150 Fifth Avenue
November 5, 1919.

Mr. H. W. Luce,
514 West 122nd Street,
New York City.

My dear Mr. Luce:

Mr. Robert R. Gailey, of Princeton, will be in my office at two o'clock on Friday to consider the possibilities of the relationship of the Princeton work in Peking to Peking University. I should be glad if you could come and give us the assistance of your counsel. Will you also please inform Mr. Wheeler of it, as I will be glad to have him present also.

Dr. Smith is necessarily in Atlantic City on that day, and will be unable to be present.

You will be interested to know that Mr. Krause reports that they were able to close the accounts for the last school year, 1918-1919, on the current budget side, with a balance to the good of $2,590. I am not sure whether this is gold or local currency; presumably the latter. Furthermore, in these accounts Mr. Krause has not included $8,000 gold of the compensating appropriations of the Boards for 1917-1918-1919. He estimates that this will reduce the amount which the trustees have to find to meet the next year's budget very considerably, perhaps by as much as $16,000, local currency. I think the latter figure is probably too large, though it may not be if his two for one basis applies to that particular item, the point on which I am not certain at this present writing. I think this information will be somewhat encouraging to you.

Faithfully yours,

EMN/BMM