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1948-1949

TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Finance Committee

January 15, 1948

MINUTES

The Finance Committee of the Trustees of Lingnan University met at nine o'clock A.M. on January 15, 1948 upon call of the Chairman of the Committee at the Fifth Avenue Bank, 530 Fifth Avenue, New York City.

Of the following members, constituting the Finance Committee, those whose names are starred (*) were present:

*Edward Streeter, Chairman
*Alfred Hayes
*Charles D. Hilles, Jr.
Harold B. Hoskins
Lewis N. Lukens, Jr.
Lawrence D. Seymour
*Olin D. Wannamaker

Mr. W. G. Button was present as representative of the Trust Department of the Bank.

* * * * *

Careful consideration was given to all sections of the latest survey of securities presented by the Bank. The Committee discussed at considerable length the possible effect of future developments upon money rates and upon common stock prices. It was the opinion of the Committee that no reason existed at that time to revise the broad investment policy which had been followed in the recent past. In reaching this decision, the Committee was influenced by the following considerations: the importance of avoiding a serious reduction in income; the recently announced policy of the Federal Reserve Board; the relatively sizeable reserve of high-grade short and medium term bonds; the generally sound quality of the securities which comprised the portfolio. As a result of these considerations, the Committee decided to retain all holdings except those mentioned in the following actions.

Upon motion made and seconded, it was duly

F-48-1 VOTED: That 10 shares of New York, Chicago and St. Louis Railway Company common stock, received in the Endowment Fund Account as a distribution on the holding of 400 shares of Chesapeake and Ohio Railway Company stock, be sold and the proceeds credited to the principal in that account.

* * * * *

Upon motion made and seconded, it was duly

F-48-2 VOTED: That Certificate B. 5832, representing 18 shares of GM Shares Inc. received as a donation, be delivered to the Fifth Avenue Bank and that the Bank is instructed to exchange this certificate for General Motors Common Stock and to sell

that stock at the market price; that Mr. Edward Streeter, Chairman of the Finance Committee, is authorized to endorse the certificate of GM Shares, Inc., for transfer and the certificate of General Motors stock for sale.

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After consideration of the principal balances in the various accounts, upon motion made and seconded, it was duly

F-48-3 VOTED: That the Fifth Avenue Bank is hereby instructed until further notice to invest such balances amounting in any individual account to \$1,000 or more in United States Treasury 2s due 1952-54.

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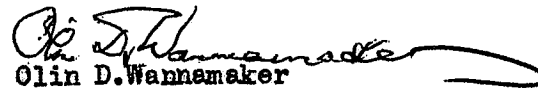
Upon motion made and seconded, it was duly

F-48-4 VOTED: That the total amount of money thus far accumulated in the Special Pension Account of the Trustees be deposited in the Franklin Savings Bank, the Bowery Savings Bank, and the Seamen's Bank for Savings, under the title in each case of Trustees of Lingnan University, Special Pension Account, the amount to be deposited in each bank being left to the discretion of the Secretary, and the requirements for drawing from any of these accounts being upon the signatures of any two members of the Finance Committee; furthermore, that additional monthly increments be deposited in one of these accounts.

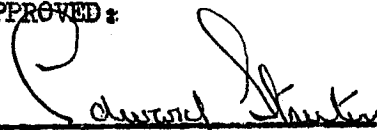
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There being no further business, the meeting was adjourned.

Respectfully submitted,


Olin D. Wannemaker
Secretary

APPROVED:


Edward Streeter, Chairman

TRUSTEES OF LINGNAN UNIVERSITY

SPECIAL MEETING

March 8, 1948

MINUTES

Upon the call of the President, a special meeting of the Board of Trustees was held at the Yale Club, Vanderbilt Avenue and 44th Street, New York City, at 6.30 P.M. on March 8, 1948.

Of the following Trustees, constituting the entire membership of the Board, those whose names are starred (*) were present.

John W. Andrews	Frederick Osborn
*Henry S. Brunner	*Philo W. Parker
Theodore M. Greene	*Francis T. P. Plimpton
*Alfred Hayes	Frederick Pope
Charles D. Hilles, Jr.	William A. Riley
Harold B. Hoskins	*Lawrence D. Seymour
Edward H. Hume	*Edward Streeter
Gerold M. Lauck	Tsin Shue-fan
Lewis N. Lukens, Jr.	*Olin D. Wannamaker
*William McClellan	Brayton Wilbur

At dinner to present a progress report on the survey of the University;
Mr. Raymond Rich and Mr. William W. McPeak

The following excuses for absence were presented to the Board:- Mr. Andrews; official duties required trip to California; Dr. Greene; unable to attend any meeting of the Board this spring; Mr. Hilles; prevented by an unexpected business obligation; Col. Hoskins; out of the country; Dr. Hume; in California; Mr. Lauck; no reply; Mr. Lukens; prevented by an unexpected business obligation; Gen. Osborn; prevented by other engagements; Col. Pope; in Florida; Dr. Riley; unable to make trip from St. Paul; Dr. Tsin; in China; Mr. Wilbur; out of the country.

Survey of the University

Upon adjourning from the dining room to a private room for the meeting of the Board, the President, before taking up other items on the agenda, requested Messrs. Raymond Rich and William McPeak to present a progress report on the first phase of the survey of the University. Because of the sudden death of Dr. William Cherin, who had been conducting the first phase of the survey, and the fact that Mr. McPeak had only a little more than two weeks in which to study the notes of Dr. Cherin and continue the inquiry, he was able to report only in outline form. The members of the Board were provided with a table of the contents of the proposed report on the first phase, and Mr. McPeak presented verbally the main essence of his report up to date. The Trustees were informed that a report on the first phase would be prepared in final form within the course of a few weeks, without additional charge, whereupon copies would be sent to all members of the Board several days in advance of a meeting to be called for final consideration.

After considerable discussion, Mr. Rich and Mr. McPeak were excused and the Board proceeded with its agenda.

Upon motion made and seconded, it was duly:

T-48-1

VOTED: That, when the report on the first phase of the survey of the University is ready for presentation, a meeting of the Executive Committee and the Policy Advisory Committee shall be called, to which all other Trustees shall be invited, at which this report shall be discussed and action shall be taken on the authority of the Executive Committee with regard to prosecution of the survey through the second phase.

* * * * *

Minutes

Upon motion made and seconded, it was duly

T-48-2

VOTED: That the minutes of the annual meeting of December 17, 1947, are hereby approved as circulated.

* * * * *

News Brief items of important news from the University had been sent to the members of the Board prior to the meeting.

Constitution and By-laws

The constitution and by-laws in a draft form as amended by the office of the Trustees with the assistance of Mr. Plimpton were taken up for detailed discussion. A number of minor changes were agreed upon, whereupon it was moved, seconded, and duly

T-48-3

VOTED: That the constitution and by-laws of the Trustees, as presented for consideration at this meeting and with all modifications incorporated which have here been agreed upon, shall be mailed to the Trustees prior to the next meeting of the Board for final ratification. (A copy of the by-laws as thus revised, dated March 8, 1948, and with all pages initialed by the Secretary, is filed in the office of the Trustees and held subject to modification or ratification at the next meeting of the Board.)

* * * * *

United Board

The President reported that he had as yet received no reply from Dr. Eric North, of the United Board, to his letter mailed prior to the meeting of the Lingnan Board on December 17. It was explained to the Trustees that Dr. North had been seriously ill and had undergone a major operation, which probably explained his delay in replying.

Except as shown in 3-48-51 (below)

Reorganization of the Board
Additional Trustees

~~No~~ action was taken with reference to additional Trustees, but a reorganization of the Board, as included in the proposed amended by-laws, was adopted. (See the amended by-laws.)

Budget for 1948-49

The budget as presented, with the usual accompanying financial data, included a forecast of a deficit for 1948-49 of somewhat more than \$17,000. Information had been presented to the Board that this current deficit as forecast for that one year was almost exactly balanced by a total of accrued surpluses for the three preceding years. After due consideration of the situation on the field, and of the need for the items included in the budget, upon motion made and seconded, it was duly

T-48-4

VOTED: That the budget for 1948-49 as presented is hereby provisionally approved, subject to evidence to be presented to the Executive Committee that at the beginning of that fiscal year, there shall be available adequate cash to cover the deficit forecast.

See attached sheet Para 1.

Provost
Dr. Henry
Dr. Frank

Upon suggestion of the President, it was moved, seconded, and duly

T-48-5

VOTED: That Dr. James M. Henry is hereby designated Provost Emeritus and is elected a member of the Board of Trustees, and that Dr. Henry S. Frank is elected Provost.

Because of the lateness of the hour, Dr. Brunner was forced to leave for his train to return to State College before presenting his report on the relationship of the Lingnan Plant Exchange to the general budget of the Trustees. The Secretary explained to the Trustees correspondence which had occurred between Dr. Brunner and Dr. Riley and between the New York Office and both of these members of the special committee appointed to consider this matter - Dr. Brunner, Dr. Riley, Dr. Hume - and that Dr. Brunner had written to the New York Office to say that he would approve at the meeting the proposal which had been incorporated in the data presented to the Trustees before the meeting. Upon motion made and

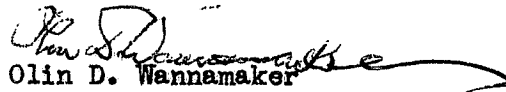
seconded, it was duly

T-48-6

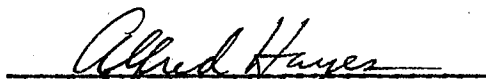
VOTED: That the item pertaining to the Plant Exchange in Florida included in the budget as presented is hereby approved, but that no provision can be made for the maintenance of the Plant Exchange beyond the fiscal year 1948-49 other than the use of income which may be received by the Trustees specifically designated for the Plant Exchange.

There being no further business, the meeting was then adjourned.

Respectfully submitted,


Olin D. Wannamaker
Secretary

Approved:


Alfred Hayes, President

Educational grant for Mr. Tong: Mr. Tong has been an important Chinese employee in the office of the Provost for very many years. A married man with two children he receives about the same salary as an unmarried American. Dr. Frank has just requested, with the strong endorsement of Dr. Henry, that we relieve Mr. Tong slightly by appropriating \$100. per year as an educational grant for the period when his two boys will be going through college. He requests that \$100. be provided within the current fiscal year, ending June 30, 1948 and that \$100. be included in the year 1948-49. The addition of these two items of \$100. each reduces the saving in the case of the Western School just mentioned from \$1,100 to \$900. I think we can scarcely decline to comply with the request of Dr. Frank.

Lingnan Plant Exchange: The Trustees are under obligation to the Rockefeller Foundation to put a minimum of \$3,000 into the Lingnan Plant Exchange budget for the fiscal year 1948-49. A classmate of Professor Groff has recently given a third donation of approximately \$1,000 designated for that work. Professor Brunner has accepted responsibility as chairman of a three-member committee, with Dr. Riley and Dr. Hume, to give special consideration to the Plant Exchange. He will have a report to make to the Board. The total budget for the Plant Exchange, \$7,200, has been included for the fiscal year 1948-49 on the ground that \$4,000 is more or less compulsory, and that the gift income from Penn State may be expected to be \$4,500, so that the balance of \$3,200 can be taken from that money. These comments do not affect the current deficit forecast, but they are based upon a certain feeling of moral obligation not to cut off support from the Plant Exchange too abruptly. Dr. Brunner has most generously undertaken, as chairman of the Lingnan committee at Penn State, to form a committee and plan for solicitation of a select group of alumni of Penn State specifically for the support of the Plant Exchange. We can expect very little from this effort within the coming months, but it is altogether reasonable to expect that considerable support will be obtained from that source within the period of the fiscal year 1948-49. Hence the recommendation of the Office of the Trustees that the budget of the Plant Exchange be kept intact for the year 1948-49.

Cost-of-living Subsidy: Once, since resumption of operations on our campus, we have had to make a payment out of this special subsidy, in 1945-46. Since no request has been made from the field up to the present, we have reduced our estimate of the probable draft upon that item for the current year from \$4,844 to \$1,386. But we have included a rather large figure for the year 1948-49, \$6,033.50. It seems altogether unlikely that the item we are still forecasting for the present year and also the total item for the next year will be called for, \$7,429.50. It is probably not too optimistic to say that there will be a saving of at least \$3,500 of this item.

Pension Fund: The total amount now in the Pension Fund is \$59,540.31. The personnel protected at present under that fund are five married persons at \$1,500 a year and three single persons at \$1,000 a year. Those entitled to retirement immediately or next year are two married men and three single persons, involving a possible total aggregate disbursement for the year of \$6,000. The three remaining persons covered by the pension plan will not be eligible for retirement for four years in one case and seven years in each of the others. It seems to me that the Board should consider eliminating the increment to the pension fund for the year 1948-49 if this cannot be paid without incurring a deficit.

Home Office Salaries: The apparent increase for 1948-49 is misleading. This will be explained verbally if desired.

TRUSTEES OF LINGNAN UNIVERSITY

SPECIAL MEETING

May 20, 1948

MINUTES

Upon the call of the President, a special meeting of the Board of Trustees was held at the Yale Club, Vanderbilt Avenue and 44th Street, New York City, at 6 P.M. on May 20, 1948. The purpose of the meeting was to consider a report on the first phase of the Survey of the University; to determine whether to enter upon the second phase; and to transact other business.

Of the following Trustees, constituting the entire membership of the Board, those whose names are starred (*) were present.

*John W. Andrews	Frederick Osborn
Henry S. Brunner	Philo W. Parker
Theodore M. Greene	*Francis T. F. Plimpton
*Alfred Hayes	*Frederick Pope (present for a brief time)
James M. Henry	*William A. Riley
*Charles D. Hilles, Jr.	Lawrence D. Seymour
Harold B. Hoskins	*Edward Streeter
Edward H. Hume	Tsin Shue-fan
Gerold M. Lauck	*Olin D. Wannamaker
*Lewis N. Lukens, Jr.	Brayton Wilbur
William McClellan	

The following excuses for absence were presented to the Board: - Dr. Brunner, Dr. Greene, Col. Hoskins, Dr. Hume, Dr. McClellan, Gen. Osborn, Mr. Parker, Mr. Wilbur: conflicting engagements. Mr. Lauck: no reply. Mr. Seymour: unexpectedly detained on a business engagement out of the city and unable to return in time. Dr. Henry, Dr. Tsin: in China.

Discussion of the Survey report was initiated by the Trustees during and immediately after dinner. After this initial discussion, Mr. Raymond Rich and Mr. William W. McPeak, of Raymond Rich and William Cherin Associates, were invited to share in the discussion.

Survey Report
First Phase

Several days prior to the meeting the report of Mr. McPeak on the first phase of the Survey of the University was provided in mimeographed copies to all members of the Board expecting to attend. Initial discussion indicated that the Trustees had critically examined this report. It seemed to be the consensus of opinion that the report was somewhat lacking in factual substance and concrete findings - consisting primarily, instead, in statements of problems and questions. It was understood, however, that this characteristic of the initial report was due in large measure to the fact that it was based almost wholly upon material available in America, only very limited new information having been forwarded from the University. The limited nature of the information received from the University was explained, in turn, as having been due to a temporarily inadequate standard of administration at the University in general and excessive burdens carried by a limited number of administrative officers, especially by the Provost.

The discussion of the report and of the proposed second phase of the Survey was thorough and comprehensive. After detailed discussion jointly with Messrs. Rich and McPeak, the Trustees continued this discussion for a prolonged period. Painsstaking consideration was given to the following aspects of the problems involved: - Does the expenditure incurred for the first phase of the Survey seem justified? Is it reasonable to expect that both this expenditure and that required for the second phase will seem justified at the conclusion of the second phase? Since justification of the Survey would seem to depend almost wholly upon the question whether the Trustees will be able to use the findings as a basis for obtaining greatly increased financial support in America for the University, can the Board be reasonably assured that it will be in a position to secure such increased income? If the Board as at present constituted doubts whether it can accomplish the task, can the membership be enlarged or the Board reorganized in such a manner as to render this accomplishment a justifiable expectation? Should the question of proceeding with the Survey or ending it at this stage be determined by the ultimate decision of the Lingnan Board as to its future relationship to the United Board? Should decision as to continuing the Survey be postponed either until decision regarding the United Board has been reached or until a new administration has been inaugurated at Lingnan? What will be the consequence of further expenditures on the Survey and a failure to profit adequately through the use of its findings? What will be the result of not continuing the Survey?

After consideration of all of these questions, in which every Trustee present shared with evident realization of the seriousness of the issues involved for the University, it was moved and duly

T-48-7

VOTED: That Mr. Andrews as chairman of the sub-committee of the Policy Advisory Committee which proposed the Survey, and Mr. Wannamaker, as Secretary of the Board, shall confer with Messrs. Rich and McPeak as promptly as possible for the purpose of attempting to reach a more concrete determination of the character and content of the second phase of the Survey and also any possible reduction in cost, and that agreement shall be reached in the name of the Trustees for the conduct of the second phase unless these two representatives of the Board shall see fit to refer the matter back to the Board for final decision.

* * * * *

Other matters included in the agenda were then taken up as follows:

Minutes

Upon motion made and seconded, it was duly

T-48-8

VOTED: That the minutes of the special meeting of March 8, 1948 are hereby approved as circulated.

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Resignation of Professor Greene

Upon motion made and seconded, it was duly

T-48-9

VOTED: That in view of Professor Theodore M. Greene's regretful statement that his duties at Yale University made impossible his attendance at meetings of the Trustees, his resignation is accepted with profound regret.

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Invitation to Dr. C. G. King

Upon the basis of information conveyed to the Board, it was moved and duly

T-48-10

VOTED: That Dr. Charles Glen King shall be invited to become a member of the Board of Trustees, and that, if he accepts the invitation, he shall be considered as having been elected to membership on the Board.

* * * * *

In the discussion of the possible further strengthening of the Board of Trustees, it was the general consensus of opinion that, in filling other vacancies on the Board, primary emphasis should be placed upon securing new Trustees who will take an interest in the promotional aspect of the responsibilities of the Board.

* * * * *

Budget 1948-49

Upon motion made and seconded, it was duly

T-48-11

VOTED: That, in the light of information presented to the Board by the Secretary which meets the requirements contained in the provisional adoption of the budget on March 8, the budget for 1948-49 is hereby adopted as presented at the meeting of March 8.

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United Board

The Secretary reported verbally certain recent developments in the attitude of responsible persons on the United Board with reference to the future relationship of the Lingnan Board to that corporation. It seemed clear in the light of this recent information that, even if the Lingnan Board should in large measure merge with the United Board, primary responsibility for securing income for Lingnan in America would still rest upon the Lingnan Board. Since the most recent communication from Mr. Hayes to Dr. North had not been answered, no action was in order.

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Lingnan Plant Exchange

A brief written report had been presented in advance with reference to the Lingnan Plant Exchange. A copy of that report is filed with these minutes.

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Special Request from Provost

Letters received from the Provost just prior to the meeting of the Board reported encouragingly on the prospects for a satisfactory replacement for President Lee and also the probability that Dr. Chen Shou-yi and Dr. Y. K. Chu might return from Pomona College to Lingnan University. The Provost had requested that the Trustees appropriate a special subsidy of \$100-\$125 to increase the salary of the new president, this to be a temporary provision to continue until the Chinese administration should be able to replace this subsidy.

Upon motion made and seconded, it was duly

T-48-12

VOTED: That the Trustees are not convinced that this method of subsidizing individual administrative or teaching personnel for whose support the Chinese Directors are responsible is a desirable arrangement, but that, in view of the Provost's request, a subsidy of \$100 per month for the fiscal year 1948-49 is hereby appropriated to augment the salary provided for the new president of the University, payments to be made only from the date of initial salary payments by the Chinese Board of Directors to the new president and not to be continued beyond one academic year.

* * * * *

Because of the lateness of the hour, certain other items of business were not discussed before adjournment.

Respectfully submitted,

Olin D. Wannamaker
Olin D. Wannamaker
Secretary

APPROVED:

Alfred Hayes, President

Charles D. Hayes Jr.

STANDARD B & P "NEWARK"

STANDARD B & P "NEWARK"

TRUSTEES OF LINGNAN UNIVERSITY

Policy Advisory Committee

Meeting of June 2, 1948

Memorandum Minutes

In pursuance of the instructions given by the Board of Trustees at the meeting of May 20, 1948, Mr. Andrews and Mr. Wannamaker conferred with Mr. Rich and Mr. McPeak on June 1 with reference to the second phase of the Survey, especially in the light of the character of the report on the first phase. No positive decision was reached during this conference as to whether the Board should contract with the firm for the second phase of the Survey or not. The firm was to be informed definitely a few days later.


An effort was then made to bring together the members of the Policy Advisory Committee. Unfortunately, it was possible to secure the attendance on such short notice of only Mr. Andrews, Mr. Hilles, Mr. Streeter, and Mr. Wannamaker. In view of the uncertainty which had been emphasized during the discussion at the meeting of the Board regarding the timeliness of the second phase of the Survey, because of the pending change in primary administration of Lingnan University, it was felt that, even with so small an attendance of the larger committee, decisive action would not be out of keeping with the attitude of mind of the Board of Trustees. After prolonged and painstaking discussion, it was moved and duly

PAC-48-1

VOTED: That Raymond Rich and William Cherin Associates shall be informed that no definite date can be set for carrying out the second phase of the Survey.

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Respectfully submitted,


Olin D. Wannamaker
Secretary

APPROVED:


John W. Andrews, Chairman of Sub-committee

TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Finance Committee

July 1, 1948

MINUTES

A meeting of the Finance Committee was called by the Chairman, and convened at the Bank of New York and Fifth Avenue Bank, 530 Fifth Avenue, New York City, at nine o'clock A. M. on July 1, 1948. Of the following members constituting the whole committee, those whose names are starred (*) were present.

- *Edward Streeter, Chairman
- Alfred Hayes
- *Charles D. Hilles, Jr.
- *Harold B. Hoskins
- Lewis N. Lukens, Jr.
- *Lawrence D. Seymour
- *Olin D. Wannamaker, Secretary

Mr. W. G. Button was present as the representative of the Trust Department of the Bank.

* * * * *

The latest review of securities prepared by the Bank was the subject of discussion. Certain suggestions which had been mailed to the chairman of the committee by Mr. Parker, not as positive recommendation but only for discussion, were given careful consideration. In addition, note was taken of the fact that the percentage of common stock in the portfolio of the Board stood at approximately 42% instead of 40%. Consideration was given to the question whether the percentage of common stock should be reduced at the present time; if so, through what actions; and also to the question whether steps should be taken to shorten the average maturity of the bond holdings.

After due consideration it was moved and duly

F-48-5 VOTED: That the following sales and purchases shall be carried out by the Fifth Avenue Bank: -

<u>Sell:</u>	<u>Market</u>	<u>Value</u>
400 shs. Westinghouse Electric Corp.	30	\$12,000
800 shs. General Electric Company	40	32,000
200 shs. Corn Products Refining Co.	62	12,400
		<u>\$56,400</u>
<u>Buy:</u>		
100 shs. Phillips Petroleum Co. (adding to 200 shs. held)	72	7,200
200 shs. Humble Oil & Refining Co.	81	16,200
150 shs. Gulf Oil Corporation	80	12,000
about \$21,000 U.S. Treasury 2 1/2s due 1952-54	103	21,630

* * * * *

With regard to the question of reducing the average maturity of bonds, it was decided to defer any action until the next meeting of the Committee, in view of the fact that the decision to purchase a considerable number of US Treasury 2 $\frac{1}{2}$ s would increase to some extent the reserve of short-term bonds.

Consideration was given to the principal cash balances in the Endowment Fund of approximately \$16,700 and in the Pension Reserve Account of approximately \$2,000.

Upon motion made and seconded, it was duly

F-48-6 VOTED: That the capital balances in the endowment and pension reserve accounts be invested in United States Treasury 2 $\frac{1}{2}$ s of 1952-54.

* * * * *

Attention was called to the fact that 15 shares of Standard Oil Company of New Jersey common stock had been received on June 10th in lieu of the extra cash dividend normally paid at that time by the company.

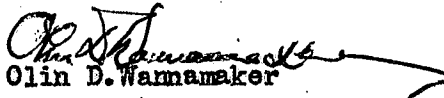
Upon motion made and seconded, it was duly

F-48-7 VOTED: That the 15 shares of common stock of the Standard Oil Company of New Jersey received as a dividend be sold and the proceeds be considered as income.

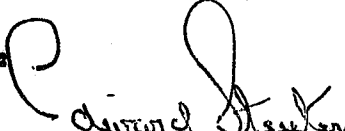
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There being no further business, the meeting was adjourned.

Respectfully submitted,


Olin D. Wannamaker
Secretary

APPROVED:


Edward Streeter, Chairman

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TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Finance Committee

October 7, 1948

MINUTES

Upon the call of the Chairman, the Finance Committee convened at 9:15 A.M. on October 7, 1948 at the Bank of New York and Fifth Avenue Bank, New York City, to consider the latest Review of Investments issued by the Bank. Of the following members constituting the entire Committee, those whose names are starred (*) were present.

*Edward Streeter, Chairman
*Alfred Hayes
*Charles D. Hilles, Jr.
Harold B. Hoskins
Lewis N. Lukens, Jr.
Lawrence D. Seymour
*Olin D. Wannamaker, Secretary

Representing the Custodian: Mr. W. G. Button

* * * * *

A letter from Fidelity Union Trust Company, of Newark, dated September 28, and attached memorandum regarding the withholding of a certain sum of money from the estate of J. Ackerman Coles for a period of ten years pending decision as to taxation by the State of New Jersey, was considered by the Committee. Upon motion made and seconded, it was duly

F-48-8 VOTED: That the withholding temporarily of \$26,000 of a sum amounting to somewhat more than \$42,000 in the hands of the Fidelity Union Trust Company is hereby approved in behalf of the Trustees of Lingnan University.

* * * * *

With the help of an agenda provided by the Chairman of the Committee, the Review of Investments and certain recommendations by the Custodian were then given consideration.

Upon motions made and seconded, the following actions were taken:

F-48-9 VOTED: That under existing conditions it is the judgment of the Committee that there is no reason for altering the existing common stock investments, having a value approximating 40% of the total of the account.

* * * * *

F-48-10 VOTED: That, in order to reduce the average maturity of bonds held in the portfolio of the Corporation, the following sales and purchases shall be carried out by the Custodian:

Current Fund Account

Sell

\$10,500 U.S. Treas. 2 1/2s due 6/15/62-67
3,500 U.S. Treas. 2 1/2s due 6/15/64-69

Buy

\$14,000 U.S. Treas. 2s due 9/15/50-52

Pension Reserve Fund

Sell

\$22,500 U.S. Treas. 2 1/2s due 6/15/67-72

Buy

\$22,000 U.S. Treas. 2s due 12/15/51-55

Endowment Fund

Sell

\$ 9,500 U.S. Treas. 2 1/2s due 6/15/67-72
45,000 U.S. Treas. 2 1/2s due 12/15/67-72
5,500 U.S. Treas. 2 1/2s due 6/15/64-69

Buy

\$25,000 Chic., & West Indiana 4s due 1952
25,000 U.S. Treas. 2s due 9/15/51-53
about
8,500 U.S. Treas. 2s due 9/15/50-52

* * * * *

Upon motion made and seconded, it was duly

F-48-11

VOTED: That one share of Standard Oil Company of New Jersey common stock, received as a dividend on the Standard Oil Company of Indiana stock, shall be sold and the proceeds shall be regarded as income.

* * * * *

The Secretary reported that, in pursuance of decision reached by a mail vote on August 17, 1948, \$15,000. of bonds held in safe deposit box in custodian bank were retained in that box, and that the rest of these bonds had been sold and proceeds deposited in Income Account. Upon motion made and seconded, it was duly

F-48-12

VOTED: That action voted by mail on August 17 and carried out, for sale of part of bonds held in safe deposit box and retention of \$15,000. of these bonds, proceeds of sale to be deposited in Income Account, is hereby confirmed and ratified.

* * * * *

There being no further business, the meeting was adjourned.

Respectfully submitted,

Olin D. Wannamaker
Olin D. Wannamaker
Secretary

APPROVED:

Edward Streeter
Edward Streeter, Chairman

TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Policy Advisory Committee

October 14, 1948

MINUTES

Upon call of the President of the Board, the Policy Advisory Committee of the Trustees of Lingnan University met at six o'clock p.m. at the Yale Club, Vanderbilt Avenue and 44th Street, New York City, on October 14, 1948. The formal session of the Committee began after the members in attendance had dined together. Of the following Trustees, constituting the entire membership of the Committee, those whose names are starred (*) were present.

*John W. Andrews
*Alfred Hayes
*Charles D. Hilles, Jr.
Harold B. Hoskins
*Edward H. Hume

*Lewis N. Lukens, Jr.
William McClellan
Philo W. Parker
*Lawrence D. Seymour
*Edward Streeter
*Olin D. Wannamaker

Excuses for absence: - Col. Hoskins; in the Near East; Mr. Parker; en route to the Far East; Dr. McClellan; temporarily ill.

* * * * *

Minutes

Upon motion made and seconded, it was duly

PAC-48-2 VOTED: That the minutes of the meeting of December 1, 1947 are approved as circulated; and that the minutes of the meeting of June 2, 1948, are approved as presented at this meeting.

* * * * *

Brief items of recent news from the University had been mailed to the members of the Committee in advance of the meeting. A copy of this news report is filed in the office of the Trustees for future reference.

Constitution and By-laws

Copies of the Constitution in the form approved at the meeting of the Board of Trustees on March 8, 1948, and of the By-laws with modifications inserted according to instructions of the Trustees at that meeting had been mailed to the members of the Committee in advance of the meeting. After brief consideration, upon motion made and seconded, it was duly

PAC-48-3 VOTED: That the President and the Secretary of the Board give further study to the Constitution and By-laws and present these for definitive adoption at the next meeting of the Board of Trustees.

* * * * *

United Board

Relationship with the United Board was discussed from several points of view. Since the latest move in negotiations between the Trustees of Lingnan and the United Board had been made by Lingnan, and Dr. North, Chairman of the Committee of the United Board, had clearly indicated recognition of the fact that the next move in these negotiations should be made by his committee, it was decided that no immediate step should be taken by the Lingnan Trustees. The conviction expressed by the Secretary that, from a financial point of view, there would be no difference during the coming six to twelve months due to Lingnan's not having entered into a closer relationship with the United Board confirmed the judgment of the Committee in favor of making no step at that time.

Home Office

Primary consideration during the meeting was given, from all points of view, to a possible increase in money-raising efforts under the auspices of the American Trustees. The President reminded the Committee that Mr. Wannamaker had requested to be retired, and that Dr. Henry had consented to take charge of the Home Office for the coming year, and might be willing to continue for a longer period. Mr. Wannamaker had consented to cooperate in some measure, provided the Trustees should find this necessary and desirable in carrying through their pending plans. Progress was reported in the search for a full-time junior executive to work with Dr. Henry.

Other aspects of the problem taken under consideration were: - Value of the first phase of the Survey, by Raymond Rich and William Cherin Associates; usefulness of the partially completed "Portrait of the University," submitted by the Provost, additional phases to be submitted as early as practicable, including a statement of relative evaluations and priorities among the items covered by the Portrait. ***** Nature of the work which should be undertaken by the Home Office and the consequent additional staff and expenditures which might be required, including the type of junior executive most desirable. ***** Practicable and desirable activities among Chinese alumni and respective relationship to these activities on the part of the Chinese Directors and Administration and the American Trustees. ***** Whether it would be desirable to request Dr. Frank to return for conferences in the near future, and Dr. Henry to arrive earlier than he had expected, at the close of one year as American advisor to the Governor of Kwangtung Province.

The following decisions were reached.

In view of the unlikelihood of early resumption of negotiations with the United Board, it was considered unwise to request Dr. Frank to leave his important duties on the campus of the University. ***** Since Dr. Henry had written that he would endeavor to reach New York before the end of January, pressure to have him terminate his present engagement and arrive earlier seemed hardly desirable. ***** The Secretary was instructed, however, to request Dr. Henry to secure release early enough to spend two weeks in close association with the Provost in order to bring to America up-to-date detailed information regarding the situation at the University and advice as to evaluation and priorities in the Portrait as finally completed. ***** It was agreed that primary responsibility and authority in promotional work among Chinese in America have always rested with the Chinese Administration and Directors, and that information as to plans of this character should be sought through the Provost, in order that the American Trustees might collaborate in any desirable way and also synchronize their own promotional effort with the Chinese.

After careful consideration of the type of junior executive to be engaged, upon motion made and seconded, it was duly

PAC-48-4

VOTED: That the Secretary shall seek for a junior executive to work under Dr. Henry upon his assumption of the office of American Director, the precise nature of his duties to be determined in relationship to the work to be done by Dr. Henry; promise of salary not to be in excess of \$5,000 at the beginning; decision to be shared by Dr. Henry.

* * * * *

Review of Audit

Mr. Hilles and Mr. Seymour accepted appointment by the President as a committee to report at the next meeting of the Trustees on a Review of the Audit for the fiscal year 1947-48.

Budget

1948-49

The budget for the fiscal year 1948-49 had been mailed in advance to the members of the Committee with forecast as of the date of the meeting and with the addition of salary for six months for a junior executive. The Secretary called attention to the inadequacy of the furlough salary for American faculty members and suggested some increase in the salary provided for Dr. Howard Rhoads in America during the current year. After due consideration, it was duly

PAC-48-5

VOTED: That the salary for Dr. Rhoads for the furlough period be changed from the budgeted amount, \$3,060, to \$3,600.

* * * * *

Appropriation by

Standard Vacuum Oil Company

Together with budgetary information as mailed in advance, attention was called to delay in meeting certain conditions attaching to the offer of \$10,000 per year for two years by Standard Vacuum Oil Company, and to the effort being made to meet those conditions.

Need for Capital Funds

Emphasis was laid upon the fact that all capital funds for repairs and equipment, provided through the United Board, had been virtually exhausted and that there would be great need in the coming months for capital funds for such purposes.

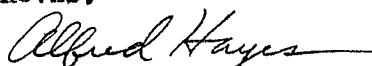
* * * * *

There being no further business, the meeting was adjourned.

Respectfully submitted,

Olin D. Wannamaker
Secretary

APPROVED:


Alfred Hayes, Chairman

CONSTITUTION
ATTACHED

TRUSTEES OF LINGNAN UNIVERSITY

SEMI-ANNUAL MEETING

January 26, 1949

MINUTES

Upon the call of the President, the semi-annual meeting of the Board of Trustees was held at the University Club, Fifth Avenue and 54th Street, New York City, at 6 P.M. on January 26, 1949.

Of the following Trustees, constituting the entire membership of the Board, those whose names are starred (*) were present.

John W. Andrews	Frederick Osborn
*Henry S. Brunner	Philo W. Parker
*Alfred Hayes	Francis T. P. Plimpton, Esq.
*James M. Henry	Frederick Pope
*Charles D. Hilles, Jr.	*William A. Riley
*Harold B. Hoskins	Lawrence D. Seymour
Edward H. Hume	*Edward Streeter
*Charles Glen King	*Olin D. Wannamaker
Gerold M. Lauck	Brayton Wilbur
Lewis N. Lukens, Jr.	Tsin Shue-fan
William McClellan	

The following excuses for absence were presented: Mr. Andrews: detained on jury duty; Dr. Hume: in Florida; Mr. Lauck: no response; Mr. Lukens, Dr. McClellan, General Osborn, Mr. Plimpton, Mr. Seymour: conflicting engagements; Mr. Parker, Colonel Pope: out of the country; Mr. Wilbur: unable to come from California; Dr. Tsin: in China.

* * * * *

The President introduced to the Trustees present Dr. Charles Glen King, who had recently accepted membership on the Board.

* * * * *

Upon receiving the news of the death on January 8, through an automobile accident, of former President Charles K. Edmunds, the Trustees stood in respect to the memory of Dr. Edmunds and, upon motion made and seconded, it was duly

T-49-1 **RESOLVED:** That the Trustees of Lingnan University have received with profound distress news of the sudden death of Dr. Charles Keyser Edmunds;

That they desire to express and record their recognition of the outstanding service rendered during the formative and rapidly developing phase in the history of Lingnan University by Dr. Edmunds as a teacher of chemistry and head of that department in the institution and then for a number of years as President, during which period he contributed greatly to the material and intellectual development of the institution;

That a copy of this resolution be mailed to the members of the bereaved family of Dr. Edmunds, with an expression of the deepest sympathy of the Trustees, and that the resolution be spread upon the minutes of this meeting.

Minutes

Upon motion made and seconded, it was duly

T-49-2 VOTED: That the minutes of the meeting of May, 20, 1948, are hereby approved as circulated.

Transfer in administration of New York Office

In accordance with arrangements previously determined upon, action was taken to transfer the administration of the New York Office from Mr. Wannamaker to Dr. James M. Henry, long in the service of the University in China. After an expression of thanks to Mr. Wannamaker for his service during twenty years and of welcome to Dr. Henry on the occasion of transfer of his place of activity from China to America, the following motions were offered, seconded, and duly

T-49-3 VOTED: That, as of the close of business on January 31, 1949, the offices of American Director, Secretary, and Assistant Treasurer of the Board of Trustees of Lingnan University shall be transferred from Olin D. Wannamaker to James M. Henry, and that all responsibilities and authority pertaining to each of these offices shall thenceforth and until further notice be exercised by Dr. Henry.

T-49-4 VOTED: That, as of the close of business on January 31, 1949, authorization previously held by Olin D. Wannamaker, as Assistant Treasurer of the Trustees of Lingnan University, to sign checks jointly with another Assistant Treasurer or a member of the Finance Committee of the Corporation on the Income Account of the Trustees in the Bank of New York and Fifth Avenue Bank is hereby cancelled and that thenceforth and until further notice the same authorization is conferred upon James M. Henry, as Assistant Treasurer of the Trustees.

T-49-5 VOTED: That, as of the close of business on January 31, 1949, authorization previously held by Olin D. Wannamaker to have access, jointly with one other member of the Finance Committee of the Trustees of Lingnan University, to the safe deposit box of this Corporation in the Bank of New York and Fifth Avenue Bank is cancelled, and that thenceforth and until further notice the same authorization is conferred upon James M. Henry, as Assistant Treasurer of the Trustees.

T-49-6

VOTED: That, as of the close of business on January 31, 1949, authorization previously held by Olin D. Wannamaker to have access to the safe deposit box maintained by the Trustees of Lingnan University in the Corn Exchange Bank, corner of Fifth Avenue and 20th Street, is cancelled, and that thenceforth and until further notice the same authorization is conferred upon James M. Henry and Margaret Meyer each, as an Assistant Treasurer of this Corporation.

Mr. Wannamaker had requested to be retired at the end of February 28, 1949. The Board urged, however, that he continue to serve on a half-time basis and with half salary from that date until the end of the fiscal year on June 30, 1949. With the hope that the strengthened office staff might result in adequate increase in current income to justify the increased overhead, Mr. Wannamaker consented to this arrangement, with appreciation of the confidence of the Trustees.

Constitution and By-laws

Copies of the Constitution and By-laws as provisionally adopted by the Trustees on March 8, 1948, with modifications then agreed upon inserted in these copies, and as further considered by the Policy Advisory Committee on October 14, 1948, had been provided in advance to the members of the Board. Further slight alterations recommended by the President and the Secretary of the Board had been in part inserted in these copies and were in part submitted in a separate sheet of recommendations. After detailed consideration, upon motion made and seconded, it was duly

T-49-7

VOTED: That the Constitution and By-laws as presented at this meeting with modifications adopted during the meeting, are hereby adopted as a whole, this adoption to be ratified at the annual meeting of the Trustees. The Secretary is instructed to file in the minute book of the Trustees a copy of the Constitution and By-laws as thus adopted, this copy to be certified before a notary public.

Informal report
by Dr. Henry

Upon invitation of the President of the Board, Dr. Henry submitted an informal verbal report on the general conditions prevailing in South China when he ended his service of one year as American Advisor to the Governor of Kwangtung Province early in January, and the general situation prevailing at the University at that time. He was questioned by members of the Board on various aspects of the present situation in China and at the University, which he discussed with reserve because of the extremely fluid conditions prevailing in the civil war.

Committees

Because of the need for certain changes in committees, the President announced the following revisions:

Committee on Nominations

Lewis N. Lukens, Jr., Chairman
John W. Andrews
Charles D. Hilles, Jr.
Lawrence D. Seymour
Olin D. Wannamaker

Policy Advisory Committee

Alfred Hayes, Chairman
John W. Andrews
Charles D. Hilles, Jr.
Harold B. Hoskins
Edward H. Hume
Charles Glen King
Lewis N. Lukens, Jr.
William McClellan
Philo W. Parker
Lawrence D. Seymour
Olin D. Wannamaker

Committee Appointments

William A. Riley, Chairman
Henry S. Brunner
Charles Glen King

Committee on Review of Audit

Charles D. Hilles, Jr., Chairman
Lawrence D. Seymour
Francis T. P. Plimpton

The Board was reminded that the President and the Secretary are ex officio members of all standing committees.

Office of President

Mr. Hayes announced to the Board, with great regret, that he would be compelled at a not distant date to resign from the office of President, since his daily duties were too pressing to render possible the devotion of adequate time to the duties of this office. There was a unanimous expression of deep regret on the part of the Trustees at this announcement and the hope that Mr. Hayes might find it possible to continue his valued leadership of the Board.

Review of Audit

In behalf of the Committee for the Review of the Audit, Mr. Hilles reported that he and Mr. Seymour had examined the audit of the books for the year 1947-48 and found this audit satisfactory.

Financial Forecast

The financial forecast for the current fiscal year, ending June 30, 1949, was examined together with an exhibit showing the balance in the Current Fund Surplus. The President called attention to the seriousness of the current financial situation, including the forecast of a deficit of approximately \$19,000, which would to that extent reduce the Current Fund Surplus.

Lingnan Plant Exchange

Prior to the meeting of the Board, a report had been submitted to the members containing an excerpt from recent minutes of the committee at The Pennsylvania State College dealing with the work of Penn-State-in-China, which included a recommendation from that Committee for adoption by the Trustees concerning the Plant Exchange in Florida, operated for a number of years by Professor G. Weidman Groff. The Trustees manifested great reluctance to cease supporting the Plant Exchange in Florida but felt compelled very greatly to reduce the measure of support because of the impossibility of meeting obligations in China and also supporting the work in Florida. After careful consideration, upon motion made and seconded, it was duly

T-49-8

VOTED: That Professor Groff should proceed as rapidly as possible to arrange with the Christian Service Training Center for transfer of the work and the facilities of the Lingnan Plant Exchange now located at Laurel, Florida, to the Christian Service Training Center on Reedy Lake near Babson Park.

That it is understood, however, that although Professor Groff's work cannot be supported in the same measure by the Trustees of Lingnan University after June 30, 1949, it is to continue as a recognized part of the whole program of Lingnan University; that money received by the Trustees with designation for the Plant Exchange will be remitted for that purpose; and that annually, so long as Professor Groff is in a position to conduct the exchanges, \$500. shall be set aside for plant exchange with Lingnan planned by Professor Groff and \$500. of the funds budgeted by the American Board of Trustees to the University in China shall be earmarked for plant exchange, the nature, quantity, and direction of which shall be determined by the faculty of the College of Agriculture at Lingnan.


* * * * *

Because of the lateness of the hour, no specific discussion of promotional plans for the use of the strengthened staff in the office of the Trustees, with the hope of increasing current income, could be included before the end of the meeting, which was adjourned at approximately 10:45 o'clock.

Respectfully submitted,

Olin D. Wannamaker
Secretary

APPROVED:


Alfred Hayes, President

ORIGINAL CERTIFIED

COPY IN LINGNAN SAFE

TRUSTEES OF LINGNAN UNIVERSITY

CONSTITUTION

Preamble

Section 68 of the Education Law of the State of New York comprises the basis of the Constitution of this Corporation. All articles below except Article I, the original Declaration of Purpose, are derived entirely from that legal source.

Article I

Original Declaration of Purpose

The purpose of the Trustees is to establish at Canton, China, under Christian auspices, an educational institution of the highest standards.

Article II

Trustees

1. Authority and Duties. The Trustees of Lingnan University exercise ultimate authority in all matters pertaining to the institution, as incorporated under the University of the State of New York. This authority may, however, be delegated to committees or officers elected by the Board of Trustees within the restrictions imposed by the Educational Law of the State and by the By-Laws of the Trustees.
2. Number. The Trustees shall number not less than 15 and not more than 25, as may be determined by the Board.
3. Election. Election to membership on the Board of Trustees shall occur only by a majority vote of the Trustees attending any duly constituted regular or special meeting.
4. Invalidation of Membership. Absence from three successive meetings of the Board, without acceptable excuse, shall constitute resignation.
5. Notice of Meetings. Notice of all meetings shall be mailed to each member of the Board not less than 5 days and not more than 10 days prior to the date set for the meeting.
6. Quorum. A majority of the Trustees shall constitute a quorum.

7. Committees of the Trustees. At the annual meeting, an Executive Committee and a Finance Committee, each to be comprised of at least five members and each to include the President, the Treasurer, and the Secretary, shall be elected to serve for the ensuing year or until their respective successors shall have been elected and have taken office. The duties of these committees shall be defined in the By-Laws. Other committees may be elected by the Trustees or appointed by the President of the Board.

8. Property Holding. The Trustees shall receive all gifts, grants, devises, or bequests made in behalf of the purpose for which the Board was incorporated.

9. Control of Property. The Trustees shall, at their discretion, buy, sell, mortgage, let, and otherwise use and dispose of the property of the Corporation as they may consider to be for the best interests of the institution. The Trustees may let the entire plant of the University to a Board of Directors duly constituted under the authority of the Government of China provided that the terms of the lease shall include the binding stipulation that the property shall be used solely for the purpose stated in Article I of this Constitution and also shall contain a clause empowering the Trustees to cancel the lease if at any time, in their judgment, this purpose is being violated or cannot be fulfilled.

10. Officers and Employees. The Trustees shall appoint such officers and employees as they shall deem necessary, and these shall hold their offices during the pleasure of the Trustees. No Trustee as such shall receive compensation.

11. Degrees and Credentials. The Trustees may grant such degrees and honors as are specifically authorized by the Charter, and may give suitable certificates and diplomas under their seal in testimony thereof.

12. Rules. The Trustees shall make all By-Laws and rules necessary and proper for their purposes and not inconsistent with the law under which they have been incorporated.

13. Amendment. This Constitution may be amended in such a manner as will not conflict with the law under which the Corporation is chartered by a two-thirds vote of the Trustees in attendance at any duly constituted meeting.

BY-LAWS

Article 1

Meetings and Terms of Service of the Trustees

1. Meetings. The Trustees shall hold two stated meetings each year, a semi annual meeting between November 1 and December 31, and an annual meeting between April 1 and June 1, in each case at the call of the President. Special meetings may be called by the President or, in his absence, by a Vice President.

2. Terms of Service. The Trustees shall be divided into three approximately equal classes. At the first annual meeting after which these amended By-laws take effect, one group shall be elected for one year, one for two years, and one for three years. Thereafter, at each annual meeting, elections shall be for three years. Trustees elected to replace others leaving the Board shall serve for the unexpired part of the term of the Trustees thus replaced.

Article II

Officers of the Trustees and Their Duties

1. Officers. The officers of the Board shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer, an Executive Officer to be known as the American Director, and such other officers as may from time to time be deemed desirable for the proper discharge of the functions of the Trustees. More than one office may be held by a single Trustee, except that the offices of President and Vice President must be held by different Trustees.

2. Election. The officers shall be elected at each annual meeting of the Board, to serve for the ensuing year and until their respective successors shall have been elected. The President, the Vice President or Vice Presidents, the Secretary, and the Treasurer shall be chosen from the membership of the Board.

3. Duties. The functions of the officers named above shall be those generally exercised by such officers, and such additional functions as may be prescribed by the Board.

4. The Seal of the Corporation. The Secretary of the Corporation shall have in his custody the seal of the Corporation and shall affix it to documents executed under the Corporation's authority, and in his absence it shall be in the custody of the Treasurer or an Assistant Treasurer, and may be affixed by one of these officers.

Article III

Committees of the Trustees and Their Duties

1. With the exception of the Executive and Finance Committees, all committees of the Board may be either appointed by the President or elected by the Board. Chairmen of the Executive and Finance Committees shall be elected by the Board; chairmen of all other committees shall be appointed by the President. The President and the Secretary shall be ex officio members of all committees. Between annual meetings of the Board vacancies on all committees shall be filled by the President of the Board.

2. Executive Committee. The Executive Committee shall have, so far as may be permitted by law, all of the powers of the Trustees between meetings of the Board, except to grant degrees and make removals from office, and except such powers as are assigned to the Finance Committee and such as may from time to time be assigned to special committees.

3. Finance Committee. The Finance Committee shall have custody, either directly or through a custodian bank or trust company selected by it, of all cash and securities of the Corporation. It shall review the securities of the Corporation at least once each quarter unless a majority of the Committee shall in writing waive any particular quarterly review. It shall have authority to retain, purchase, sell or exchange investments from time to time, without limitation as to the character of such investments, as in its judgment may be in the best interest of the Corporation. It shall have authority on behalf of the Corporation to participate in any plan of re-organization, consolidation, or similar plan, and to exercise all conversion, subscription, voting, and other rights, and to grant consents and proxies, which may be discretionary. It shall have authority on behalf of the Corporation to purchase, rent, or otherwise acquire, sell, lease, option, mortgage or otherwise dispose of and deal in any investment real property or any interest therein. It shall have the power to execute on behalf of the Corporation, either directly or through a delegated representative, deeds, mortgages, leases, options, releases, and contracts, including acceptance and devises.

Any member of the Finance Committee shall have the power to sign transfers of securities belonging to the Corporation.

The Finance Committee shall have power to proceed by legal action in the collection of any debt or interest upon such debt owed to the Corporation which may be overdue.

The Finance Committee shall designate from time to time, officers of the Corporation, or members of the Board, who shall have authority to draw on any bank account of the Corporation, all checks, however, to be signed by two of such designate persons, except when special authorization is voted by the Committee for use of a single signature.

The Finance Committee may authorize from time to time any two or more of its members to have access jointly to the securities of the Corporation, and any one member of the Committee or any employed officer to have access to other valuable documents than securities.

The Finance Committee shall submit a report in writing to the Trustees in advance of each annual meeting of the Board.

The books of the Corporation shall be audited at least once a year by an independent auditor or auditing firm elected by the Board. The audit shall be reviewed by a committee of three Trustees appointed by the President of the Board, at least one of whom shall not be a member of the Finance Committee.

4. Committee on Appointments. The Committee on Appointments shall pass judgment upon the fitness of all persons under consideration for appointment by the Trustees to the faculty of the University. It shall also pass judgment upon any person nominated to be sent from America on scholarships or fellowships for study at the University.

5. Quorum. A majority of any committee of the Board shall constitute a quorum, and a majority of those present at a meeting attended by a quorum shall have power to act.

Article IV

Representative of the Trustees in China

Within such restrictions as are imposed by the Education Law of the State of New York and by the Constitution and By-laws of the Corporation or by special actions taken by the Corporation from time to time, the Trustees shall be represented in China by the administrative head of the American faculty of the University, to be known as the Provost. It shall be his duty to serve as a liaison officer between the Trustees in America and the Directors in China and also between the Trustees, the Directors and the Administration, on the one hand, and the American faculty on the other. He shall submit a comprehensive report on the state of the University in advance of each annual meeting of the Board, with requests and recommendations for the ensuing year, and with suggestions as to changes in policy or any other matters requiring consideration by the Trustees. He shall include in this report also all specific requests of the Directors for cooperation by the Trustees, together with his comments thereon.

Article V

Budget

The Provost shall communicate to the American Director, not later than October 15 of each year unless a later date is authorized by the President of the Board a preliminary statement of financial requirements on the field for the next fiscal year. The American Director shall complete this statement of needs, and shall present a draft budget for preliminary consideration at the semi-annual meeting of the Trustees. In the light of action then taken and of later developments, a final draft budget shall be presented at the annual meeting and there voted upon.

No expenditure which is not included in the budget as authorized by the Board shall be incurred without approval of such non-budgeted expenditure by the Executive Committee, except that in cases of emergency the President of the Board, or in his absence, the Chairman of the Executive Committee shall have the power to authorize un-budgeted expenditures; and further, in cases where moderate additions are obviously unavoidable in budgeted items, the American Director shall have the authority to make such expenditures, his action to be ratified at the next ensuing meeting of the Executive Committee or the Board.

All items in the budget as approved by the Trustees shall be considered as constituting credits which may be drawn upon as needed to cover expenses of the fiscal year in question. Unexpended portions of these credits shall revert to the Treasury of the Trustees.

Article VI

Amendments

These By-laws may be amended or repealed and additional By-laws may be adopted by a majority vote at any meeting attended by a quorum provided that the notice of the meeting shall have specified or outlined the proposed amendment, repeal, or addition.

STANDARD OF "KODAK"

TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Policy Advisory Committee

April 13, 1949

MINUTES

Upon call of the President of the Board, a meeting of the Policy Advisory Committee of the Trustees of Lingnan University was held at the University Club, Fifth Avenue at 54th Street, New York City, on April 13, 1949. The meeting was called to order at 5:15. Of the following Trustees, constituting the entire membership of the Committee, those whose names are starred (*) were present.

- | | |
|-------------------------|----------------------|
| John W. Andrews | Lewis N. Lukens, Jr. |
| *Alfred Hayes | William McClellan |
| *Charles D. Hilles, Jr. | *Philo W. Parker |
| *James M. Henry | Lawrence D. Seymour |
| Harold B. Hoskins | Edward Streeter |
| *Edward H. Hume | Olin D. Wannamaker |
| Charles Glen King | |

Excuses for absence: - Mr. Andrews, Dr. King, Mr. Lukens, Dr. McClellan, Mr. Seymour: conflicting engagements; Mr. Hoskins, Mr. Wannamaker: out of the country; Mr. Streeter: out of the city.

* * * * *

Budget, 1949-50

The tentative budget for 1949-50 was discussed. The general feeling was that the prospective \$15,000 deficit which was forecast must be reduced. Consensus of opinion was that the proposed replacement for Mrs. Ruth Mack in the Department of English must be eliminated. This would reduce the proposed budget by \$1,975.

* * * * *

Visiting Professors -
Drs. Brunner and Northrop

The desirability of having Trustee Dr. Henry S. Brunner take his sabbatic leave on the Lingnan campus 1949-50 was felt by every one. Mr. Parker saw no reason why the amount involved, approximately \$5,000, should not come from the Standard Vacuum appropriation, provided this did not interfere with President Chen's emphatic wish to have Dr. F. S. C. Northrop, Stirling Professor of Philosophy at Yale, come to Lingnan as an exchange professor. It was understood that Dr. Henry would report on this as soon as possible.

* * * * *

Pension for
Mr. Wannamaker

The question of Mr. Wannamaker's pension was discussed and it was felt by all present that the minimum that should be considered was \$1,800 a year.

* * * * *

STANDARD OF "KODAK"

John Christie's trip
to Lingnan

Dr. Henry reported that after discussion with Dr. Frank and Mr. Wannamaker it was proposed to have John Christie go to Lingnan early in June for approximately a year. This could be arranged without adding to the budget.

* * * * *

New Trustees

The question of new Trustees was discussed and among the names brought up were those of Mr. Huntington Gilchrist, Francis Dewitt Pratt, Dr. John Fairbank, Mr. Fowler Hamilton. The general feeling was that it might be well to get a larger list of proposals if possible for discussion at the annual meeting in May. Also it was felt that the program for Lingnan's future development due shortly from President Chen and Dr. Frank, would have an important bearing on the nomination of new Trustees.

* * * * *

Mr. Hayes' temporary
absence

Mr. Hayes stated that he would be out of the country from early May until the latter part of July. He asked Mr. Hilles to act in his absence.


* * * * *

There being no further business, the meeting was adjourned.

Respectfully submitted,


James M. Henry
Secretary

APPROVED:


Alfred Hayes, Chairman

TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Finance Committee

May 12, 1949

MINUTES

A meeting of the Finance Committee of Lingnan University was held at the Bank of New York and Fifth Avenue Bank, 530 Fifth Avenue, at 9:15 A.M., Thursday, May 12, 1949.

Of the following members, constituting the entire membership of the Finance Committee, those whose names are starred (*) were present:

- *Edward Streeter, Chairman
- Alfred Hayes
- *Charles D. Hilles, Jr.
- *Harold B. Hoskins
- Lewis N. Lukens
- *Lawrence D. Seymour
- *James M. Henry, Secretary

Mr. W. G. Button was present as representative of the Bank.

A review of the investment account, dated March 30, 1949, which was submitted by the bank, was discussed in detail, with particular consideration being given to diversification in the light of prospective business and economic conditions. It was decided to maintain the present ratio of stocks to bonds, but the bank was requested to communicate with the Committee in the event that the ratio of common stocks declined to a figure approximating 35%.

After due consideration it was moved and duly

F-49-1 VOTED: That all present holdings be retained except for the following sales and purchases: -

<u>Sell:</u>	<u>Market</u>
\$25,000 Atchison, Topeka & Santa Fe Railway 4% of 10/1/95 (Endowment Fund)	125
100 shs American Telephone & Telegraph Co. (Current Fund Account)	141
 <u>Buy:</u>	
\$30,000 American Tobacco 3% deb. due 4/1/62	103
300 shs Cleveland Electric Illuminating Co.	40
About 61 9/11 shs Manufacturers Trust Co.	50

Upon being informed that the holding of \$10,000 New England Telephone & Telegraph 5% of June 1, 1952 would be redeemed at par on June 1, 1949, it was

moved and duly

F-49-2

VOTED: That the proceeds of the sale of New England Telephone and Telegraph in the portfolio shall be invested in \$10,000 Chicago & Western Indiana Rwy. 4s of July 1, 1952.

* * * * *

Upon being informed that 100 rights in American Telephone & Telegraph Co. would shortly be received by the Trustees, and that 12 shares of Standard Oil Company of New Jersey common stock would be received on June 15 as a stock dividend, it was moved and duly

F-49-3

VOTED: That rights in American Telephone & Telegraph Company and shares in Standard Oil Company of New Jersey to be received by the Trustees in the near future shall be sold, proceeds in both cases to be credited to the income account.

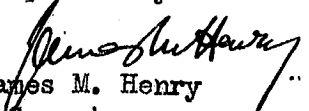
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The Committee discussed the income currently being produced by the fund, and Dr. Henry stated that the earnings available for the operation of the office have not been sufficient to cover expenses. It was the opinion of the Committee that the average return of the portfolio, which approximates 4.19%, is reasonable under present conditions, but it was suggested that as soon as information is available showing the returns being produced by the leading educational and charitable funds for the year 1948 a summary of such information be prepared and submitted to the Committee.

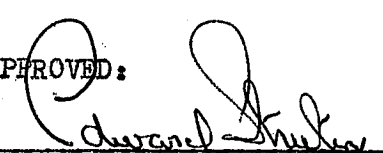
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There being no further business, the meeting was adjourned.

Respectfully submitted,


James M. Henry
Secretary

APPROVED:


Edward Streeter, Chairman

Confidential Report
to the
TRUSTEES OF LINGNAN UNIVERSITY
Submitted by the Provost
June 1, 1949

INTRODUCTION

The practice of having the Provost or Vice Provost submit a report to the Board of Trustees on the occasion of a Board Meeting has been intermittent, but the critical nature of the period through which the University is now passing makes it desirable to resume this method of communication. The number of things which can be stated with assurance is drastically reduced by the uncertainty of the general situation in South China, but this gives added importance to the things about which we can be sure, and makes it vital to the future of the institution that these "strong points" should be maintained. It will be the purpose of this somewhat rambling report to point out some of the certainties and uncertainties, and some of the strengths and weaknesses of the position, with a view both to giving as clear a picture as may be, and to supporting certain recommendations to which the analysis will lead. Advantage will be taken of the fact that the American Director is at once a Trustee and the possessor both of intimate and recent experience with the local situation in Canton and of such detailed information as it has been possible to send in the correspondence of the past months. This will make it possible to cut down the length of this report by giving it more the nature of a summary, leaving the documentation to be supplied by him.

CONDITION AND POLICY OF THE UNIVERSITY

The present state of Lingnan University contains one set of decisive factors arising out of the political, social, and economic situation of South China, and another set produced by the history and nature of the University itself. In respect of the latter factors, a profound change has taken place during the past twelve months, for it was almost exactly a year ago that Dr. Ch'en Sho Yi sent the telegram from Tientsin which informed us that Dr. Chen Su-Ching would be able to accept the Presidency of the University. President Chen assumed office on August 2, 1948, and since that time has (a) guided a transfer of administration so smooth that there has been no sign of dissension or faction at any time; (b) managed the finances of the Chinese administration so as to end the year solvent, and with a modest reserve for the emergencies which may be ahead; (c) completely reorganized the Medical College, which has now a staff which in any period would be recognized as among the strongest in China; (d) strengthened the other colleges, particularly the College of

Abstract of
Confidential Report
to the
TRUSTEES OF LINGNAN UNIVERSITY
Submitted by the Provost
June 1, 1949

CONDITION AND POLICY OF THE UNIVERSITY

The internal situation of the University is very different from what it was a year ago, due to the good fortune of the Directors in securing Dr. Chen Su-ching as President, and to his outstanding success during his first year. Important progress has been made in many directions, and the President has plans for the further improvements which are needed. (pp. 1,2)

The press of immediate problems has delayed the drawing up of a formal policy statement, but the President has been following a policy, most of which has been arrived at by consultation with an unofficial "cabinet", of which I have the privilege of being a member. A sort of preview of certain points which a later policy document will doubtless contain mentions:

1. The establishment of a new College of Commerce (pp. 2,3)
2. The stabilizing of the student body at a figure of 1500 (pp. 3,4)
3. The moving of the Middle School to a new site on the eastern edge of the campus (p. 4)
4. A building program which will include a library, staff housing, and a Student Union and International House (see also #7) (p.4)
5. A comprehensive plan for development of the Medical College (p.4)
6. The desire for an increase in Western Staff particularly in certain categories (p.5)
7. The desire to extend the Exchange Student program (p.5)
8. The possibility that assistance given by the Trustees should include recurring contributions to the current budget (p.5)

IMPACT OF EXTERNAL CONDITIONS

The whole future of the University is at the moment clouded by the uncertainties of the political situation in China. Present prospects are that a change in regime will occur in Canton at any time between two weeks and two months from now. (p.6) Indications are that the take-over will be free from disorder, and that the immediate treatment of the University, and of the Americans here, will be moderate (p.6). The morale of the campus is excellent. In particular, all Americans have made their own decisions to stay through and see how well we can operate under new conditions. Should there appear any probability of disorder, of course, the President and I will take the initiative in sending women and children away. In the meantime prudence has dictated the laying in of supplies, and the taking of steps to strengthen campus security procedures. (p.6)

My own feeling is that enough variable factors will enter into the policy of any regime to encourage us to "play for the breaks". The final outcome may be bad, but it cannot turn out well unless we act now on the assumption that this will be possible (p.7).

IMPACT OF EXTERNAL FACTORS

At the moment, of course, the whole of the future is clouded by the following questions: 1. Will there be a change of regime in South China? 2. If not, what will be the political and economic background against which Lingnan must work? 3. If so, when will it come, and what will be the effect on Lingnan of (a) the transition process? (b) the immediate attitude of a new regime? (c) and the long-range conditions it will produce including attitude of the regime, political stability, and economic state of China, and the attitudes of the U.S. Government and of U.S. public opinion toward development here?

Briefly, almost every one here is agreed that the answer to question 1 is yes. This automatically rules out question 2. As to 3, I have two kinds of information, one of which leads to the conclusion that the change-over will come about two months from now, and this is the majority view. The other suggests that the immediate occasion for the change-over may be political rather than military, and this might bring the change as early as two weeks from now. The effect on Lingnan of the change-over process will depend both on how it takes place and on the morale of the staff and students. As to the former, all indications are that the larger the area controlled by the Communists the more intent they are on preventing disorder in the take-over process, and they have been outstandingly successful in preventing disorder in Peiping, Nanking, Hangchow, Hankow, and most recently in Shanghai. We therefore assume that the take-over here will be orderly, but precautions have been taken by 1) laying in supplies of rice, firewood, Diesel oil, gasoline, etc., 2) checking up on our relationships with General Lee Fuk-lam and the surrounding villages, 3) strengthening the campus guards and organizing an auxiliary student guard group, 4) installing additional telephones at key points on the perimeter. With any luck these precautions will turn out to be unnecessary but it is necessary to take them.

The campus morale is excellent, as noted above. Orders from the government forced us to close school early, and examinations were moved up to May 24 - 28, and commencement will be June 13. The same government order forbids summer sessions, but President Chen has received verbal assurance that no objection will be raised to our having a "Work Program for Students Remaining on the Campus During the Summer". So far over 200 students have registered for this, and we plan to take in some Middle School graduates from Canton who wish to prepare for entrance examinations. This insures that the campus will not be empty at the time of a take-over, and that every one who is here is staying voluntarily and at his own risk.

The morale of the American staff has contributed in no small measure to the present favorable psychological climate. The regular Wednesday evening prayer meetings have been useful occasions for arriving at a consensus (as opposed to a policy) without calling special meetings which would themselves have created a certain emergency atmosphere. Each person or family has known that he or they must weigh for himself or themselves the notices, rumors, etc., that have been current, and all have independently concluded that they want to have a try under the new regime. The only ones, therefore, who are leaving, are those who were due to leave anyhow, and even these are going very reluctantly. A similar situation exists among the Chinese staff, for whom, of course, the meaning of the situation is somewhat different. A number of people, both Chinese and foreign,

have sent some of their belongings to Hong Kong for a sort of precaution.

It must be understood, of course, that should reliable indications come to hand that real disorder was to be expected, President Chen and I would take the initiative in trying to send women and children away.

As for the rest of the question, the probable way in which the University can get along under the new regime is anybody's guess. At first, the experience of Yenching and Nanking is probably a safer guide than that of Cheeloo, and it seems likely that there will be little interference. What kind of tuition fees can be charged will be a rather decisive point for Lingnan and on this the indications are somewhat discouraging, as it appears that at Yenching they have had to put in a sliding scale to accommodate poorer students.

My own strong feeling (probably determined to a considerable extent by a naturally sanguine temperament) is that any regime that is set up will have, as time goes on, to maneuver in ways which it can itself not predict too far in advance. The same should be true of American policy toward the regime. This is a situation in which we can "play for the breaks", as it appears that the State Department is doing. The present position, therefore, is that we have every reason to go ahead, hoping that the various things we desire to do can actually be accomplished, and that the steps we may have to take from time to time can be combined into a pattern which will serve our purposes. There is always the chance that the final outcome will go against us, but to assume this in advance would be to make it a certainty.

POLICY OF TRUSTEES

The policy which the foregoing considerations make it desirable for the Trustees to adopt is obvious -- 1, to maintain the American staff and participation at a level at least equal to the present one; 2, to provide an emergency reserve fund to be drawn upon in case an unexpected necessity arises to repatriate any of the American staff; and 3, to be ready to make or secure emergency appropriations to help the Chinese administration in case the Chinese sources of income fall below a certain breaking point. The difficulties in adopting such a policy are equally obvious. Dr. Henry has written me of the drying up of gift income and of the frightening deficit this has produced in the budget of the current year. He has also reported the very understandable reluctance of Board members whom he has consulted to agree to budgeting any sizeable deficit for 1949-50. Moreover, I am very conscious of the fact that if my office furnished the "Portrait" material and policy documents which the Policy Advisory Committee was expecting, this would have furnished the basis on which the Committee could have moved forward in its effort to find new sources of income. The thought of being to this extent responsible for the fact that no new money is available is a very painful one.

Nature of Provost's Duties

While accepting full responsibility for what I have done and have not done, however, I am unable to convince myself that any radically different course of action from what I have actually followed during the past year would have been

better in the long run for the Trustees' interests. Dr. Henry can amplify the statement that beginning well over a year ago I was given, along with him, a rather unusual opportunity to participate in the train of events by which the Chinese administration changed heads, and that the opportunities since then for participating in the new administration permit a kind of Sino-American cooperation which would probably be impossible in any other institution than Lingnan, and which is now possible here only because of a happy combination of the tradition of Lingnan's American Foundation and the personal character of the new President and of his top-level assistants. In one sense this participation in the administration has made demands on my time and attention which should not have been made, and perhaps not acceded to. I have taken it, however, and still take it, as the greatest privilege which the Trustees or their representative can hope for, and one on no account to be declined. At any rate, this participation in the administration still takes large amounts of time, and even while drafting this report I have stopped to attend a meeting of the President's "cabinet", called for the purpose of continuing the discussion of which members of the staff are dead wood, and which ones should be dropped, this summer.

Again, I have not felt justified in stopping my scientific work completely. Here it is harder for me to distinguish between personal preference and institutional advantage, but I am sending to Dr. King a copy of a Master's thesis just completed under my direction, and shall ask him to advise the Board whether my engaging in such work should under any circumstances be entirely discontinued.

Finally, outside contacts are important, and have recently been especially so in connection with keeping an ear to the ground for political developments. The bare minimum of such activity has, latterly, occupied considerable amounts of time, and the amount of cultivation contact which really should be maintained is much greater.

Staffing of Office

The above may sound like an attempt to side-step the responsibility for reporting to the Board and seeing that it receives the information and other material essential to it. On the contrary, there is no reason why these needs cannot be met along with all of the other activities if the Provost's office is efficiently staffed. Efforts have, of course, been made for over two years to set up an efficient procedure in the office here, but Dr. Henry can explain how these have been defeated by the growing complexities of the money situation we have had to deal with. Had this not been the case, I am confident that the rather promising beginning made by Lee Winters with the "Portrait" could have been carried forward to a successful conclusion, so that the affairs of the Trustees might now be wearing a very different aspect.

For the future, I am hopeful that this series of misfortunes will be at an end with Mr. Christie's arrival. If, as seems likely, Mrs. Gorsline can handle the accounts and my correspondence, Christie, in addition to taking some routine correspondence, etc., off my hands, will be able to devote a considerable amount of time to assembling report material under my supervision. With any luck, therefore, the Trustees will have the material from the field which they need for planning and putting on a real money-raising effort.

These reasons seem to me to justify the deficit budget which may be required to maintain our staff at its present strength. The fact that there is a choice between a deficit and a staff cut means that in any case the financial situation is critical, and that a basic solution must be found. If the solution is found, then repaying the deficit will be far easier than buying back what we would lose through a staff cut. If it is not found, we are ruined anyhow.

/s/ HSF
Henry S. Frank

Canton, China
May 31, 1949

TRUSTEES OF LINGNAN UNIVERSITY

ANNUAL MEETING

June 9, 1949

MINUTES

The Annual Meeting of the Board of Trustees was held at the University Club, 1 West 54th Street, New York City, on June 9, 1949. The meeting was called to order at 4:30 by Mr. Hilles. Of the following Trustees, constituting the entire membership of the Board, those whose names are starred (*) were present.

*John W. Andrews	Frederick Osborn
Henry S. Brunner	Philo W. Parker
Alfred Hayes	Francis T. P. Plimpton
*James M. Henry	*Frederick Pope
*Charles D. Hilles, Jr.	William A. Riley
*Harold B. Hoskins	Lawrence D. Seymour
*Edward H. Hume	*Edward Streeter
*Charles Glen King	*Olin D. Wannamaker
Gerold M. Lauck	*Gilbert F. White
*Lewis N. Lukens, Jr.	Brayton Wilbur
*William McClellan	Tsin Shue-fan

The following excuses for absence were presented: - Dr. Brunner; conflicting engagement; Mr. Hayes, Mr. Lauck, Mr. Seymour; out of the country; Mr. Parker; out of the city; General Osborn, Mr. Plimpton; unexpectedly detained by conflicting meetings; Dr. Riley; unable to come from St. Paul; Mr. Wilbur; en route to San Francisco; Dr. Tsins; in China.

* * * * *

The Chairman introduced to the Trustees present Dr. Gilbert F. White, President of Haverford College, who had recently accepted membership on the Board.

* * * * *

Minutes

Upon motion made and seconded, it was duly

T-49-9 VOTED: That the minutes of the Semi-Annual Meeting of January 26, 1949 are hereby approved as circulated.

* * * * *

Transfer of authorization,
safe deposit box

Upon motion made and seconded, it was duly

T-49-10 VOTED: That in Motion T-49-6, voted at the Semi-Annual Meeting of the Trustees on January 26, 1949, the

authorization conferred upon Margaret Meyer to have access to the safe deposit box maintained by the Trustees in the Corn Exchange Bank, corner of Fifth Avenue and 20th Street, is hereby cancelled and that henceforth and until further notice the same authorization is conferred upon Ethel Montgomery.

Constitution and By-laws

Upon motion made and seconded, it was duly

T-49-11 VOTED: That the Constitution and By-laws as adopted in Motion T-49-7 at the Semi-Annual Meeting of the Board on January 26, 1949 are hereby ratified.

Division of Trustees into Classes

Upon motion made and seconded, it was duly

T-49-12 VOTED: That in accordance with the By-laws, Article II, Section 2, the Trustees are hereby divided into three classes, as follows: -

<u>Term of one year,</u> <u>expiring 1950</u>	<u>Term of two years,</u> <u>expiring 1951</u>	<u>Term of three years,</u> <u>expiring 1952</u>
Gerold M. Lauck	John W. Andrews	Charles D. Hilles, Jr.
Frederick Pope	Francis Plimpton	Alfred Hayes
William A. Riley	Lawrence D. Seymour	Philo W. Parker
Tsin Shue-fan	Charles Glen King	Frederick Osborn
Edward H. Hume	Harold B. Hoskins	Edward Streeter
Henry S. Brunner	William McClellan	Brayton Wilbur
Lewis N. Lukens, Jr.	Olin D. Wannamaker	Gilbert F. White
		James M. Henry

Dr. and Mrs. Cadbury's retirement

Upon motion made and seconded, it was duly

T-49-13 VOTED: That the retirement of Dr. and Mrs. William W. Cadbury on April 30, 1949 is confirmed and that payment of pension as of May 1, 1949 is hereby approved.

Mr. Wannamaker's pension

Upon motion made and seconded, it was duly

T-49-14 VOTED: That the recommendation of the Policy Advisory Committee of April 13, 1949 that the pension for Mr. Wannamaker beginning as of July 1, 1949 should be \$1,800 a year, is hereby approved.

* * * * *

Budget, 1949-50

Upon motion made and seconded, it was duly

T-49-15 VOTED: That the proposed budget for 1949-50, involving an anticipated deficit of \$12,052.03, is hereby approved.

* * * * *

Promotional Campaign

Upon motion made and seconded, it was duly

T-49-16 VOTED: That the greatest possible effort be made on the part of the Trustees to develop with the next twelve months the foundation for a promotional campaign with particular emphasis upon the avoidance of a continuing deficit.

* * * * *

Mr. Andrews dwelt on the great importance of organizing the Lingnan alumni in the United States in such a way as to promote the finances both of the Directors and of the Trustees from all American sources. He went on to stress the importance, as soon as the Trustees receive the definitive program of the University, of adding judiciously to the Board of Trustees.

Col. Hoskins stressed the importance of using Lingnan alumni.

Dr. White felt the present situation offers an inspiring challenge which should enable the Trustees to raise more money.

Dr. King stressed the importance of Dr. Frank's scientific work, paid high tribute to Dr. Frank's outstanding scientific ability and said he thought a special effort should be made in this connection to interest foundations and industrial concerns.

Upon motion made and seconded, it was duly

T-49-17 VOTED: That the thanks of the Board of Trustees be sent to Dr. Frank for his most interesting and stimulating report and to go on record that it is the sense of the meeting that under no circumstances should Dr. Frank curtail his scientific work.

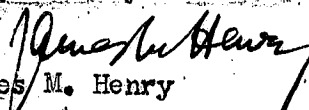
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Mr. Streeter presented as a matter of general interest a comparison of Lingnan holdings and those of seven other important organizations, showing the distribution of investments, by percentages of the respective funds, as between bonds, preferred stocks and common stocks, and the percentage of yield of each of such funds.

* * * * *

There being no further business, the meeting was adjourned at 6:00.

Respectfully submitted


James M. Henry
Secretary

APPROVED:


Charles D. Hilles, Jr., Chairman,
Executive Committee

TRUSTEES OF LINGNAN UNIVERSITY

Meeting of Executive and Policy Advisory Committees

September 20, 1949

MINUTES

Upon call of the President of the Board, a meeting of the Executive and Policy Advisory Committees of the Trustees of Lingnan University was held at the University Club, Fifth Avenue at 54th Street, New York City, on September 20, 1949. The meeting was called to order at 5:30 P.M. Of the following Trustees, constituting the entire membership of the Committees, those whose names are starred (*) were present.

Executive Committee

*Alfred Hayes, Chairman
*Charles D. Hilles, Jr.
*Harold B. Hoskins
*Edward H. Hume
Lewis N. Lukens, Jr.
*Lawrence D. Seymour
Edward Streeter
*James M. Henry, Secretary

Policy Advisory Committee

*Alfred Hayes, Chairman
John W. Andrews
*Charles D. Hilles, Jr.
*Harold B. Hoskins
*Edward H. Hume
Charles Glen King
Lewis N. Lukens, Jr.
William McClellan
*Philo W. Parker
*Lawrence D. Seymour
Edward Streeter
*Olin D. Wannamaker
*James M. Henry, Secretary

Excuses for absence: - Mr. Andrews, Dr. King, Mr. Lukens, Dr. McClellan, Mr. Streeter: conflicting engagements.

News items from
the University

Late news items from the University presented included information that on account of the present situation Mr. and Mrs. Pride and infant, Penn State representatives, were taking early furlough, Mrs. Worcester had been permitted to terminate her contract one year ahead of time, and Mrs. Mack was resigning.

Serious discussion took place as to whether or not the American staff should be ordered out, and the opinion was strongly expressed by some members that at least the women and children should be ordered to Hong Kong.

Sale of U.S. Bonds

Upon motion made and seconded, it was duly

E&PAC-49-1

VOTED: That the sale of a \$5,000 U.S. Bond from the safe deposit box in August is hereby

Minutes of Meeting of Executive & Policy Advisory Committees, 9/20/49

approved and that the early sale of the \$10,000 U.S. Bond now in the safe deposit box is hereby authorized.

* * * * *

Special emergency fund for Dr. Frank

Upon motion made and seconded, it was duly

E&PAC-49-2

VOTED: That Dr. Henry Frank be provided with a special \$5,000 emergency fund, for which special and prompt accounting will be required.

* * * * *

There being no further business, the meeting was adjourned.

James M. Henry
Respectfully submitted,

James M. Henry
Secretary

APPROVED:

Alfred Hayes
Alfred Hayes, Chairman
Executive and Policy Advisory Committees

TRUSTEES OF LINGNAN UNIVERSITY

SEMI-ANNUAL MEETING

December 6, 1949

MINUTES

The Semi-annual Meeting of the Board of Trustees of Lingnan University was held at the University Club, 1 West 54th Street, New York City, on December 6, 1949. The meeting was called to order at 4:15. Of the following Trustees, constituting the entire membership of the Board, those whose names are starred (*) were present.

*John W. Andrews	*Frederick Osborn
Henry S. Brunner	*Philo W. Parker
*Alfred Hayes	*Francis T. P. Plimpton
*James M. Henry	*Frederick Pope
*Charles D. Hilles, Jr.	William A. Riley
Harold B. Hoskins	*Lawrence D. Seymour
*Edward H. Hume	*Edward Streeter
*Charles Glen King	*Olin D. Wannamaker
Gerold M. Lauck	Gilbert F. White
Lewis N. Lukens, Jr.	*Brayton Wilbur
William McClellan	Tsin Shue-fan

The following excuses for absence were presented:- Dr. Brunner, Mr. Lukens, Dr. McClellan, Dr. White: conflicting engagements; Mr. Hoskins: out of town; Dr. Riley: unable to come from St. Paul; Dr. Tsin: in China.

* * * * *

Minutes

Upon motion made and seconded, it was duly

T-49-18 VOTED: That the Minutes of the Annual Meeting of June 9, 1949 are hereby approved as circulated.

* * * * *

Report from the Field

Dr. Frank's cable of October 15 and letter to Mr. Hayes of October 24 (filed with these minutes) and excerpts from Dr. Frank's letters of October 13, 22, 25, November 15 and 18 had been circulated. General discussion followed. It was the consensus of opinion that Dr. Frank had in his cable and October 24 letter made an excellent case for the American members of the staff remaining at their posts, and that, since the political turnover had taken place, there was no immediate question in this respect to be considered. It was the consensus that staff members should continue to feel free to leave China if they wished to do so.

* * * * *

Budget

A tentative budget for the fiscal years 1949-50, 1950-51, and 1950-52 was presented and discussed, but no action was taken.

Professor and Mrs. Fride

With the complete approval of Dr. S. C. Chen, President, and Dr. H. S. Frank, Provost, the Penn State representatives, Prof. and Mrs. Fride and infant daughter, returned from Canton on early furlough, arriving on the Pacific coast the first week in October.

Upon motion made and seconded, it was duly

T-49-19 VOTED: That \$1,800 is hereby appropriated toward the maintenance of Prof. and Mrs. Fride during their year of furlough.

* * * * *

It is the hope of the Trustees that, if and when the situation in Canton permits, the Frides may consider returning to the field.

* * * * *

Review of Audit

In behalf of the Committee for the Review of the Audit, Mr. Hilles reported that an examination of the audit of the books for the year 1948-49 had indicated that the audit was satisfactory.

* * * * *

Pension Revision

Upon motions made and seconded, it was

T-49-20 VOTED: That the basic minimum pensions be increased by 20% effective January 1, 1950, thereby making the pensions for single persons \$1200 and for married couples \$1800 per annum.

* * * * *

T-49-21 VOTED: That the Secretary should ascertain whether any retired staff members now on pension were in acute need of pension revision and report back to the Trustees.

* * * * *

T-49-22 VOTED: That study of the pension plan be continued for early report to the Trustees.

* * * * *

Return of John Christie

Upon motion made and seconded, it was duly

T-49-23 VOTED: That John Christie, who should be back late in May or early in June, be instructed to prepare himself

in all possible aspects for a promotional campaign in this country, with a special view to priorities as approved of on the field.

Gift of special
University pictures

Upon motion made and seconded, it was duly

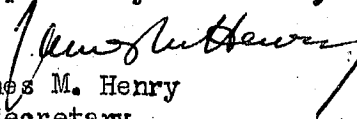
T-49-24 VOTED: That Messrs. Kan and Lok in Hong Kong be thanked for their generous gift of 27 special University pictures.

Mr. Andrews expressed himself strongly on the desirability of ascertaining whether the Board of Directors desires Chinese participation on the Board of Trustees and if so, to what extent and by whom. He suggested, further, that the attitude of the Directors be ascertained in respect to a more effective relationship with regard to funds raised from Chinese in the United States.


Mr. Wilbur, after being welcomed by the Chairman, told briefly of his visit to the campus some months ago and the favorable impressions he had received on that occasion.

There being no further business, the meeting was adjourned at 6:15.

Respectfully submitted,


James M. Henry
Secretary

APPROVED:


Alfred Hayes, President