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UBCHEA ARCHIVES
COLLEGE FILES
RG 11

Huachung
Corres.
Coe, John L. 1941 Jun-Dec.

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0718

June 12, 1941

Dear Mr. Coe:

I think the papers which are included herewith are what you need. Naturally, I am very sorry for your account that this fire occurred, but we all understand that it was unavoidable, and if that is the worst trouble that you get into we shall all be very happy.

A meeting of the Executive Committee of the Founders has been called for June 19th, and the various missions have received copies of the summary of budget for 1941-42, so that I do not anticipate any trouble in getting the budget approved. We shall be very glad to have the details of the budget, but the summary should be sufficient for our present purposes.

Warmest regards to Dr. Wei and Mrs. Coe, especially,

Yours very sincerely,

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HUA CHUNG (CENTRAL CHINA) COLLEGE

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

WUCHANG, CHINA
TEMPORARILY IN HSICHOW
VIA TALI, YUNNAN, CHINA

室 長 校
OFFICE OF THE PRESIDENT

July 24, 1941.

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

Received
Aug 20

Dear Mr. Lyford,

On Monday of this week Dr. Wei received the following cable from New York: "Cable operating results last year stating amount deficit surplus. Evans."

After consultation with me Dr. Wei sent the following cable in reply: "Current budget balanced with allotted sustaining fund and exchange excluding April truck fire loss American twenty-six hundred. Wei."

We were a bit at a loss to understand this cable from New York and were wondering if the people at the Associated Boards had not gotten in touch with you about this matter. I have not been able to complete the books for the current year but am working towards that end and it looks as though things would come fairly close to the estimate which I sent you in my letter of May 28th as to the amount to be drawn from the sustaining fund. The Chinese department has asked that I get off a report to the Harvard-Yenching Foundation as soon as possible and I hope to have the figures for that completed by the end of this week.

The question of the leases on the various houses and buildings has dragged along more than I desired but it has not been able to push these people too fast. Some of them have been anxious to raise the rent considerably and it has not been possible to get more than a year's lease. In some cases it has been necessary to increase the rents though some of them have not been increased. All of this takes time and I hope that within a few days they will all be fixed.

I have discovered that the power plant ran into more in the way of capital expenditure than was expected during the past year and so there may be a slightly larger charge to the sustaining fund. We have been working at the project of using some of the local water power for at least part of the time. Dr. Hsiung has a scheme worked out for it but it has been a matter of obtaining water rights on the stream which flows back of the college and negotiations for that have dragged with the owners of the nearest mill and water rights attempting to hold us up. However there is still a possibility of our obtaining water rights for five or six hours in the evening for a fairly reasonable sum. If that can be done it will eliminate the necessity of running the charcoal engine in the evening and may result in a saving. It will be necessary to hold the engine in reserve for afternoon needs of the science departments and for two or three months in the spring when there is not enough water in the stream.

Yours sincerely,

John L. Lee.

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

Dear Mr. Lyford:

I give you the following summary of the operations of the current account since I last wrote you. The following cheques have been issued by the college:

No. 48, to the American Baptist Mission Press, English Books Acct.U.S.	\$50.00
No. 49, Internation Red Cross, Medical Acct.....	144.78
No. 50, W. & G. Foyle, Ltd., Chemistry Book Acct.....	66.43
No. 51, to Barnes and Noble, Economics Books.....	20.00
No. 52, Carson Chang, Physics, Ministry of Education.....	4.91
No. 53, Paul V. Taylor.....	723.84

This last cheque, No. 53, does not represent an expenditure at the present time, as the college is taking over a U.S. dollar savings account in Kunming from Dr. Taylor and giving him a draft for this amount. I expect to close out the account fairly early in the new financial year of the college when we have to sell more U.S. dollars. As far as I can see now, I do not expect to have to sell any U.S. dollars before sometime next month and possibly later.

In this same mail I am sending two cheques to the N.C.B. in New York for deposit in the current account. Draft No. 45 of the Reformed Church in the U.S., payable at the Allentown National Bank for \$1,875, which is the grant from the Reformed Church for the Practice School for 1939-40 and one half of the year 1940-41. A cheque for \$69.64 on the Bank of Jamestown, Jamestown, New York, issued by Lucy Fish Miller; this can be credited to the college Sustaining Fund as it represents a repayment of some of the advances which I made in Rangoon.

Last week I had information from Shanghai that the United Committee for Christian Universities of China in England has sent the college £145/18/2. I will credit this to the Sustaining Fund when we receive it in Kunming. My information from Shanghai is that it has already been exchanged into Shanghai dollars, and I have asked that it be sent to Kunming. I cannot give you the exact amount that will be available for the college in Chinese dollars until I know the rate which will be obtained when it is sent from Shanghai to Kunming.

I am hoping that it will be possible for me to wind up the books for the current year promptly at the end of this month, and I will send you the figures as soon as I can after that date. I may be a bit handicapped by the problem of Tan Jen-i. On my return here Mr. Tan was working only half-time and seemed to be in pretty good health. Early in June he had the misfortune to lose one of his children after a prolonged illness. Last week he reported that he had a severe backache and was not feeling very well. After consultation with Dr. Wei and Dr. Roots we have decided to give Mr. Tan as complete a rest as possible for the remainder of the summer. Dr. Roots is going to give him a thorough examination, and we may decide to send Mr. Tan to Kunming in August where he can be x-rayed. There seems to be a bit of question as to the nature of his illness, and it is our idea to give him these two months in which to pull up.

Thank you for the three sheets of accounts which Dr. Wei gave me; they came in your letter of early June to Dr. Wei.

The end of the term went off very well here, and we were fortunate that the heavy rains which we had been having in June let up at the time of Commencement.

A few members of the foreign faculty have gone to Burma for their summer vacation, but I consider that Hsichow is much more a summer resort than the heat of Burma.

My wife joins me in sending greetings to you.

Sincerely yours,

John L. Coe.

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HUA CHUNG (CENTRAL CHINA) COLLEGE

WUCHANG, CHINA

TEMPORARILY IN HSICHOW

VIA 1 YUNNAN, CHINA

室 長 校

OFFICE OF THE PRESIDENT

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

Aug. 16, 1941.

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

From John Coe

Dear Mr. Lyford,

Thank you for having the National City Bank send a check book which reached Dr. Wei a few days ago.

I enclose herewith a portion of the financial report of the college for the past year and the remainder will follow next week. I am hurrying this off as from the work which we did last year, this is in many ways the more important and should be in your hands as soon as possible. The sheet in regard to the sustaining fund should be clear and I wish to point out in regard to this that this report does not show the use of any further money from the Associated Boards beyond the US\$7,000 which was paid over in the year 1939-40. The balances do not include the £145/14 about which I wrote you in early July from the United Committee for Christian Colleges. That money has just been received in Kunming from Shanghai and fortunately it was shifted before the recent fall of the Shanghai dollar in reference to the Kunming dollar and where it amounted to C\$10,400 in Shanghai it has yielded C\$14,338. in Kunming.

I will add the following comments on the US\$ balance sheet:

(1) The debit balance against the sustaining fund is explained in the sheet on the sustaining fund and when one considers the amount of balance in the other three currencies there is still a credit balance in this account. It is easiest for my bookkeeping here to handle it in this way.

(2) The credit in the Johnston fund for the school of Arts is what remains after paying the book appropriation for the year and also the salaries on this *grants*

(3). The Harvard-Yenching figure is slightly different from the one sent in the report to them as Yu was in a hurry for his report and then he sent in other bills later. However that will be straightened out in a further report to them.

(4) The Yale-in-China reserve account is up by \$23.4 being the surplus on this year's account.

(5) The School of Science research and book funds are carried ~~on~~ this in suspense until all of the bills are in for the past year and some of this will be used. As there is no appropriation for research for the coming year the balance of the research money had best be held over.

(6) The School of Arts Book Fund had best be held over as there are some bills still to come in.

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Mr. Oliver S. Lyford, 16/8/41. page 2.

(7) I have carried the account for the loss of last April in this way and will carry out whatever instructions the Board of Trustees may have in regard to this.

(8) The matter of the bank balances has been explained on the balance sheet except to say that the money which is in the American Church Mission Shanghai, while subject to withdrawal through there ~~is~~ actually in New York.

Comments on the C\$ balance sheet.

(1) The debits under the items of Ministry of Education, Reformed Church Mission, and Yale Salaries arise because of payments which were authorized to be made by Dr. Wei against ~~the~~ August before the thirty-first of July.

(2) The debits against medicine and power plant represent stocks of medicine or oil on hand.

(3) the debit against rentals represents rentals for the following year which were paid before the thirty-first of July.

(4) The debit~~ax~~ against Physics British Boxer indemnity arises because of the heavy transportation costs for apparatus from Burma and can be covered by the last installment of the grant from this foundation and also insurance money which is being collected on apparatus which was lost in Haiphong two years ago.

(5) The credit on scholarships represents advance receipts of money for scholarships ~~arriving~~ for the coming year.

(6) The credit under transportation represents money which still has to be ~~adjusted~~ over the trip of last April.

Mr. Tan is leaving for Kunming in a day or so in order to attend to some college business and also have an x-ray of his back which seems somewhat better. I am asking him to find out what he can while there about the present situation in regard to exchange. After consultation with Dr. Wei we are sending authority to have the remainder of the deposit in Kunming converted and also a check, no. 54, for \$500 to be converted if conditions are favorable.

The remainder of my report with detailed expenses for the year will get into the mails next week. If there are any questions in regard to this portion please let me know and I will try and answer them.

Yours sincerely,

John L. Coe

Sheets showing Sustaining Fund Operations, N.S. V3 balance sheet, D.C. College Balance sheet, have been assembled with the sheets of operating results attached to Coe's letter of Sept. 3.

0723

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

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

室 長 校
OFFICE OF THE PRESIDENT

ack
9/23/41
JRP

Aug. 18, 1941.

Mr. Joseph I. Parker, Sec.,
Associated Boards for Christian Colleges in China,
150 Fifth Ave.,
New York, N. Y.

Dear Mr. Parker,

I enclose herewith the blank which you sent Dr. Wei about Hua Chung college for the past year filled out. I also enclose a sheet showing the assignment to the US\$3,000 of the sustaining fund to the Rockefeller Foundation. I hope that these will not be too much delayed in reaching you but as the college financial year does not close till the end of July it has only recently been possible to get these out. In the totals of the college for the year, I have converted the sum of ~~US\$24~~ US\$3400 to C\$ at 21 in order to make the total instead of giving the total in two currencies.

Yours sincerely,

John L. Coe
Treasurer.

Reports
attached JRP

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1940-41
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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 PRESIDENT

Aug. 19, 1941

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

Recd Sept 22

Dear Mr. Lyford,

I enclose herewith the six additional sheets of the financial report of the college for the past year which I promised in my letter of Aug. 15. I also enclose a copy of the report which I am sending to the Associated Boards in regard to the use of the US\$3000 in the sustaining fund from the Rockefeller Foundation.

After I had sent my last letter off to you, I discovered that there was a mistake in the addition of the cents columns in the Chinese \$ balance sheet and it should read on both sides .06 instead of .13.

In drawing up the report for the year I have not attempted to include all the balances such as for the Practice School etc. but those do appear in the proper balance sheets and are explained there. All of the money due from the missions for the year 1940-41 has been received except for the second half of the grant for the Practice School US\$625 which is coming sometime after July 1, this year. The government grant is up to date and after making out this report the third quarter July through September has been received.

The government has recently increased the amount of its loans to needy students from the occupied regions and that should be of more assistance to them. In this matter the college merely acts as disbursing agent.

As I pointed out earlier, the Yale-in-China School of Science has a small credit balance (US\$23.68) on the US\$5000 grant for the year. The School of Education has a good sized balance. The School of Arts in both the Harvard-Lenching grant and the Johnston Fund have a good balance. The sheet accompanying the sustaining fund report shows its condition as of the first of August.

If there are any questions on this report please let me know and I will try to answer them.

Yours sincerely,
John L. Coe
Treasurer.

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Report of the use of US\$3,000 being the Rockefeller Foundation Grant portion of the Sustaining Fund of Hua Chung College for 1940-41.

Received US\$3,000 at 21 equals C\$63,000.

Expended as follows:

Medicine and infirmary	14,301.41
Rentals	4,276.40
Transportation	5,000.00
Subsidy for low salaried staff	7,317.67
Promotion and advertising	10,732.73
Lighting and power plant	6,905.29
Scholarships	3,000.00
Postage and telegrams	3,610.94
part of library	2,543.10
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	63,000.00

John L. Lee
Treasurer

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Hua Chung College, Financial summary for 1940-41.

Income.

	C\$	US\$	For. Sal.
American Church Mission	10,850.		2
" " "(Johnston)	10,797.33	350.	
London Mission	1,000.		2
Methodist Mission	3,854.		1
Reformed Church Mission	11,159.06	250.	2
Yale-in-China	45,711.72	2823.68	
Harvard-enching	24,644.70		
Special for Scholarships	2,130.00		
National Government for salaries	11,555.33		
Local for scholarships	3,100.00		
Bank interest and remittance fees	4,253.00		
Miscellaneous fees	118.50		
	<u>129,173.64</u>	<u>3425.68</u>	<u>7</u>

Expenditure

Administration	31,000.73		1 5/6
Operations and Maintenance	16,774.28		
Phy. Ed. and Mil. training	4,388.39		
Scholarships and student aids	8,299.60		
School of Arts personnel	43,501.40		2 2/3
books and equip.	6,500.00	350.00	
School of Education-personnel	11,993.00	250.00	2 1/2
books and equip.	2,467.02	250.00	
School of Science-personnel	53,701.72	2800.00	
equipment		2800.00	
total regular expenditure	<u>136,626.14</u>	<u>3400.00</u>	
credit in Yale-in-China		23.68	
deficit on regular expenditure.	47,852.50		
extras due to location in Hsichow.			
part of medical	10,000.		
rentals	4,276.40		
transportation etc.	5,000.00		
rice subsidy to staff	7,317.39		
promotion	7,556.39		
sundries	1,509.04		
alumni activities	357.65		
Power plant(2/5 Cap.)	4,423.51		
	<u>41,948.65</u>		
total charges to sustaining fund	89,401.15		

Aug. 18, 1941.

華大中華經理部
HUA CHUNG COLLEGE

John L. Cox
Treasurer.

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Hua Chung College, Administrative income and expenses for 1940-41

Income.		C\$	For Sal. (3)
A. Western Sources.			
1. General grants			
Methodist Mission	1,000.		
London Mission	<u>1,000.</u>		
		2,000.	
2. Special grants			
American Church Mission) library	750.		
Yale (medical	300.		
Reformed Church Mission (med.)	<u>200.</u>		
Scholarships	<u>2130.</u>	3,380.	
3. Personnel:			
American Church Mission	5,060.		1
Reformed Church "			1/2
London Mission	<u>5,060.</u>		<u>1/3</u>
			1 5/6
B. Local sources.			
miscellaneous fees	118.50		
Scholarships			
Thorne and Chow	500.		
Li Jui	2,000.		
C. C. E. A.	600.		
Bank Int. and Remittance fees	<u>4,253.</u>	7,471.50	1 5/6
Total income		17,911.50	1 5/6

Expenditures.			
1. Administration			
Advertising	3,176.34		
College Functions	284.20		
Council of Higher Ed.	100.00		
Entertainment	180.30		
Offices- Pres.			
Dean and Reg.	3,302.41		
Treas.	1,339.32		
Business Man.	480.54		
Business Man.	413.97		
Publications	120.50		
Travel	364.80		
Administrative officers			
President (2/3)	2,800.00		
Dean (1/2)			1/2
Registrar (1/3)			1/3
Treasurer.			1
Acting Treas. (2/3)	1,440.00		
Librarian	2,260.00		
Librarian's assistant	900.00		
Warden Women's hostel	1,000.00		
Chinese secretary	1,800.00		
English Secretary	510.00		
Reg. Off. clerk	920.00		
Business manager	1,080.00		
local clerks.	1,316.00		
Medical part	3,229.65		
Infirmary	<u>1,077.76</u>	31,001.41	1 5/6

Administration Page 1.

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2. Operations and Maintenance.

Grounds	705.45	
Lighting	2,481.78	
Library	3,837.40	
Policing	1,200.00	
Repairs and renovation	5,312.46	
Wages	1,249.59	
Wuchang campus.	1,000.00	
Sundries	287.00	
Furniture	700.60	16,774.28 ✓

3. Physical Education-salary

equipment	1,620.00	
	936.45	
Military training- salary	1,120.00	
equipment	391.94	4,388.39 ✓

4. Scholarships and student aids.

8,299.60	8,299.60 ✓
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total regular expenditures.

81,464.00

" " income

17,911.50

deficit

43,552.50

Extras due to Location in Hsichow.

part of medical	10,000.00	
Rentals	4,276.40	
Transportation and truck exp.	5,000.00	
Rice subsidy to staff	7,317.67	
Promotion	7,556.39	
Sundries	1,509.04	
Alumni activities	357.65	
Power Plant (2/5 capital)	4,423.51	41,948.65

from school of Arts.

2,700.00

from School of Education

750.00

from School of Science

450.00

total charges to sustaining fund

89,401.15

華大中華總商會
HUA CHUNG COLLEGE

John L. Lee.

Administration Page 2

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Hua Chung College, Yale-in-China, School of Science financial report for 1940 ~~ix~~ 41.

	Income.	C\$	US\$
Yale-in-China Association.	(US\$2176.32)	45,711.72	2,823.68
Reformed Church Mission (Dr. Hsiung)		4,010.00	
National Government for Dr. Wan		3,530.00	
College budget for Dr. Hsiung		450.00	
		53,701.72	2,823.68

Expenditures.

Personnel:			
Biology	subsidy	salary	
B.K. Chen		358.30	
M. H. Zee Yuh	192.	3300.	
S. F. Wu	600.	1440.	
P. S. Chen	288.	1200.	6298.30
Chemistry			
T. G. Djang	192.	4200.	
T. W. Zee	384.	3900.	
S. W. Wan	192.	3600.	
D. B. Hu	912.	1320.	13020.
Physics.			
R. P. Bien		3900.	
D. S. Hsiung		3900.	
C. K. Cheng		3600.	
P. H. Liu	288.	1200.	
T. F. Ying	156.	1080.	13680.
Mathematics.			
C. S. Shen	480.	3000.	3000.
Sub. for Tech.	1716.		
			35,998.30
			5,400.00
2. Equipment and Maintenance.			
Biology			500.00
Chemistry			500.00
Physics			500.00
3. Staff Expenses.			
Rents	3180.		
medical	380.		
Dean's office	258.16		3,560.00
Wuchang Houses and caretaking	1850.00		
Power plant (3/5 of capital cost)			2,108.16
			6,635.26
4. Books and Magazines and Research			
Biology			250.00
Chemistry			250.00
Physics			250.00
Mathematics			50.00
School of Science			100.00
Research (to be held over)			200.00
Publications (to be held over)			200.00
total expenditure			2,800.00
		53,701.72	2,800.00
credit balance			US\$ 23.68

華中學院
HUA CHUNG COLLEGE

John L. Doe
Treasurer.

School of Science

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Hua Chung College, School of Arts, Financial report for 1940-41. [6]

	Income.	US\$	For. Sal.
	C\$		
American Church Mission	5,060.		1
" " " (Johnston)	10,440.70	350.	
Harvard-Yenching	24,644.70		
Methodist Mission	2,854.00		1
London Mission			2/3
National Government	4,302.00		
College budget	2,700.00		
	<u>50,001.40</u>	<u>350.</u>	<u>2 2/3</u>
Expenditure.			
Personnel:	sal.		sub.
Chinese Dept.			
L. P. Pao (H-Y)	3,300.		384.
K. N. Yu (gov.)	3,600.		384.
C. F. Ling	2,700.		
M. C. Fu (H-Y)	1,440.		912.
H. L. Li (H-Y)	2,800.		576.
Foreign Languages			
Miss Bleakley (2/3)			
Mr. E. P. Miller			
R. E. Lo (J)	1,980.		96.
History			
L. Constantine			
F. S. Ma (H-Y)	2,700.		480.
Economics-Commerce			
K. C. Chang	3,300.		
T. Y. Chang (J)	3136.70		
P. L. Tang	2,460.		304.
J. I. Tan (1/3) (J)	720.		568.
Philosophy			
C.M. Wei (1/3)	1,400.		
E. F. Lo	3,300.		
Rentals	2,139.30		
Books and magazines			
Harvard-Yenching research			
books	5,488.32		
H. W. Wan	1320.00		444.
Y. C. Chow	1,080.		156.
clerk	610.		
postage and stationary	142.89		
paper and printing	1,098.08		
scholarships	300.00		
book boxes and repairs	577.61		
total expenditure	50,001.40	350.	2 2/3

2/3 - London
1 - Am Church
1 - South. Miss

30,837
62

School of Arts.

華大中華學院
HUA CHUNG COLLEGE
John L. Coe
Treasurer.

0731

[7]

Hua Chung College, School of Education, Financial report for 1940-41.

Income.			
	C\$	US\$	For. Sal.
Reformed Church Mission			
Dr. Taylor (1/2)			1/2
Miss Zenk			1
Grant	5,260.	250.	
Practice School		1250.	
London Mission-Mr. Anderson			1
Government for sal.	3,723.33		
ACM(Johnston)	356.67		
Book fees	140.00		
Music fees	691.02		
Music (US\$15.09)	316.98		
Practice School local income	246.70		
Practice School (US\$132.34)	2,777.13		
college budget	750.00		
Balance 8/1/40 School of Education	<u>1,878.24</u>		
	16,140.07	<u>1500.</u>	<u>2 1/2</u>

Expenditure.

Education			
Dr. Hwang	4280.00		
Dr. Taylor (1/2)			1/2 - Ref. Ch
Dr. Hu	3900.00		
Mr. Anderson			1 - London
Music			
Miss Zenk			1 - Ref. Ch
Practice School, C. C. Wang	1548.00		
Rentals	1065.00		
Equipment books and Magazines.			
Education school office	239.19		
Books and magazines		250.	
Music	1008.00		
Practice School			
text-book investigation	<u>1220.83</u>		
	13261.02	250.	2 1/2
balance school of education	2879.05		
balance Practice school.		1250.	

Note: the balance in the Practice School a/c 8/1/40 was US\$245.68, during the year \$1875 has been received from the Reformed Church for 1940 and the first half 1941 and US\$132.34 has been spent leaving a balance on hand of US\$1988.34.

The music department balance now amounts to US\$695.02

* * * * *

HUA CHUNG COLLEGE

John L. Lee
Treasurer.

School of Education

0732

Hua Chung College, sustaining fund operations for the year Aug. 1, 1940 to Aug. 1, 1941.

	Receipts.			
	US\$	HK\$	rupees	CN\$
Balance on hand Aug. 1, 1940.	2,445.16	4,956.44		53,041.45
from United Com.	572.81			
" " " £66/14				5,369.35
by sale of US\$9.06		34.82		
" " " US\$1844.39			6040/0/6	
by " US\$3,215.83				71,311.28
by " HK\$3,502.10				17,511.99
by " Rs.1774/14				13,000.93
	<u>3,017.97</u>	<u>4,991.26</u>	<u>6040/0/6</u>	<u>160,235.00</u>

Expenditures.				
sale to HK\$34.82	9.06			
sale to Rs.6040/0/6	1844.39			
sale to C\$71,311.28	3,215.83			
sale to C\$17,511.99		3,502.10		
sale to C\$13,000.93			1774/14	
by Expenditures as given in college report				89,401.15
	<u>5,069.28</u>	<u>3,502.10</u>	<u>1774/14</u>	<u>89,401.15</u>
cr. balance		1,489.16	4265/2/6	70,833.85
dr. balance	2,051.31	916.390.±	1,300	3,200

Notes: if the above balances were all to be converted into US\$ at the present rates, there would be an approximate credit balance of US\$2,300. in the receipts from the United Com. means from the United Committee for Christian Colleges in England.

Of the balance of HK\$1,489.16, HK\$1,001.24 is in the National City Bank of New York, ~~Hongkong~~ and the balance has been advanced for purchases which are being made by Dr. Kunkle in Hongkong.

Of the balance of Rs.4,265/2/6, Rs.2,114/7/2 is in the Bank of China, Rangoon and the balance has been advanced for purchases to be made in Rangoon or is held in cash.

華大中華基督教會
HUA CHUNG COLLEGE

John L. Lee
Treasurer.

Aug. 16, 1941.

For explanation, see letter from Lee dated Aug 16, 41

0733

Handwritten notes and calculations on the right margin, including a vertical list of numbers (1, 6, 6, 3, 0, 9, 1) and various numerical figures like 2800, 4062, and 1300.

Hua Chung College, US\$ balance sheet Aug. 1, 1941. [2]

	Dr.	Cr.
Sustaining Fund	2,051.31	
Board of Founders (Special)		278.57
Johnston Fund for S. of Arts		14,458.54
Harvard-Yenching		8,128.27
Proctor-Johnston Land and Bldg.		1,207.43
Yale-in-China reserve		15,744.08
" " " sabbatical reserve		607.50
President's Discretionary Fund		1,043.14
Practice School		1,988.34
Relief Fund		252.00
Scholarships		75.99
Thorne Fund		858.76
Science Museum		200.00
Arts Book Fund		420.05
School of Science Res. and Bk. funds		640.83
Loss of April 12, 1941.	2,619.35	/ Biology - 219.42
Deposits		47.06
Joint and Reserve a/c in NY	17,433.08	/ Music - 695.02
2 checks sent in July to NY	1,944.64	
in Kunming Shanghai C, and S.B.	533.84	
American Church Mission, Shanghai	6,785.31	
due from Yale-in-China	497.47	
Dom. and For. Missionary Soc., NY	15,000.00	
	46,865.00	46,865.00

China Foundation
46,865.00
- 1,207.43
45,657.57
1940-41

Notes: The balance in the Joint and Reserve a/c has been ~~found~~ ~~found~~ by taking the balance of Mr. Tan's of last July and ~~adding~~ ~~adding~~ to it \$6,000 as balance due from the sustaining fund for that year, \$5,000 as grant from Harvard-Yenching and \$400 for check sent and also \$420 for check returned and cancelled. From this has been subtracted the sum of the checks through no. 53 and the amounts drawn upon the letter of credit. If there have been other deposits in New York they should be added to this. the item of \$497.47 due from Yale-in-China arises through the slowness of the mails. Dr. Rugh sent a check for \$2,000 in December, then according to the last word from New Haven (Mr. Smith's letter of Feb. 18) a total of \$2,502.53 had been spent on orders for the college. Further orders have been filled since then but such information has not reached the college. When that does come in, it will be adjusted accordingly. The balance in the Kunming bank will be cleared out probably this month. It was taken over as a favor to Dr. Taylor who was going on furlough.

Aug. 16, 1941.

華大中華桂遷呂
HUA CHUNG COLLEGE

John L. Coe.
Treasurer.

For explanations see Coe's letter of Aug 16, 1941
See also the revised balance sheet from Mr Coe dated Sept 11, which is attached hereto. Both of these statements by Coe are superseded by my statement of Oct 14, 1941 @.b.L

0734

Hua Chung College, US\$ balance sheet, ^{as of Aug. 1, 1941.} revised in the light of Mr. Lyford's letter [3] to Dr. Wei of Aug. 1, 1941.

	Dr.	Cr.
Sustaining Fund	2,051.31	
Board of Founders(Special)		273.57 -
Johnston Fund for school of arts		14458.54 -
Harvard-Yenching		8128.27 -
Proctor-Johnston Land and Bldg.fund		1207.43 - out
Yale-in-China reserve		15744.08 -
" " " sabbatical reserve		607.30 -
President's Discretionary Fund		1043.14 -
Practice School		1988.34 -
Relief Fund		252.00 -
Scholarships		75.99 -
Thorne Fund		858.76 -
Science Museum		200.00 -
Arts Book Fund		420.05 -
Sch. of Science Rese and book funds		640.83 -
Loss of April 12, 1941.	2,619.35 -	
Yale payments made in New Haven	1,054.27	
Biology China Foundation		219.42 -
Music		695.02 -
Deposits	47.06	47.06
Advance travel to Hsichow	530.00	
check book charges	2.80	
Joint and reserve a/c New York	16,343.48	
2 check sent in July to New York	1,944.64 -	
in Kunming, Shanghai C. and S. Bank	533.84 -	
American Church Mission, Shanghai	6,785.31 -	
Dom. and Foreign Missionary So. New	Y. 15,000.00 -	
	<u>46,865.00</u>	<u>46,865.00</u>

Notes: Reconciliation of joint and reserve a/c with a/c in letter of Aug. 1, 1941.
 balance shown in above letter. \$17,335.09
 checks probably out 31, 48-50, 52-53. 997.96
 16,337.13

difference of \$6.35 probably due to interest charge mentioned in letter #22, and charges on last draft from Rangoon on letter of credit. This will be cleared up on receipt of statement from New York showing operations of joint account for period May 22, 1941 to June 22, 1941.

item of \$1,054.27 of payments made in New Haven will be cleared and distributed when those accounts come through but apparently they have been delayed because of the slowness of the mails.

Hsichow, Sept. 11, 1941.

John L. Lee
Treasurer.

Checked against the statement which I had prepared I found that they are in accord except the following:
 I have included the U.S. equivalent of funds on deposit in China & Burma
 I have added 6,000 from Ass Boards
 I have omitted the P. J. Land & Bldg fund
 I have used the correct balance in the Joint & Reserve Accts
 My object is to show a complete statement, not merely the U.S. Balance

0735

Hua Chung College Balance Sheet C\$ Aug. 1, 1941.

	Dr.	Cr. [4]
Sustaining Fund		70,833.85 -
Hankow Remittance		2,516.89
American Church Mission		5,483.74
Methodist Mission		3,972.00
Ministry of Education	1,670.61	
Reformed Church Mission	300.00	
Yale-in-China		2,689.63
Medical	7,500.00	
Policing		100.00
Scholarships		8,246.20
Rentals	4,160.00	
Transportation		2,685.32 -
Chinese Dept. Bks. and Sal.	974.75	48.00
English Books		916.40
School of Education		2,879.05
Music Dept.		801.00
Psychology		1,104.53
Reformed Ch. Mission. Sab. reserve and rent.		1,675.50
Brith. Boxer Ind. Biology		6,293.01
" " " Chem.		6,445.89
" " " Physics.	5,982.95	
Ministry of Ed. Biology		2,277.35
" " " Chemistry		98.76
" " " Physics	529.71	
Biology		2,094.55
Research fund		2,306.33
Machine Shop	312.15	
Yale Sal.	1558.75	
Power Plant	1,312.74	
Canton Theol. School	1,483.27	1,483.27
Deposits -l Local		5,013.88
Deposits -W-	206.25	
Miscellan. Hostel Dept.		933.14
Summer Bd. loan	1,000.00	
Women's Hostel		67.00
Purchases Advance	1,513.45	
Temporary Advances	2,776.75	
Income tax		.35
Thesis paper	725.08	
Research Fund		2,946.42
John Evans a/c Kunming purc.	1,248.25	
Faculty Loan	5,388.06	
Student Loan	5,971.90	
Balance Sh. Com. and Savings Bank Kun.	36,192.76	
" Bank of China, Hsiakwan	42,256.73	
" Central Bank, "	6,330.04	
" Bank of China, Kunming.	3,225.45	
Cash on Hand	1,775.68	
	132,912.13	132,912.13

88,004.98

Aug. 16, 1941.

華大中華基督教會
HUA CHUNG COLLEGE

John L. Coe
Treasurer

For explanations, see Coe's letter of Aug 16

0736

Income. Hua Chung College, Budget Summary 1940-1941
1941-42. 1940-41.

	C\$	US\$	For. Sal.	C\$	US\$ [5]	For. Sal.
American Church Mission	9,719.		5	7,350.		2
" " Miss John.	27,140.	350.		22,880.	350.	
London Mission	1,200.		2	1,200.		2
Methodist Mission	3,400.		1	3,400.		1
Reformed Church Mission	11,696.	850.	2	11,900.	400.	2
Yale-in-China	51,446.	3000.		39,800.	2800.	
Harvard-Yenching	58,184.			30,180.		
special for scholarships	6,000.			1,800.		
National Government	12,000.			12,000.		
local for scholarships	2,000.			2,000.		
old balance Education	2,800.					
	<u>186,769.</u>	4200.	10	<u>132,430.</u>	3550.	7
	185,585.					

	Reg. sal.	subsidy	US\$	For. sal.	C\$	US\$	For. Sal.
Administration	+ 29,780.	11,870.		2 1/3	27,600.		1 5/6
Operation and Main.	+ 15,880.				12,000.		
Phy. Ed. and Mil. Tr.	+ 4,740.	2,244.			4,000.		
Scholarship and aids.	+ 13,120.				12,000.		
Arts- personnel.	+ 55,350.	16,811.		4 2/3	44,300.		2 2/3
books and equip.	- 21,600.		350.		14,600.	350.	
Education-Personnel	✓ 14,610.	3,714.		2 1/2	16,390.		2 1/2
equipment	- 1,700.		850.	2 1/2	2,160.	400.	
science-personnel	- 46,020.	14,630.		1/2	45,000.		1/2
equipment.			3000.			2800.	
Total for regular operation.	201,680	49,269.	4200	10.	178,570.	3550.	7
	202,800						

items due to location at Hsichow.
 part of medical 9,000.
 rents for hostels
 and Amd. staff. 4,200.
 transportation 5,000.
 Kunming office 3,000.
 Promotion 14,100.

*subsidy to staff.
(see below)*

35,300. ← *3 added in C\$ 410,000 for sundries - in my report of Oct 16, 1941 @ 1.5.2*

Grand total C\$ exp. including extras and subsidies	286,249.	202,870.
income	185,585.	132,430.
to be met by sustaining fund	C\$100,664. ✓	70,440.

Notes: / item for equipment in US\$ increased over cabled figure, because money for music for current year is to be held over till next year.
 r. figures for 1940-41 an attempt to reach actual figures by a quick glance at the books.

3. increase in request to sustaining fund accounted for approximately as follows:

Administration increased exp.	2,700.
operations " "	3,880.
Phy. Ed. and Mil. Tr. " "	740.
extras increased exp. less subsidies	17,300.
increased sub. to staff not on appointment by units or funds	8,000.
	<u>32,600.</u>
less decrease in student aid.	1,320.
	<u>31,280.</u>

For explanation of items in this budget, see 1.15.20 of my report from Finance Office

Lakeville, Connecticut

August 29, 1941

Mr. John L. Coe, Treasurer
Hua Chung College
Hsichow, Yunnan, China

Dear Mr. Coe:

I received on August 20 your letters of July 16 and 24, the information being much appreciated.

In my letter No. 21 to Dr. Wei, I reported a list of your drafts outstanding against the Joint Account. You will note in the statement herewith that only one of these drafts had been debited by the Bank to the Joint Account up to August 22, this one being #33 for \$500.00. I am holding the balance in the Joint Account close to the amount of outstanding drafts, for safety, but I think we should know which of these drafts may remain outstanding for some time. For instance we should know what Dr. Taylor proposes to do with the drafts which he is holding. I presume he will dispose of them when he reaches home. You will also note that the check for \$69.64 reached the N. C. B. on August 20 but the draft from the Reformed Church had not been received previous to August 22.

The totals of the two accounts on the enclosed sheet do not include the balance in the account of the Central China College Foundation in the Bank of the Manhattan Co. The balance in that account is now \$7,741.33 of which \$4,000 will be transferred to the Reserve Account when I return to New York next week. Also the total in the Joint Account is before deducting the outstanding drafts against that Account.

I am very sorry to learn that Mr. Tan has had such great misfortunes and I do hope that with Dr. Root's assistance and a long rest he will recover. He should know that we all appreciate greatly the care and hard work which he put into the accounts and the reports for us during your absence. I hope you will not have a hard time in working out the annual figures. Naturally they will be very helpful to us. As I have written before, please send summary sheets by clipper as these may be the only ones which we shall receive.

The copy of report to Harvard-Yenging Institute was noted with interest. I imagine it will be a surprise to the Institute to learn of the large balance. I hope they will not be as disturbed as were the Yale-in-China trustees. I shall have another session with the latter this fall.

0738

Page 2 Mr. John L. Coe --August 29, 1941

I note the difficulty you are having with leases of buildings. If this results in any material increase in demands on the Sustaining Fund, we should be advised promptly.

I trust my letter No. 23 of August 1 to Dr. Wei was received, but I will quote certain paragraphs which relate to financial reports as follows: "May I suggest that summary figures showing the operations of each fund be sent by clipper mail so that we may have the essential data at the earliest practicable date. Mr. Coe's report with detail figures for 1939-40 has not been received. I assume that because of the bulk they were sent as regular mail. Such mail will now be delayed more than ever." --"Referring to last paragraph of page 2 of Mr. Coe's letter of May 28th, may I request that when he uses the expression 'the balance the college had on hand', he always indicates whether he includes the amounts in the Joint Account and the Reserve Account in New York or only the amounts which are on hand in China. This paragraph reads as though you will have on hand in Hsichow and New York between N. S. \$1,000 and U. S. \$2,000 in the Sustaining Fund without considering any of the deposits made by us in 1941. I interpret the paragraph above referred to, to mean that all the receipts from the Associated Board for the year ending July 31, 1941 are available for the year beginning August 1st and that no new amounts from the Associated Boards are necessary for the new year. This does not seem consistent with the summary budget for 1941-42 and I need an explanation as soon as possible"--We shall be glad to have your answers to the above questions, even though they have been sent in a clipper letter before this reaches you. There is considerable confusion about the United China Relief and we desire to keep our end of it as clear as possible.

We are also awaiting with much interest the figures for matriculation for the new year.

I am sure all the Founders will be pleased with the progressive effort of Dr. Hsiung to obtain water power to supplement your gas power. Possibly this will increase the interest of local people in transmission of hydro-electric power.

I have remained at Lakeville most of the summer because of the illness of our chauffeur and the inability to get a substitute. It would have been a good rest except for the amount of work which I have had to do at a distance from my office.

Yours very sincerely,

OSL/mht

Oliver S. Lyford

0739

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[3]

August 29, 1941

Operations in Joint Account and Reserve Account

Joint Account

<u>1941</u>				
April	22	Balance carried forward		\$2,295.84
	25	Transferred from Reserve Account		<u>3,000.00</u>
				5,295.84
May	30	Interest deducted	\$.35	<u>.35</u>
	22	Balance		5,295.49
	23	Debit on L/C 3/26	100.00	
		" " " 4/12	1,619.40	
		Commission	12.19	
	31	Debit on L/C 4/5	600.00	
		Commission	6.00	
June	3	Draft No. 33	500.00	
	9	Debit on L/C 4/2	600.00	
		Commission	6.00	<u>3,443.59</u>
June	22	Balance		1,851.90
	30	Draft No. 51	20.00	
		Check N. Y. 3-Refund to Y. in C.	556.80	
		Check Book to Hsichow - Postage	2.80	
		Check N. Y. 4-Advance to Hsiao	530.00	<u>1,109.60</u>
July	22	Balance		742.30
	24	Draft No. 50	66.43	
Aug.	5	" " 49	144.78	
	11	Filing and notarial fee--for license to transfer \$2,000 from Reserve Acc't	1.00	<u>212.21</u>
				530.09
	21	Remittance from College of July 16		69.64
	20	Transferred from Reserve Account		<u>2,000.00</u>
	22	Balance		<u><u>2,599.73</u></u>

742.30
- 66.43
675.87
- 145.78
+ 69.64
76.14

Reserve Account

<u>1941</u>				
April	22	Balance on hand		\$19,592.79
	25	Transferred to Joint Account		<u>3,000.00</u>
May	22	Balance		16,592.79
June	22	" Same		
July	22	" Same		
Aug.	20	Transferred to Joint Account		<u>2,000.00</u>
	22	Balance		<u><u>14,592.79</u></u>

Combined

Aug.	22	Balance in Joint Account		2,599.73
		" " Reserve Account		14,592.79
		" Total		<u><u>\$17,192.52</u></u>

0740

COOPERATING UNITS
BOONE COLLEGE
GRIFFITH JOHN COLLEGE
HUPING COLLEGE
WESLEY COLLEGE
YALE-IN-CHINA COLLEGE

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

室 長 校
OFFICE OF THE PRESIDENT

Sept. 3, 1941.

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

Received
Sept 26

Dear Mr. Lyford,

A few days ago I received word from the agent in Lashio with whom we left the engine and parts of the burned truck that he had been able to sell most of the things there for Rs. 960/- or US\$292.84. I am crediting this against the loss account. He still has a few pieces left but I doubt if they will bring much as they were badly burned, and can only be sold as junk.

When I received this quarter's grant from the Reformed Church Mission, they reported that their home office had paid you US\$325. in January of this year. They have charged it against the grant to the college here and I am tentatively debiting it against the Practice School grant till I hear from you.

The question of the exchange situation does not seem to have clarified itself much during the past two or three weeks. When Mr. Tang went to Kunming for his X-ray a couple of weeks ago we gave him a limited amount to try to negotiate and I had a letter from him saying the banks were doing no business in US\$ checks. However he did say that he expected a rate would be announced soon (this was told us a month ago and so no one can tell). The banks in Kunming were still taking Hongkong dollar and Rangoon checks. After consultation with Dr. Wei we decided to send a check to a friend of his in Kunming and when we have heard from that I will let you know the result. Meanwhile I have written to the Treasurer of the American Church Mission in Shanghai to find out how he is situated as I have heard indirectly that he is more or less tied up. In any case I feel that we ought not to depend upon Shanghai as one of the reasons for the present restrictions on this in this part of the country is to cut off the interior banks from dealing with Shanghai. I estimate that we have enough C\$ on hand to carry me through to the end of October. Both of us felt that it would be unwise to wait till then to see what could be done. In any case we will not go beyond the amount mentioned in Dr. Wei's letter of August fourth without hearing from you.

I hear that over a hundred and twenty students took the entrance examinations in Kunming. It is still a trifle early to tell about the size of the entering class though we hope for a larger one than last ~~xxxxx~~ year. Registration is still about two weeks off.

Yours sincerely,

John L. Coe

Miss Estlin
Aug 27 - no report
60

0741

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Report of the use of US\$3,000 being the Rockefeller Foundation Grant
portion of the Sustaining Fund of Hua Chung College for 1940-41. (2)

File 93P

Received US\$3,000 at 21 equals C\$63,000.

Expended as follows:

Medicine and infirmary	14,301.41
Rentals	4,276.40
Transportation	5,000.00
Subsidy for low salaried staff	7,317.67
Promotion and advertising	10,732.73
Lighting and power plant	6,905.29
Scholarships	3,000.00
Postage and telegrams	3,610.94
part of library	2,543.10
	<hr/>
	63,000.00

+ add return

59,687.54

RECEIVED
UNIVERSITY
SEP 23 1941

John L. Coe
Treasurer..

Hua Chung College.

0742

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Report of the use of US\$3,000 being the Rockefeller Foundation Grant
 portion of the Sustaining Fund of Hwa Chung College for 1940-41.

File 919

Received US\$3,000 at 21 equals US\$3,000.

Expended as follows:
 Medicine and infirmary
 Rentals
 Transportation
 Subsidy for low salaried staff
 Promotion and advertising
 Lighting and power plant
 Scholarships
 Postage and telegrams
 part of library

14,301.41
 4,278.40
 2,000.00
 7,317.87
 10,732.73
 6,905.22
 3,000.00
 3,610.94
 2,543.10

 53,000.00

+ add interest

RECEIVED
 UNIVERSITY
 SEP 22 1941
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John L. Lee
 Treasurer
 Hwa Chung College

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0743

RECEIVED
UNIVERSITY
SEP 24 1941
JOINT OFFICE

September 23, 1941

Mr. John L. Coe
Hua Chung College
Hsichow
Via Tali, Yunnan, China

Dear Mr. Coe:

This will acknowledge your letter of August 18, enclosing the statistical report and the report for the Rockefeller Foundation grant. This acknowledgment will reach you quite a long time after the reports were sent from your office, but I want you to know that we very greatly appreciate the promptness with which you got these reports to us. They have both arrived in time for use in the making up of our reports. It is this sort of cooperation which enables us to get ahead without undue delay and to keep our constituency in America up to date on what is happening.

I am sharing these reports with Mr. Lyford, who will be glad to have the information contained in them.

Sincerely yours,

Secretary

JIP:VH

0744

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學 大 中 華 立 私
HUA CHUNG (CENTRAL CHINA) COLLEGE

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

WUCHANG, CHINA
TEMPORARILY IN HSICHOW
VIA TALI, YUNNAN, CHINA

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

October 28, 1941

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

*Received
Nov 19*

Dear Mr. Lyford:

We have just had the pleasure of a short visit from Mr. Robert A. Smith. During his visit I had an opportunity to talk with him at some length in regard to the problem of the grant from the Yale-in-China Association to the college. Through Mr. Smith we learned for the first time that the Yale-in-China Trustees at the meeting in June made a grant of U.S.\$3,500 for the current year. After my conference with him I drew up the enclosed memorandum, one copy of which I gave to him. I have talked this matter over with Dr. Wei and shown him the memorandum, of which he approves. As I have said in the memorandum, it would seem to me that the college would have strong grounds for asking that the grant from Yale-in-China for this year be the same as last year, viz., U.S. \$5,000. I have drawn up this memorandum, trusting that it may assist you in taking up the matter with the trustees of Yale-in-China. From the point of view of procedure, it would seem to me that the matter should be handled between the Board of Founders of Hua Chung College and the trustees of Yale-in-China.

Dr. Wei has felt quite strongly that none of this surplus should be touched at the present time, but held as a reserve against the question of moving back and rehabilitation. I agree with him in regard to the necessity of looking forward to those things. However, I feel that inasmuch as this surplus has accrued to the college mainly through savings in exchange, it would create better relations with Yale-in-China if the college were to use a small portion of the surplus to cover the recent turn in exchange to our disadvantage. In the budget which was submitted in May of this year for the School of Science, a total of N.C.\$51,446 and U.S.\$3,000 was asked from Yale-in-China. Since the budget was made out, Mr. Yuh of the department of Biology has resigned, and it is not likely anyone will be appointed to take his place during the current year. Dr. Zee of the department of Chemistry has also resigned, and while the college is looking for a man to take his place, it does not seem very likely that the position will be filled before February at the earliest. If it should work out in this way, there would be a saving of about N.C.\$7,000. So that for the budget as presented in May, a total of N.C.\$44,500 would be needed. At the current rate of exchange (18 to one) this would amount to U.S.\$2,475.

At the meeting of the Executive Committee Pro-tem late in September salary increases were recommended because of the increased cost of living in Hsichow. The total for the appointees in the School of Science on Yale-in-China support is about N.C.\$10,800 or U.S.\$600 at the present rate of exchange. Thus, if present conditions should prevail to the end of the present academic year, and Yale-in-China were to increase its grant to U.S.\$5,000, it would be necessary to draw upon this surplus to the extent of U.S.\$1,075 divided as follows:

- U.S.\$475 due to the unfavorable rate of exchange;
- U.S.\$600 because of the increased salary grant.

I have little additional information in regard to the exchange situation. The American Church Mission in Shanghai is partially "unfrozen" at the present time. The last word I had from the treasurer there was that they were selling U.S. dollars about 18.30, and there was a premium of between 10% to 12% on remitting funds to Kunming from Shanghai. If I should be able to make arrangements to get funds in that way, exchange would actually work out at between 20 and 21. When I have completed the accounts for October, I will let you know where the college stands and when we shall be in need of more funds.

Sincerely yours, *John L. Coe*

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Memorandum
Memo in reference to the surplus in the Yale-in-China School of Science, and the budget for 1941-42. [1]

From the fall of 1934 to the present the grant from Yale-in-China to the School of Science has been in US\$. At the same time the budget was mainly in C\$, and was made up on an estimated rate of exchange for each year. At that time it was agreed between the Board of Directors of the College and Dr. Francis Hutchins of Yale-in-China that any surplus on this grant should be held as a reserve against fluctuations in exchange. During the four years ending with June 1938 there was an accumulated surplus of between US\$4,000 and US\$5,000 which resulted from a favorable rate of exchange and the saving because some of the vacancies in the school had not been filled. At the end of each year the amount of this surplus was reported to Dr. Hutchins. In the light of the fact that the grant from Yale-in-China at that time was US\$14,000, this did not seem to be too large a reserve. During the two years from 1938-40 there was a very considerable saving because of the falling value of the Chinese dollar. Due to the confusion of moving, this was not known clearly until the summer of 1940. During the year just passed, 1940-41, the grant of US\$5,000 has been little more than sufficient to carry the School of Science as there was a credit ~~xxx~~ balance of US\$24 for the year. At the present time the surplus amounts to a little more than US\$15,700.

In the light of the fact that the college may have to face the problem of moving back to Wuhan ~~wxxxx~~ and rehabilitation within, we hope, the not-too-distant future, it would seem wise to earmark the bulk of this surplus, say US\$12,000 to US\$14,000, for such a purpose.

In the light of the experience of the past seven years it would seem wisest, in my opinion, to handle the grant from Yale-in-China in much the same manner as formerly. Let the college submit the budget for the School of Science in C\$ for the salaries and in US\$ for equipment. Then ask Yale-in-China to make a grant for the School of Science in US\$ reckoning the total in C\$ at a rate of exchange which seems reasonable at the time the grant is made. If during the year, there ~~y~~ should be a variation in exchange which would cause a deficit for the summer, this deficit to be met from the surplus of the School of Science. If on the other hand, exchange should be more favorable, let any credit balance accrue to the surplus of the School of Science. It might be a good plan to specify that if this credit balance in any one year be more than 10% of the total budget, ~~xxxx~~ one half of it be returned to Yale-in-China.

In reference to the problem of the School of Science for the current year, in the opinion of Dr. Wei and others, it would seem unwise at this late date to make any cuts in the budget which was recommended by the Executive Committee Pro-tem in May of this year. Information has only recently reached Hsichow as to the amount of the grant from Yale-in-China for the current year. If the procedure outlined in the paragraph above had been followed in June of this year, a grant of US\$5,000 would have been adequate to have covered the submitted budget. US\$3,000 was asked for the equipment and books. The item of C\$51,446 would have been covered by US\$2,000 approximately if exchange had been reckoned at 25 to one which was the rate prevailing in Kunming at that time. Therefore if the Yale-in-China Trustees could see their way clear to make their grant to Hua Chung College for 1941-42 US\$5,000 it would seem to be in accordance with the procedure outlined above. Also the enrollment of the college has increased over last year and the rising prices in this part of

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[2]

have the country have increased the cost of operating the School of Science. So it would seem reasonable for the college to ask for the same grant from Yale-in-China as this past year, namely US\$5,000. Then the Board of Founders acting as Directors should draw upon the surplus of the School of Science to make up whatever deficit any arise this year because of the less advantageous rate of exchange and extra salary grants made in September because of the increased prices in Hsichow.

The general procedure outlined in the first part of this memo is ~~substantially~~ substantially the same as I talked over with Mr. Lyford in New York last December, and later submitted at his request to both him and Mr. Smith. The specific proposal for the current year outlined in the paragraph above is what seem to me to be the best way of handling the situation which has recently arisen.

Respectfully submitted,

John L. Coe

Hsichow, Oct. 26, 1941.

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

Dear Mr. Lyford:

In my letter of last week I said that I would let you know shortly after the first of November about the amount of money the college had on hand. At the present time I have a little more than C\$80,000. Under normal circumstances this amount should run the college until early in the new year.

After consultation with Dr. Wei day before yesterday we decided that in the light of the present situation in Hsichow it would be a wise thing to allow the members of the faculty and staff to borrow a certain proportion of their salaries ahead in order to buy rice and other staples, which will probably be lower in price during the next few weeks than later on. The rice harvest is just commencing at the present time, and in this valley it should be a good one. All of these loans are to be on a six-months basis, i.e., one-sixth of the loan is to be paid each month. Last spring at the time of the wheat harvest a certain number of the faculty borrowed on this same basis, and all of them are up-to-date on their repayments. A somewhat similar arrangement was made last fall, and all of the loans made at that time, with one exception, were paid off.

These loans will thus make a heavier drain immediately upon the Chinese currency resources of the college. I think that funds on hand will be ample to cover these loans and the November payments, and leave me some margin for December. Dr. Wei and I do not consider it wise to wait until then to tackle the problem of further exchange. For the moment it looks as though Hongkong would be our best avenue. Yesterday morning I sent off draft #58 for U.S.\$1,000 to the National City Bank in Hongkong, asking them to exchange it into Hongkong dollars. Quoting your letter #25 to Dr. Wei about the Joint Account in New York, I also asked that if there should be any question about the draft, they cable their New York office for confirmation. In case this method works, I shall sell Hongkong cheques in Kunming, as up to the present it has been possible to do, and thus get a considerably higher rate than I could by selling U.S. drafts directly in Kunming. For instance, probably at the present time a U.S. draft in Kunming would bring about C\$18.60 to U.S. \$1.00. The exchange between U.S. dollar and the Hongkong dollar is about H\$4.00 to U.S.\$1.00, and at the present time it is possible to sell Hongkong dollars in Kunming at C\$6.00 or better to H\$1.00; thus netting about C\$24.00 for U.S.\$1.00. In case the National City Bank in Hongkong does not accept this draft and no other favorable avenue seems to be opening up, I will probably cable you towards the end of this month, asking that funds be sent either to Hongkong or to Hsiakwan. The account of the college in the National City Bank in Hongkong is carried as "Central China College."

In August I reported to you that the treasurer of the Reformed Church had deducted U.S.\$325. from his remittance to the college here, because that sum had been paid to you in the U.S.A. A recent letter from him said that he had made a mistake in deducting that \$325., as it was an appropriation from his Board direct to the college in New York and had nothing to do with the grants made to the college on the field. He has since sent me the total grant from the Reformed Church for the current year.

The grants from the different missions and other sources have been received as follows:

- The American Church Mission, the total due through December 1941;
- The London Mission, the total due through December 1941;
- The Methodist Mission, the total due through June 1942;

The Reformed Church, the total due through December 1941; in addition they have recently sent me C\$1,279.95 to help with the subsidies for Dr. Hsiung and Dr. Huang. (Up to the present time they have been paying C\$300. per month for each of these people, and the college had been making up the subsidies.)

The grant from the National Government through December 1941;

From my conversation with Mr. Smith I understand that the grant from Yale in China will be paid on book and other orders sent to the New Haven office and the balance will be paid direct to you.

Wishing you and your family a Happy Thanksgiving, I am

Yours sincerely

John L. Coe

JLC/MRC

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COPY

RECEIVED MAY 26 1942
Hua Chung College, Hsichow,
via Tali, Yunnan, China,
Dec. 4, 1941

Transmitted to C. S. by
National Council of Educational Work
July 27, 1942

Dear Henri:

Your letter of July 27 from Peterborough arrived here on October 13, which is good time for ordinary mail. If it were not for the Clipper, our families would have little recent news of us, but in Mother's letter of Nov. 10 which arrived day before yesterday, she acknowledges mine of Oct. 19, so we do feel fairly close to each other. The trouble with Clipper mail is that it comes in bunches, with the last letter quite recent, but there are two-four week gaps in between -- and sometimes those are worrying. Some people in the U.S. send us letters by 24¢ post - with the words "Airmail from Hongkong to Kunming Only" on the envelope - and generally these letters come through in six weeks; most post offices in the U.S. deny such a mail service, but it works - and that is what counts. Ordinary mail has to wait for a steamer to Rangoon, then come by horsepack from the Burma railhead to Hsiakwan, is automatically transferred to a truck which takes it to Kunming (nothing can persuade the authorities to let our mail stop at Hsiakwan), then is trucked back to Hsiakwan, and brought on to Hsichow by horse; three months from the U.S.A. to Hsichow is generally the quickest time.

I loved your description of Loon Lake. We too have a big lake and a number of mountain streams, but might poor fish. There is only one specie of fish in these parts, and they are all bones; if one can find a big fish with plenty of "meat" on it, it is beyond the price of the family budget.

Can you imagine a China in which there is an acute labor shortage and in which fish, eggs, pork, lard, sugar, peanuts - in fact all the most usual products of the Chinese "street" have so skyrocketed in price that we spend our days trying to live within an ample budget. You may remember that in the "good old days" we lived well if not luxuriously on Ch. \$3.00 a day with plenty of heat and light, chicken, peanuts, pork, fish, lard - if we could find the product on the Chinese "street", we could have it without a worry. Now we live on liver, go very sparingly on pork, allow ourselves chicken once a month, trying to think of recipes without eggs, lard, or milk, and last month it cost us a little over ch. \$20 a day each to live! We fill the lamps as if kerosine were made of gold, and rather than use a charcoal brazier in the evening, we pile on what clothes we have (still not many warm ones since the ravages of the fire) and finally go to bed early to keep warm and save kerosine. The Millers, our next door neighbors, still keep up to the old Miller Family Traditions - at least as much as they can - but even with a household of three and a half (Gertrude Zenk lives with them and young Walter Allen eats two meals a day with them) I gather they find it pretty expensive per diem.

Of course your Economics-Banking husband will say that we should not complain for we receive such wonderful exchange. It is true that early in the summer we did get Chinese \$26 for U.S. \$1, but since the U.S. dollar has been "frozen" or something, we now receive about \$20 for U.S. \$2, and the prices of everything are nearly doubles those of early July. At the present cost of local products (\$.40 for an egg, \$6 a chin for pork, \$15 for a chicken, \$5.50 for a chin of whitish sugar, \$7.50 for a chin of lard before it has been "tried out", etc.) it really is more economical to bring food in from Rangoon over the expensive Burma Road - except that transportation of any kind is so very difficult to obtain. My family write about rising costs in the U.S., but I really doubt if they have been quite so rapid as out here. Our Chinese faculty are nearly beside themselves - especially people with big families - and no subsidy or salary raise is really adequate more than a month after it has been granted.

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Yunnan is underpopulated, and what population there is here goes about in rags-but has enough of food and opium, so why should it do anything else, The natives are delighted to make all the money they can out of us, just so long as it involves no effort. Frequently it is impossible to bargain for a purchase. If you don't want to pay \$.50 for an egg (as some people had to) you can just go home without an egg; some other person will buy it, and if they don't what's the difference anyway, for it will probably bring \$.60 the next day. (Actually, I never paid more than \$.45 for an egg). It may be prices have reached their peak, but if there should be an invasion of Yunnan, or if the Japs should seriously try to cutx the Burma Road, neither of which possibilities do we take very seriously, then there is no telling what prices would do.

In vain we tried to get a servant from somewhere in this provice. For the first six months we lived and boarded with the Millers because there was no flat ready for us. When I arrived here in March (John did not eventually get here till six weeks later), Mrs. Miller had a servant waiting for me - an ex-Kunming policeman who in an earlier life had been a "boy" for Germans in Shanghai. At that time he was receiving what seemed a phenomenal wage, but it appeared to be all I could do. The Millers took him into their household and began the process of "whipping him into shape", nobody but the Millers were surprised when he left at the end of six weeks. Then for about a month we had the ex-Miller coolie, Yang, who later had become the Higgenses' cook in Chennan. He claimed he was robbed enroute from Chennan, costing us about \$100 for his travel, and Hazel about \$150 which she had entrusted to him; he left at the end of a month, and in penniless? condition set up a restaurant with the Constantines' Han Sz-fu as partner. Finally, in desperation I wrote to Bp. Gilman in Hankow and her persuaded "Erh-Lao", who used to work for Miss Dexter, the son of the boy "Hsu" at the Ladies' house on the St. Lois Compound, to make the long and somewhat hazardous trip overland to us. Erh-Lao finally arrived after a two-months-plus journey, in which he was thrown in jail as a spy in one city, and ran out of money in another; getting through the lines was the only easy part of the trip, as far as I can make out. He is here, but he dislikes it intensely, and has signified his intention of returning to Hankow next summer. So we have Erh-Lao to cook, to bring the food upstairs from the kitchen which is in a near-by alley, to sweep some of the rooms, and to do the shopping which is a terrible job with a market only once every three days. We have a girl who does the washing and ironing once a week, but as our clothes and table linen cannot last out a week, I find myself doing the mid-week washing; not to mention sponging and pressing "Popper's" suits, shining shoes, cleaning the cutlery, (nobody by any stretch of the imagination could call it silverware) cleaning and filling oil lamps (a filthy job) delivering all chits by word of mouth, setting the table, and taking all care of the bedroom, etc. It is not that any of this is too hard, but it is time-consuming, and it isn't Central China. You could not find a sewing woman for love nor money, and everything seems to need so much mending here. The Millers have Ho-ch'in with them and his wife of a year-and-a-half; they get a great deal of work out of him and some out of the wife; but life is tempestuous over theresometimes - Ho-ch'in manages to make enough money to hire help to wait on him and the wife, so their domestic staff is fairly adequate to the demands.

The Constantines' Han Sz-fu, who had worked for Connie for ten years, announced that he would be leaving in ten days at the end of September, to take up a lucrative post in Kunming. However, so far he has only retired to the restaurant here on the market street, which he and my ex-Yang are running. The Connie's had to hunt for six weeks before they could find a native person who would even come to try out the job - she seems to be doing fairly well, but Mrs. Connie has to do all but the simplest cooking - and they don't attempt any "style" at all now.

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to get away from domesticity. The college has between 140 and 150 students this term, and they are a nice lot. Everyone is much pleased with them. "Fire-crackers" T. G. Djang was not reappointed last June, and so is now teaching in Lingnan in Hongkong; what a peace reigns over us since his departure! We are sorry that T.W. Zee and family left in early September, but he was offered a very lucrative post in a Shanghai factory and his ~~familyxxxxxxxxxxxx~~ ~~September~~ wife insisted that he accept it. The Chinese murmur about capital coming from across the Inland Sea, but of that I don't know. He writes of a modern dwelling with good plumbing and good schools nearby. However, I cannot blame Mrs. Zee too much for craving to get out of here, as she could not get a servant, and she had six children all accustomed to living well. No city dweller could really love the trials of his place although it is very beautiful. Sidney Hsiao with his German-born American wife are supposed only on the road from Burma. They have been months getting here, having left Cambridge in late July, but they have run into all kinds of transportation difficulties. The John Los (Ruth Earnshaw) are expecting a baby by the end of this month. Logan had to perform an emergency operation, removing a tumor from near the baby, in about the second month of pregnancy; to everyone's delight and surprise, she did not lose the baby. They are going to try to induce labor on Dec. 26 - she has feared the necessity of a Caesarian. Fortunately Logan is here, for the local hospital is most uncertain. Sometimes it has a nurse, sometimes it has not, which is also true of the two local Chinese doctors who are given a bad time by the Board of Managers (local Hsichow elders who want to make a fortune out of the hospital.) The hospital always has bed bugs and rats; however, the patient has to take in a member of the family to do the nursing, and most of a patient's food has to be brought from home. When Mrs. Lo is sick she cannot eat Chinese food, which is all the hospital furnishes. She hoped to have the confinement at home, but because of possible operative difficulties she must be in the hospital near the operating room, etc.

The Logan Rootses, with the three children, cook and amah are here, living in P.V. Taylor's "temple". They are the only foreign children in the town, although there is a school for English and American children in Tali (about 16 children there). Mamie-Lou was simply "floored" by the conditions here at first but she soon got over her depression and appears to be very happy. One trouble is that all during the rainy season (especially bad in June and late Sept) our roofs leak like sieves, and absolutely nothing can be done about it, and the Rootses house had, and still has to some extent, fleas which are "devilish" to get rid of. We are lucky to have Logan in our midst. P.V. Taylor is now in America on furlough. The Millders keep pretty well. When Mrs. Miller was in Rangoon this summer, the oculist told her that one of her eyes was nearly "gone" and nothing could be done about it. She had a new lens for the other eye. But she does not see well. Patsy is still busier than ever over compositions - he cannot understand how the Coes find time for those evenings of Contract.

The Andersons and Miss Bleakley are here, as are your old neighbors, the Richard Biens, Mrs. Bien tried to find a woman to help her, but they were so terrible when found, that she now does all her own work, with plenty of help from Richard; Bow-wen is a most attractive youngster although he is not allowed to go to the Hsichow schools because he might catch a germ. The Hu I's have just left this autumn; he is joining a government teacher's college in Kunming, although it has been bombed so often that I am not sure that classes have started yet. The Huang P'us are here still with their brood as large as ever, and reported to be getting larger. Dr. Wei lives in the Bachelor's mess - his younger daughter Pao-fang is here in the college, and is an attractive girl. Wesley Wan is here too, with his very stylish wife (how she can continue to cover her head

with curls after two-years's separation from a permanent wave is a mystery to all the other women) and his three-year-old son. K.C. Chang, of the Economics Department, also did not have his appointment renewed this summer, but everyone was sorry to see such a pleasant man with his nice family leave us; we now live in their flat. The college is still looking for an Economics man, but they are extremely hard to find either in America or China for various and sundry good reasons.

Our chief diversions are picnics, dinners with a hand of Contract afterwards, Birthday parties, and once a year Christmas and Thanksgiving! We have two radios in the community and generally one of them works well enough so that we can follow the highlights of the news daily. August magazines are coming in now, so you see our reading matter is not up-to-date, and one never receives all the weeklies in "Time" or "Life". You cannot imagine the thrill we get when visitors come to see us. The Millers have a guest Room to entertain the world travellers. Please give our best to the Folwers and to the Viguers when you see them. Hazel Gosline hopes to go home on furlough in January, so if you see her, she can tell you anything I have forgotten. The Arthur Allens are at our school in Chennan, son Walter is teaching English here. The Gilbert Bakers were so delayed in coming through, that they could not make the detour from Hsiakwan to see Hsichow, but I am hoping to meet them later. July Clark says she is going to pay us a visit after Christmas -- she is now Y.Y. Tsu's secretary in Kunming (he is the bishop there now). Jack Foster is in Kunming, working hard on Cooperatives - he may favor us with a visit as Tali is a Cooperative center.

With best wishes to you and your spouse,

Affectionately
(signed) Mary

I am so sorry that I did not get to see you while at home. Boston is near to New York, but about all I seemed to do was gravitate between Ann Arbor and Boston. John joins me in all good wishes. We were so sorry to hear about young Jimmy Fowler. We also learned of him through Mrs. Kemp.

I imagine the Fowlers have told you how all our baggage was burned upon the truck. I had come in ahead of John with the Arthur Allens. All I had with me was a small suitcase, bedding roll for the trip, and camp cot, but everything else was burned up.

"Mary" is Mrs. John C. C.
A. S. K.

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