Huachung
Corres.
Coe, John L. 1941 Jan-May

1512 Brooklyn Avenue
Ann Arbor, Michigan
January 4, 1941

Mr. Oliver S. Lyford
230 Park Avenue
New York City

Dear Mr. Lyford:

Yesterday afternoon I received Dr. Wei's letter of September 2, 1940, which contains the College accounts for the year 1939-40. I will look them over as soon as possible and try to have the results in your hands sometime next week.

Apparently Dr. Wei still had plenty of cash to carry on with as their balances in Chinese currency as of the 1st August amounted to over Ch$80,000. I have also had a letter from Dr. Wei of the 28th September, which contains very little new information.

I received my passport from Washington this week, and am going ahead with preparations to leave. As I wrote earlier, I hope to sail on the "President Coolidge" on the 24th of this month. I think that I shall probably leave here about the 17th, and stop over for a few days in Denver to visit my brother.

If it would not be too much trouble for you, I wish that you would secure a letter of introduction for me from the National City Bank of New York to their branch in Rangoon. (I believe they have a branch there.) I am asking for this because Dr. Wei may ask me to make purchases for the College in Rangoon, and this would give me an opportunity of financing such. Also, it may be a good plan for me to make arrangements for the College to do business there.

We are both disappointed that the State Department did not see fit to issue a passport to my wife (in the letter which Dr. Wood gave me to the Passport Division he asked for a passport for her also). I know that Dr. Wei is anxious for her to return as he is very much in need of her services as an English secretary. I have been wondering if you think any further steps can be taken in this matter with the State Department. We would both be very appreciative of anything further that could be done, and I know it would be of benefit to the College. If anything is done, I feel that it should be done in consultation with Dr. J. T. Addison, Dr. Wood's successor, at 281 Fourth Avenue.

Sincerely yours,

John L. Coe

1512 Brooklyn Ave.,
Ann Arbor, Mich.
Jan. 6, 1941.

Mr. Oliver S. Lyford,
230 Park Ave.,
New York, N. Y.

Dear Mr. Lyford,

I have been working over the figures from Mr. Tan and hope to have concrete results for you within a day or so. One difficulty which is going to arise is going to be over the matter of reconciling the amount of money which you had in the joint account on the first of August with the amount which Tan states (according to his accounts) should have been US$14,764.30. If it would not be too much trouble for you to send me the information which I think I have in part in regard to this account as to the balance in the bank then and also the outstanding checks. I believe that we figured that US$4,000 had been put into that account from the Associated Boards during the year 1939-40. If you can send me the above information I think that I can make an attempt to bring Tan's figures into agreement.

So far I have not found anything wrong in Tan's figures. He has apparently followed things through mechanically and when he has come to anything in the way of difficulty he had dumped it into a suspense account. As a result I may have to do a bit of adjusting and one or two minor matters may have to wait until my return to Hsichow. There should be no reason to expect any large alteration from the figures which I estimated last April.

We have just had a letter from Mrs. Miller at the college in which she says that things seem to be going peacefully. It is a much more hopeful letter than the one which she sent to Dr. Sherman last summer.

Yours sincerely,

John L. Coe.

Hua Chung College.

Final Totals for the Year 1939-40.

Expenses.

	Foreign Sal.(2)	N. C.
Administration	2 1/6	12,298.00
~~School of Arts-personnel~~	~~xxxx~~	
Operation and Maintainance	-	3,286.69
School of Arts-personnel	4 1/6	22,739.00
(1) " " " Equip.and books	-	23,867.13
School of Education -personnel	2 2/3	10,254.00
(1) " " " Equip.and books		9,606.76 9,~~606.76~~ ?
School of Science - personnel		39,888.88
(1) " " " - equipment		48,959.52
Physical education		2,326.04
Scholarships		3,865.58
total forregular operation	9	177,~~236.60~~ 097 ?
Items directly relating to regular operation but causing a deficit (see page 3)		25,370.36
extra expense because of location in Hsichow(see page 3)		32,434.05
Total expense	9	234,~~896~~.01

(1) these items are mainly for equipment and books paid for in foreign currency. The amount of the appropriation is in US$ but for convenience it is carried here at the rate of 12 to 1 which is the rate the Associated Boards are now using.

(2) Foreign salaries are now carried by number, rather than by an arbitrary amount as in the past.

Jan 6, 1941

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Hua Chung College.

~~Income~~ Final Totals for the year 1939-40.

	Foreign Sal. (2)	Nat. Currency.
Contributing Missions:		
London Missionary Society	1 m. 1 s.	1,200.00
Methodist " "	1.m. 1 s.	3,152.00
American Church Mission	2 m. 1 s.	7,410.00
" " " (Miss Johnston)	-	1,397.00
" " " " " books.(1)		19,200.00
Reformed Church Mission	1 m. 1 s.	7,600.00
" " " Books and Equip.(1)		8,485.75
Yale-in-China		31,978.88
" " " (Equipment (1))		48,959.52
Total from Contributing missions		129,383.15
Scholarships		2,000.00
Harvard-Yenching Fund		13,517.65
from the Emergency Fund		58,758.72
Total from western sources	9	203,659.52
Local Sources:		
Student fees		13,587.90
government grant for Salaries		9,600.00
scholarships		1,865.58
interest and commissions		5,183.01
Total local sources		30,236.49
Total income	9	234,896.01

(1) asame as note (1) page 1.

(2) foreign salaries are now carried by a number instead of an arbitrary amount. m. denotes a married man. s. a single worker.

In the case of income only that portion has been indicated which was used during the year 1939-40. the remainder is handled under the balance sheet and comments thereon.

Hua Chung College.
Final totals for the year 1939-40.

3

Extraordinary Expenses.

	National Currency
a. Items causing a deficit in regular operations:	
Extra Postage and telegrams	2,001.56
Salary of acting Treasurer (2/3)	1,254.00
Assistant in President's Office	855.00
" to Treasurer	775.55
summer school expense	49.25
salary of physician	3,000.00
medicine and infimary equipment	3,935.72
2 nurses (travel from Shanghai part)	1,966.37
rents	1,637.20
lighting (running expenses)	2,779.59
maintainance of Wuchang campus	1,000.00
scholarship and student aids	6,116.12
	25,370.36
b. extra expenditures because of location at Hsichow	
balance of moving expense	8,517.92
balance of furniture and equip. in Hsichow	3,373.99
balance of cost of power plant	4,219.61
balance of repairs at Hsichow	7,942.72
extra allowance to staff because of high cost of food	3,417.00
subsidies necessary for student food	1,928.00
extra travel	2,699.37
loans to cover fees due	335.44
	32,434.05
grand total	57,804.41

Note: under "b" where the word balance is used, it refers to the amount spent on these items in the year 1939-40. Some hadalready been charged under these in the previous year.

Hua Chung College Balances Aug. 1,1940.
C$ account.

	Dr.	Cr.
Associated Boards		50,284.59
Sale of HK$ and US$ a/c undistributed	6,057.82	
Hankow remittance per JLCoe		2,078.83
American Church Mission	8,246.60	
Yale-in-China		1,686.05
Contribution Li Jui		2,000.00
Chinese Dept. Books	234.97	1,422.00
English Books		684.15
Chinese Dept. salaries	400.00	895.00
Psychology sal. Gov. grant		1,108.43
Methodist Mission salary		2,914.00
Biology- British Boxer Indemnity		7,664.44
Chemistry- " " "		11,250.56
Physics- " " "		2,646.49
Biology-China Foundation grant		3,203.55
Chemistry- " " "		6,800.00
Biology-Ministry of Education		3,799.32
Chemistry- " " "		1,869.17
Physics- " " "		657.08
Biology-Yale-in-China		2,962.57
Chemistry " " "	426.12	
Physics- " " "		5,056.64
Yale Research Fund		583.11
Yale Salaries	45.00	205.00
Machine Shop		739.12
Reformed Church Mission Sab. Reserve		1,088.00
" " " Rental		347.50
Transportation		1,967.64
Power Plant	2,047.14	
Canton Theological School		2,711.05
Deposits by Fac. and students		14,749.07
Deposits-Wuchang remittances	830.80	
Hostel Deposits and Misc.	145.98	833.14
President's Discretional Fund	142.51	
Purchases advances	3,135.46	
Temporary Advances.Suspense items	2,819.69	
Income tax and thesis paper	439.72	274.45
Wang Hsien-fa -- Kunming purchase office	5,162.85	
Loan and adv. to students a/c summer food	6,358.85	
Wuchang campus and repairs		2,750.00
Practice School	1,100.00	
School of education balance		620.88
Balances Shanghai Bank, Kunming	34,111.85	
Bank of China, Hsia-kwan	5,484.35	
Central Bank , Hsia-kwan	43,154.58	
Bank of China,Kunming,	14,891.72	
cash	2,140.73	
	137,376.74	137,376.74
	6666	

99,783.23

Budget 275,000.

Hua Chung College-- Balances Aug. 1, 1940.

HK$ Account.

	HK$	HK$
part of Associated Boards Sus. Fund.		4,956.44
advances for purchases	3,310.94	
balance in NCB Hongkong	1,645.50	
	4,956.44	4,956.44

US$ Account.

	US$	US$
Board of Founders	3,457.99	
" " " special		278.57
Johnston Fund		207.58
Harvard-Yenching Institute		4,858.25
Proctor-Johnston Land and Building Fund		1,207.43
President's Discretional Fund		112.14
Relief Fund		252.00
Scholarship		75.99
Thorne Research Fund		1,000.00
Yale-in-China		14,529.84
Science Museum		200.00
Practice School		325.00
Music		828.80
Suspense	1,541.99	4,077.96
Balances. ACM Shanghai (Note A)	5,338.20	
NCB Hongkong	26.59	
NCB New York (Note B)	14,764.30	
cash on hand (2 checks)	2,824.49	
	27,953.56	27,953.56

The above is the balance sheet for the US$ a/c sent by Mr. Tan and the following page contains a revision together with the additions which are held in this country.

Note A - The balance in the American Church Mission at Shanghai consists of two balances as follows:

Building Fund	$1,207.43
Operating Fund	4,130.77
	5,338.20

Omit pencil notes from new copy

Note B

The balance of $14,764.30 on the National City Bank in New York does not take into account payments made by the Central China College Foundation, making a total of $18,764.30 into this account. The actual balance on the N.C.B in New York as of August 1st was $18,558.30. The difference of $206.00 presumably is accounted for by deposits and drafts in transit.

(over)

Hua Chung College- Balances Aug. 1, 1940.

HK$ account.

	Dr.	Cr.
Balance-Aug.1,1939 NCB Hongkong	18,490.01	
Moving a/c Higgins sale of gas	655.88	
sale of US$2000.	8,060.45	
" " US$ 800.	3,208.00	
" " US$1800.	7,182.04	
United Committee for Christian Col. 50.	799.80	

incomplete

Operating

6

Hua Chung College.
US$ account as of Aug. 1, 1940.

	US$	US$
1.Johnston Fund for School of Arts		15,112.58
2.Yale-in-China, bal. for School of Science		15,720.40
3.Associated Boards Sustaining Fund		~~2,542.01~~ 2,542.01
4.Harvard-Yenching A		4,358.25
" " " B		500.00
5. Thorne Research Fund		1,000.00
6. Central China College Foundation		~~2,767.00~~
7. Board of Founders Special		278.57
8. President's Discretionary Fund		112.14
9. " Relief Fund		252.00
10.Scholarships		75.99
11.Science Museum		200.00
12.Yale Sabbatical reserve(set aside in 1938-39)		607.60
13.Practice School		277.50
14.Music		710.12
15.Tan's Suspense balances ~~unknown~~	1280.81	~~2,779.80~~ 2,272.00
16.balance in joint a/c NCB New York	17764.30	~~17,764.30~~
17.Held in Dom. and F. M. Socieity New York	15000.00	
18.Held in American Church Mission, Shanghai	4130.77	
19.~~balance in~~ held by Central China College Founda.NY	5767.00	
20.balance in NCB Hongkong	26.59	
21.cash on hand in Hsichow (2 checks)	2824.49	
	~~46793.96~~	46,793.96

Notes: In attempting to incorporate Mr. Tan's US$ balance sheet with what we have in this country two difficulties arose: (1) Mr. Tan had a large item which he labelled suspense account and without looking at the books it would be hard to know how to assign this; (2) Mr. Tan failed to make the necessary exchange transactions on his books to cover expenses for the year under the Johnston Fund, the Practice School and the Music Dept. He apparently left this under suspense in the US$ a/c and under "sale of HK$ and US$ accounts undistributed in his C$ account. In drawing up the balance sheet above I have attempted to make this adjustment at the rate of 14.60 which I assume was the average rate for the year.

1. This should represent the balance in this fund after the exchange mentioned in the note above has been done.
2. This should be the actual balance in this account. Mr. Tan had the balance somewhat lower, but my assumption is that the difference is buried in his suspense and I have taken it out.
3. This has been commented on on the sheet where this account is drawn up.
4. This represents the balance of US$4,000 sent to the college in 1938 and US$2,500 sent in 1940. I am a little uncertain of Mr. Tan's exchange figures on this but without going to the books do not consider it wise to change now.

4 B. This represents a special from Harvard- Yenching to be used for the purchase of Chinese books and if not used is to be returned. Dr. Wei knows the conditions of this.

6. This is the balance in the Foundation Account in the Bank of Manhattan after US$3,000 has been credited to the Associated Boards' Sustaining Fund.

12. I have assumed this was buried in Mr. Tan's suspense.

13.14. There has been more difficulty over these two. The balance in the Practice School a/c on Aug.1,1939 was US$125. During the year I know that the grant for 1938-39 was rec. 1250. 1375.

Supposedly(if permission from the Reformed Church was

received which has not come as yet as far as I know) US$1,000 was to be used for the Music Dept. Mr. Tan has apparently assumed this and then proceeded to charge US$171.20 against this. I have also charged the equivalent of certain C$ charges against this and thus reduced the amount of the balance. This would leave US$375 for the Practice School. Mr. Tan has given a figure of US$325 (how this was obtained I have no idea as there were no US$ charges against this as far as I know). I have reduced this figure by the amount necessary to cover the C$ expenditures during the year.

15. I have eliminated from this certain items against the Johnston fund, Music and Practice School, and also for Yale-in-China but aside from that I cannot trace the remainder without looking at the books. My guess would be that these items are in connection with school of science grants.

16. for the balance in the joint account I have taken Mr. Tan's figure of $14,764.30 and added $3,000 to it. I have done this as Mr. Tan had only acknowledged the deposit of $1,000 towards the sustaining fund while there was actually $4,000 deposited in this. The last figure which I can find of yours for this balance is 18,558 and there were apparently some outstanding checks at that time.

18. I have reduced the amount actually in the American Church Mission in Shanghai by the amount of the balance there in the Land and Building account.

19. I have used here the last figures which I can find of yours.

21. This represents one check for $2,500 (Harvard-Yenching for 1939-40) and also one to balance the year.

Sustaining Fund for the year 1939- 40.

8/

Income

	US$	HK$	C$
credit balance Aug.1,1939.		18,490.01	
from the Boardof Founders	7,000.00		
£250 from the London Mission	999.80		
£50 from the United Com. for Christian Colleges thru MMS		799.80	
£164-10 xxxx from the same		2,588.25	
from sale of gas in Kweilin		655.88	
by sale of US$4,126.26		16,808.92	
by sale of HK$34,386.42			134,458.84
	7,999.80	39,342.86	134,458.84

Expenditures.

debit balance Aug. 1, 1939.	1,276.53		26,268.53
by sale to HK$16,808.92	4,126.26		
by sale to C$134,458.84		34,386.42	
by expenditure as indicated on page 3.	55.00		57,955.72
	5,457.79	34,386.42	84,224.25
credit balance July 31,1940	2,542.01	4,956.44	50,234.59

Notes on the above: The item of £164-10- from the United Committee for Christian Colleges thru the MMS was mentioned to Dr. Wei by Mr. Rattenbury when he was at the college but had not been received when I was there in April. Apparently it came in later. I am under the impression that a portion of this may have been for building purposes and word from Dr. Wei may clear that question up.

US$220 was spent by the college for purchases in Hongkong at a later date in the spring and hence the total of the US$ balance is that much smaller than my estimate of April and the HK$ balance larger.

The HK$655.88 from sale of gas at Kweilin has been credited in here and in the final figures for moving I imagine it may have to be deducted as a credit. I have not attempted to do it here as I do not know how Tan has handled it on the books.

Also in Tan's C$ a/c balance sheet he has a credit of C$1,967.64 against Transportation and that may also be a credit on this sustaining fund. Until I have had a chance to examine the books it will be xxxxxxx wisest to leave things as they are and there may bethis credit.

In the figures which have come through in regard to loans to students for fees due, it is my impression that the figures are considerably too low and as a result there may be a further charge of a couple of thousand C$ against this fund.

Aside from the above comments I think that the balances above represent a true picture of the condition of the sustaining fund as of Aug. 1, 1940.

1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Jan. 7, ~~1940.~~ 1941

Mr. Oliver S. Lyford,
230 Park Ave.,
New York, N. Y.

(for the year ending July 31, 1940)

Dear Mr. Lyford,

I enclose herewith preliminary results of my studies of Mr. Tan's accounts. The full details of the accounts for the various schools I will have copied and send later.

I am not too well satisfied with the results as Mr. Tan has carried a large suspense account through to the end and without looking at the books it is not possible to unravel the details of it. He also failed to make certain exchange transfers on his books at the end of the year. ~~and that~~ Where possible I have tried to do this, but final details will have to await a further examination of the books.

As far as I can make out the condition of the income of the college is as follows:

Yale-in-China all received.
London Mission all received.
Methodist Mission all received.
American Church Mission all credited in but apparently Mr. Tan has not cleared his account with the Hankow office. There should be no difficulty in regard to this and I will take it up as soon as I conveniently can.
Reformed Church Mission- all C$ income received.
US$ appropriation for books probably settled by book orders through their Philadelphia office.
US$ appropriation for Practice School for 1939-40 apparently not received before Aug. 1,1940. I know that the grant for 1938-39 was not received till fall of 1939.
Harvard-Yenching grant of US$2,500 for 1939-40 received.
Government grant apparently coming in.

If I have not been clear in my explanations, please let me know and I will try to clear up any other points.

Yours sincerely,

John L. Coe.

6 copies on thin paper

January 9, 1941

Dear Mr. Coe:

I have your letters of January 6th and 7th with the enclosures accompanying the latter.

I shall not have time to study the reports until I reach Washington, but I am enclosing a statement of the operations of the Joint Account from September 21, 1939 to Dec. 31, 1940, including a record of the drafts outstanding according to information from Dr. Wei, the last being dated Nov. 30th.

My first impressions from Tan's report are not very enlightening. For instance, in the totals of expenses from 1939-40 he has included "School of Science - equipment" N.C.48,959.52. We have no indication from Yale-in-China or elsewhere of any purchases even approximating this total. I think this must be simply the budget figure. He should include only the totals of orders actually placed, and we need a statement of such orders so that we can anticipate the drafts which will eventually be made to cover them.

Who is John Evans?

I am leaving for Washington at 5.30 this evening to get a permit for Mrs. Coe if this is in any way possible.

Yours very truly,

Mr. John L. Coe,
1512 Brooklyn Ave.,
Ann Arbor, Michigan.

1512 Brooklyn Avenue
Ann Arbor, Michigan
January 11, 1941

Mr. Oliver S. Lyford
230 Park Avenue
New York City

Dear Mr. Lyford:

Thank you for your letter of January 9 with its enclosures. Thank you also for Dr. Wei's letter of December 12, which Dr. Sherman sent on to me. I am returning it herewith.

Thank you for all the trouble which you have taken about endeavoring to secure a passport for Mrs. Coe. However it turns out, we are both of us deeply grateful to you.

I am enclosing herewith an account of my expenditures for travel during the past several months and a cheque for the balance.

I do not know who John Evans is. From the statement you sent me of the Joint Account I should assume that he is either a business man or a missionary, probably in Kunming, who is doing some exchange business for the College. I do not remember having heard his name mentioned when I was in Kunming last year. I note ~~that~~ in Dr. Wei's letter of December 12 his idea about a possible revision of the College salary scale, and I am glad to see that that is his idea.

It is certainly good news that things seem to be going much smoother at the College than they were going last year. It may have been a very good thing that the people at the College realize that the Board of Trustees were very much concerned over the situation.

Mr. Smith has recently sent me the extracts from Dr. Wei's recent letters to the New Haven office. I am somewhat concerned that the Executive Committee Pro-tem seems to be considerably upset over the action that the Trustees took in September in granting U.S.$1,000. from the Johnston Fund to the Hankow Diocesan Union Middle School. Possibly part of the fault is mine in that I may not have written fully enough to Dr. Wei after the September meeting. I will not write to Dr. Wei about this, but will take the matter up with him at Hsichow, and think that the situation can be cleared up. If you have any suggestions to offer, it would be of assistance to me.

In regard to your query about the figures for the School of Science equipment which is given in the combined totals, I have been able to break this down to a considerable extent. Some of the figures which I had not sent you earlier I am sending at the present time, and they will help in this. The figure which is given in the combined total is the budget figure, being the amount of U.S.$4,077.96

at twelve-to-one. This was U.S.$1,000. larger than the budget for the year, as U.S.$1,000. for power plant, magazines, and research in the 1938-39 budget had not been used on account of moving. Out of this sum, U.S.$694.65 is the School of Science share of the capital cost of the power plant, and this has already been transferred on the books in Hsichow. U.S.$1,433. and a few cents is the appropriation for the different departments for equipment and maintenance. A considerable portion of this I know has been spent in Chinese dollars in Hsichow. The only trace of the balances in this account apparently shows in Mr. Tan's Chinese collar account balances where we find balances in Biology, Chemistry, and Physics, Yale-in-China, and Yale Research Fund, amounting to Ch.$8,177.20. The balance of the appropriation in U.S. dollars was for books, magazines, and research. These appropriations for 1939-40 were larger than ordinary because none of the magazines or books had been ordered in 1938-39. I should imagine that most of this money has already been used. It is possible that some of it is still tied up in Mr. Tan's Suspense Account in the U.S. dollar account. Therefore, I would not expect that you would have any large amount of drafts coming through to cover this item.

Mr. Tan has not included an account of the various grants such as the British Boxer Indemnity, China Foundation, and Ministry of Education. However, in his Chinese dollar account considerable balances appear to the credit of the departments in these grants. Thus, it would look as though they had ample funds on hand to cover orders which have recently been filled in this country.

In the totals I sent you the item for equipment, etc. in the School of Education I think is very close to the actual amount used. (In this I assume that the U.S. $250. from the Reformed Church for books has been drawn directly through their Philadelphia office for book orders.) In regard to the item for books for the School of Arts, I have included U.S. $1,600. at twelve-to-one, which is the budget figure. I know that a considerable portion of this at least has been used, possibly all of it. Any of it which has not been used is probably in Mr. Tan's SuspenseAccount. ~~I note in the statement which you sent me of the Joint Account that the amount of some of the outstanding drafts is not stated~~

I note in the statement which you sent me of the Joint Account that the amount of some of the outstanding drafts is not stated, and I am at something of a loss to know what was the last number which Dr. Wei used before the 1st August. I think that the statement clears up any questions about the deposits which Dr. Wei sent and were received by the bank in November. The draft for U.S.$2500. was apparently the Harvard-Yenching grant for 1939-40. The draft for U.S.$324.49 has something to do with the Harvard-Yenching grant, and probably is included in Mr. Tan's Suspense Account. The draft for U.S.$400. from the E.T.S alumni has to do with this year's accounts, and I imagine is a "Special"

from them to Dr. Wei, which he is probably using for Student Aid. In Mr. Tan's statement the item of "Cash on Hand" in his U.S. dollars account was two cheques for a total of U.S.$2,824.49, which would seem to be the Harvard-Yenching cheques.

I am sorry that I have not been able to close these accounts up exactly and will try to tie up all the loose ends when I reach Hsichow.

Sincerely yours,

John L. Coe.

The detailed accounts will follow in a later letter.

Since starting this your telegram has come in saying that you had been successful in your trip to Washington. We both thank you very much.

JLC.

January 15, 1941

Mr. John L. Coe
1512 Brooklyn St.
Ann Arbor, Michigan

Dear John,

I have discussed with Mr. J. Austin Daly of the National City Bank the best way to enable you to secure funds for purchases for the college in Rangoon. He advises a letter of credit which can be used in Rangoon or elsewhere, and I have given him an order to provide you with a letter of credit for $3,000., and to charge your drafts against this letter of credit to the Joint Account. This letter of credit will be sent to the American Trust Co. at San Francisco with a facsimile of your signature so that you can call there before sailing on Jan. 24, identify yourself and receive it. Mr. Daly will notify you when this is done.

You will, of course, appreciate the necessity of cabling the National City Bank at New York at once if this letter of credit should get out of your possession. Also, please notify me periodically of the drafts which you make.

I am handing you herewith a copy of information recently received from Dr. Wei regarding the Grants received from missions and other sources.

You probably have discovered an error in the sheets sent to you with my letter of January 9. Dr. Wei's drafts #26 and #27 have been paid and therefore should not have been included in the list of drafts outstanding.

It was proposed at the last meeting of our Executive Committee that all letters from Hsichow, except those pertaining to financial matters, be addressed to the President, Dr. Sherman but mailed to Yale-in-China in New Haven. This was proposed because of Dr. Sherman's headquarters being at Cincinnati. He has now been transferred to New York and his office will be at 281 Fourth Avenue. He therefore prefers that all communications except on financial matters be addressed to him at 281 Fourth Ave.

I am awaiting with interest your further analysis of Mr. Tan's annual figures. Shall be glad when you are back at Hsichow and can get all their details straightened out.

Please give me your itinerary in the United States, with addresses for mailing. I shall have other letters for you.

Yours very truly,

Oliver S. Lyford

OSL:W

Copy to Mr. Sherman
" to Mr. Smith.

Mr. John L. Coe,
1512 Brooklyn Ave.,
Ann Arbor, Mich.

January 17, 1941

Dear John:

I received your letter of January 11th with the enclosures.

Regarding the grant of $1,000. from the Johnston Fund to the Diocesan Middle School, Dr. Sherman has advised me that Bishop Gilman has not approved of this, and, therefore, the transfer has not been made. I am quite sympathetic to the reasons given by Dr. Wei and believe that, if this amount is given to the Middle School, it should appear as a gift from Miss Johnston and not from the College.

I note your explanation of the School of Science equipment item. Apparently you believe that the total of NC 48,959.52 was actually spent or incurred and, therefore, was correctly reported. I hope you are correct. I will be glad when you are able to report on the expenditures proposed under the various "books and equipment" items in the budget of 1940-41.

At this point I want to place special emphases on the necessity that Dr. Wei and the members of the Executive Committee Pro-tem shall understand at all times that my criticisms of details in the accounting reports, as well as all the steps taken to insure the careful use and protection of all moneys of the College, are solely for the purpose of mutual assistance in carrying out our joint responsibilities to those who have intrusted these moneys to us. We have great faith in Dr. Wei, yourself and Mr. Tan in the handling of the details and in the Executive Committee Pro-tem, and the Senate, in the guidance of all policies, but when cooperating at such a distance we have to put in writing and get written answers to many questions which would be cleared up across the table if personal contacts were possible. I am glad you and I have had these months of letter writing, as well as personal discussions. These should enable you to clear up any misunderstandings of motive and purpose which may arise in Hsichow, and I hope will help me to understand all actions taken by the Executive Committee Pro-tem pertaining to financial operations, and the motives behind such actions.

I want to assure you and all the friends in Hsichow that you have cleared up all the doubts and questions in my mind except the few details in the figures.

The last draft against the Joint Account which Dr. Wei had made before August 1st was #24 for $9.00, payable to the American Mathematical Society.

Dr. Wei asks what methods we would employ to get funds to the College in Hsichow if American checks could not be sold in Kunming. There seem to be plenty of ways to choose from:

1 - The Bank of China. I met in New Haven last October Mr. F.M.Hsia, Manager of the Bank of China in New York, and he offered to be of assistance if this should be necessary. I understand that the exchange offered by this bank is not as favorable as ordinarily available at other banks, but in an emergency this source could probably be used.

2 - National City Bank in Rangoon - The contact which you will make with this bank, with the introductions embodied in the letter of credit issued by the National City Bank in New York, will undoubtedly disclose ways in which money can be obtained through that channel. In this connection you will realize that any drafts which you make against the letter of credit will have added to them the usual commissions customary with such drafts.

3 - The Standard Oil Co. at Kunming. Our contacts with the Standard Oil Co. are such that they will help in any possible way to get funds to the College.

4 - Transmission by Cable. Some of the mission boards are able to get funds through to their people when all other means fail. The National City Bank will pay at any city in China, where they have a correspondent, on cable instructions from the College. Ordinarily, of course, such instructions would be sent to me by cable or wireless.

5 - The present practice between the College and the American Church Mission in Shanghai. As long as national business does not come to a standstill in China, there must be some way to continue this practice. On request, either from the College or the American Church Mission, additional sums for this purpose may be cabled to the Mission.

I have the sample signatures of David Anderson and Tan Jen I, so that I can make the double signature practice effective on all checks from China as soon as I receive from Mr. Smith a copy of the vote passed by the Executive Committee Pro-tem covering this matter. In the meantime if checks with double signatures begin to come through, they will be honored by the bank as long as one of them is that of Dr. Wei. Naturally, we hope that nothing will prevent him from fulfilling this function for a long time, especially until you arrive in Hsichow, but we shall be officially prepared in a few days for such an emergency. After your arrival there the provisions for double signature will be fully established, with the protection which we hope will result.

Please remember that the budget for the College Year 1941-42 should be mailed from Hsichow by the middle of April 1941. If this is marked "preliminary" we shall understand that it is subject to revision later, but the final budget should be in our hands before June 1st. A three-page consolidated budget of estimated income and

expenses, in the form on pages 5,6 and 7 of my treasurer's report of Sept. 27th, will be sufficient for the April budget. The figures which you report for 1939-40 indicate to me that the present budget for 1940-41, as given in my report of Sept. 27, 1940. are adequate. Do you agree with this?

I have an extra check-book and you might as well take it with you. I am sending this to you, careof American Trust Co., San Francisco. Dr. Wei wrote to the bank for two check books, but I told them it was unnecessary to send them as I had sent one by mail and given you another. Now we know that he has received the first one and you will arrive with two more. This one which you will receive at San Francisco is No. 13922.

I have your expense account and congratulate you on making the money I paid to you go so far.

In reviewing your memorandum from Yale-in-China, which accompanied your letter to me of December 19th, I find that the memo appears to be complete except that you do not say whether there was any surplus left in the Yale-in-China grant for 1939-40.

I hope to have some communication from you from China at least once a month, reporting on the progress in financial matters or anything else which I should know. With Mrs.Coe on the job you will know what Dr. Wei has written and there will be no need to repeat any statements which he may have made.

Frankly, I am a little disturbed by the size of the check from the Harvard-Yenging Institute. Considering the small number of faculty persons available to spend the money advantageously, and the high rate of prevailing exchange, I do not see how so much money can be spent to advantage in one or even two years. I hope Dr. Wei will not have any difficulty in holding the faculty men down to expenditures which are consistent with economical operation on the program approved by the Institute.

I have been away from New York for so many days since I received your detail analysis of the annual figures that I have not been able to study these figures sufficiently. I hope to have in your hands at San Francisco my reactions to these figures.

Yours very truly,

HUA CHUNG COLLEGE

(*Central China College*)

WUCHANG, CHINA

Temporarily located at
HSICHOW, VIA TALI, YUNNAN

Office of the Associate Secretary
905-A YALE STATION
NEW HAVEN, CONN.

Copy to Mr. Thomson

January 18, 1941

Mr. John L. Coe
c/o American President Lines
311 California Street
San Francisco, California

My dear John,

Your Air Mail letter of yesterday has just been received.

After reviewing some of our recent correspondence and the last reports which I have received from you, I feel that you have given us all the information which we need at present, and no further questions from me are in order. However, I shall be looking forward to your first letter after reaching Hsichow and getting a little settled there.

As to correspondence between us, it will be quite satisfactory to me to have all letters pass through Dr. Wei if he prefers. My only desire is that there shall be as little delay as possible in sending and receiving the information.

It is, therefore, time to close this very interesting and profitable chapter of your visit with us and our extensive personal relationships. In doing so, I would like to convey to you the impelling motive behind my efforts for the Christian Colleges in China, and particularly for Hua Chung, which I am doing in the enclosed message.

I feel sure that both you and Mrs. Coe will be important factors in bringing about Dr. Wei's ideal. I hope and pray that you will reach your destination without mishap and will have all the health, courage and ability necessary for your respective jobs. God be with you 'til we meet again.

I am sending to you, care of the American President Lines, a package containing a book and the other blank check book. The book is for Dr. Wei, but I hope you and Mrs. Coe will find it interesting reading while on your journey.

Kindest regards to Mrs. Coe. Her appreciative letter was an ample reward for whatever I was able to do.

Yours very sincerely,

Oliver S. Lyford

OSL:G

HUA CHUNG COLLEGE

(*Central China College*)

WUCHANG, CHINA

Temporarily located at
HSICHOW, VIA TALI, YUNNAN

Office of the Associate Secretary
905-A YALE STATION
NEW HAVEN, CONN.

A PERSONAL MESSAGE FROM AN ENGINEER

to

HUA CHUNG COLLEGE

My affection for, and admiration of China and her people are very great. I am keen to have the United States do all that we can for the strengthening of China, and I hope and believe that our help to these Colleges will prove to have been one of the finest and most helpful contributions which we of the U. S. have made. This will depend primarily on the ability and character of the young men and women whom the College is preparing for life. Character is the main attribute. In this country it has been difficult, until recently, to get the students to accept consciously any influence of faculty members which had character building as its motive, and the faculty members were not any too good in attempting such influence. Students generally have been highly skeptical and disposed to cast aside all old ideals. The ruthless entry of Japan into China aroused such students as had some personal contacts with Chinese persons or with American friends of China, but these were relatively few. The invasion of Holland, Belgium, Denmark and Norway, nearer neutral countries, brought the world situation home to students generally, and now the old ideals are being revived and new ones are growing. Apparently brutal attack was necessary to wake up our people, young and old, and to bring courage and self-sacrifice to the front in this country, which was being demoralized by too much ease and comfort.

This experience in my home country enables me to realize more clearly the thrill and the joy which the forceful men and women of China are experiencing when they can throw themselves into the struggle with ability and intelligence. I can also understand better the slump in spirit in the faculty and student body of Hua Chung when they found themselves out of danger in a remote area, even though it was a beautiful place.

I am tremendously pleased that this slump is disappearing. Dr. Wei's great ideal of a relatively small college with a strong faculty is especially important for China at this time. It is this ideal which impels me to devote to the College all the time and strength at my disposal. We must be ready to do what seems impossible; a small illustration of which was the securing of a passport for Mrs. Coe, which various people said could not be done. I shall continue to do whatever I can to prove that Hua Chung is worthy of all the effort which we can put into it.

I have plenty of faith that Dr. Wei's great ideal will be realized.

OLIVER S. LYFORD

January 18, 1941

San Francisco, Cal.
Jan. 23,1941.

Mr. Oliver S. Lyford,
230 Park Ave.,
New York City,

Dear Mr. Lyford,

Thank you for your letters of January 17th and 18th which I have picked up here. I have also taken delivery of the letter of credit at the American Trust Co. The package containing the book and other check book I assume will be delivered to the boat tomorrow.

In some ways I am glad to know that the matter of the money from the Johnston Fund to the Diocesan has been handled in the way you mention in yours of the 17th by Bishop Gilman.

I will go over your letters on the boat and send back any further comments in regard to them from Honolulu.

It is not possible for Mrs. Coe to get a visa for Hongkong and so we now plan to go through to Manila on the President Coolidge and tranship there. In many ways I think that it will work out better that way than stopping in Hongkong.

Yours sincerely,

John L. Coe.

S. S. President Coolidge,
Jan. 28, 1941.

Mr. Oliver S. Lyford,
230 Park Ave.,
New York City.

Dear Mr. Lyford,

The package containing the book for Dr. Wei and the check book was delivered to me on the boat last Friday. Thank you for sending them and I will try and see that the book is safely delivered to Dr. Wei in the course of time.

The New Haven office sent to me a copy of Mr. Anderson's letter in regard to the grant of US$1,000 from the Johnston Fund to the Diocesan School. It is probably for the best that Bishop Gilman has decided as he has about the matter.

One of the first things which I will do at Hsichow is to check up on the matter of the School of Science Equipment item, and let you know the results.

It is good to know that the additional signatures for the joint account have arrived in New York from Hsichow and that the double signatures can be put into operation.

I note what you say in regard to the budget for the college year 1941-42 and will see that figures are started off to you as you suggest. I hope to be at the college a bit before the new budget has to be drawn up so that I can study out the results of the current year. As far as I know at present the figures which were presented at the meeting of the Trustees in September are adequate with the addition of whatever figure was mentioned then for the purpose of promotion and getting more students. If there should be any extras on those figures, there should be compensating savings in some respects.

In the memorandum which I sent you in regard to the surplus ~~xxxxx~~ of Yale-in-China School of Science I see that I made one mistake and where I refer to balances from 1940-41 I should have said 1939-40. For 1940-41 I do not anticipate there will be any large balance.

I agree with you in your reaction to the size of the check from the Harvard-Yenching Foundation. The money which has been received in the two previous years 1938-39 and 1939-40 has been more than sufficient to cover the needs of the work undertaken and I hope that this additional grant will not lead to too great an expansion of the department or ~~xxxxxxxx~~ uneconomical expenditure. I will take the matter up with Dr. Wei and see how he proposes to handle it. I should think nothing should be said to Harvard-Yenching without his approval. There is no question about it but they seem to be producing something that Harvard-Yenching wants. From something I had from the college I think that this latest grant has been made for three years.

I think that probably the best proceedure will be for all letters on general college conditions to pass through Dr. Wei but that for matters of financial detail that we can handle them directly.

The latest word which I have had from the college would sound as if some members of the science departments were getting down to business on research which should be of benefit to their country.

We have had a quiet trip of it so far and the weather is becoming warmer and quieter the nearer that we approach to Honolulu, where we are due early tomorrow morning.

I am now expecting to continue on this boat as far as Manila as what information I am able to get leads me to believe that it may be easier to tranship there than at Hongkong. I have hopes of a day in Shanghai to see the mission treasurer there to talk over the question of remitting funds from Shanghai to west China and other problems. I have no real idea as yet as to how long it may take up to work our way through to the college from Manila but hope to be there at least by the end of March. From what I heard last spring, I believe that the weather conditions for the trip in over the Burma road are as good as at any time of the year during March and April.

Yours sincerely,

John L. Coe

c/o Baptist Mission Press,
Rangoon.
March 5, 1941.

Mr. Oliver S. Lyford,
230 Park Ave.,
New York City.

Dear Mr. Lyford,

We have certainly had a good trip of it thus far and hope that the rest of it will go as well. When the President Coolidge reached Hongkong I discovered that it was possible for us to make arrangements to transship there, so that it was not necessary for us to go on Manila as I had written you earlier. We had four days in Hongkong. Then we boarded a small Norwegian boat for the run down to Singapore and up this side to Rangoon. The boat was less than a year old and in good condition so that we had a very pleasant trip of it. We got in here last Friday and since then I have been busy making purchases and finding out about the matter of how to get permits to travel up to China. A letter which I had from Dr. Wei in Hongkong said that the college truck would come down and meet us and I am waiting here in Rangoon till I have word in regard to that. The Allens of the American Church Mission are here having come in from Shanghai on the previous boat and they are expecting a truck down from the school which has not yet arrived. We understand that traffic along the road has been delayed because of having to use a ferry across the Mekong river.

This is the dry season in this part of the country with hot days up to the mid nineties for temperature and then the nights are fairly cool which helps out a good deal.

The letter which I had from Dr. Wei in Hongkong said nothing about how things in the college were going. I hope that I will not have too long a delay here but then we are both thankful to be this far along on our journey.

As soon as possible after arriving at Hsichow I will try to let you have at least a summary of the financial condition of the college.

Yours sincerely,

John L. Lee

Letter from Mr. John Coe, Treasurer of Hua Chung College, to Mr. Smith, received in New Haven April 4, 1941.

c/o Baptist Mission Press
Rangoon, Burma
March 13, 1941

Mr. Robert A. Smith
Yale-in-China
New Haven, Conn.

Dear Mr. Smith:

Last November you had word from the college to send things ordered in care of Yon Chong Chut, number 585, 83rd Street, Mandalay. I understand that a number of things ordered by the science departments had been sent in this way. Shortly after my arrival here in Rangoon, I wrote up to these people in Mandalay inquiring about the matter. Their reply which I received yesterday is that nothing has so far been received by them from America for the college. I wonder if you could check up on your end and find out when and how the things were shipped. Also until this matter has been cleared up it would look as though it would be wise to hold up further orders. Meanwhile, I will try and find out if any of the stuff is held here in Rangoon at the Customs.

We actually arrived here on the 28th of February, and it looks as though I would be here at least until the end of this month. We had a pleasant trip around from Hongkong. The truck from the Diocesan School at Chenman had come down to meet another family and is starting back this week. Seeing that there was an empty seat in that truck and a question of the college one being overcrowded, we felt it wisest for Mrs. Coe to go ahead on that truck and they should be getting away from Lashio today. Dr. Taylor has driven the college truck down to Lashio and is here in Rangoon at the present time. During the winter Dr. Wei arranged with Bishop Gilman for Dr. Roots and his family to come to the college and they arrived here in Rangoon three days ago. Also there is the matter of a large number of supplies which various people and departments of the college have ordered here in Burma. The Roots family alone runs to three adults, three children and two servants and forty odd pieces of baggage. Dr. Taylor came down with word from the college to get everything in and it is obvious that the number of people here and things is far beyond the capacity of one truck. We have gone into the question of getting the things sent in by one of the transportation companies but the prices quoted would be in the neighborhood of US$2,000 to get one load in, and then there would be no guarantee of delivery inside of six months to a year. The offer which was made by the government to help missionaries in provides for transportation and two hundred pounds of baggage a person. The committee which is working on that job in Chungking has been having its difficulties and very few people have had any success with it. Also it might mean waiting six months for the things. After going over things here we have decided that the best plan is to get another truck (Dr. Taylor was accompanied down by another person who can drive it in) and then dispose of one of them, probably the old one, after the trip is over. There should be no difficulty in doing that and that looks like the best thing. We have been fortunate in securing a new Dodge which is just coming

in now. But the matter of getting it through Customs and a body built for it is going to take most of the rest of the month. I consider that we will be fortunate to get away the first week in April. The American Church Mission is defraying the travel expenses for the Roots family and myself, and I think I see how the whole matter of this transportation can be handled without having to ask the college trustees for any considerable sum of money. It will be necessary for me to draw heavily on the funds which Mr. Lyford supplied me with in order to finance things for the moment, but that will be in the nature of an advance. Will you please send word to him that I expect to draw upon the letter of credit he supplied me with in the next few days, and as soon as I know the details I will let him know.

The word which I can get of the condition of the road is that while damage has been done to some of the main bridges the Chinese are able to keep it open by means of ferries and pontoon bridges. There may be a delay of a couple of days at the Mekong, but there is every evidence that they will be able to keep it open throughout the dry season without difficulty. During the rainy season it may be a bit more difficult.

I had hoped to be at the college earlier than the middle of April which now looks like the probable date of my arrival, but there seems to be nothing else for it. Everything which I have heard would tend to show that internally things in the college are going a great deal better than a year ago. I also gather that the unrest with a number of the faculty threatening to leave has also died down and very few of them are considering leaving. I hear that Wesley Wan has settled down to considerable in the way of research.

If you have any information in regard to the apparatus, etc., shipped which you think should reach me here in Rangoon, and you have this letter before the end of March, a cable here to me at the Baptist Mission Press would reach me. I am sending this letter off by air mail to Hongkong and then Clipper from there. It will be a question of what connections it makes in Hongkong as to how long it will take to get through.

As soon as I get to the college I will get busy on the figures which are wanted by the trustees, but I am afraid that they will be started from Hsichow a little later than I had originally hoped, namely, the middle of April.

Yours sincerely,

(s) John L. Coe

N.B. Later. Word just in that 6 packages of books have been received in Mandalay. Probably stuff is slow in getting through. Have just drawn US$1,619.40 on the letter of credit. Please let Mr. Lyford know.
In case you should wish to reach me by cable, here is the telegraph address: AMBAPTREAS

(s) J.L.Coe

Ans Apr 8 [15]

April 4th.1941.

Dear Mr.Lyford;

Your letter of April 3rd. asking about John was received this afternoon.

Am not sure if you will have this tomorrow or not, tomorrow being Saturday, but I will take a chance. Then when I hear from John, I will write you again. I have had no word from him since the ones he sent from Yokahama and the one from HongKong. They arrived in Yomohama the 8th. of February and in HongKong the 14th. of February. They had expected to go onto Manila, but on arriving in HongKong found that they could make better arrangements for Rangoon from there, than if they went on to Manila. So John's wife was allowed to land in HongKong, though she wrote me in the letter sent from Honolulu, that she would not be allowed to land in HongKong.

Mr.and Mrs.Allen, formerly of Wuchang, had left HongKong the day before John and his wife reached there, and for Rangoon.

Then about two weeks ago I saw Bob Kemp, son of

Mr.and Mrs.Robert Kemp of Wuchang ;he had just had a letter from his mother and they had heard of John and Mary's arrival in HongKong and also said that Mr.Higgins(who is at the school in Kunming) was taking the school truck and driving to Rangoon for the Coes and Allens. That made me feelbetter, for I knew it would be much easier going in in one of our trucks,than in a Chinese truck with a Chinese driver;also,they would be able to take more things in with them.

Last week I met a David Liang,who attended Central China College, then refugeed with it to Hinchow;did not have time to ask him so much about it,but will see himagain;but he did not seem to think that there was much danger of the Japanese getting in there, as theyvare so surrounded by mountains.

I felt and feel vrey grateful to you for getting the Passport for ~~Johnson~~son's wife;it made me feel better about his going;and I know what it would have meant for her to be left on this side, with mails so very uncertain,as well as other conditions. The letter I had from HongKong was

sent clipper.

Intended to say that they were leaving HongKong the 18th. of February.

Please excuse me for using this machine, but I am such a poor penman, that I use it for nearly all of my letters; easier on those to whom I write!

Thanking you for your interest, and with kind regards,

yours sincerely,

Adelia E. D. Coe

Mrs. C. B. Coe
1512 Brooklyn Ave.,
Ann Arbor, Michigan.

c/o Baptist Mission Press,
Rangoon, Burma.
April 5, 1941.

Mr. Oliver S. Lyford,
230 Park Ave.,
New York City.

Dear Mr. Lyford,

Since I wrote you in March I have found it necessary to draw three additional drafts against the letter of credit for US$100, US$600, and US$600. I give you herewith a rough approximation of what the money has been used for. Of course as soon as I reach Hsichow and have time I will see that everything is in order, but I thought that you might like a preliminary idea.

new Dodge Truck including building of body	US$1850.
repairs to the old truck	50.
medical supplies purchased for the college	200.
stationary and office supplies purchased for the college	230.
equipment for physics dept.	150.
gasoline and kerosene purchase.	150.
miscellaneous expenses of Dr. Taylor	80.
cash on hand	190.
	US$2900.

in regard to the item for gasoline and kerosene this covers the amount needed for the trip from the border to the college and also 4 drums additional which will be used at a later time. Also two drums of kerosene.

This city is in the throes of a considerable boom with the traffic which is going through to China. In addition stocks of some things in the medical line are low and expensive. The same applies to office supplies and paper.

After a month and a little more of delay it looks as though I would be getting away from here within a few days. The man who is building the body for the truck has promised delivery by next Monday night and we shall start as soon after that as possible. It will be three days to Lashio (the railhead) and then anywhere from five days to ten for the remainder of the trip depending upon conditions. It took a few days longer to get delivery of the chassis than we had been promised in the first place but the body man has been pushing ahead since he could get to work.

Mrs. Coe had a comfortable and fairly quick trip through with the Allens taking only four days from the border. She arrived at Hsiakwan (the stop on the road nearest to the college) on the 16th of March and I believe has already started work for Dr. Wei. Seeing that I have been delayed here so long I am just as well pleased that she got up out of the heat here.

Ironically enough after delaying this long for the Roots family it does not look as though they would be starting with us this week. A week ago Saturday their second daughter came down with a rather severe attack of dysentery and is still in the hospital at the present time. That means that it may be a bit of time before she will be ready to travel. After considering things carefully we have decided to push on without them and Dr. Taylor will come back later in one of the trucks. One reason which has left to that decision has been the fact that a good deal more stuff to go into the college has accumulated than we expected at first as quite a bit of stuff has been sent around from Shanghai

for some of the foreign members of the staff. It therefore looks as though we would have two loads without considering anything of the Roots stuff which with the family would make almost one load in itself. I am sorry that things seem to be working out in this way but it looks wisest to get ahead with as much as we can now. I am of course anxious to get through to the college and get busy on the report which I promised to send you. I regret very much that it is going to be late but will push along at it as rapidly as possible when I get there.

All the reports which I have received from the college would show that the spirit and attitude there is vastly improved over what it was a year ago which is a very good thing. It would look as if the worst of the difficulties in that line were a thing of the past. I am afraid that the question of getting students is going to be a pressing one as long as we are located at Hsichow.

Possibly our purchases of some things here were a bit heavier than needed for the immediate future but there is no telling when it will be possible to get more in. Then too with local conditions there is every chance that there will be an increasing shortage of some things which will tend to increase as long as the war in Europe continues.

Yours sincerely,

John L. Coe.

學 大 中 華 立 私
HUA CHUNG (CENTRAL CHINA) COLLEGE
WUCHANG, CHINA
TEMPORARILY IN HSICHOW
VIA TALI, YUNNAN, CHINA

CO-OPERATING UNITS
BOONE COLLEGE
GRIFFITH JOHN COLLEGE
HUPING COLLEGE
WESLEY COLLEGE
YALE-IN-CHINA COLLEGE

室 長 校
OFFICE OF THE ~~XXXXXX~~ Treasurer

April 28, 1941

Mr. Oliver S. Lyford
230 Park Avenue
New York City, U. S. A.

Dear Mr. Lyford:

When I wrote you from Rangoon early this month little did I dream that I would be so long delayed in reaching the College. Dr. Taylor and I finally left Rangoon on April 10. We had the new truck loaded with most of the purchases we had made for the College in Rangoon, most of the purchases Dr. Taylor had made for other people while in Rangoon, a portion of the purchases of Mr. Bolton (a member of the Pentecostal Mission in Tali who had agreed to accompany Dr. Taylor to Rangoon so that there would be two men to drive), three straw cases belonging to Dr. Roots, and practically all of my wife's and my own baggage. The first two days from Rangoon all went well, and we spent the second night in Mandalay. We started early in the morning from Mandalay on Saturday, April 12, hoping to reach Lashio late that afternoon. We reached Maymyo, the hill resort station for Burma, about eight o'clock that morning and had breakfast there. After breakfast we started on, and about forty miles from Maymyo, or a hundred miles from Lashio, Dr. Taylor started to draw up the truck by the side of the road in order to stop for a rest. As he did so, a piece of burning canvas dropped by his arm. We discovered that practically the entire back part of the truck was on fire with flames near one of the gasoline tanks, which were mounted between the cab and the body of the truck. We both got out of the truck with one or two things we had with us on the front seat. The canvas top was almost completely burned through and had scattered the fire all over the cargo. Because of the danger from the gasoline tank, which actually blew up within about five minutes, we did not attempt to get any of the cargo off the truck. The cargo was almost completely destroyed, and the rear end of the chasses was badly twisted in the fire. As far as we can make out, the most probable cause of the fire was a spark which was blown up on to either the oiled canvas top or into the cargo from one of the numerous small brush fires which we had passed along the road that morning. Both of us were very thankful to get away without injury to ourselves.

After an hour or so later a car came along, and we were able to get a ride back to Maymyo where we went to the Rest House of the Baptist Mission. The people there were most kind to us and gave us a sum of money and also gave me some household linen and clothes for my wife. I stayed on in Maymyo for several days in order to get some clothes for myself and make other necessary purchases. Dr. Taylor went to Lashio and arranged for the engine and the few other salvagable parts of the truck to be taken to Lashio. These have been left in the hands of an agent there, who will realize what is possible on them.

On Friday, the 18th, I joined Dr. Taylor in Lashio. The following day Dr. Taylor, Mr. Bolton, and I started for the Chinese Border in the old truck loaded with things which had been sent from Rangoon to Lashio by rail. Dr. Taylor drove us to Chefang (twenty--five miles this side of the Border) where the Malaria Laboratory of the Rockefeller Foundation is located. There we unloaded the truck, and Dr. Taylor started back for Lashio in order to meet Dr. Roots and his family, who were expected to arrive there on April 23. Meanwhile Mr. Bolton and I were able to secure seats on trucks of the Southwest Transportation Co., which brought us through to Hsiakwan, at the foot of the lake here, on April 24. I myself was most pleased to reach Hsichow the next day.

I regret very much that I have to report the following losses to you: the two cheque books which you gave me; the letter of indication for the Letter of Credit (the Letter of Credit itself was in my pocket so it has not been lost); the book which you asked me to take to Dr. Wei; all of my correspondence andfigures which I had worked out with you during the last year. I know there are duplicates of much of this either here in Hsichow or in your hands in New York, and when I have had an opportunity to go over things, I will let you know what portion of it I need copies of. Fortunately all of my travel papers and most of the papers for the College business I had done in Burma were in my brief case, which I had on the front seat and took out of the truck with me.

It has distressed me a great deal that I have been so late in arriving at the College, as I knew Dr. Wei was waiting to prepare the new budget until I arrived. However, it seemed to me that it has been one of situation of circumstances which could not have been handled differently. I have talked things over with Dr. Wei briefly, and I hope before the end of this week to have the budget prepared in such shape that we can cable totals to you. I will also get off by airmail the preliminary sheets. I will do my best to get them in the same form as those we worked on last year, but if there are some differences, please forgive me as those I worked on last year with the exact form have been destroyed. I have not yet had time to go into the accounts for this year, and it may be a couple of weeks before it will be possible for me to reach any conclusions as to how the finances are for the year, as I consider my first important job here is getting the budget ready for next year.

I think that conditions in the College are much better than they were a year ago. From what I have observed so far, I think the only important change in the new budget will probably be an increase in the subsidies to the members of the faculty.

In my last letter, April 8, 1941 to you from Rangoon, I outlined to you the main items of expenditure in Rangoon. That will give you an idea of the loss sustained by the College. All of these figures are approximate, and a full report will be sent soon. The cost of the truck and body, U.S.$1,800; Medical supplies U.S. $200; Office supplies and stationery U.S.$200; Supplies for the Biology Department U.S.$25; Supplies for the Physics Department U.S.$170; Supplies for the Chemistry Department U.S.$5; Supplies for the Music Department U.S.$42. These will be the main losses to the College, and I have given the figures in approximate U.S. dollars as I have not yet made the exact exchange from Rupees to U.S. dollars. There may be a few more small itesm when Dr. Taylor returns, and we have had a chance to check over our accounts together.

Salvage of engine etc. should bring between US$ 300 and US$ 400.

Will you please pass on this information to Mr. Smith, and ask him to circulate it among the Trustees. I am writing this to you because I feel you ought to know of the losses, as Treasurer.

I was also relieved that Mrs. Coe had had a comfortable trip to the college and ~~that~~ was not at the fire.

Yours sincerely,

(Signed) John L. Coe.

May 15th.1941.

Dear Mr.Lyford;

You may have had word this morning,or this week from the college,or from John,and if so please excuse me for writing,but from the way you have written,thought that you might be glad to know of the letters I had this morning;would be glad to send John's onto you,but only family affairs on part of the sheet;but of the rest I will tell you. It was written the 27th. of April,and he had arrived in Hsichow Friday the25th.,after a hard trip in. From the way he wrote,they left Rangoon Thursday the 10th. of April;all went well,till "we were about a hundred miles from Lashio,where the railroad ends,we discovered the cargo on the truck was onfire. Unfortunately the fire had gained too great headway for us to do anything about it.We were able to get out ourselves safely and grabbed a couple of things onthe front seat and that was all,seeing the fire was getting too near the gas tank. It was a lonely spot,and no one came along for an hour or so. We were able to get a ride back to Maymyo(forty miles)

which is the hill resort for Burma. There the Baptist Mission had a rest house and we found room there. I stayed on there for a few days getting some clothes and somethings for Mary, as all of our trunks had been on the truck. Taylor meanwhile went on to Lashio and arranged for the salvage of the engine of the truck. From there they went by various ways; stopped at a Standard Oil place once, at the Rockefeller Foundation, a labratory for malaria work; had trouble finding drivers, part of the time; but finally reached Hischow from Tali by rickshaw, with what baggage he had. They had taken enough clothes and some other things for several years, and from Mary's letter, one just cannot send things in. There was a little more of John's trip in, but thought that I would not copy the rest. Also, had a letter from Mary, his wife, written the 30th. of March and she gave me a very vivid description of her trip in from Rangoon., and of living quarters ~~there~~ at Hischow. Meant to have said, that John had found all (I think all upto that date) the clipper letters I had sent him, and was glad to know

that. One thing she wrote about letters, might be of interest to you. Will quote, "If you in the U.S.A. use 24cent postage and write "Airmail HongKong to Kunming Only" on the envelope, our letters come th through in about two months. The ordinary 5¢ postage, via Rangoon takes anywhere from six months-to never (generally). 24¢ is a lot cheaper than 70¢ for a clipper and 24¢ of postage means the letter will reach us in a reasonable length of time. As near as I can make out, magazines are out of the question-some of last October are drifting in. Of course the route in through Rangoon may become more dependable, but it seems unlikely."

It was a joy to have the letters and to know that mine had gotten through. Have sent some by regular mail, but will not now, but send part the way Mary said to.

Very truly yours,

A. E. D. Coe

Mrs. C. B. Coe
1512 Brooklyn Ave.,
Ann Arbor, Michigan.

私立中華大學
HUA CHUNG (CENTRAL CHINA) COLLEGE
WUCHANG, CHINA
TEMPORARILY IN HSICHOW
VIA TALI, YUNNAN, CHINA

CO-OPERATING UNITS
BOONE COLLEGE
GRIFFITH JOHN COLLEGE
HUPING COLLEGE
WESLEY COLLEGE
YALE-IN-CHINA COLLEGE

校長室
OFFICE OF THE PRESIDENT

May 28, 1941

Treasurer

COPY AS SOON AS POSSIBLE
From John Co

Mr. Oliver S. Lyford
230 Park Avenue
New York City
U. S. A.

Dear Mr. Lyford:

In your letter of May 12 to Dr. Wei you asked him to cable you before June 1 in case (1) the askings for the College from the Associated Boards should be in excess of Chinese $100,000; (2) in case it looked likely there would be a considerable deficit in the College operations for the year ending July 31, 1941.

We arenot sending you a cable because in the first place the completed budget shows a total only a few hundred dollars Chinese in excess of the Chinese $100,000. I am sorry that I was so delayed in arriving in Hsichow that the cable about the budget could not be sent before it was. It is certainly fortunate that you should have presented the needs of the College as you did. I have recently completed a more intensive study of the books than I had done before I drew up the Summarized Budget and Estimates for 1940-41. I am giving you below the results of my recent study as related to the more important funds of the College.

In regard to Yale-in-China the results for the year should show a small credit balance of less than U.S.$200. This is due mainly to the high rate of exchange which has prevailed during the year. This estimate provides for the payment of all subsidies for the current year to the members of the staff on Yale support. It looks as though the three departments in the School of Science would spend practically all of their appropriation for equipment, maintenance, and books. In my earlier letter in regard to the budget, I pointed out that the item of U.S.$200 for publications would not be used uring the current year because of the fact that while material is ready for publication, it has not been possible to make arrangements to publish it. It is the request of the Executive Committee Pro-tem that this money be held over for next year in the hope that it will be possible to get this material published. No new appropriation is being asked for this for 1941-42. I will write you shortly in regard to the problem of any balance in the appropriation for research and its future use.

In regard to the Johnston Fund the total used should not amount to much more than about U.S.$850. This is lower than the figure which was budgeted in the first place because two of the people who were expected for this never arrived, namely, in Sociology and Geography, and also one of the Chinese appointees in Economics was carried by the American Church Mission, as they were not able to supply a foreign appointee.

The Harvard-Yenching Fund has been more than ample to cover all of the needs of the Chinese department, and there will be a large balance there. I believe that Dr. Wei has been in communication with the Director of the Fund about the

desirability of holding a portion of this as a reserve for future work of the Chinese department. The amount used this year should not exceed U.S.$2000.

The annual grants from the cooperating units have been coming in regularly with the exception of the grant from the Reformed Church of the U.S. for the Practice School. I think the only difficulty there has been due to the fact that Mr. Tan did not understand how it was to be handled, and I am taking the matter up with their treasurer here in China.

The most important question, of course, is that of the Sustaining Fund. According to the figures, which I have worked out here from the books (these probably differ slightly in detail from the figures which I worked out with you last fall or in January, but in total are much the same), the College had on hand in this fund as of August 1, 1940 the sum of U.S.$2400, Hongkong $4900, and Chinese $50,000 (these are all round figures and should not be used for compiling any statement). During the past year a considerable amount of money has been received either through the London Mission or the Methodist Mission from the United Committee for Christian Colleges in China, or through other friends of the College in England. I am not certain how much of this has been reported to the Board of Founders, as a considerable portion of it has been received since I was here last spring.

I will go back to the beginning of these amounts ~~into~~ for the Sustaining Fund, even at the risk of repeating information that you may already have had. In the fall of 1939 a gift of £250. was received through the London Mission for the moving of the College. This, I think, was reported at that time and appears in the statement for July 31, 1940 as converted into U.S.$999.80. In the early winter of 1940, £50. was received through the Methodist Missionary Society from the United Committee for Christian Colleges; this exchanged for ~~Hongkong~~ HK$799.80. In June 1940 a sum of £164/10 was received in the same way: HK$1558. All three of these amounts appear in Mr. Tan's balance sheet for July 31, 1940, and thus are included in the balances of the Sustaining Fund for that date which I gave above. During the fall the sum of £157. was received from the United Committee for Christian Colleges, and this changed into U.S.$572. In December 1940 a further sum of £66. was received from the Rev. S. H. Dixon (a former missionary of the Methodist Missionary Society and a member of the College faculty for the years 1929 through 1931). As far as Dr. Wei and I have been able to find out, all of these gifts have been given to help the College during its present emergency, and so I have credited them to the Sustaining Fund. Dr. Wei wrote to Mr. Dixon, asking if there was any particular thing he wished the money to be used for, but as far as I know, no reply has been received as yet.

Upon a more careful study of the books than I had made when I sent you the summarized budget earlier this month, I now estimate that the total needed by the College for the current year from the Sustaining Fund will be about Chinese$85,000, instead of the figure Chinese $71,000, which I sent you earlier. I would thus estimate that the balance the College had on hand in the Sustaining Fund August 1, 1940, plus the two additional gifts from England noted above, would be more than ample to cover the needs of the College for the current academic year, and leave a credit balance of between U.S.$1,000 and U.S.$2,000 in the Sustaining Fund. This would mean that it would not be nec-

~~ce~~essary for the College to make any call upon the Sustaining Fund for the current year, and that could be used toward next year.

During the year 1940-41 the average exchange rate should work out at between twenty-one and twenty-two. While the College had just about sufficient funds on hand to carry it to the end of July when I arrived here, I decided after consultation with Dr. Wei that it would not be advisable to allow our balances to become too low lest a sudden crisis should find us without sufficient balances in Chinese currency to carry on for a month or so. I sold in Kunming recently U.S.$2,000, being the cheque which Dr. Rugh sent to the College last fall as a portion of the Yale-in-China appropriation and which had been held here. This should give us funds to carry on till the end of the summer.

In my estimates of the balances in the Sustaining Fund I have not included any figures in regard to the losses in the fire of April 12. Last week Dr. Wei received a cable from Dr. J. T. Addison, asking whether any of those losses had been covered by insurance. The reply which was sent was that nothing had been insured. As far as I know, it is not possible to carry insurance on the trucks or cargoes on the Burma Road. I am afraid that I may have omitted to mention this fact in my earlier letters to you.

Sincerely yours,

John L. Coe

JLC/MRC