

350 5390

UBCHEA ARCHIVES
COLLEGE FILES
RG 11

Yenching
Corrs.
Rounds, LESTIE R. + LOUISE
1925 - 1945

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1137

CEDARCROFT
MAHWAH, NEW JERSEY

Nov. 22.

My dear Mr. Linn -

I am extremely sorry to be unable to send you a gift for Peking University at this time - but there isn't any money on hand save for pledges made - to be paid in 1925.

My contribution this fall for Peking has been my annual subscription toward the salary of Mrs. Alice Beome Frame.

1138

3505390

You evidently have my name
with two addresses on your
list. My permanent address
is Mahwah - N. J.

Very sincerely

Miss Louise G. Roundtree

Replied to Lion Letter of
Oct. 28, 1925 - Interested
unable to give now.

Cont. giving to car.
Lionel

2008

also - put her on List # 6
Cont toward salary of Mrs. Frame

350530

November 24, 1925

Mrs. ^R I. R. Rounds
Cedarcroft
Mahwah, N. J.

Dear Mrs. Rounds:

I appreciate very much your note of November 22. I am delighted to learn of your cooperation toward the salary of Mrs. Frame.

We will send you word which we receive from China from time to time.

Sincerely yours

Replied to Lion Letter of
Oct. 28, 1925-Interested-
~~unable to give now.~~

*Contribution
towards salary
of Mrs. Frame*

1140

March 26, 1928

My dear Mr. Rounds:

We have today received through Mr. Ernest A. Evans your check in the amount of \$50 for the work at Yenching University.

In acknowledging this generous gift, please permit me to express to you in behalf of the officers of the University their sincere appreciation for your continued interest and aid.

Our official receipt in the above amount is enclosed herewith.

Very sincerely yours,

Office Secretary

Mr. L. R. Rounds
Federal Reserve Bank
33 Liberty Street
New York City

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Rounds, Mr. L. R.
New York City

Mar. 26, 1928

\$50.

Gift received	3-26-28
Receipt of price	1880
Entered on central record	✓
" " class card	✓
" " stencil	✓
Serial file card	S-129
Pledge card attached	—
X-file card	—
Letter ack. sent	3-26-28
Checked for O. L.	✓
" " class card	✓
" " stencil	✓

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1142

Cedarcroft
Mahwah, New Jersey

July 13,
1928

My dear Mr. Kramer:

We are glad to send
the enclosed small contribution
for you to add ^{to} the small
one already sent -

At the same time please
have your mailing list checked
up - as we receive three
copies each appeal and
news item - one for Mr. L. R. Rounds,
one for Mrs. L. R. Rounds and
one for Mrs. Louise Y. Rounds
all sent to Mahwah, N. J.

With best wishes always -

Yours sincerely

Mrs. Leslie R. Louise Y. Rounds

1143

Rounds, Mrs. Leslie R.
(Louise J.)

Cedarcraft
Mahwah, N. J.

July 13, 1928

25 - 1928 Camp - Undesig.

Gift received	7-13-28
Receipt slip #	2040
Entered on control record	✓
" " acct. card	✓
" " centr. list	✓
Serial No. on L. and card	325
Pledge signal attached	—
X-file cards	—
Letter ack. sent	7-13-28
Checked for O. L.	✓
" " class card	✓
" " stencil	✓

1144

Mr. L.R. Rounds
Mahwah, N. J.

1929

\$25.00 - Current Income - Pledge 811

Gift received	7-16-29
receipt slip #	2550
added to control record	✓
" " aud. card	✓
" " contrib. list	✓
added to O. L. and card	811
original attached	—
X checked	—
letter ask. sent	7-16-29
checked for O. L.	✓
" " class card	
" " stencil	✓

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1145

YENCHING

Rounds

March 18, 1930.

Mr. C. A. Evans, Assistant Treasurer
Yenching University
150 Fifth Ave., New York, N.Y.

41
TRANSCIP

Dear Mr. Evans:

A study of the handbook of the Teachers Insurance and Annuity Association gives one a fairly complete idea of the retirement plan which this Association provides. There are, however, a few questions which are not completely answered as follows:

1. The tables printed in this handbook beginning at page 26 are all on the basis of a fixed premium payment of say \$10. per month, the annuity in each case being what this monthly payment will buy. It is more usual in retirement plans to fix the retirement allowance as being a certain percentage of salary, as for instance $1\frac{1}{2}\%$ of annual salary multiplied by years of service, and then to determine the amount of premium as being the amount necessary to buy this retirement allowance; in other words, just the reverse of the apparent method of the Teachers Insurance and Annuity Association. Has the Annuity Association plan any flexibility in this respect, and if so do they have any particular reason for preferring one method as against the other?

It is of course at once apparent that from the standpoint of selling the plan and of its operation, a contribution of a fixed round amount is much simpler than the collection of odd amounts which would be different for each individual. On the other hand, it has generally been thought that the retirement allowance should bear some relationship to the salary and length of service of the employee, which makes necessary the payment of a larger premium by the older employees.

2. The handbook refers in a number of places to the rate of interest as being $3\frac{1}{2}\%$. It also refers to the plan as being non-participating. Does this mean that the entire plan is based upon $3\frac{1}{2}\%$ interest without gain to the annuitant from the larger amount of interest received, or would there be a sort of interest dividend which would add somewhat to the annuity based upon the actual interest earned in excess of $3\frac{1}{2}\%$.
year 89, 25 + 14

3. The handbook and also the contract as embodied in the policy form refer to the return of premiums in the event of death and also in the event of forfeiture of contract as being made in 120 monthly payments, the aggregate amount being the amount paid plus interest. Does this mean that in such cases, that is death or other separation from service, funds are returned only in this way? It would seem that in many circumstances it might be desirable for the annuitant or his estate to receive in one lump sum the total amount paid in with interest, particularly as in a good many instances the balance to the credit of the annuitant would be too small to have payments extended over such a long period.

4. A study of the handbook does not indicate any plan for a separation of the amount contributed by the employee and the employer in case of forfeiture of the contract as a result of either death or separation from the service, etc. Apparently the plan contemplates that the entire amount paid in by both employer and employee will go to the credit of the employee. It is usually customary to provide in such cases for the

*See Handbook
p. 11*

*See Handbook
p. 11*

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return to the employer of all or some part of the contributions of the employer, particularly where the service has been short.

5. The tables on pages 26 and 27 of the handbook show the amount of monthly annuity which can be purchased with a payment of \$10. per month beginning at various ages. It is suggested that from these tables there be prepared a statement showing the exact annuity that would be available for each member of the present staff on the basis of a \$10. per month payment, and that the resultant schedule be submitted to the Annuity Association for checking by them as to its accuracy. In this connection it is suggested that the statement be prepared assuming payments to begin say next September 1.

6. If the information is available it is suggested that a similar statement be made with respect to the Chinese staff.

7. The Annuity Association also writes an insurance policy. According to the form of contract this policy includes provision for waiver of premiums on account of total permanent disability. No mention is made of any provision whereby in case of total permanent disability the policy would become payable for its full amount. Do they write any such contract? Also do they write what is ordinarily called group insurance? This is technically one year term insurance. It differs from ordinary life insurance principally in that being one year term insurance (renewable from year to year) it requires no reserves and has no surrender or loan values. Of course the premiums would be correspondingly less.

The above questions are, I think, all that occur to me. If you would be kind enough to interview the Annuity Association and get the answers to these questions and also prepare a schedule showing how the plan would work as suggested in question 5, I think we will then have enough material to consider just what can be done.

You will find enclosed a separate letter which is more in the nature of a discussion of the problem than an inquiry, which will perhaps serve as the basis for some discussion by the committee as to the principles involved.

I have been rather negligent myself in getting at this job due to having been pretty busy the last few weeks in other matters, but I think I can give it some time during this next week, and if you can get the information from the Annuity Association I would like very much to spend some time with you in going over it. Perhaps either you or Mr. Garside, or both, could find time to come downtown for lunch with me when we might discuss the whole thing. I think we could save considerable time in such a discussion in advance of a meeting of the committee since you two gentlemen can, I am sure, iron out a good many of the questions that will arise in my own mind. If you will give me a ring when you are ready we will try to make a date promptly.

Very truly yours,

McKinnon

YENCHING

33 Liberty St.
N.Y. City
March 18, 1930.

Mr. C. A. Evans, Assistant Treasurer
Yenching University
150 Fifth Ave., New York, N.Y.

RECORDED

Dear Mr. Evans:

Your letters of March 8 and 15 have been duly received and I have noted the information accompanying them with much interest. I have also been over carefully the material which you had previously obtained from the Teachers Insurance & Annuity Association.

The primary, in fact one might almost say the sole purpose of a retirement plan is to provide a means whereby it may be possible for employees of an organization to be retired with a reasonable income at the time when they are no longer able to carry on efficiently, and to establish such a fund or plan as will make possible retirement without regard to the exigencies of the business or possible changes in policy, etc. It is generally recognized that a retirement allowance after 25 or 30 years or more of service, ought to be at least half pay, and it is also generally recognized that for lesser periods of employment the retirement allowance may properly be correspondingly reduced. Perhaps the largest single factor in determining the cost of providing a pension plan depends upon the age selected for retirement. Various plans fix this age at all the way from 60 to 70 years. Many of the sound plans have placed it at 65 as being a medium compromise. The reason for this is at once apparent when it is realized that the rate of contributions under a plan calling for retirement at age 60 would be more than twice that under a plan calling for retirement at age 70, for the simple reason that under a plan calling for retirement at the earlier age the contribution period is shortened and the paying period is lengthened. Most sound plans are operated on what is called the contributory basis under which the employee and the employer share the cost usually on an approximately fifty-fifty basis. Practically all plans provide in case of separation from the service prior to retirement age, for the full return of all contributions made by the employee plus interest thereon, but generally do not provide for giving the employee any part of the employer's contribution in such cases. Some plans do provide for the giving of a part of the employer's contribution after a considerable period of service, or in the event of actual retirement at an age somewhat earlier than the age fixed in the plan, but it is generally considered unwise to give the employee the full contribution of the employer under other circumstances, since to do so would put a premium on separation from the service, which is one of the things that a well devised retirement plan is designed to prevent.

In the case of Yenching it appears that up to this time practically none of the foreign staff have continued their service beyond six or seven years. If it would appear that this is a situation which will probably continue and which perhaps should continue by reason of the character of the service, then it would seem obvious that there is very little real need for any retirement plan, as the responsibility of the University is automatically discharged through voluntary retirements from the service after a very brief period, and the responsibility for providing proper retirement allowances for those few administrative officers who may continue for a lifetime of service might better be taken

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care of in some other way. If on the other hand it appears that it would be desirable for members of the foreign staff to continue for a longer period of service, then it would certainly be wise for the trustees to take steps which would be helpful in bringing this about, and one of those steps might well be the setting up of a proper retirement plan. It would appear that this is a matter which should receive careful consideration at the outset since the answer to this question would quite largely determine whether or not there is a real need for a retirement plan.

There has apparently recently been considerable discussion among the staff about a retirement plan and the staff has been encouraged to believe that such a plan would be set up, and there may, therefore, be psychological reasons for setting up such a plan even though it would not appear that there is reason to expect the period of service will in the future be lengthened; but since in such case the objective of the plan would be quite different from that back of the setting up of most retirement plans, these facts would need to be carefully considered in working out the details of the plan.

Assuming that it is desirable to establish a retirement plan with the usual objectives, there are of course a number of ways of accomplishing it, but there would appear to be two holding an advantage over all others for a group of this size and operating under the conditions existing.

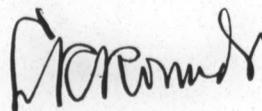
1 - To provide a plan through one of the larger insurance companies which will now contract for such plans.

2 - To provide for retirement through the plan of the Teachers Insurance and Annuity Association of America.

It is possible that some or perhaps all of the insurance companies writing this sort of contract would be unwilling to write a contract for the employees of an institution in China, but the company most likely to be willing to do this business would be the Metropolitan Life Insurance Company, and it is, therefore, suggested that the matter be taken up with them to ascertain whether they would write the contract, and if so, to secure rates for comparison with those of the Teachers Insurance and Annuity Association.

The Teachers Insurance and Annuity Association is an outgrowth of the Carnegie Foundation and has been designed to make possible a plan of retirement allowances for teachers at the expense of either the teachers or their employing institutions. It is organized under the New York State Insurance Laws and is subject to the supervision of the State Insurance Department. The Carnegie Foundation contributes a portion of the overhead but otherwise it operates on a self-supporting basis without profit. The Association is well recommended and Yenching would make no mistake in arranging for a retirement plan through this Association.

Very truly yours,



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YENCHING

THIRTY THREE LIBERTY STREET
NEW YORK

August 18, 1930.

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

INDEXED

TRANSFER

Dear Mr. Garside:

It has been longer than I intended since our meeting, but I am now sending for your review and suggestions the pension report. As I have gone over the matter it seemed to me desirable to prepare the final report as the committee presumably would have submitted it had we not received this last communication from the field. Therefore, the documents attached which represent the report itself, I have dictated without reference to Mr. Galt's letter of June 25 and the documents which accompanied it. I redictated the report adding to it some detail for the purpose of the record, and in order to give the members of the Finance Committee some of the considerations which the committee has had to consider and a little of the philosophy of the matter. It seemed to me desirable to set it up in this form, writing the text of the report and attaching the two appendices A and B representing respectively an outline of the plan as recommended by the committee and as recommended by the field. In this report I have discussed the differences that exist between the field's recommendations and our report, but without any reference to the June 25 letter referred to.

The mimeographed table marked Table 1 which I have attached to this report, was prepared by Mr. Evans. I note that the figures which we used in the earlier report and which I have incorporated in the present one (third paragraph under section 2 of Appendix A) represent a sub-total which does not include the last three names on the list. Just why these names were omitted and whether or not these tables should be included, is not quite clear to me, probably you have the answer. But if the grand total of Table 1 represents the cost, then the figures in the paragraph referred to should be changed.

Will you also kindly fill in, in the first paragraph of the report, the date of the meeting at which our committee was appointed.

You will note that the paragraph #4 on the last page of the report is out of place. I overlooked this point until after the report was typed, so in retyping it suggest that this be inserted in the right place, but I have not done this assuming you might make other changes.

Assuming this part of the program out of the way, it then seemed to me the best way to deal with Mr. Galt's letter of June 25 and documents accompanying it would be perhaps for me, as Chairman of the Committee, to address a letter to you discussing the points raised in Mr. Galt's letter. This I have done in draft of letter which you will find attached dated today. In reviewing this whole matter it seemed to

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THIRTY THREE LIBERTY STREET
NEW YORK

2.

me desirable to approach these differences in the way that I have, which avoids the necessity of raising any direct question of the ability of the field to handle the thing. I have thus emphasized the point that if they were to administer it on the field they would probably not be able to deal with an insurance company which we have considered to be important.

You have a much better understanding of the point of view of the field than have I, and I hope, therefore, you will not hesitate to make any changes in this letter which seem to you to be desirable, or in fact to rewrite the whole thing if you wish.

In accord with our understanding at the time the committee met, this material will be transmitted to Mrs. Williamson for her criticism and O.K. Therefore, I am sending the whole thing to you in duplicate thinking that if your changes are not too great you may at least in part use one of these copies for transmission to Mrs. Williamson.

Very truly yours,

W. R. R. R. R.

1153

August 18, 1930.

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

Dear Mr. Garside:

As you know, at a meeting of the Sub-Committee on Salaries and Pensions held a few days ago there was referred to the committee Mr. Galt's letter of June 25 and also the memorandum which accompanied it, including the recommendations of the Board of Managers of the University with respect to the retirement plan. These documents were carefully considered in detail by the committee and I regret to say that the committee found itself unable to agree with the proposals of the field. I will discuss these proposals in detail and endeavor to give you the viewpoint of our committee so that it may be transmitted to Mr. Galt with a view to saving some time.

In the first place, there appears to have been some misunderstanding between the field and ourselves on two or three points. The field apparently has assumed that our plan was intended only to include the foreign staff. This is a mistake as it had been our intention from the beginning to include both the foreign and the Chinese staff. The preliminary report submitted included data relating to the foreign staff only as at that time we had no information regarding the service records of the Chinese staff. It is the intention, however, that our plan should cover both staffs on exactly the same basis.

The second point on which there has been a misunderstanding apparently was on our part since we had not gleaned from the original proposal submitted by the field that it was their thought that the plan should be administered in China rather than in New York. Mr. Galt's letter of June 25 comes to us, therefore, as a complete surprise so far as this particular point is concerned. This is perhaps the most important difference between ourselves and the field with regard to the plan. It has been the view of the committee that it was very desirable to have the plan administered by one of the large life insurance companies for reasons which are expressed in some detail in the final report of the committee, and which I do not need to repeat here. If there is a sound life insurance company operating in China which would be willing to underwrite this plan on a basis comparing not unfavorably with the plan submitted by the Sun Life Assurance Company of Canada, I have no doubt the committee would be willing to recommend the underwriting of the plan in China, but for reasons also stated in the report, the committee does not favor the operation of a retirement plan for a group as small as the staff of Yenching University separately either through a corporation to be organized for the purpose, or as a trust fund, and if the administration of the plan would make it necessary to so handle the fund, then our committee would be unalterably opposed to administration in China. It is probably true that the current rates for interest in China are considerably higher than in New York and that, therefore, a considerably higher yield could be obtained upon investments made there than here. We believe, however, that much greater risks must necessarily be incurred in handling a small fund, both from the standpoint of the investments and from the actuarial point of view, than we would be justified in assuming. This would apply with equal force whether the plan was to be administered in New York or China. We do not as a matter of principle object to the field operating the plan, but we do object to the form of plan which would necessarily have to be adopted if the field is to operate it, unless of course there is a sound insurance company operating in China which would underwrite the plan.

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The committee feels so strongly that the first consideration in the setting up of any retirement plan must be absolute integrity of the fund and ability to fulfill its contracts, that it would be unwilling to make any concession which would increase even slightly the risks of setting up such a plan.

The field's proposal that there be both a gold and a silver plan, staff members to have the right to elect which plan they will accept at the time of entering the plan, is of course dependent upon the operation of the plan in China. This plan does not impress the committee as being sound in any case. Exchange rates have fluctuated very considerably. No one knows what the future relative position of the two currencies will be, but since, with the exception of two countries, the world's commerce is all done on a gold basis, there would seem to be little doubt that over a period of years the gold plan would prove the more desirable; but whichever plan might prove more desirable it would inevitably lead to difficulty if there was any considerable divergence between the two plans in the future. To illustrate the point, if this retirement plan had been set up ten years ago, those who had then elected the gold plan would be infinitely better off today than those who had elected silver. This impresses the committee as a speculative plan which we think has no place in the retirement plan. The field suggests the possibility of China adopting the gold basis in the future, in which case the University shall make such adjustments as may be necessary. If all members of the staff are to be treated alike when the retirement age is reached this might impose a very substantial obligation upon the University.

Mr. Galt in his letter discusses the matter of interest return and says that the Chinese members of the staff, and many of the foreign members as well, were very much dissatisfied with the $3\frac{1}{2}\%$ interest return guaranteed by the Sun Life Assurance Company. As a matter of fact, this interest return is the minimum which the fund would receive. Most of the American life insurance companies are now paying slightly less than 5%. The Sun Company has for some years, however, been able to pay more than 5% and they expect to be able to continue this. The laws under which our life insurance companies operate do not permit them to guarantee more than $3\frac{1}{2}\%$. They pay all that they can earn, however, and in the case of the Sun Company I think it is unlikely that the interest return would be much if any less than 5%. If our trustees were to administer the fund themselves here in New York I doubt very much that they could do better than 5%, certainly not with safety, and if they undertook to get a higher yield they would very likely take losses which would have the result of reducing the yield below what could be obtained on a more conservative basis. Investments can of course be made in China at very much higher yields. I do not feel prepared to say whether such investments may be conservatively made or not, but generally speaking money rates in the world's markets reasonably well reflect the comparative safety of the investments.

Mr. Galt also discusses the operation of the so-called gold and silver plan. In Mr. Galt's letter he says - "If a Chinese feeling a bit conservative wishes to have his investments in gold, he can do so." Our feeling is that any person having to do with a retirement fund should be more than a bit conservative, he should be ultra-conservative since he is dealing with funds of tremendous importance to the annuitants. It is true that there is some element of risk in almost any investment that can be made, but certainly in handling the funds of a retirement plan the element of risk should be reduced to the very minimum. I doubt very much if the beneficiaries of any retirement plan, whether it be the staff of Yenching University or the employees of the Steel Corporation, should have a voice in the investment of the funds. Generally speaking they are not competent to do it. That is one of the reasons why the committee recommends in favor of an insurance company. They can afford to

employ experts in the handling of their investments. They also, by reason of the very large funds handled, can better afford to stand the occasional losses which will be incurred.

About the only other point concerning which there are differences relates to the amount to be withdrawn by the staff member upon retirement prior to reaching the age limit. The field apparently consider the amount contributed to the retirement fund by the University an outright gift to the staff member as a sort of bonus in addition to salary. This is contrary to the generally accepted view of the proper function of a retirement plan. There have been some plans set up which permitted the employee to withdraw both contributions, but these plans have not worked satisfactorily. They place a premium upon separations from the service, and many persons find themselves after several years of service, but while still comparatively young, in a position where their ability to secure possession of a considerable sum of money by making a change of employment, transcends in importance all other considerations. We believe that the staff member should always have control of his own money and should be entitled to withdraw it together with interest, at any time that he leaves the service. This privilege in itself will in some instances provide an incentive for change in employment, but the withholding of the employer's contribution, which may only be obtained after reaching the retirement age, will generally act as an offset, and this method of dealing with the situation has generally been found desirable and wise. Dr. Galt has quoted Dr. Pritchett of the Carnegie Foundation. We have considered the plan of the Carnegie Foundation. It has much to commend it, and it is true that with their plan they refuse to return the contribution of the employer to the employer, but it is also true, and we doubt that Mr. Galt realized this when writing his letter, that they refuse to return this contribution to the employee. Their policy is to hold the contribution for the benefit of the employee and he may only receive it in the form of an annuity after reaching the retirement age, their theory being that if the employee shifts about from one employment to another, the retirement plan may be continued throughout the several employments, with the Carnegie Foundation, the funds of the several employers together covering the total span of employment. Since they deal almost entirely with the teaching profession, this plan works very well indeed with them. (I think that our committee might not be averse to considering the adoption of some amendment to its plan which would permit of holding in the fund a portion of the University's contribution for the benefit of the staff member who may leave its service, the proportion increasing with the length of service. It would be my judgment, however, that in the case of separations within the first ten year period at least, there should be no portion of the University's contribution retained for the staff member.)

Our committee has endeavored to provide a plan which would be fair and equitable to both the staff and the University, and at the same time be thoroughly sound and accomplish the results which it is designed to accomplish, namely to guarantee the payment of annuities to members of the staff after retirement. It occurs to me that perhaps some time could be saved if you were to transmit these views to Mr. Galt for further consideration by the field, together with a copy of the final report of the committee.

Very truly yours,

L. R. Rounds

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YENCHING

INDEXED

Yenching University

August 22, 1930

Mr. Leslie R. Rounds,
Federal Reserve Bank,
33 Liberty Street,
New York, N.Y.

My dear Mr. Rounds:

Let me acknowledge receipt of the material you sent me a few days ago relative to our Yenching pension plan.

I have studied through the material with a great deal of care and have found it not only in very excellent shape but also so closely in accord with my own ideas that I have very few suggestions to make. I have not been able to send this material to Mrs. Williamson, because the address she was able to give me when she left would reach her only until August 14. She stated that after that date they would be traveling constantly and their movements were so uncertain that it would be useless to suggest any addresses. She said, therefore, that if this material was not ready for her inspection until after August 14 she was willing to leave the decision entirely in our hands. I am afraid there is nothing we can do except reach some conclusion between ourselves and transmit the material to the field in an informal way. Mrs. Williamson will be on hand again when we go forward with our study of these matters during the autumn.

The only point of any importance on which I would like to suggest the possibility of a change in the plan and in the explanatory documents accompanying it relates to the question whether a staff member withdrawing before the age of retirement is entitled to any share of the University's contribution. You will remember we discussed this briefly near the end of the last meeting of the Committee. I thoroughly agree that when a staff member withdraws from the service of the University before reaching the age of retirement he should not be allowed to receive in cash any portion of the contributions made toward his pension by the University. I do believe, however, that under some conditions it is right and just that the University should leave at least a portion of its contributions to the credit of the staff member as a part of the fund being held for him until he reaches the age of retirement. My judgment at this point is based mainly on the conviction that if a man spends the major part of the best years of his life in the service of the University, working under conditions where it is impossible for him to make any adequate provision for the future, the University has an obligation to him of at least a partial provision for his support after he reaches the age when his support becomes difficult, even though he may not still be in the service of the University when that age is reached.

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If, for example, a man is at Yenching from the time he is thirty until he reaches the age of fifty, and then goes into some other form of work, it is extremely unlikely that during his remaining fifteen productive years he will be able to build up a reserve sufficient to care for his financial needs beyond the age of sixty-five. If, however, he leaves to his credit the funds he has contributed toward his pension, and with this the University leaves a portion of its own contribution, the total sum with accrued interest and dividends will provide a fair basis for his support after the age of sixty-five. This fund alone would not be sufficient to care for him in comfort, but he would still have fifteen useful years to supplement it.

On the basis of principle alone I believe it would be in order to include in the plan some basis on which a staff member withdrawing before reaching the age of retirement would receive benefit from the University's contribution on a graduated scale. I believe, moreover, that the inclusion of such provision would be a long step in the direction of unifying the differences between the plan of the field and the plan of the Committee on Pensions. I am not wholly optimistic over the prospects of securing the field's approval of the plan suggested by the Committee on Pensions even with the inclusion of this more liberal feature; but I am afraid if it is omitted the prospects of securing the field's approval are extremely remote. On page 3 of your covering letter to me you imply that the Committee on Pensions might not be averse to adopting some such amendment as this. I believe we would be in a much stronger position, both with the field and with the Trustees, if we incorporate the amendment now rather than after further urging by the field.

Specifically I would suggest the following changes in Appendix A, the outline of the retirement plan. First, under Article 2 "Cost of the Plan" I would suggest that paragraph 4 read as follows:

"In case of separation from the service of the University prior to retirement age, and before the completion of ten years of service to the University, for any cause other than death or total disability, the contributions of the University, together with interest and interest dividends, will be returned to it or credited upon its payments to the Sun Life Assurance Company for the current year. Where separation under the above conditions takes place after the completion of ten years of service, there shall remain with the Sun Life Assurance Company to the credit of the withdrawing staff member a graduated proportion of the contributions of the University, together with interest and interest dividends, in accordance with the following schedule:-

For service of 10 or more years but less than 15 years	25%
" " " 15 " " " " " " " 20 "	50%
" " " 20 " " " " " " " 25 "	75%
" " " 25 " " " " " " " "	100%

If you prefer we might insert both the present fourth paragraph of Article 2, and also the paragraph I have proposed, as alternative readings leaving until later the final decision as to which plan would be adopted.

Under Article 3 "Benefits", section (e) "Withdrawal Benefits" I would suggest the following:-

"Since the primary purpose of this plan is to make financial provision for staff members after they reach the age of retirement, it is to be hoped that any staff member separating from the service of the University prior to the age of retirement for any other cause than death or total disability, would leave with the Sun Life Assurance Company the full amount of his contributions plus interest and dividends thereon, together with any proportion of the University's contribution to which he might be entitled, to remain and continue to draw interest until he reached the age of retirement. Should the staff member so elect, however, he shall be entitled to receive either in one payment or in a series of payments as he may elect, the full amount of the contributions he has made, together with interest thereon and interest dividends; but in this case he shall not receive any portion of the amount contributed by the University. Should death or total disability overtake, before retirement age, a staff member who had thus left the service of the University but who had not withdrawn from the Sun Life Assurance Company the amount due him, ^{he or} his beneficiaries would be entitled to the portion of the University's contributions then standing to his credit with the Sun Life Assurance Company, in accordance with the provisions for Death or Total Disability as set forth in Section (c) above."

If this restatement seems too long and involved it might perhaps be simplified somewhat. Also, if you prefer we might use it and the present statement as alternative readings, leaving the final decision until a later date.

If the two changes I have suggested are included in the plan itself, a corresponding change would be necessary in the "Report of the Subcommittee on Salaries and Pensions". I would suggest that the last two sentences at the bottom of the fourth page of this report be revised to read as follows:

"Your Committee's plan recognizes that a staff member leaving the service of the University at any time is entitled to his or her entire contributions with accumulated interest thereon, but provides that staff members withdrawing from the service of the University prior to the age of retirement for any other cause than death or total disability shall be entitled to a share in the University's contribution only on a graduated scale, beginning with the completion of ten years of service."

If the two changes in the plan I have proposed are put in as alternative readings ^{of} this change in the report could be slightly modified to indicate this fact.

If these changes are incorporated in the plan and in the report of the Committee on Pensions a similar change should be made in your covering letter to me. I would suggest that the last two sentences of the long paragraph on page 3 of your covering letter be changed to read somewhat as follows:-

"Our Committee proposes a plan whereby a staff member withdrawing from the University before the normal age of retirement

for any other cause than death or disability would retain credit for a graduated proportion of the University's contribution, the amount depending upon the length of his service to the University. I believe that this plan provides an equitable middle course which is fair to the staff members and at the same time encourages them to continue in the service of the University".

These changes are the only important ones I have to suggest. There are, however, two minor points in the plan where I think a slight change in wording would be of value.

In Article 1 "Membership in Plan", paragraph 2, provision is made that "for all members joining the staff after the plan becomes operative membership in the plan.....should be compulsory". As you know, it frequently happens that appointments are made of special short term workers whose connection with the University is to last only one, two or three years. It would probably not be desirable to require that such short term appointees assume membership in the plan. It frequently happens, however, that staff members originally appointed for a special short term later become permanent members of the staff. It would probably be desirable, therefore, to give such members an option of joining the plan if they so desire. With this in mind I would suggest the following wording of the second paragraph of Article 1:-

"For all members joining the staff under regular appointment after the plan becomes operative, membership in the plan should be a part of the contract and should be compulsory. For members of staff who may join the staff under special appointment for terms of three years or less, membership in the plan shall be optional."

Paragraph 3 of Article 2 "Cost of the Plan" gives one the impression that we are primarily interested in the foreign staff. Although this impression is corrected in other places it might be well to rephrase this paragraph somewhat. You also call attention in your note to me to the fact that Table I gives two sets of totals. One of these is for the general University staff and one is for the Roman's College staff. I would suggest the following restatement of this third paragraph:-

"There is attached a schedule illustrating the cost and also the benefits of this plan in the cases of the foreign members of the staff for whom the Committee has been able to secure the necessary information. For the Chinese members of staff costs and benefits would be computed on the same general basis. It will be noted that on the present salary basis the amount of the University's contribution toward the pensions of the University supported Western members of the staff of the general University would be G\$90.45 per month if past service be disregarded, or G\$126.47 per month if staff members should elect to secure the full benefits for past service. For the University supported Western members of the Roman's College staff the cost to the University would be G\$11.88 per month if past service is disregarded, or \$16.47 if it is included. These totals will be increased by 5% of the salary of the Chinese members of staff. In the case of all subse-

Mr.Rounds-5

8-22-30

quent additions to staff the cost, of course, would be
5% of salary (exclusive of children's allowances)."

I will get in touch with you by telephone within the next day
or two to ascertain your opinion on these various suggestions. I will then
proceed to have the material put in shape for transmission to the field.

Very cordially yours,

BAG-H

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YENCHING

INDEXED

Yenching University

TRANSFER

December 10, 1930

Mr. Leslie R. Rounds
Federal Reserve Bank
33 Liberty Street
New York, New York

My dear Mr. Rounds

In yesterday's letter I referred to the discussion Mr. Garside and myself had relative to the pension plan. Mr. Garside volunteered to summarize the gist of our conversation and he has handed me the enclosed memorandum, which I am forwarding for your consideration. We have other copies which could be used in writing to other members of the Pension Committee if you so desire. It is quite possible, however, that you will have some suggestion to make which, of course, we shall be very happy to receive.

One question which will have to have serious consideration is relative to how much pressure on the field will be desirable in presenting the argument relative to the exchange situation. Our attitude has been that we cannot very well engineer proceedings on the field in the practical application of the plan but of necessity will have to depend upon the Board of Managers. How much we can rely upon the judgment of the field in cases of this nature is another matter. If the field has not recognized the difficulties involved in the 2 to 1 suggestion, then they have taken very little thought regarding the proposition.

We certainly shall be interested in receiving your reaction.

Very cordially yours

Assistant Treasurer

CAE:MS
Enc.

1162

TRANSFER

YENCHING

Yenching University

January 20, 1931

Mr. Leslie R. Rounds,
C/o Federal Reserve Bank,
New York, N.Y.

My dear Mr. Rounds:.

I conferred with Mr. Garside on Saturday morning relative to the decisions we arrived at concerning pensions for Yenching and it was his judgment that it would be more advisable to defer writing the field until action could be secured by the Committee on Pensions and, if possible, by the Executive Committee. We are hoping to have such a meeting the very early part of next week. I wonder if you care to run through the draft of a letter to Dr. Galt, as well as the set-up of the report of the Committee? It is quite possible you will have some changes to suggest and we would appreciate your comments.

Very cordially yours,

CAE-H

Enc.

1163

TRANSFER

January 28, 1931

Mr. C. A. Evans, Assistant Treasurer
Yenching University
150 Fifth Avenue
New York, N.Y.

YENCHING

Dear Mr. Evans:

INDEXED

I took your letter of January 24 with the enclosures home Monday night and went over it all very carefully.

First, with reference to the plan itself, the second paragraph of your letter says - "We are fearful lest the whole proposition will be jeopardized by insistence on this issue and are writing the company* * etc." From this I take it your discussions with Mr. French indicated the plan might not be acceptable to them if it included the optional provision. Personally I feel quite strongly about this optional provision and that it would be a mistake to adopt it for reasons which you will find in the enclosed material. While it is probably true that such a plan has been adopted in some cases, I think the whole trend is away from that kind of a plan, the only option being given to the staff as it exists at the time the new plan is set up. I think we would need to consider this quite carefully.

I also feel quite strongly about the exchange matter, although I agree with you that in the last analysis we must leave this with the field, but I believe it is our duty to make as strong representations to them about it as we can.

The change in the statement regarding death benefits under section 4, paragraph b, does not impress me as of tremendous importance. If the company prefers to have it that way, I see no particular reason why we might not accept that.

The last point relating to the withdrawal benefits also seems to me to be quite alright, except in one regard. They do not seem to have made provision for those who might withdraw after ten years of service but before twenty years of service, within which period the member would be entitled to the benefit of one-half of the University's contribution. This of course would work out alright in the event of taking the surrender value in cash, since under these circumstances the University could turn over to the member one-half of what it would receive, but if this 50% division is to be made effective with respect to an annuity, options a and b would need to be changed. I see no particular objection in withdrawing the annuity feature with respect to those who may separate from the service within the first ten year period, since I can appreciate that as the amounts would be small the insurance company might not care to bother with them.

There seem, therefore, to be but two points to thresh out with the insurance company, first, the optional or compulsory membership matter, and second, the point last discussed of the staff member receiving one-half the University's contribution in case of retirement during the second ten years of service. I suggest, if possible, you discuss these points with Mr. French before our meeting on Thursday.

It seemed to me it would be desirable in presenting the report to the Executive Committee, to have it include a discussion of all matters considered since the original report was submitted. I did not have before me a copy of the original report when I went over this matter, but working entirely

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from memory I have taken the liberty of running off a rough draft of report which makes a slightly different set-up. While it gets to the same answer, it will perhaps more clearly reflect the attitude of the committee. It also seems to me that we should include in the report or as an appendix, some estimate of the total cost of the plan. I would suggest you make some mention of this in a new paragraph second from the end. Can you make up some kind of an estimate of costs so that as a matter of record the Executive Committee may know about what the cost is of the thing which it will approve?

I have also taken the liberty of recasting somewhat the proposed letter to Mr. Galt. It seemed to me it would be entirely fair and perhaps in some respects desirable to let him have a copy of the committee's final report. If this is sent him, it will make it possible to reduce the length of the letter somewhat. Perhaps my explanation of the exchange situation is not sufficiently clear or complete, so do not consider that this is in any sense more than a suggested letter. Please feel free to change it as much as you wish.

I understand from our telephone conversation this morning that you will arrange a meeting at the Grosvenor for 6:30 tomorrow evening.

Very truly yours,

Encs.
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Very truly yours,
[Signature]

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TRANSFER

THIRTY THREE LIBERTY STREET
NEW YORK

April 14, 1931.

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

YENCHING

Dear Mr. Evans:

INDEXED

Confirming telephone conversation with you this afternoon, I am pleased to enclose draft of such a report as it seems to me might be appropriate for the Committee on Salary and Pensions to present to the trustees with reference to the new schedule of salaries and allowances for the foreign staff.

Since it will probably be impossible for me to be present at the beginning of the session tomorrow, I shall appreciate it if you will kindly confer with Mrs. Williamson about the matter and ascertain whether or not this report meets with her approval. Perhaps she will wish to make some changes. If so, I am sure any changes she may suggest would be quite satisfactory to me. If there is any adjournment for lunch tomorrow noon, perhaps it would provide an opportunity when we could confer together, in which case it might be well to have this report presented at the afternoon session if there is one.

You will notice the suggested recommendation is that the report be accepted rather than that it be approved. If my understanding of the present philosophy is correct, the board of trustees really has no right to deny the use of this new schedule and if that be so, then it certainly should not require its approval, in which case it would seem to me more appropriate to have it noted and accepted rather than to have it approved.

As requested in your letter of April 2, I am returning herewith the extra copy of the report of the Special Committee on Salary Revision.

Very truly yours,

W. C. Williams

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THIRTY THREE LIBERTY STREET
NEW YORK

May 16, 1931.

American Board of Commissioners
for Foreign Missions
14 Beacon Street
Boston, Mass.

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FOREIGN DEPARTMENT

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Dear Sirs:

Ans. _____

Some two years ago you honored me with an appointment as a member of the Board of Trustees of Yenching University for a term which expires December 31, 1931.

I am convinced there are others who can render greater service than I, particularly along those lines where the need appears to be greatest, and have concluded, therefore, that it would not in any case be wise for me to accept a reappointment even if it were tendered. Plans which have recently been considered may perhaps make it desirable to add some new names to the list of Trustees, and it is for this reason that I am writing you at this time, as in case your Board or the University wishes to make new appointments, I shall be very glad indeed to make my place available either at once or at any time which may serve the convenience of the University.

Very truly yours,

L. R. Rounds
L. R. Rounds

1169

July 17, 1931

My dear Mr. Rounds:

I have wished for many weeks to express to you my thanks for the generous assistance you gave to Mr. Aydelott when he called at your office. I have been working together with him for a number of weeks in the effort to form a New York Yenching Committee. We have six excellent members at the present time, and I hope that in the autumn we may be able to push that number up to fifteen or more. If the general financial situation improves next winter, I feel confident we can secure a considerable amount of money in this city for the University.

Mr. Aydelott and I have followed through all sorts of channels the lead you gave him in reference to Mrs. Richardson. We got in contact with the man who handles all her mail and also with the one person whom she consults regarding business matters. Both have been very friendly. Unfortunately, Mrs. Richardson was seriously ill during the entire period when we were trying indirectly to influence her in behalf of the University. She is now in Maine. It is just possible that Mr. Aydelott may find means of meeting her personally during the summer.

With renewed thanks for your help.

Cordially yours,

Mr. Leslie R. Rounds
Federal Reserve Bank
33 Liberty Street
New York City

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Aydelott

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October 21, 1931

Dear Mr. Rounds: ✓

Mr. McBrier was in for a conference this morning at which Mr. Aydelott reported how extremely helpful you had been to him in his effort to form the New York Committee. Both Mr. McBrier and I are very grateful for your willingness to become associated with the Committee. I am sure that your membership will mean very much to us. We need in this group of New York men of affairs a fair proportion of persons who are already thoroughly familiar with the University and its problems, in order to gain the interest and enthusiasm of the rest of the group.

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Com

We have now got far enough with the formation of the Committee to plan definitely for a meeting in the latter part of November for the purpose of informing the Committee about the situation in China and at Yenching. We are looking around for the best available speaker. I will let you know in ample time the date set for the meeting and hope that you can be with us.

Cordially yours,

Assistant to the President

Mr. Leslie R. Rounds
Federal Reserve Bank
33 Liberty Street
New York City

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NOV 12 1931

THIRTY THREE LIBERTY STREET
NEW YORK

Ans. Nov. 12

November 10, 1931.

Dear Mrs. Lee:

I was very sorry not to be able to attend the Yenching meeting last week, but there have been so many demands upon my time during this summer and fall that it has been necessary for me to forego a number of outside matters. I would be very glad indeed to attend a conference of the American Board members of the boards of the various China Colleges, but hesitate to make a definite commitment because of the great possibility that I may at the last moment have to give it up. May I suggest that you arrange your meeting at such time and place as is acceptable to the majority, and if you will then let me know the date and place I shall be glad to attend if possible. Mondays and Thursdays would generally be impossible for me, but as between the other days in the week there is not much choice. Needless to say New York would be the most convenient for me as far as the place goes, but I do not think you had best consider my convenience in the matter. Since there are so few residing in New York I assume you will probably find it more convenient to have the meeting in Boston.

Awaiting further word from you, and with kind personal regards, I am

Sincerely yours,

F. C. Rounds

Mrs. Lucius O. Lee
American Board of Commissioners
for Foreign Missions
14 Beacon St., Boston, Mass.

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THIRTY THREE LIBERTY STREET
NEW YORK

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November 13, 1931.

NOV 14 1931

Dear Mrs. Lee:

Ans. Dec 5/31

Your telegram came yesterday advising of the meeting to be held Saturday morning in Boston. I delayed acknowledging until today in order that I may be sure of my plans. I am sorry it will not be possible for me to meet with you, but I shall appreciate it if you would be kind enough to give me a brief summary of the results of the conference.

Very truly yours,

L. C. Brown

Mrs. L. O. Lee
American Board of Commissioners
for Foreign Missions
14 Beacon Street, Boston, Mass.

1173

December 5, 1931.

Mr. Leslie Rounds
Thirty-three Liberty St.
New York City

Dear Mr. Rounds:

The American Board discovered the other day that you are listed among the Yenching Trustees in the Class whose term expires in 1931. As soon as this matter was called to the attention of the Prudential Committee, that body reelected you as one of its representatives for a term of four years and I have officially notified Mr. Garside of the election. Your name will therefore appear as a Trustee in the Class of 1935. We want you to know how much we of the Board appreciate your service for Yenching and that it is the earnest desire of the Prudential Committee that you continue to render this service.

We were very sorry that you could not be with us for the discussion of the proposed plan as to the merging of the Boards of Trustees of the several colleges in China which took place here three weeks ago today. We had a profitable two hours together. Mr. Cressy came to Boston and officially presented the plan to the Prudential Committee at its meeting last Tuesday. The judgment was that this is a matter of major importance and should have very careful consideration by a smaller group before action is taken. It was therefore referred to the sub-committee on Foreign Policy and that Committee is to meet on Monday, December 14 where this question will be the major topic of consideration. We of the American Board find two points in particular about which we have rather serious doubt. No one I think, fails to realize that some kind of a joint organization should be set up which will function primarily in making appeals for support to the general public. We do doubt, however, whether an actual merger is the most desirable form of organization. Might not a plan similar to that of the Near East Colleges be better? Those colleges as I am sure you understand, maintain a joint office with an executive secretary and make their financial appeals together. Each Board of Trustees, however, continues to administer the affairs of its own institution.

The other point about which we have serious doubt is the wisdom of having the joint board made up for the most part, if not entirely, by representatives of the Mission Boards. This plan puts the ultimate authority not only for the administration, but the support of the colleges back upon the Mission Boards. We realize that Mr. Cressy's thought and the thought of others concerned, is that the colleges in China can thus be prevented from becoming secularized as have American Colleges which were started by church bodies. We recognize that there is a danger that the

1174

Mr. L.R.--2.

China Colleges may be secularized and may lose the distinctly Christian influence which we do covet for them. We are not however, sure that the appointment of the Board of Trustees by Mission Boards would prevent such secularization. Furthermore, it seems to us practically certain that the Mission Boards will not be able to give the colleges the financial support they need. As you know, it has been the practice of the American Board for many years to graduate schools that attain the status of real colleges, and turn them over to independent and self-perpetuating Boards of Trustees. We are not entirely clear that this is what should be done in the case of the China colleges, but we do feel that the matter should have very careful thought before definite action is taken. You of course have word from Mr. Garside that a meeting of the Boards of Trustees of all the China colleges is being called for December 15 and 16. As the Prudential Committee meets here on December 15 and will that day take action on the proposed ~~meeting~~ is obviously desirable that Dr. Fairfield or I, or both of us be here. We should be glad if the proposed meeting could be confined to December 16 in which case we could both be present. Possibly the best plan will be for me to be in New York for both the 15th and 16th, and Mr. Fairfield here on the 15th and in New York on the 16th. In any case, we will hope to see you at this meeting.

Very truly yours,

(Mrs. Lucius C. Lee.)

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THIRTY THREE LIBERTY STREET
NEW YORK

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DEC 31 1931

December 30, 1931.

Mrs. L. O. Lee
American Board of Commissioners
for Foreign Missions
14 Beacon St., Boston, Mass.

Ans. Jan. 11, 1932

Dear Mrs. Lee:

Your letter of December 5 was duly received and I am chagrined to realize that so much time has passed without a reply.

It is most kind of the Prudential Committee to reappoint me as a trustee in the class of 1935 and I appreciate the honor, but the fact is I have very grave doubt as to whether I really ought to accept. My time for the past several months has been almost entirely beyond my control, with the result that I have had to forego most of the meetings of the Yenching Board, and am afraid it would be necessary for me to similarly shirk the responsibility if I were to continue as a trustee.

While personally I have enjoyed the contacts and am very glad indeed to do what little I can for this cause, nevertheless I cannot but feel under present conditions that it would be better for the University if someone else could serve who could give it more attention. I do not wish you to feel that I am unwilling to be useful or to do what I can, but I really think it would be in the best interests of the University if your Board would reconsider its action.

Very truly yours,

W. W. R. R. R.

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YENCHING

THIRTY THREE LIBERTY STREET
NEW YORK

January 15, 1932.

Dear Mr. Garside:

Your letter of the 12th is received notifying of a meeting of the Executive Committee at 12:30 P.M. Monday, the 18th. I am afraid it may not be possible for me to attend this meeting, and also feel that my judgment in this particular matter would be worth very little in any case.

Two thoughts occur to me with reference to the proposal of Dr. Stuart. First, I note the correspondence does not include copy of any communication from Dean Donham, so his view as to the advisability of such a trip or of the likelihood of something resulting from it, does not appear. Second, while undoubtedly the University should make every effort possible to improve its facilities and to add to its plant when necessary, I have also been somewhat impressed with the fact that the University is in greater need of an endowment fund which will provide income for the maintenance of the present plant, than it is for additions or extensions to that plant. A plant without money to run it becomes more or less of a white elephant, and for this reason the Trustees might well give consideration to the question of permanent support at the same time that they receive bequests designed exclusively for building purposes.

Very truly yours,

Dr. Rowland

Mr. B. A. Garside, Secretary-Treasurer
China Union Universities
150 Fifth Avenue, New York, N.Y.

Mr. Garside
The above is not intended to express the opinion that Dr. S. should not make the trip but rather that these points should have consideration.

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THIRTY THREE LIBERTY STREET

NEW YORK

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JAN 16 1932

January 15, 1932.

Ans. _____

Dear Mrs. Lee:

Permit me to acknowledge receipt of your very kind letter of January 13.

I realize of course that hardly any member of the Board can be expected to attend all meetings. The fact is that during the past year pressure of work had made it impossible for me to attend more than a very few of the meetings. However, I shall abide by the decision of the Board and shall endeavor to do what I can in the interests of the Yenching Board.

With kind personal regards, I am

Very truly yours,

W. W. W.

Mrs. L. O. Lee
14 Beacon Street
Boston, Mass.

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YENCHING

THIRTY THREE LIBERTY STREET
NEW YORK

March 19, 1932.

Mr. C. A. Evans, Assistant Treasurer
China Union Universities
150 Fifth Ave., New York, N.Y.

Dear Mr. Evans:

Your letter of March 16 addressed to the members of the Pension Committee has been received, and I have read with interest Dr. Galt's letter of February 11 which was enclosed.

The Pension plan which was finally adopted included a provision that all questions relating to the rate of exchange should be left to the field to determine, and since all of the points which Dr. Galt has raised relate to this question, it would seem to me that no further action is necessary by the Pension Committee or by the Finance Committee, and I should think it would be in order for your office to communicate with Dr. Galt so advising him.

One thing in this plan is absolutely certain, namely that the retirement allowances or withdrawals upon separation from service as paid by the Sun Life Assurance Company will be determined solely on the basis of the gold dollars paid in to the Sun Company in behalf of each participant in the plan, and all calculations of the insurance company will of course be made and carried forward from year to year on the basis of the dollars which it has received. The ratio of these annual payments to the salary of the participant really does not concern the insurance company greatly since it is in no wise interested in the salary question. This being so, there remains only the question of the division or sharing of the cost as between the participant and the University. While the plan was set up on the basis of a 50-50 sharing of this cost, you will recall that the Committee rather reluctantly agreed to leave the exchange question to the field to determine since this is in line with the policy already adopted by the University in relation to the entire salary question. It therefore seems to me that the field will be acting within the authority already given it in making the modification suggested by Dr. Galt.

Parenthetically if Dr. Galt thinks the I.Q's of the staff have been taxed by the language of the plan, I cannot help but ask whether the I.Q's pressure has been reduced any by the language which it is proposed to substitute.

With kind personal regards, I am

Very truly yours,

H. W. R. M. H.

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L. R. Rounds

THIRTY THREE LIBERTY STREET
NEW YORK

May 20, 1932.

Dear Mr. Wannamaker: *X to campaign mis*

Your letter of the 17th is received with enclosure. Not until this morning have I had time to go over the list. Most of those on this list with whom I happen to be acquainted are bankers or connected with banking institutions. The relationship of the institution with which I happen to be connected, to the banks is such that I would hardly think it appropriate for me to take any action which might be construed as asking a favor. I do not feel, therefore, that I could properly permit the use of my name in canvassing with that group.

I find only three names on the list of persons whom I happen to especially know outside of this field. They are -

Dr. William S. Beard
105 East 22nd Street

Mr. William T. Boulton
289 Fourth Avenue

Mr. William Ives Washburn
149 Broadway

introductions given SPY

These three names are not, I think, especially promising for the purpose since I think only one of them has very much of this world's goods, and to the best of my opinion he is totally lacking in any impulses of generosity. If, however, you think my name would be helpful in approaching them, you are at liberty to use it, as you are in fact in approaching any others outside the field of banking.

Enclosed you will find a small check which you are at liberty to use in any way you may think to the best interests of the University. Wish that it might be more.

Sincerely,

L. R. Rounds

Mr. O. D. Wannamaker
Yenching University
150 Fifth Avenue
New York, N.Y.

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Mr. Leslie R. Rounds
33 Liberty St.,
New York City

Gift received, May 21st, 1932 (date)

Cash Gift \$100.

Pledge \$

Designation Nat. Sciences Endowment

Received through Appeal to trustees 5-17-32 by ODW

Entered on control record ✓

Serial number 1404 ✓

Entered on record card ✓

Pledge signal attached

Cross file card made

Receipt number 3590

Acknowledgment sent 5-23-32

Entered on renewal sheet ✓

Checked for office list ✓

Checked for mailing list ✓

Contributed previously? July 1929

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May 23, 1932

Dear Mr. Rounds:

Your check adds a very delightful flavor to your friendly letter about contacts with prospective donors. I am personally and officially very grateful to you. There do not seem to be many people alive at this time who can draw checks for \$100.00.

I have taken the liberty of sending Dr. Young to the three persons you have named, with a note from me referring to your interest. I hope he may get something.

We were pleased to receive at the same time with your check \$500 from another friend. The results, however, are small and slow - only about \$5000 since the annual meeting of the Board. We still need about \$67,000.00.

Gratefully yours,

Assistant to the President

Mr. L. R. Rounds
33 Liberty Street
New York City

ODW:LM

Rec. # 3590 for \$100 encl.

1184

Paint up

THIRTY THREE LIBERTY STREET
NEW YORK

RECEIVED ATTENTION
JUN 22 1932
E. M. McBRIDE
C. M. MCDONNELL

June 21, 1932.

Mr. E. M. McBrier
150 Fifth Avenue
New York, N.Y.

Dear Mr. McBrier:

Your letter of yesterday's date with enclosures is received.

I am gratified to know that so much progress has been made in matching the Rockefeller gift, but am also conscious of the fact that there is still a real job to be done in getting the balance necessary. I regret that it has not been possible for me to be of more use. My time has been so completely taken this year that it has been necessary to forego many things I would like to have done. I am anxious to do what little is possible, however, and you may consider this letter as a definite pledge for an additional \$250. to be paid not later than January 1 next in case the full amount necessary is raised.

With kind personal regards, I am

Sincerely,

McRourke

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Leslie R. Rowlands
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Leslie R. Rounds
33 Lively St.
N.Y. City

Gift received, June 22, 1932 (date)

Cash Gift \$ _____

Pledge \$ 250⁰⁰

Designation Nat. Sci. Endow.

Received through Letter by E.M. McBrier

Entered on control record

Serial number 1500

Entered on record card

Pledge signal attached

Cross file card made _____

Receipt number _____

Acknowledgment sent 6-22-32 Emmert B

Entered on renewal sheet

Checked for office list _____

Checked for mailing list _____

Contributed previously? May 1932

To be paid not later
than Jan. 1, 1933
in case the full
amt. of \$250,000
is raised
to match
R.F. gift.

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C O P Y for Miss McCoy's file

June 22, 1932.

Mr. L. R. Rounds,
Federal Reserve Bank,
33 Liberty Street,
New York, N. Y.

My dear Mr. Rounds:

I greatly appreciate your letter of June 21st.

Your additional gift is certainly very much appreciated. Today the challenge to the Trustees stands as per enclosed statement.

If I were to express my real feelings I would say that you are one of the main assets to the University. You have given of your time and thought, and your counsel has been of very great benefit so do not please think for one moment that you have not been of much use for you certainly have.

I appreciate how confined you have been during this year of serious financial strain. The end apparently is not yet.

It certainly is splendid of you to make this additional gift, which we were not expecting.

I did not know but what perhaps you might have some friend to whom you could speak and who might assist us in this endeavor. I succeeded in getting one \$5,000 subscription, which was a real help. I have been turned down a number of times but I still persevere and hope I can get one or two more subscriptions.

If you were able to secure a gift, it would be appreciated beyond words. We must, as Trustees, meet this \$25,000 challenge.

Sincerely yours,

EMMcB.A
Enc.

1188

July 25, 1932.

Mr. B. A. Garside, Secretary
Yenching University
160 Fifth Avenue
New York, N.Y.

Dear Mr. Garside:

Friday I received the minutes of the meeting of the Executive Committee held July 13, 1932, at which time the recommendation of the Investment Committee for the sale of certain securities from the endowment fund was thoroughly considered and recommendation approved. The reference in the minutes is perhaps as complete as would ordinarily be found in connection with the discussion of such a subject, but since the action was, relatively speaking, an important one, it occurs to me that it would be very desirable if your files included a rather full statement of the facts which the two committees had considered, and of the reasoning which was the basis for the action taken. With this thought in mind may I take the liberty of outlining what appear to me to have been the principal factors to which the committees gave consideration and the basis for the action.

Practically the entire world is at the present time in the grip of an economic depression of unparalleled severity, particularly with respect to the fall in prices not only of investment securities, but of commodities, real estate and practically everything else which goes to make up the national wealth. Securities which, as recently as three years ago, were considered sound and secure, are now selling at from 10 to 20¢ on the dollar, in some cases even less. This fall in prices, while not evenly distributed, is nevertheless very general and has been particularly severe with respect to investment securities. There are very few investment accounts which, within the last 2½ years, have not shown a depreciation ranging from 30 to 75%, and in not a few instances very much more.

The Yenching investments have not been exempt from this deflation of prices and show a depreciation at the present time of an amount which probably differs very little from that of other similar investment lists. This deflation of values has naturally raised in many cases serious question of doubt as to the future of some of the corporations whose obligations the University holds. While up to this time very few securities have gone into default, there is the probability that if the depression continues other of the investments will be in default. The Investment Committee, therefore, has had to face the facts as they exist and to consider what may best be done to conserve the assets of the University, and at the same time retain as large a current income as is possible in the circumstances. Clearly some securities have a much better chance of making a recovery than others, and clearly at a time like this it is desirable to eliminate from any list those securities which, because of their position, are likely to go to still lower prices, and also those which for the same reason are likely to have difficulty in getting back into the class of securities which the University would wish to permanently retain. The Committee has, I think, endeavored to face the facts as they exist and to do what in its judgment and in the light of the best information and advice it can get at the time, is in the best interests of the University.

1189

In order that it might have competent and conservative advice, the Committee recommended and the Executive Committee approved some little time ago of the employment of Young & Ottley as investment counsellors. Copy of the list of investments was furnished Young & Ottley who, following a thorough study, presented recommendations calling for the sale of somewhat more than half of the total holdings of the University. The Investment Committee spent considerable time with representatives of Young & Ottley, discussing the basis of their recommendations both as a general policy and with specific application to individual securities. These discussions developed the fact that Young & Ottley are very strongly convinced that the market prices of practically all securities will probably be very much lower before there is any substantial recovery, and while they had limited their selling recommendations to but little more than half the list (the items recommended for holding being, with a few exceptions, those items which they felt would survive any extremes of the depression even though prices might go materially lower) this recommendation was based in large part upon the needs of the University for current income and it was, I think, made clear that if this need for current income had not existed Young & Ottley would probably have recommended the sale of practically the entire list on the theory that since they are convinced prices of all investment securities will reach very much lower levels than now prevail, these same securities or others could be bought back at lower prices.

Considering all of the various factors, however, including the need for income, Young & Ottley recommended the sale of a considerable proportion of the holdings and at the same time made the very definite recommendation that the proceeds of the sale should be invested in Government short term obligations until such time as there were definite indications that prices were more likely to improve than to continue to decline. It was their judgment that at that time, whenever it might be, it would be possible to invest some part of the fund in the common stocks of a list of our very best corporations at prices sufficiently below today's levels so that the ultimate appreciation in these securities would to a considerable extent offset the losses taken in the sales now recommended. They made it clear, however, that they would recommend no investments at the present time other than United States Government short term obligations.

The Committee considered very carefully the recommendations made both with respect to the general program and specifically, and while recognizing the possibility, indeed the probability, that Young & Ottley might prove to be entirely correct in their diagnosis of the situation, and that the market prices of investment securities might reach levels very much lower than those now existing, nevertheless the Committee did not believe that it was possible to be so sure of this fact as to justify it in recommending sales of a very large proportion of the University's holdings on the hypothesis that lower prices would be reached. It seemed to the Committee that such action would in effect be putting all of the eggs in one basket. The Committee did agree, however, that there was a sufficient likelihood that Young & Ottley would be proven correct in their diagnosis of the situation as to make it equally unwise to hold all present investments and it was, therefore, agreed as a matter of principle that the wise and conservative course in the light of all information now available, would be to turn a reasonable proportion of the present endowment fund into cash for use if and when there was definite evidence of an improvement in conditions, believing that there was as much likelihood that at that time market prices would be lower than they are now, as that prices would be above the present level, and considering the fact that the University would shortly be in receipt of substantial amounts of cash, it was the view of the Committee that the sales of securities should be

considerably less extensive than as recommended by Young & Ottley. After determining upon this general policy, the Committee then carefully went through the list of Young & Ottley recommendations and agreed to recommend the sale of somewhat more than 50% of the securities recommended for sale by Young & Ottley, these selections being based, first, on those items which on the basis of the information available appeared to be most vulnerable, but including, however, a few items on which a substantial amount of cash could be realized without taking more than a nominal loss.

The Committee recognized at the time that this course of action, in the light of the recommendations made by Young & Ottley, would in all probability be subject to some regrets, since if Young & Ottley were proven to be correct the Committee would regret not having sold more securities, while on the other hand should they be proven wrong, the Committee would regret having sold any. Nevertheless it was the conviction of the Committee that the course pursued represented the most conservative action that could be taken in the circumstances and the one best designed to protect the University's funds. In this connection it should be noted that while the Committee has great confidence in the firm of Young & Ottley and appreciate the fact that this firm has made an enviable record in its relatively brief history, it was not unmindful of the fact that a majority of the advisory services were at the same time recommending to their clients the investment of funds at current prices.

Very truly yours,

W. K. R. R. R.

*I approve of filing the
above statement, which
very clearly states the case,
E. M. M. Brier*

RECEIVED
UNIVERSITIES
JUL 26 1932
JOINT OFFICE

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July 27, 1932.

Mr. Leslie R. Rounds,
Federal Reserve Bank,
33 Liberty Street,
New York City.

My dear Mr. Rounds:

Probably you noticed recent announcements in the press that Yenching University has been successful in its efforts to secure urgently needed endowment for its work in Natural Science. I am writing both to thank you for the assistance you gave us in meeting the conditions of the Rockefeller Foundation, and also to inform you as to the present position of this endowment fund.

The Foundation gave its general approval to our report showing that we have received by June 30th, \$250,000 in cash and pledges for the work in Natural Science, to match its gift for a like amount. The Foundation's original offer required that this entire sum must be secured in cash within the time limit specified. But in view of existing financial conditions the Foundation generously agreed to a modification of these original terms whereby it will pay over at once a sum equal to the cash we have secured to date, and will make additional payments up to June 30, 1935, to match collections we make on our outstanding pledges. These payments will be made at quarterly intervals, on the basis of reports we will submit about the middle of the months of September, December, March, and June.

Obviously, it will be greatly to the advantage of our Natural Science work if outstanding pledges are paid at an early date. Existing work needs the income on the entire fund of \$500,000, and this work will be curtailed to the extent that the fund is incomplete. Every dollar paid in on pledges means that two dollars are set to work earning this needed income.

We appreciate that these outstanding pledges represent sacrificial giving by men and women who, in spite of the present economic situation are contributing as generously as their means allow to many worthy enterprises. We recognize that many donors may be unable to send payments until the dates shown on their pledges. But it is clear that the circumstances justify the adage that "He who gives quickly gives double measure."

With assurance of the University's profound appreciation of the share you have had in thus providing a permanent basis for the support of Yenching's splendid service in the field of the Natural Sciences, I am

Very sincerely yours,

BAG:PW

Secretary

1193

THIRTY THREE LIBERTY STREET
NEW YORK

August 2, 1932.

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

Dear Mr. Garside:

Your letter of July 27 is received.

I am indeed glad to know that final arrangements
have been made with the Rockefeller Foundation on as favorable
terms as they have, and am pleased to enclose herewith check
for the amount of my pledge.

Very truly yours,

McKim

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August 3, 1952.

Mr. Leslie R. Rounds,
Federal Reserve Bank,
55 Liberty Street,
New York City.

My dear Mr. Rounds:

We are very grateful indeed for your check for \$250 in payment of your pledge for Yenching Endowment fund for Natural Science.

We have been receiving some fairly substantial sums from our contributors to this fund, and I hope that the Rockefeller Foundation will be paying over during the next few days their initial remittance to us, amounting to approximately \$140,000. The investment of this money will give some added responsibilities to you three gentlemen of our Investment Committee.

We enclose the University's official receipt for your payment.

Very cordially yours,

BAG:PW
Enc.

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Leslie R. Rounds
Federal Reserve Bank
33 Liberty St.
City

Gift received Aug. 3, 1932 (date)

Cash Gift \$ 250 in full on pledge #1500
Pledge \$ _____
Basis of payment Natural Sciences End.
Designation ← _____
Received through _____
Control record serial number 1500
Entered on record card _____
Pledge signal attached _____
Receipt number 3781
Acknowledgment sent 8-3-32 by B.A.G.
Entered on renewal sheet _____
Checked for office list ✓
Checked for mailing list ✓
Last renewal card entrance (month and year) Jan. 1933

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THIRTY THREE LIBERTY STREET
NEW YORK

June 20, 1934.

Dear Dr. Gee:

Your letter of June 8 was duly received and I was sorry to have missed seeing you when you called a week or more previous to that.

Enclosed I am pleased to hand you a small check and wish that it might be larger. (10)

With kind personal regards, I am

Very truly yours,



Dr. N. Gist Gee
Yenching University
150 Fifth Avenue
New York, N. Y.

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June 22, 1934

Dear Mr. Rounds:

Please accept this grateful acknowledgment of your check for \$100.00 in response to our letter of June 8th. Our official numbered receipt is enclosed herewith.

As you of course know, the problem of providing for even the most curtailed of budgets is an acute one and we in the promotional office here are deeply grateful for all the backing and assistance which our trustees can give us. Your generous gift at this time will be of great help.

Very sincerely,

N. Gist Gee,
Vice President

Mr. L. R. Rounds
33 Liberty Street
New York, N. Y.

1198

Mr. L. R. Rounds ✓

33 Liberty Street
New York City

Gift received..... June 22, 1934..... (date)

Cash Gift \$100.00.....

Pledge \$ ----.....

Basis of payment ----.....

Designation Current Operating Budget.....

Received through NGG letter to all the trustees asking for annual pledge

Control record serial number 1753 ✓.....

Entered on record card ✓.....

Pledge signal attached.....

Receipt number 4027.....

Acknowledgment sent 6-22-34.....

Entered on renewal sheet ----.....

Checked for office list.....

Checked for mailing list.....

Last renewal card entrance (month and year) ----.....

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For - Dr. Gee

Yenching University

December 27, 1934

Mr. Leslie R. Rounds
33 Liberty Street
New York, N. Y.

My dear Mr. Rounds:

I greatly appreciate yours of December 19th enclosing check for Yenching University. It is needless for me to express our sincere appreciation of the contribution you are making, and even more so for the splendid service you are rendering.

I trust you will pardon this belated acknowledgment due to the intervention of the holidays.

Hoping you have had a Merry Christmas, and that you will enjoy a New Year of brighter outlook and greater prosperity, I remain,

Most sincerely yours,

EMMB:HV
Enc.

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Mr. L. R. Rounds
Federal Reserve Bank
55 Liberty Street
New York City

November 12, 1955

Dear Mr. Rounds:

I enclose the Minutes of the meeting of our Yenching Trustees on November 1st. We were sorry that you could not be present. We had a good meeting, and I am sure that all of us are going to get behind the program necessary to secure our Yenching objectives for this year.

It was agreed at the meeting that each of our Yenching trustees would be requested to go over a list of previous Yenching givers and to do two things:-

1. Add to this list the names of other potential friends of Yenching whom we should cultivate.
2. Go through the list thus amplified, and check the names of those whom you are willing to approach, either in person or by letter, with definite requests for contributions toward the urgent needs we are seeking to meet this year.

Accordingly, we enclose herewith a list of certain previous Yenching donors. We hope this will suggest other names which you can add. When you have added all the names you can, and have checked those you are willing to approach, please return the list to our office, indicating points at which we can assist you in making your approaches. Some, you may wish to go to alone. In other cases you may wish to be accompanied by Mr. Sherwood, Mrs. Macmillan, Dr. Young, or Dr. Stuart. In some instances you may wish to recommend that members of our promotional staff make the contact.

As you know, President Stuart lands in Seattle on November 12th, and we expect him to arrive in New York on the 19th or the 20th. We plan to have our first meeting with him as a Board at ten o'clock on Tuesday morning, November 26th, continuing through the luncheon hour. I hope very much to see you there.

Will you not give these matters your earnest and very early attention? Remember that the names which will count the most are those of persons whom you yourself will agree to see. Our campaign should be showing actual results before we meet with President Stuart on the 26th.

Sincerely yours,

EMcB/V

Treasurer

1201

THIRTY THREE LIBERTY STREET
NEW YORK

January 30, 1936.

Dr. S. P. Young
Yenching University
Room 903 - 150 Fifth Avenue
New York, N. Y.

Dear Dr. Young:

I have your letter of January 26 and thank you for writing me so fully. I am pleased to enclose herewith a pledge and also a check, each for \$150.00 for the year 1936. It may be that in a month or two I shall feel like giving you a pledge for the year 1937, but have particular reasons for not wishing to do so at this time.

Very truly yours,

W. W. Rouse

Encs.

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February 7, 1936

Mr. L. R. Rounds
33 Liberty Street
New York City

My dear Mr. Rounds:

Dr. Young, who is away from the office for a few days, has sent in to us your letter of the 30th of January and your check for \$150.00.

Upon his return, I know that Dr. Young will want to acknowledge your letter himself, but in the meantime, I wish to express our appreciation of your generous contribution, and to send you our formal receipt for this amount.

Sincerely yours,

Office Secretary

Encl.

1203

THIRTY THREE LIBERTY STREET
NEW YORK

May 1, 1936.

Dr. S. P. Young
Yenching University
Room 903 - 150 Fifth Avenue
New York, N. Y.

Dear Dr. Young:

A few weeks ago you called on me with reference to possible contributions from people in Plainfield. Subsequently I talked with Mr. Case and gave you certain information which, so far as Mr. Case personally was concerned, was at the time that he did not feel like assuming further obligation to Yenching. He has today given me the enclosed check for twenty five dollars (\$25.00) however, as a contribution to the University, and I am inclined to think that if you should follow him up with an annual appeal you will find he will be glad to make a small contribution each year.

May I suggest that you acknowledge receipt of this check directly to Mr. Case. His address is

Mr. J. Herbert Case
c/o R. W. Pressprich & Company *John 4-2600*
68 William Street, New York, N. Y.

Very truly yours,

Everhardt.

Enclosure

Dr. S. P. Young delivered the receipt to Mr. Case in person. 5/11/36. G.C.A.

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THIRTY THREE LIBERTY STREET
NEW YORK

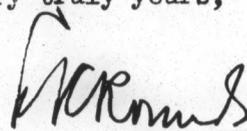
August 28, 1936.

Dear Mr. Barber:

Thank you very much for your note of August 27
with which you sent the picture of Dr. Stuart and the
very interesting account of the observance of his sixtieth
birthday.

With kind personal regards,

Very truly yours,



Mr. George G. Barber
President, Board of Trustees
Yenching University
150 Fifth Avenue
New York, N. Y.

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October 19, 1936

Dear Mr. Rounds:

We enclose herewith an invitation to the dinner our Yenching Trustees are having on the evening of October 27th. We hope that both you and Mrs. Rounds can be present.

The affair will be primarily a testimonial in honor of Dr. Henry W. Luce. He has had such a large share in the upbuilding of the Yenching University of today that we feel it is particularly appropriate to do him honor at the first meeting of the Board since his return from the Orient.

About fifty persons are invited to the dinner - Yenching Trustees, the Women's College Committee, and their wives and husbands, and some of the friends who have been the most substantial contributors to the upbuilding and support of the University. Dr. Hume, who will be the principal speaker, has also just returned from the Orient and knows intimately of the growth and present position of the University. While Dr. Luce is not being told of the testimonial nature of the dinner, he is to be present and will speak.

The Waldorf is charging us \$4 a plate for the dinner. Most of the Trustees are at least paying for themselves and their wives, but there will be a rather substantial amount of expense on account of the guests who are being invited by the Board. In order to avoid having to take this out of our very limited promotional budget, Mr. McBrier and a few of the other Trustees are undertaking to divide this extra cost among themselves. If you feel inspired to assist in this way - up to a limit of thirty or forty dollars - we would be grateful. But in any event, we are anxious to have both you and Mrs. Rounds present at the dinner.

Very sincerely yours,

Mr. Leslie R. Rounds
33 Liberty Street
New York City

1206

THIRTY THREE LIBERTY STREET
NEW YORK

October 22, 1936.

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

Dear Mr. Garside:

Your letter of the 19th is received enclosing an invitation to the dinner the trustees are having on October 27.

Mrs. Rounds has been in Maine for several days because of the illness of her Mother, but I hope will be back in time to attend this dinner. I will advise you as promptly as possible about our attendance. Meantime I shall be glad to take a share in the expenses which are not covered by the price of the dinner.

Very truly yours,

H. K. Rounds

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YENCHING UNIVERSITY

PEIPING, CHINA

American Office

150 Fifth Avenue

New York

OFFICERS OF THE TRUSTEES

GEORGE G. BARBER, *President*
MRS. JOHN H. FINLEY, *Vice President*
SIDNEY D. GAMBLE, *Vice President*
FRANKLIN H. WARNER, *Vice President*
E. M. MCBRIER, *Treasurer*
B. A. GARSIDE, *Secretary and Assistant Treasurer*
C. A. EVANS, *Assistant Secretary and Assistant Treasurer*

OFFICERS OF THE UNIVERSITY

C. W. LUH
Chancellor
J. LEIGHTON STUART
President
MARGARET B. SPEER
Dean of the Women's College
STEPHEN I. O. TSAI
Controller

June 2, 1937

Mr. and Mrs. L. R. Rounds
Federal Reserve Bank
33 Liberty Street
New York, N. Y.

Dear Mr. and Mrs. Rounds:

As I write, one of the most successful and significant years in the history of Yenching University draws to its close.

During it, she has increased her contribution to the new unity evidenced in China today, through service rendered by faculty members and alumni to the National Government.

In the field of Christian education she has maintained her high ideals and, because of her teachings, the Christian ethic is being carried back to hundreds of communities by her graduates.

At no time has her service meant more to China. More than ever she enjoys the confidence and respect of the National Government and the Chinese people, as is evidenced by the increased measure of Chinese financial support.

But American friends must continue their aid if Yenching is to maintain and improve her service in a field that is steadily broadening.

The accompanying issue of the YENCHING NEWS indicates that \$13,191 is required before June 30, 1937 to balance the budget. President Stuart and his staff should have assurance that this need will be met if their plans for the coming scholastic year are to rest on firm foundations.

The Trustees hope to be able to send such a heartening message before the close of this month. To do so, they must have your help.

The time is short. Please fill out the enclosed pledge with as generous an amount as possible. Your contribution will typify your faith in Yenching. It will aid in the building of a great nation, and it will help to inspire that nation with the principles of Christ's teachings.

In anticipation of an early reply, I am

Gratefully yours,

George G. Barber
President, Board of Trustees

*Am pleased to enclose
a small ch for \$50.-
herewith - L. R. Rounds*

1209

THIRTY THREE LIBERTY STREET
NEW YORK

August 27, 1937.

Mr. George C. Aydelott
Yenching University
150 Fifth Avenue
New York, N. Y.

Dear Mr. Aydelott:

Confirming my conversation with you, I am enclosing check for one hundred dollars (\$100.00) which you are at liberty to apply to the Gamewell Professorship Fund. I should like to make this larger but there are so many demands from different sources for things in which one either has an interest or at least has a feeling of responsibility for, that I feel this is as much as I can do for this particular cause.

Very truly yours,

Richard

Enclosure.

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THIRTY THREE LIBERTY STREET
NEW YORK

December 13, 1937.

Rec'd 12/14/37

Mr. S. P. Young, Secretary
Associated Boards for
Christian Colleges in China
150 Fifth Avenue, New York

Dear Mr. Young:

Since you called the other day I have checked up and find that I gave \$100. to Yenching in August, and had also given \$70. within this calendar year prior to that time. I am pleased to enclose another check for \$100. which may be applied on the current campaign.

Very truly yours,

W. W. Wood.

Enclosure

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December 19, 1939

Dear Mr. Rounds,

Since 1932 we Yenching trustees have had an obligation to help the Yenching College Committee build up an endowment of \$100,000. This year we have our opportunity to fulfill that obligation.

Up to this autumn, the Women's Committee had secured about \$30,000, leaving \$70,000 still to be raised. Toward this \$70,000 Mrs. Henry Pfeiffer, Mr. McBrier, and Mr. and Mrs. Parlin have now pledged \$47,000 on condition that we raise the remaining \$23,000.

This gives each of us trustees both an opportunity and a challenge. The University and the Women's College urgently need the added income of such an endowment. Even more important, every one in Yenching would receive immeasurable encouragement and stimulus from such a practical demonstration that at this time of grave difficulties and increased opportunities we trustees have faith in them and are giving our unqualified support.

Our gifts toward this endowment may be paid this year, or in 1940, or both, as each trustee may elect. The important thing now is that we state, as generously as we can, the shares we will take in meeting these conditional pledges and completing the fund. Two other members of our group have already given \$1,000 or more, and it is hoped that several others can pledge comparable amounts. We trust that every trustee and committee member will share to the maximum of his ability.

I enclose a mimeographed draft of a folder the Committee is preparing in connection with the appeal, and a pledge form.

During the next week we plan to send President Stuart and his colleagues a Christmas message. Nothing we could say would make their holiday season so happy as would the news that this fund is largely or wholly pledged.

Sincerely yours,

Mr. Leslie R. Rounds
Federal Reserve Bank
33 Liberty Street
New York, N. Y.

Chairman, Committee on Promotion

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THIRTY THREE LIBERTY STREET
NEW YORK

January 30, 1940.

Mr. Edward M. McBrier, Treasurer
Yenching University
150 Fifth Avenue
New York, N. Y.

Dear Mr. McBrier,

I am enclosing a small check as a contribution for the work of Yenching University, and am sending it to you with the request that you credit it to whatever fund in your judgment represents the greatest need. What I have in mind is that Yenching is engaged in raising funds on two or three different fronts, and as you are much more familiar with the urgency of the various needs, than am I, I would like you to use it as indicated.

With kind personal regards,

Very truly yours,

W. C. Williams

Enc.

*1/2 you Current Special
1/2 you Endowment*

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YENCHING UNIVERSITY

February 2, 1940

Mr. L. R. Rounds
Federal Reserve Bank
33 Liberty Street
New York, N. Y.

Dear Mr. Rounds:

Were Mr. McBrier here I know that he would like to write you a letter covering the receipt of your check for \$100.00 which we acknowledge herewith and enclose receipt.

As you know, Mr. McBrier is basking (?) in the suns of Florida and asked to be relieved of office matters. However, about every mail brings a letter indicating that it is hard to forget us.

However, you can imagine the kind of a letter he would write, while I am simply expressing a plain ordinary everyday "thank you" without Chinese embellishments or Oriental flavor. You will note that we have divided the gift between current needs and the Women's Endowment which, upon investigation, seemed to best fit the situation, and, I am sure, that this will meet with your approval.

Everyone here joins in this word of appreciation to which I give my personal vote.

Very gratefully yours,

C. A. EVANS

CAE/B
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January 29, 1941

Mr. Leslie R. Rounds
33 Liberty Street
New York, New York

Dear Mr. Rounds,

Our grateful thanks for your latest gift of \$50.00 for the work of Yenching. Our formal receipt is enclosed.

These are days when Yenching appreciates more than ever the interest and support of her friends! We are certainly most grateful to you for all that you are doing in looking after Yenching's financial interests and contributing to her support.

Very cordially yours,

BAG:MS
Enclosure

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May 1, 1945

YENCHING UNIVERSITY INVESTMENTS

Fiduciary Counsel began to advise us concerning our investments on Feb. 1, 1939. This will show the BOOK LOSSES resulting from sales and purchases of securities during the period of their supervision. Gains or losses on Mortgage investments are not included.

Highest book loss on sale of securities as of Nov. 30, 1933 was \$472,262.73. This was reduced to \$27,412.65 as of Jan. 30, 1939.

Jan. 30, 1939	LOSS - \$ 27,412.65
Feb. 28, "	" - 28,056.49
Mar. 30, "	" 56,109.07
Apr. 30, "	" 55,259.52
May 31, "	" 72,496.17
June 30, "	" 107,467.65
July 31, "	" 125,623.73
Aug. 31, "	" 123,974.67
Sept. 30, "	" 152,985.29
Oct. 31, "	" 151,296.41
Nov. 30, "	" 154,884.81
Dec. 31, "	" 180,844.75
Jan. 30, 1940	" 173,267.32
Feb. 28, "	" 174,884.81
Apr. 30, "	" 173,251.42
May 31, "	" 181,100.35
June 30, "	" 180,529.35
July 31, "	" 180,501.71
Aug. 30, "	" 181,458.29
Sept. 30, "	" 181,580.89
Oct. 31, "	" 208,702.55
Nov. 30, "	" 204,321.35
Dec. 31, "	" 211,025.52
Jan. 31, 1941	" 216,339.71
Feb. 28, "	" 217,716.21
Mar. 31, "	" 219,071.90
Apr. 30, "	" 223,274.56
May 31, "	" 223,399.10
June 30, "	" 233,667.45
July 31, "	" 233,605.71
Aug. 31, "	" 236,734.50
Dec. 31, "	" 246,110.57
Jan. 30, 1942	" 259,904.57
Feb. 28, "	" 262,571.54
Mar. 31, "	" 262,660.75
May 31, "	" 265,145.51
June 30, "	" 270,505.45
July 31, "	" 270,116.16
Aug. 31, "	" 284,947.32
Sept. 30, "	" 287,299.50
Oct. 31, "	" 289,549.06
Nov. 30, "	" 300,627.72
Dec. 31, "	" 312,247.06
Jan. 31, 1943	" 304,057.02
Feb. 28, "	" 304,057.02
Mar. 31, "	" 307,457.48
Apr. 30, "	" 305,390.65

Re: *Yenching Securities*

May 3, 1943

Mr. Leslie R. Rounds
33 Liberty Street
New York, N. Y.

Dear Mr. Rounds:

Last September I sent you a statement showing the book losses which, with the exception of loss on the books Jan. 30, 1939, had accrued through the management of Fiduciary Counsel.

This report has been brought up to date and I am enclosing a copy. I am also sending a copy to Mr. Bryan of Fiduciary Counsel and calling his attention to the fact that these losses have increased since his attention was called to the account last September.

Very truly yours,

EMcB.A
Enc.

Enc. letter to Mr. Bryan

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THIRTY THREE LIBERTY STREET
NEW YORK

August 4, 1943.

Mr. C. A. Evans,
Yenching University,
150 Fifth Avenue,
New York, New York.

Dear Mr. Evans:

After a brief absence, I find on my desk this morning your letter of July 28, concerning a further transfer of income to the principal account of the McBrier Fund.

I am entirely agreeable to either action, and particularly, in the circumstances, would favor whatever program Mr. McBrier feels he would like to have adopted. I would raise this question, however. While I have no figures before me, if my recollection serves me correctly, a substantial portion of the securities representing the investments of the McBrier Fund at one time were disposed of at some loss. I do not know what the present relationship is between current value of the securities represented by this Fund and the principal of the Fund, but if there is any appreciable deficit it occurs to me that it might be better policy to utilize some of the income to make good the losses without increasing the stated principal of the Fund, rather than to increase the principal of a fund which is already in the red. Assuming that there may be objection to this course of action at this time, it would, of course, be possible to defer any action until what we hope will be more normal times have returned and a more accurate appraisal can be made of the situation when perhaps better judgment can be exercised than now as to any adjustments to be made. The point in that case would be that so long as the money is in the income account it is available for whatever use may be determined upon, whereas after it is transferred to the principal it is not quite so easy to make adjustments.

Having raised this point, I would add that you are at liberty to cast my vote for anything that Mr. McBrier decides he would like to do.

Sincerely yours,

7/26/32 1000 sh
Red from Woolworth co
\$25,441.00
Loss on Woolworth - \$74,559.00
7/26/32 Purchased 25 M. U. S. Treasury Bonds \$25,535.94
25 M Treasury Bonds sold Dec 1932 } Loss - 307.49
" " " " Jan 1933 }

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August 13, 1943

Mr. L. R. Rounds
Federal Reserve Bank
33 Liberty Street
New York, N. Y.

Dear Mr. Rounds:

Your letter of August 4th revived an issue regarding the McBrier Fund which has been talked through on several occasions, here in the office with Mr. McBrier. The actual facts are that 1000 shares of Woolworth were sold on July 26th, 1932 at an actual loss of \$74,599.00 The money was put into \$25,000.00 U. S. Treasury Bonds which were sold in December of 1932 and January 1933 at a loss of \$307.49.

You will recall that at that time we were going heavily into Common Stocks and all securities, even the McBrier Fund, were consolidated in our Consolidated Investment Account. Therefore, there is no identity of stocks as related to this Fund since that time.

Mr. McBrier, on several occasions, has stated (and this was discussed when the \$10,000.00 of income was added to the Fund) that the account having been consolidated and Common Stocks having reached the price on our list where in 1937 all book losses and actual losses from sales were wiped out with even an actual credit balance of \$25,000 plus; that there have been no losses in the McBrier Fund as such, but the losses now sustained on our books is a new thing established since 1937.

However, Mr. McBrier is inclined to let the matter drop for the time being, at least, and unless he presses the issue I will do nothing about it for the present.

With many thanks for your timely observations, I am

Very truly yours,

CAE:EW

C. A. EVANS

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June 7, 1944

Mr. L. R. Rounds
33 Liberty Street
New York, N. Y.

Dear Mr. Rounds:

Since I have been working on the Westchester County mortgages, I have been increasingly convinced of the fact that we have not the time to bother with mortgages on individual pieces of property.

The amount of follow-up work is altogether out of proportion to the amount of our investment in same. Not only so, but tax payments have to be watched, and interest collected; and there are endless interviews, both personal and by telephone. Although we have a very efficient man who is thoroughly conversant with real estate conditions in and around New Rochelle to represent us, we have, during the last two years, succeeded in securing payment of only two mortgages, we have taken over some properties, and we have quite a number of very "sour" situations where we stand a chance of taking substantial losses.

The individual mortgage situation is just as unsatisfactory as the guaranteed mortgage situation was in the 1930-1940 period.

Enclosed find report. You will observe that of the seventeen mortgages we are now holding, we are definitely trying to collect or foreclose on ten properties. Seven of the mortgages we have segregated into another category as described on the heading.

I hope to be prepared to answer any inquiries and give any further information at our next committee meeting.

Mr. Evans just notified me that he had arranged for a meeting of the committee to be held at the Aldine Club at 12:30 on Wednesday, June 14th. I hope to see you there at that time.

Sincerely yours,

EMcB.A
Enc.

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THIRTY THREE LIBERTY STREET
NEW YORK

June 9, 1944.

Mr. E. M. McBrier, Treasurer
Yenching University
150 Fifth Avenue
New York, N.Y.

Dear Mr. McBrier:

This will acknowledge your letter of June 7 with which you enclosed a report on the various Westchester County mortgages held by the University. After reading this report I quite agree with you that the amount of labor and effort required in following up these matters is entirely disproportionate to the amount invested and the income. You have not made any comments concerning the realizable values that might be available in any of these properties. One would assume that many of them ought to have such a value sufficiently high as to give us no particular concern. On the other hand, I realize that in many cases tax valuations bear little relation to realizable values.

It would seem as though the wise step to take would be to eliminate these mortgages as fast as it can be done and probably not to replace them.

I am looking forward to seeing you next Wednesday.

Sincerely yours,

L. R. Pound
L. R. Pound

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August 26, 1944

TO: Mr. L. R. Rounds
Mr. Girvan Snider

Gentlemen:

Having just returned from my vacation I came to the office this morning. I find that Mr. Evans's secretary has gone on her vacation. Mr. Evans will be in the office on Wednesday to consult with me.

I believe Miss Brown mailed you on Friday the copies of Fiduciary Counsel letter dated August 24th with copy of letter to Mr. Evans. Their recommendation is that we sell 90 shares of Abbott Laboratories preferred and purchase 500 shares of Pacific Gas & Electric 5 $\frac{1}{2}$ % preferred at 34, \$10,000 P. Lorillard Company 3's, 10/1/63 at 104 and 100 Eastman Kodak Company at 165.

If you feel it wise to approve the sale and purchases indicated in this letter and can have your reply here by next Wednesday morning it will clear action so that Mr. Evans may give the necessary orders on that day.

Sincerely yours,

EMS:EW

E. M. McBRIER

cc: Mr. Evans

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THIRTY THREE LIBERTY STREET
NEW YORK

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August 29, 1944.

Mr. E. M. McBrier
150 Fifth Avenue
New York, N.Y.

Dear Mr. McBrier:

This will acknowledge your letter of August 26. I have received the recommendations of Fiduciary Council to which you have referred. It seems to me these recommendations are in order and I would be willing to approve them.

With kindest regards,

Sincerely yours,

W. M. ...

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ANS'D file

May 1, 1945.

Mr. Earle H. Ballou, Secretary
Yenching University
150 Fifth Avenue
New York, N. Y.

Dear Mr. Ballou:

This acknowledges your letter of April 26
with reference to the agreement between the United Board
and the Regents of the State of New York. I note it is
proposed that Messrs. Gamble, McBrier and North represent
Yenching. That selection has my approval and this letter
is written to clear the record for you in that respect.

Sincerely yours,

W. K. Kennel

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