. listed as Additional - Rents; this total however includes a \$1000. ^{fully} expected from the London Mission from a direct appropriation on their part in addition to the \$1000.

This helps you, perhaps, to understand Bro. Libby's reference to a shortage of \$3500. in our estimated income, when he says this is due to the non-participation on the part of our missions.

The death of my wife on Feb. 1st was such a blow to me, I still feel the effects of it on my nervous system. I hoped earlier to ^{have} been in New York before this and to have seen you. As soon as I shall feel myself again I want to run to New York for the purpose of going over some of these matters with you and with S. North.

If there are any questions that grow out of Bro. Libby's letter, occur to you to ask I shall answer so far as I may be able.

With best wishes, Yours very sincerely,
O. Trause

Copy for Mr. Mc Brice,

June 3, 1919.

Dr. Edward Lincoln Smith,
287 Fourth Ave.,
New York City.

Re: Peking University.

My dear Dr. Smith:-

Yesterday, June 2nd, the Presbyterian Board took the following action affecting the Peking University:-

"In response to requests from the Board of Trustees of Peking University, the Board, with the understanding that the three other co-operating Boards take similar action, replied as follows:- (1) That appropriations for the current expense budget for the University be made on the basis of two Mexican dollars for one Gold dollar, the Board to meet its share of any loss in exchange upon definite representation to it by the Treasurer of the University; (2) That the Board undertake to pay during the month of April of each year its entire annual appropriation for the University budget; (3) That pending the receipt from the Field Treasurer of a statement showing the exact loss in exchange during the three calendar years of 1917, 1918 and 1919, the Board appropriate \$1500. Gold to cover its share in such loss in exchange, as this sum would appear to be nearer the probable amount than is the sum suggested by the Trustees; (4) That the Board is unable to see its way clear to make an additional appropriation for the incidental expenses of the Trustees, but would be quite willing to have the Trustees use its contributions to the general funds for these or any other University expenditures."

By (1) you will see that the Board is ready to meet its share of the budget of the College on the 2 to 1 basis; and by (2) that we will endeavor to pay the full annual appropriation in the month of April.

From (3) you will see that the Board did not comply with the request to appropriate \$2,000 at this time against loss in exchange because our administrator of funds reported that the average cost of a Mexican dollar in North China during the three years in question was approximately 75 cents in gold; therefore the loss in exchange would be approximately \$1500.00. This Board of course stands ready to pay any slight difference that there may be above the \$1500. appropriated.

From (4) you will learn with regret--I hope not too deeply-- that the Board did not feel free to make an additional appropriation of \$100. for the incidental expenses of the Trustees, but is entirely willing for the Trustees to use any of the undesignated funds which this Board contributes for any University expenses that the Trustees desire.

Sincerely yours,

J. P. Scott

GTS:M

*Cheque
submitted*

0865

JOINT CENTENARY
COMMITTEE

FRANK MASON NORTH
JOHN T. STONE
GEORGE M. FOWLES
FRANK L. BROWN
D. D. FORSYTH
L. C. MURDOCK
FRANK C. DUNN
W. H. G. GOULD

MISSIONARY CENTENARY

OF THE METHODIST EPISCOPAL CHURCH

Room 605

EXECUTIVE OFFICES

111 FIFTH AVENUE, NEW YORK

D. D. FORSYTH, CHAIRMAN
S. EARL TAYLOR, EXECUTIVE SECRETARY
RALPH A. WARD, ASSOCIATE EXECUTIVE SECRETARY
GEORGE M. FOWLES, TREASURER

NATIONAL CAMPAIGN
COMMITTEE

JOHN T. STONE, CHAIRMAN
FRED B. FISHER, EXECUTIVE SECRETARY
E. C. HICKMAN
ASSOCIATE EXECUTIVE SECRETARY
JOHN W. HANCHER
DIRECTOR AREA ORGANIZATION
C. S. WARD
CAMPAIGN DIRECTOR
NATIONAL REPRESENTATIVES
L. B. BOWERS
E. K. MORROW

June 10, 1919.

*Mr. C. M. McBrier,
Woolworth Building,
New York*

*Dear Mr. McBrier: Referring to our conversation
relative to the remittance of the Presbyterian Board,
I have to report that I consulted St. Smith on
the matter and on his suggestion I also
went to see Mr. Statt. I learn from Mr. Statt
that his understanding was that the exchange
took the average rates for the years 1917,
1918, and 1919; while, as I pointed out to
you, the estimate of \$2000. for exchange
was based on the 1919 rates of exchange,
because the gold for the years in question
was not available on the field till this
year. This explains the difference in
the amount arrived at.*

*Both St. Smith and Mr. Statt suggest
holding on to the \$1500. in hand. And if in
acknowledging its receipt, you will
make the statement that since the
funds were not available on the field
till this year the loss in exchange will
come to \$500. and more in all probability.*

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The Presbyterian Board is ready to meet its full share, wherever it will ^{figure} from actual exchanges.

Mr. Scott, pointed out this further fact, that his Board paid into the account by advancing the outgoing expenses of Mr. & Mrs. Halsey in 1917 and 1918 a total sum of \$1000.⁰⁰ thus making available much of their appropriations in the years named, and on this account it suggested itself to them to use the average rates of exchange for the three years in question. Naturally there is something to be said on that side. However, they will not stand on that, but will meet the exchange bill when it is worked out.

That I may be sure of making correct entries into the account, will you please send me a statement of receipts and payments to date since April 9th when your last statement was made. I believe I have all the receipts in the notices sent me by you, but as a safeguard, your statement will be most satisfactory.

I shall have a statement ready for the meeting on Thursday - submitting it to you first for checking.

Sincerely yours,

J. Halsey

Treasurer,
Letter of J. H. Scott
& Check for \$1000.

TRUSTEES OF
PEKING UNIVERSITY

11/3/19



PEKING UNIVERSITY,
PEKING, CHINA

Oct. 3rd 1919

Mr. E. M. McBrier,
Treasurer Board of Trustees,
Woolworth Building,
New York City.

My dear Mr. McBrier:- As per permission received in
letter to Mr. Cleysteen, I have today drawn on you
a sight draft for C\$5000. through the Hongkong and
Shanghai Banking Corporation for current account.

I hoped to be able to do without having to make
this draft, and waiting till your remittance due to
arrive here in November. Our account, however was
being overdrawn too heavily to admit of waiting longer.

It was a real relief to all of us here to receive
the cable information authorizing the budget of \$51,000.
local currency which I had considered approved before
leaving New York. This should put us through the year
in good shape. As per action of the Trustees at the
May 10th meeting ~~XXXXXX~~ this spring, section 3.b., I
am looking for a remittance from you of half of the
amount expected from the Trustees as per budget just re-
ferred to; or \$17,700. in local currency. This figure
is arrived at in the following way.

Total budget amounts to	\$ 51,000. L. Cy.
Items estimated to be raised here	\$16,275. " "
This leaves a balance of	\$ 35,500. " "
as expected from the Trustees,	
One half of this amount is	\$ 17,700. " "

The question which arises now is whether you will
attempt to cover the full amount in your remittances, or
will send just half of the amount in your gold drafts and
expect me to draw on you for the exchange to bring your
gold remittance to two to one. I shall be guided somewhat
by the amount of your draft, in case your accompanying
letter does not clearly indicate the method to pursue.

0868

E.M.McB. 2.

The plan outlined in the action of the Trustees of May 16th, already referred to authorises me to draw on you for exchange on these current remittances to bring them to two to one. This will be the plan I shall follow unless otherwise instructed.

You will be pleased to learn that we were able to close the accounts for the last school year, 1918-19, in the current budget part, with a small balance to the good. That is \$2500.25 are carried over to the new year. This further fact will be gratifying also. In the years accounts I have included only \$4000. at par as from the Trustees. In other words, it was possible to close the years accounts by using only just the one years appropriations from the four uniting Boards. This not only leaves the balance given above to go forward to the new year, but in addition, the other \$8000. of the appropriations of the Boards for 1917, 1918 and 1919. This \$8000. should from my way of looking at the matter help in reducing the \$27,500, L.Cy. shown necessary to be found by the Trustees by \$16,000. I note in the budget already mentioned, the item for repairs is rather small, only \$400. being down for that item. It may mean that we may have to use a part of this balance on property items not otherwise provided for.

I am not able to send with this letter the statement of accounts as I wish I might. The statements need to be copied. I am not able ~~also~~ to send with this the statement of exchange which is due you. I am still without office help so matters move more slowly than I wish them to do. A large number of items have been left over for my attention in both Mission and University accounts which makes catching up a matter of some time yet.

With best wishes, I am,
Very sincerely yours,

J. Krause

Copy to Dr. E.M. North.

0869

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PEKING UNIVERSITY,
PEKING, CHINA.

May 28th 1920

Mr. E. M. McBrier, Treasurer,
Board of Trustees, Peking University,
New York, N. Y.

Dear Mr. McBrier:-

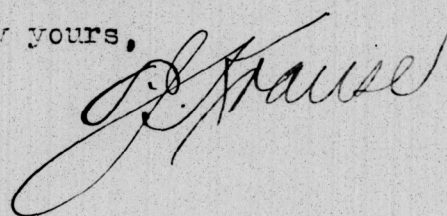
A few days ago I handed to President Stuart a copy of the enclosed budget covering the financial needs of the University for the year, July 1st 1920 to June 30th 1921.

Dr. Stuart will write concerning the policies and needs of the University as related to this budget.

With this budget I am sending a few notes dealing primarily with the mechanical arrangements of the statements. I trust that you will find these statements sufficiently clear for your accurate understanding of our needs for the year in question.

I would call attention to the fact that we are holding to the old financial year in making this budget. If I recall rightly the suggestion was made in a letter from Secretary North that it would seem best not to change the fiscal year of the Institution, to end in January as was contemplated in the action of the Trustees at one of the meetings I attended. President Stuart also very much prefers to hold to the usual dates for our financial year. This having been the case I have not prepared a statement of account to end with January of this present year, but will make a report for the entire college year July 1st to June 30th as heretofore.

Very truly yours,



Enclosure

0871

PEKING UNIVERSITY

Peking, China.
July 19th, 1920.

Mr. E.M. McBrier,
Woolworth Bldg., New York City.

My dear Mr. McBrier:

Under cover herewith I have forwarded to you the report of the Field Treasurer for Peking University covering the period, July 1st 1919 to June 10th, 1920. The report comprises five sheets.

Sheet 1, is the balance sheet at the close of the period named.

In the balance sheet you will find the London Mission Society credited with \$55,082.28. The proceeds of \$50,000 which were turned over to the Trustees for property account by this Mission.

The various amounts shown in this balance sheet as capital from the four co-operating Missions represent gold dollars as follows:

American Board Mission	\$37,000
London Mission Society	50,000
Methodist Episcopal Mission	86,504.76
Presbyterian Mission	38,095.46

Other new items in the balance sheet are the Bashford and the Sheffield Memorial Library Fund, representing libraries bequeathed to the University.

As shown in the balance sheet our over-draft at the close of business stood at \$7,010.46. The over-draft covers first, deficit in the property section of the account \$5,032.16, second, the excess of sundry accounts owing us over sundry credits \$1,978.30.

There is left to the credit of the University working account \$3,481.95 to go forward to the new year. Most of this balance is needed, however, to cover several items which it was not possible to adjust in time to bring into this report. These items will appear clearly in the accounts for next year.

On sheets 2 and 3, are shown the items that have entered into the accounts of the year. The report is shown in the following sections:

- Section 1. Showing the current budget items.
- " 2. The Agricultural Experiment Farm account.
 - " 3. The Rental Income account
 - " 4. The Property account.

0872

Section 1. I wish to call attention to various items:

First: The amount represented as from the appropriations is \$30,094.18. This is \$5,495.82 less than was allowed in the appropriation for the year. The report, however, does not include the expenditures made in New York for heaters, apparatus etc. These expenditures will use up the balance and also the larger part of the balance reported unused from the 1918 and 1919 appropriation shown in my letter sent with the last report.

In order to incorporate in our report the items expended at home, it would be well if monthly or quarterly statements could be sent to the Field Treasurer by the accountant at New York. Our reports with the items expended at home left out, is incomplete.

On sheet five is shown the amount of U.S. Currency used in obtaining the \$30,094.18. As shown it comes to gold \$31,902.16, which divided among the co-operating Boards represents gold \$7,975.54 for each share. It has required just a little more than 106 gold on the average to cover the local currency for the year.

Our report shows received from ^{local} sources, \$20,429.84 This is a little more than \$4,000 in advance of the amount shown in the budget proposed for the year.

In this amount, however, is included the amounts received from Boarding fees \$3,583.00. These fees were not included in the budget so that the actual increase over the budget is about \$500.00.

The total current income for the year is \$50,524.02. In this amount is included \$7,431.50 from the rents acct. The same amount \$7,431.50 is shown on the other side, under the rents account, representing the transfer to the current account. Under the expenditures side, it will be seen that our total current expenditures come to \$49,620.26, taking out of this amount the items for boarding account, \$3,596.67, leaves a total of \$46,023.59 as compared with the \$51,865.00 shown in the budget and shows that we are within the budget by a margin of \$5,841.41. Considering the amount of ground covered the margin indicated is very gratifying.

Section 2. The Agricultural Experiment Farm items are shown merely to indicate the fact that the amounts shown have passed through the accounts of the Treasurer. Since the receipts and expenditures are equal in amount, they do not affect the general accounts.

0873

Mr. E.M. McBrier

Section 3. Rents account is shown in full, so as to indicate the disposition of the full income. The amount transferred to the current budget has already been mentioned.

The distribution to the various Missions is made on the basis of U.S. Currency investment. The lowest total individual investment is taken as the present co-operating basis. The amount assigned to the University from rents is its proportion of the total investment on the basis just named. It will be clear that the Mission whose investment is this lowest share, does not receive any part of the income from rent.

The \$3,057.54 is the net balance of unadjusted balances to be carried forward from the last report.

Sheet 4. In this section is given a complete list of the properties held at the present time.

On sheet #5 is given a detailed list of drafts on the Treasurer of the Trustees and the receipts from the same.

I trust that the report this year is sufficiently Single Entry to be understood by our New York Office.

Yours sincerely,

(signed) O.J. Krause.

0874

July 24, 1920.

Mr. O. J. Krause,
Peking University,
Peking, China.

Dear Mr. Krause:

I am enclosing a revised version of the budget which was passed at the Meeting of the Trustees on July 16. The Trustees expressed their appreciation of the very well worked out statement which you had sent in in regard to the finances for the coming year. We had just been hoping for such a statement, and I had started to prepare it from this end when your budget came in. It is a great help to see the complete task and turnover of money involved in the institution, and we are under obligation to you for doing this important work.

I am sorry that the Trustees could not see their way clear to approve the larger version of the budget, but with the failure of the Interchurch financial matters are not very encouraging as far as raising money for altruistic purposes is concerned -- at least during the present year.

I have been taking up with Mr. Morris some of the details of his office. We need a man who can make this work a first charge against his time, and we are hoping to secure such a man next fall; otherwise our accounts are in rather a chaotic state. We have not yet received the final statement concerning the expenditures of the last year, and the balance or deficit when the year was closed; but perhaps this is now on the way.

The budget for the Women's College was not passed, but was referred to the Women's Boards, as the basis for affiliation has not yet been finally settled upon.

I have written Dr. Stuart concerning other details of the budget and of the action of the Trustees. There is special need of sending to Mr. Morris a statement concerning the deficit due to exchange to be made up by the various Boards. We are figuring on \$30,000 Mex. from the four Boards, but the securing of this amount depends largely upon your checking up the exchange as often as possible.

We have had considerable difficulty in straightening up the accounts of the Presbyterian Board with the University. Our books here seem to show that of the \$50,000 pledged by the Board for original investment only \$40,000 has been paid in -- at least to our office here. The Presbyterian books show that

0875

show the total sum of \$50,000 has been paid. Was this
\$10,000 paid through the field mission treasurer at Peking?
If it has not been paid through him we have a right to ask
the Presbyterian Board for \$10,000. You can see the need of
clearing up this matter as soon as possible.

With best wishes, I am

Sincerely yours,

WRW:W

Secretary of the University.

0876

August 11, 1920.

Mr. J. O. Krause,
Peking University,
Peking, China.

My dear Mr. Krause:

I have just received a letter from Mr. Carter, Associate Treasurer of our Board, a copy of which I am enclosing, concerning the appropriations made by the Presbyterian Board to the University. According to this letter, there should be \$20,000 available on the field for the University. Our books here show that the Board has paid in \$40,000, and I have already written you concerning this discrepancy. To meet the \$25,000 draft for the Liu property we have borrowed from our Bank here, and we had hoped that we could draw on the Presbyterian Board for this \$10,000 to help clear off the loan. Will you cable us as soon as possible after you receive this letter and after you have investigated this matter stating whether or not the University has this credit with the Presbyterian Treasurer at Peking? If this money is available we may arrange to draw upon it through a transfer of credit here at the New York office. In any case, we want to know as soon as possible whether this money is available.

With best wishes, I am

Sincerely yours,

WRW:W

Secretary of the University.

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PEKING UNIVERSITY

PEKING, CHINA.

August 27th 1920

W. Reginald Wheeler, Secretary,
156 Fifth Ave. New York, N.Y.

Dear Mr. Wheeler:-

Your letter enclosing a revised version of the budget for 1920+
1921 is received.

I have checked this revised budget with the budgets submitted
by our Board of Managers and have noted the variations made
by you.

It is gratifying to receive your word of appreciation of the
report sent on for our 1920 + 21 budget. It is gratifying to
me, especially, to note that the statements submitted have had
close attention. It happens not infrequently, that reports
sent to the home offices receive rather scant attention, and
the labor expended on them appears so often to have been useless.

In going over the revised version of the budget my interpretation
is as follows:- There is available from the Board of Trustees
for our use on the Field, amounts as stated below:-

- | | | | | |
|----------------------------------|---|---|---|----------|
| 1. For general budget | - | - | - | \$20,000 |
| 2. For salaries of foreign staff | - | - | - | 9,430 |
| 3. For improvements of buildings | - | - | - | 6,000 |

Making a total of - - - - \$35,430 Local Cy.

This total compares very favorably with the budget approved
for our last year, which was \$35,590. Of this amount however, we
used only \$30,094.18 as shown on our reports submitted a little
while ago.

\$5495.82 local currency were allowed to lapse in the accounts
for 1919 - 1920.

Compared with our expenditure the budget approved for the
current year will carry us comfortably on the same basis of
work as last year.

I note that the Woman's College Budget was not passed by the
Trustees and should not as yet, become a part of our University
accounts.

0878

please
send up

I have just had a request from the accountant together with statements of the accounts as they appear to him. Of course when making the statements the accountant had not as yet received my complete report for 1919 - 1920 so that the figures he shows are incomplete. I have gone through his statements and compared them with my reports for both 1918-1919 and 1919-1920 accounts. I have prepared statements for each of these years taking into account the appropriations only, which is what he did in his statements to me. I am enclosing a copy of my statement and notes on the same to you now. Later, I shall send a copy to the accountant also, just as soon as I am able to answer his other questions involving property funds.

Taking the year 1919 - 1920, the amount of exchange required to cover the full amount drawn from the Board of Trustees was Gold \$16855.07. This is well within your estimate of \$20.000. It is to be noted that if we had drawn the full amount of our budget the estimate of \$20.000 would not have been in the least excessive.

The matter of the \$10,000 shown as due from the Presbyterian Board on property account has been taken up with the Presbyterian Treasurer at Shanghai. This amount so far as our records show, has not been paid to us on the Field. As soon as I have word from Shanghai, I will report on the property account as requested by the accountant.

It occurs to me to ask that the same arrangement in the matter of drawing on the Treasurer of the Trustees on the appropriation, be permitted again this current year. The reason for this request will be apparent when it is realized that it makes for accuracy in adjusting the exchange account, to leave the final working out of the exchange until the close of the year, when the report is made by the Field Treasurer. It avoids an attempt at the adjustment of exchange month by month, saving no little amount of figuring during the year. It will of course, be the aim of us here on the Field to keep within the appropriations for the year. It may happen that in some particular months we may have to draw more than one twelfth of the total appropriation; it would mean, however, that other months would be lighter. Since it is necessary for me to have funds before a reply is received on this matter, I shall continue drawing as before on the appropriation until some other plan is definitely adopted.

Yours very sincerely,

Enclosures

Sincerely
J. H. Rouse

Peking University.

Appropriation Account. 1918 - 1919.

Amount received: for Board of Managers' Appropriation for 1917 - 1918 - \$12000.
For loss in exchange 1918 - 19 Budget 3305.67

Amount paid:

Outcoming L.E. Wolferz	-	1430.54	
1918 - 19 appo.	-	4000.	
" " exchange	-	3305.67	
Balance to carry to 1919-20 acct		6569.46	
		15305.67	15305.67

1919 - 1920 Account.

Balance brought forward	-	-	-	6569.46
One half of appropriation for 1920- 3 Boards 4500.) I " 500.)	-	-	(1.)	5000.00
Received on acct. exchange	-	-	-	5269.57
Balance of exchange due on the \$11569.46, (balance and appn) for the 1/2 year of 1920 at the average rate of exchange for the years sales.	-	-	-	<u>7689.96</u>
Paid on 1919-20 Budget acct. as per Field Treasurers report	-	31902.16		
Deficit on the 1919 - 20 Budget	-	-	(x)	7373.17.
		\$31902.16		\$31902.16

x. If divided on basis of average rate of exchange this amount represents
\$3477.63 Appn.
3895.54 Exchange.

1. In order to separate clearly the part due on the half year of 1920, on the 1919 - 20 budget acct, you will note that I have allocated only one half of the appn from the Boards for 1920 to the 1919 - 20 budget. The other half should go over to the 1920 - 1921 Budget. This is done to show accurately the deficit on the 1919-20 budget account. It may, however be preferable to you to count the whole of the appropriation on the 1919-20 budget, so as not to show any deficit on your books.

2.

If this is done then the total (\$31902.16) amount used in the 1919 - 20 budget divides as follows:

From the appropriation	\$ 15047.09
and exchange	16855.07
	\$ 31902.16

In handling the accounts in this way there will be left to go forward to the 1920 + 21 budget only \$1522.37. This would seem hardly fair to the 1920 - 21 budget.

Entirely approved

John

Wm

Wm

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PEKING UNIVERSITY

PEKING, CHINA.

TRANSFER

PEKING

September 23rd 1920

Rev. W. Reginald Wheeler, Sec'y.
156 Fifth Ave. New York.

My dear Mr. Wheeler:-

Your letter dated Aug. 11th referring to the balance due from the Presbyterian Mission on appropriation for the University and enclosing copy of Mr. Carter's letter dated July 3rd is received. On the 20th of this month I replied to your letter by cable a copy of which is enclosed. The translation of the cable is shown at the head of the code message. The cable was intended to convey to you, three distinct messages:

1. Authorization for Mr. Gordon to draw on the Treasurer of the Board of Trustees for the sum of \$800. This is on account of the Agricultural Experiment expenses, the equivalent of which is deposited here, by Mr. Chiu. Handling this transaction in this way, saves my drawing on the Trustees for this month.
2. It also requests you to send without delay, \$500. to Mr. Gordon on his personal account. Local currency covering this amount has been deposited with me by Mr. Gordon and it seemed necessary to cable the amount to him in Gold in view of the request of Dr. Stuart that he return to Peking this fall. We fear a letter sending a draft to him would fail to reach him; besides, in the proposed return to China he would probably need this remittance on personal account as soon as he could secure it.
3. The third item in the cable was a reply to your letter mentioned. It seemed necessary to make the cable rather full on this point, so that there could be no misunderstanding of the situation. I have been in correspondence with the Presbyterian Treasurer at Shanghai and in consultation with the Local Treasurer of the Presbyterian Mission here in Peking in regard to the matter. In checking with these offices, it was found that the statement of Mr. Carter, so far as the reports to their office at home is concerned, is correct, and an apparent discrepancy of \$10,000 is shown between their account and our University account. As intimated in the cable, the reason for this difference is the fact that an equivalent of \$10,000 U.S. Currency was turned over to the University here in Peking by Dr. Fenn from a special fund. This amount was therefore not charged against the appropriations reported from the Field to their Board.

0882

This amount is to be turned back into the special fund from which it was originally drawn and charged against the appropriations for the University property. When this is done it will bring the amount to \$10,000 as reported in my cable. I understand that either Dr. Fenn or Mr. Lyon of the Presbyterian Mission here, will correspond with their Board to clear this matter up for them.

Replying to Mr. Carter's intimation that the University cannot be in such "dire need of funds at this time" as mentioned in Dr. Smith's letter to him, it is sufficient to say that it loses its point when it is understood that those of us handling the accounts of the University were not aware that there was a balance on the Presbyterian appropriation available here on the Field. And it seems that the representatives of the Presbyterian Mission on our University Board also were not aware of this situation, so that the item, so far as the University folks were concerned has been an unknown quantity.

While on the matter of the Presbyterian Board's payments to the University, I wish to call attention to an item in the accounts which I wrote up when in New York a little over a year ago. It is found on Page 3 of the type-written journal sheets which I left with the Bookkeeper. The note reads as follows:- "Items entered from statement of Treasurer Presbyterian Board of Foreign Missions, voucher #50575, April 10th 1918. Subject, ~~the~~ verification by the Treasurer of the Board of Managers to ascertain whether any of these items were paid to the Shanghai Treasurer of the Presbyterian Board." On investigation it seems that on the item of Mr. Wolferz out-coming account, entered as \$638.40, the Treasurer of the University Board of Managers refunded to the Presbyterian General Treasurer at Shanghai \$538.40. At the time of settlement this was equivalent to \$732.22 Mex. In the accounts as written up, the Presbyterian Board has received credit for this amount as paid over on account of current appropriations. Since this amount has been paid here from local funds to the Treasurer at Shanghai, a credit of \$538.40 ought to show as still due to the Board of trustees on current appropriations. The following paragraph from the letter of Mr. Bocker will help to verify this statement:-

" With reference to the item for outcoming of Mr. Wolferz, I find that on the New York statement for Oct. 1917, a charge was sent out of Gold \$538.40, the Mexican equivalent of which was \$732.22. You paid this amount to this office on January 19th 1918. The New York office will have a record of this \$732.22 on the annual reports."

Hoping that these statements will help to clarify these items which have been in question, I am,

Yours sincerely,

J. F. Fausel

7-20
12/16/20 incoming
copy of this

Translation of cable message appended:-

Gordon is authorized to draw \$800. notify him by telegram.

Send without delay to Gordon \$500 personal account.

In reply to your letter of August 11th balance left from the appropriations of the Presbyterian Board of Foreign Missions to Peking University is twenty thousand. Of this Presbyterian Mission require ten thousand to repay special funds advanced leaving ten thousand to transfer to Peking University Trustees."

YENCHING	NEW YORK		
GORDON	BIROMIANAC	OVRETSBEKE	XATYKVAXOC
GORDON	OTDATSRICK	ADNEVUKAJR	EXYIMAVESR
AGOIFALCYS	PFUGSSDOGR	TAAPZNICOP	ULGABPFIZR
UJOJFIPAVT	AHZOHKWEFG	PFIZRYAUDR	AGIZC

KRAUSE

September 20th 1920

M. E. Mission
Peking

0884

NORTH CHINA MISSION OF THE METHODIST EPISCOPAL CHURCH

FOREIGN MISSIONS AND C. I. M. CODES
CABLE ADDRESS: "KRAUSE PEKING"
TELEPHONE 1756 E.

TREASURER'S OFFICE, PEKING

Nov. 9th 1920

TRUSTEES OF
PEKING UNIVERSITY

PEKING

Mr. O. J. Morris,
150 Fifth Ave. New York.

TRANSFER

Dear Mr. Morris:-

I have your letter dated September 28th referring to the Peking University accounts in the books of the Trustees.

I cannot at this time enter into all of the details about which you are writing. Many of these are, I believe, already answered in my report to the Trustees for the year ending June 31st. There is one item in your letter which I wish at the present to speak about. It is the paragraph in which you say that the Birchel account \$14,587.10 has been ordered cleared from the books and that you plan to charge this amount to the Methodist Board's Capital account. This is not the way that this item should be handled. The item should be charged against the property account. This particular item, \$14,587.10 covers property #29. You will be able to check this from my balance sheet where you will find the Birchel account in credit \$30,000. While on the other side, on page 4, showing the detailed list of property, #29 is written up for the same amount and represents the Birchel asset.

Both of these items, debit and credit, were entered into our accounts because the property is held in the name of the Peking University in trust for the Birchel estate, and because it was hoped to buy the property for the University account when the agreement was entered into. It is not proper to write this off against the Methodist Capital account for the reason that the property is not actually in the possession of the Peking University.

As soon as possible, I will give you detailed information in reference to the other questions in your letter.

Yours sincerely,

J. Krause
Treas.
PEKING UNIVERSITY

Peking

0885

over

C O P Y .

December 18th
1920.

Mr. O. J. Krause, Treas.,
Peking, China.

Dear Brother Krause:

Your letter of November 5th has come to hand. We find that by an over-sight the \$669.70 from the Cooperation Fund was credited to your account. We are leaving the \$670 stand, which you find in two or three entries below this item as this is the amount that was paid to Peking University Trustees. The \$669.70 we are now charging to North China and crediting it back.

The item of \$3,000 we find was also an over-credit to North China. This we expect to adjust when we received your report on the loss in exchange for Peking University. We are now making the adjustment on this loss in exchange and instead of charging North China with the \$3,000 and crediting the item back we are charging the Trustees on the Peking University books as having received the \$3,000.

Since the entire amount for North China including this \$3,000 was sent out last year, we are handling this in this way and will expect you to transfer the amounts at your convenience into the Peking University funds. You will see by the statements, which I am sending to you of the Peking University accounts, that I have applied this \$3,000 on loss in exchange.

Will you kindly in the future send me a copy of your reports to the Treasurer and report on loss in exchange so that I can keep the books up to date. Do not forget the item of \$100 shown in expense account and the other items of which I have written you before, some \$23,000 which I presume ought to be adjusted in the property accounts. You will find it still charged to you as Treasure.

With the Season's Greetings,

CDV
M*M

(Over)

0886

Mr. O. J. Krause, Treas.

December 18th, 1921.

P.S.

I notice that I have not made a direct statement about the statements for Peking University, which I am sending you. I did ask you to remember an amount of some \$23,000. Instead of \$23,000, it should be \$13,125.45. You will notice that your account as per the trial balance and statement stand at \$24,672.45. The difference is items which I have not yet adjusted on the books, but which we are adjusting now and will clear your account with our report at the end of December with the exception of the amount mentioned above.

You will note then that I am sending you the Trial Balance and Property and Current Account Balances as well as a statement showing the standing of each of the Boards, with a supplementary statement showing how I have applied checks you have drawn, leaving a balance according to your statement of July of \$1,522.37 for your Appropriation account. With the further checks, which you have now drawn, your appropriation account will be largely over-drawn for the year.

I am not sure that you can use these figures definitely for the closing of your year, but we will send you a further statement as soon as I can close the books after the 31st of December.

With kind regards,

Very sincerely yours,

CDV
M*
Encs.

0887