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Yenching
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Tsai, Stephen 1937-1938

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YENCHING UNIVERSITY INVESTMENT ACCOUNT

	<u>Cost</u>	<u>Face Value</u>
(A) <u>Government Bonds:</u>		
1. 25th Year Consolidated Series "C" 6%	\$57,083.97	\$93,000.00
2. 25th Year Consolidated Series "D" 6%	22,017.46	30,300.00
3. 25th Year Consolidated Series "E" 6%	<u>162,103.91</u>	<u>219,500.00</u>
Total.....	241,205.34	345,500.00
(B) <u>Municipal Bonds:</u>		
4. 1923 Tientsin British Municipal Council 6% Bonds	\$ 2,282.03	\$ 1,500
5. Shanghai French Municipal Council 6% Bonds	2,975.66	\$ 2,000
6. Shanghai City 7% Loan Bonds 1932 Series	<u>11,999.88</u>	<u>\$12,000.00</u>
Total.....	17,257.57	
(C) <u>Public Utilities:</u>		
7. Shanghai Power Co. 5½% Bonds Series due 1973	\$108,697.27	\$110,000.00
8. Shanghai Telephone Company 6% Bonds	<u>34,967.74</u>	35,000.00
Total.....	\$143,665.01	
(D) <u>Sundry Bank Fixed Deposits:</u>		
9. Continental Bank	\$53,127.89	
10. Kincheng Banking Corporation	18,445.32	
11. Yien Yieh Commercial Bank	20,006.83	
12. China & South Sea Bank	2,495.03	
13. Chung Foo Union Bank	16,838.76	
14. The 4 Joint Savings Bank	<u>37,000.00</u>	
Total.....	147,913.83	
GRAND TOTAL-----LC\$550,041.75		

January 8, 1937.

0784

YENCHING

January 28, 1937

(Saw)

F

To the Chancellor, the President and Members
of the Administrative Committee:

I beg to submit herewith the report of my recent trip to Nanking and Shanghai January 9th to 25th, 1937. This trip was taken with two purposes in view: (1) to go to Shanghai to study the financial market with special reference to the investment field and to seek the advice of those who are either closely connected with or actively engaged in investment matters, especially the members of the Finance Committee of the China Foundation; (2) to investigate the matter of stamping the University property deeds with the prospect of approaching the Government for special consideration.

I left Peiping on the 9th by the Shanghai-Peiping through express and arrived at Nanking the following evening. The first thing I did in Nanking was to call on Miss Priest, Treasurer of the University of Nanking, to learn from her the steps they have taken in connection with their deeds. In Miss Priest's office I saw official documents from the American Embassy and the Nanking Municipal Government pertaining to the registration of mission property. I learned from these papers the following important information: (1) the registration of deeds is a matter to be taken up with the local authorities and not with the National Government. (2) An institution like ours can have property registered either in the form of a perpetual lease or ownership, depending on in whose name the property is registered. If it is registered in the name of a foreign board like the Board of Trustees, it can only be registered as perpetual lease. If the name of our Board of Managers which is organized under the regulations of, and recognized by the Government, is used, ownership titles can be secured. The University of Nanking has chosen to take a perpetual lease, although their Board of Trustees have given them the discretionary power to do either. They are also assured that, if they want to change from perpetual lease to ownership later, there will be no difficulty. (3) The fee of registration is relatively small in Nanking,--only about \$1,200 for Nanking's vast holdings of nearly one thousand mou(?). While in Hangchow, the Hangchow Christian College, the only mission institution that has completed registration, is paying 6% annually of the assessed value under the form of perpetual lease. Possibly the matter of rental and registration fee is subject to local regulations.

Nanking's property consists of 200 separate lots, doubling our number. They have divided these lots into several groups according to their locations. In order to secure the registration, each lot must be surveyed by the Government. Nanking has placed with the local Land Bureau their first group. They have been working on it for several months and have not yet finished. I understand it will take several years to complete the survey of Nanking's property.

It occurred to me after my interview with Miss Priest that there is very little we could do in Nanking. In the afternoon I called on Dr. Y. T. Tsur and reported to him all that I learned from Miss Priest. It was also Dr. Tsur's feeling that it was futile to try to do anything in Nanking. He further advised us to let the whole matter rest until we are pressed by the Government. In the meantime, if we find it opportune to approach the local authorities in Peiping, we may do so on a purely friendly basis.

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I went to Shanghai on the 13th. While there I saw Mr. Singloh Hsu, to whom I have a letter of introduction from President Stuart, Mr. Bennett, and Mr. Yip of the China Foundation. I showed them our investment list and asked for their criticisms and suggestions. They all showed a good deal of interest in our affairs and scrutinized our list very carefully. I am glad to report that they all felt that our present holdings are very sound, and with the exception of some possible minor changes suggested by Mr. Yip, they felt nothing better could be suggested. I was favoured with an interview with Dr. H. H. Kung. I asked his advice regarding our property deeds. He spoke on general terms. I thought it inexpedient to press the matter on him. I then reported to him the general financial conditions of the University and showed him our investment list and sought his advice. He was very good and took time to scrutinize our list very carefully. Like the people I referred to above, he also approved our list. He asked me whether he had paid his pledge of \$5,000 to the University Endowment, to which I replied to the negative. Thereupon he instructed his secretary to give me a check for \$5,000.

I had the privilege of having luncheon with Messrs. Culbertson and Fritz of the firm Swan, Culbertson and Fritz, with whom we had some dealings in the past. I also showed them our investment list and sought their advice. They were very cordial and frank. While they were of the opinion that we had too much Government securities, they realize our position in China and our relation with the Government. Under these circumstances, they said they could not suggest any changes. So, all in all I have secured opinions on our investment of the China Foundation Finance Committee representing a shrewd and careful group of people who are looking after the investment business of the Foundation, and Dr. Kung, Minister of Finance and Chairman of our Board of Managers, and members of a broker firm. With no exception our list meets with their approval.

While in Shanghai, I tried, in collaboration with Mr. Li Tai Cho of Mayor Wu's office to collect some of the pledges to our million dollar endowment made three years ago. There was no pecuniary reward for two days' hard labor. It was, however, an interesting experience to me. I also approached Mr. K. P. Chen of the Shanghai Commercial and Savings Bank for a contribution to the Konantz Memorial Fund. Mr. Chen being a good friend of Miss Konantz promised me to contribute to the fund. The total amount of the fund is now \$3,300. I asked Mr. Chen to bring it to \$10,000 even. I have not yet heard from him on this proposal.

Respectfully submitted,

Stephen Tsai.

January 28, 1937.

燕京大學
YENCHING UNIVERSITY
Peiping, China.

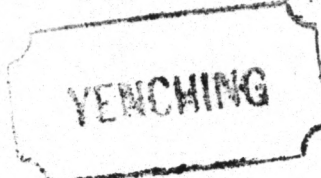
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Office of the Controller

February 3, 1937
T37-2-3-152

Telegraph Address
"Yenta"

Mr. B. A. Garside,
150 Fifth Avenue,
New York City,
U. S. A.



Feb 2

Dear Mr. Garside:

Recently I had the opportunity of making a business trip to Nanking and Shanghai. The details of the trip have been reported to the Chancellor and President and I understand Dr. Stuart has sent you a copy of the report. I wish now to dwell briefly in this letter upon my observations of the financial markets which I did not discuss in the other report. As an introduction to my discourse, I do not think I can do better than to quote a few lines from a publication of one of the banks.

"The year 1936 will forever be remembered as a turning point in Chinese history both politically and economically. In both of these fields, particularly in the former, events of absorbing interest occurred and the fortunes of the Republic ebbed and flowed in rapid succession. Thanks to a wide awakening national consciousness, a Central Government that has become increasingly popular, a bumper crop and the currency reform brought about in November 1935, the Nation was able to weather many a storm in the past year and to achieve unity in political administration and a remarkable degree of stability in her financial and economic structure."

The foregoing paragraph describes in a nutshell a very complicated situation. By the currency act of Nov. 3, 1935, silver was nationalized. The paper notes of the three Government banks - The Central Bank of China, The Bank of China, and the Bank of Communications - were made legal tender. These same banks were entrusted to buy and to sell foreign exchange in unlimited quantity in order to stabilize the Chinese dollar in terms of foreign currencies.

At the early stages of this revolutionary monetary reform considerable apprehension regarding its outcome was generally felt. As time went by this experiment gained favor and strength, and people's confidence in its success increased. The reform has now been effective for over 14 months. It is gratifying to all well wishers of China to see the good effects of the reform upon the financial markets and economic life of the country. The remarkable stability of the financial markets during the past particularly during periods of unprecedented political disturbances and recurring rumours of impending war with Japan, must be attributed largely to the currency reform.

Let us first compare the Shanghai foreign exchange market of 1936 with that of 1935 in order to see how stable the financial markets

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markets/ have been. In 1935 Shanghai T.T. rates on New York fluctuated between a low of $29\frac{7}{16}$ (3.39) to a high of $41\frac{1}{2}$ (2.41). In 1936 they varied within the $\frac{16}{16}$ small discrepancy between $29\frac{3}{8}$ (3.40) and 30 (3.33). This record is much more remarkable in view⁸ of the wide scale speculation that must have taken place in the market in times of grave political crises of which there were many.

In the security market healthy signs also manifested themselves last year. Comparison with the previous year is impossible due to the conversion operation of February 1936. The index of the prices of government bonds computed by Swan, Culbertson & Fritz for the year 1935 varied from a low of 91.30 to a high of 110.44, a range of 19.44 points. From February to December 1936 the same index varies from 81.52 to 94.83 a spread of only 13.31 points.

With regard to the reserves in relation to outstanding bank notes, let me quote the following statement published by the Research Department of the Bank of China.

"The Currency Reserve Board created as a result of the Currency Reform to keep custody of reserves against outstanding bank notes and to control the issue and retirement of legal tender currency has been performing its very important functions with exactness and regularity. It has organized branches at Tientsin, Tsinan, Tsingtao, Hankow, Sian, Changsha and Canton. Since its establishment, this Board has been making periodic examinations of the reserves against notes in circulation for the banks of issue. According to its thirteenth report, the notes issued and the reserve conditions of the Three Government Banks as of December, 1936, were as follows:

	<u>Notes Issued</u>	<u>Cash Reserve</u>	<u>Security Reserve</u>
The Central Bank of China	325,592,469	212,238,769	113,353,700
The Bank of China	459,310,240	283,509,569	175,800,670
The Bank of Communications	295,045,524	179,423,054	115,622,469
Total	1,079,948,233	675,171,392	404,776,839

"Figures given above show that the cash reserve of the Three Government Banks constituted more than 62% of the notes issued, while the security reserve fell slightly under 38%. As 60% cash and 40% security reserve are required by law, the reserve status of the legal tender notes of the Three Government Banks fully satisfied the legal requirement.

"The combined notes issue of the Three Government Banks in October, 1935, was \$418,967,862. This shows that the increase of the legal tender notes in circulation in the past fourteen months amounted to \$660,980,371 or approximately 158%.

"This phenomenal increase in legal tender notes in circulation is undoubtedly the result of two factors. First, a large amount

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amount/ of silver has been acquired since the Currency Reform was proclaimed. According to an announcement made by Dr. Kung, up to the end of June, 1936, the Central Reserve Board acquired silver reserves amounting to \$225,000,000. Second, the Chinese, who are supposed to be metallic-minded, have given up their traditional habits and have been won over to the workability of an inconvertible currency backed up by a reserve, the metallic part of which consists of silver, gold and foreign exchange. This confidence of our people in the national currency is a foundation stone on which the success of the new monetary system rests."

The future of the legal tenders depends mainly on two factors: the national budget and the balance of trade. At the time of the Currency Reform in November 1935, Dr. H. H. Kung, Minister of Finance, announced that the national budget would be balanced in eighteen months. As to the balance of trade, take Shanghai for instance where the bulk of China's foreign trade passes, the unfavorable balance was reduced from \$216,473,722 in 1935 to \$191,694,181 in 1936. Figures for the whole country, however, are misleading due to the extensive smuggling in North China.

Having dealt with the currency issue in the foregoing paragraphs, I wish now to call your attention to the more general business field. While the currency reform is largely responsible for the general prosperity and the gradual rise of price level in 1936, we must not forget other important factors which have contributed to this achievement. The most important of these factors is the bumper crop in 1936. It is estimated that the increase in agricultural products coupled with the increased prices gave the Chinese farmers an aggregate income of \$8,282,000,000 in 1936 as compared with \$6,445,000,000 in 1935, a net increase of \$1,837,000,000. This increased wealth and purchasing power of the people was immediately reflected on commodity prices. The rise of the price of cotton yarn is perhaps the most phenomenal of them all, reaching its new high of 15 years. Of course, the price level of staple commodities is a worldwide affair and no one country can control its ups and downs. In the matter of cotton products and food stuff, however, China, having one fourth of the world population, has an appreciable influence on the world market. Business in every line seems to be prosperous. Credit is easy. There is no feeling of tightness in the money market as is usually felt with the approach of China New Year.

I wish next to comment on the effects of increased strength of the government banks on the private commercial banks. Before 1935 the Central Bank of China was the only real government bank. The Bank of China and the Bank of Communications were only partly governmental. In 1935 as a preparation to the currency reform, the capitals of the Bank of China and the Bank of Communications were increased to from \$25,000,000 to \$40,000,000 and from \$10,000,000 to \$20,000,000 respectively. The increased capital was provided for by the Government. Thus the Government secured complete control over these two banks which are doing commercial banking in addition to their duties as Government banks. In the commercial line, they have become so powerful that the private banks feel quite unable to compete with them.

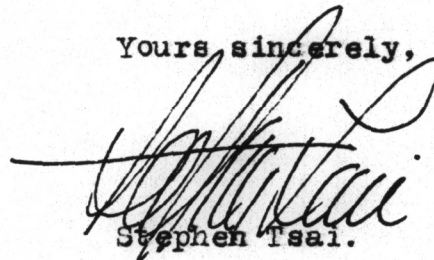
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them./ In my conversations with the bankers this feeling of having been "pushed out" was a general complaint. But this situation is only temporary. The plan of the Government is to make the Central Bank a central reserve bank, a bank of the banks; the Bank of China, the exchange bank, and the Bank of Communications, the industrial bank. With this division of labor clearly defined, there should be plenty of scope left for all the private banks to render service in this country where industrial development and reconstruction work has just been begun.

In conclusion, I feel quite optimistic about the future. China's way to recovery seems to have been paved even though not strewn with roses.

I have tried in these paragraphs to convey to you my impressions on various topics. No doubt in many places, it can be said as "the heavens viewed from the bottom of a well", for which I ask your tolerance.

Yours, sincerely,



Stephen Tsai.

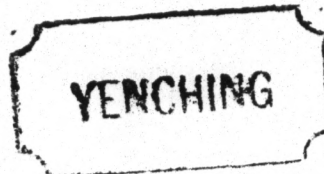
ST:H

學大京燕
YENCHING UNIVERSITY
Peiping China

Office of the Treasurer

February 8, 1937.
No. T37-2-8-152.

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York City,
U. S. A.



Feb 7/7/37

Dear Mr. Garside:

I have been reading with absorbing interest the Minutes of the Meeting of the Trustees' Executive and Financial Committee of December 10, 1936. Miss Cookingham and I are especially happy to note the extra dividend on the Alumninum Preferred and the anticipated income for 1937-38 which shows small increases in several accounts. With the security market steadily swinging upward, we hope that our income for next year will be more than the amount you estimate at this time.

We also note that you appropriated US\$440.00 for publishing Dr. K. A. Wee's dissertation. I hope you will pardon my audacity to comment on this. Yenching has grown to be a big size University with a staff of over 200 people. In order to maintain the esprit de corps of such a large body, it is necessary that treatment-salary, furloughs and other privileges of the staff be given in strict observance of the published regulations. Some of us spend many hours every year in committee meetings to smooth over the problems of treatment and rank of the staff and we make every effort to be fair and just to every one. You will agree with me that anything done on a personal basis with no regard to the general regulations on the morale of the group as a whole. Favoritism also causes embarrassment to the recipient in his relation with his colleagues. The Trustees, of course, have a perfect right to appropriate funds in whatever manner they see fit. Since it is all University money, however, it seems preferable to refer matters pertaining to personal finances to the field for recommendation. No doubt you still recall the unpleasantness involved in connection with publishing Dr. Shuhsi Hsu's dissertation. The memory of that incident is too fresh in my mind to pass over Dr. Wee's case nonchalantly.

is apt to have repercussions

Let us leave out the personal issue and look at the question from a purely financial point of view. The sum of US\$440.00 seems like a good deal of money to put into a book on physical education. Of course, my thinking is influenced by the fact that a manuscript of any value can be published in China without cost. Quite a number of doctorate dissertations of American Universities have been published

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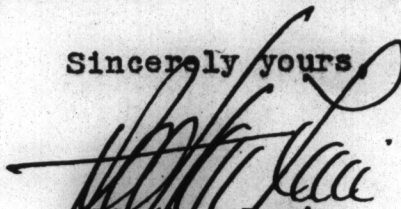
Mr. Garside

Page No.2, T37-2-8-152

here. Our own Dr. Galt's doctor's dissertation at Harvard was published by the Commercial Press, Shanghai.

Once more, I wish to ask your forgiveness for my indiscretion in writing you this. But as one who has close dealings with such matters in the University, I deem it my duty to be perfectly frank. I have in my mind only the welfare of the University.

Sincerely yours,



Stephen Tsai.

ST:W

0793

July 6, 1937

Mr. Stephen Tsai
Yenching University
Peiping, China

Dear Mr. Tsai,

An appalling number of weeks ago I received from you two letters which I particularly appreciated. I put them aside until I could find an opportunity to send you a more personal and leisurely acknowledgment than one can usually manage in handling the daily grist of mail. By my good intentions proved my undoing, for the moment of leisure never arrived. Yet even though I am inexcusably belated in sending my acknowledgments, the letters themselves were given due attention upon their arrival and were greatly appreciated by all of us who are interested in the matters you discuss.

Letter T-37-2-3-152. This gives in a most interesting and helpful way the studies and observations of the general financial situation in China which you made during your trip to Shanghai. Mr. McBrier, Mr. Evans, and I studied this letter with keen interest, and shared it with the other members of the Committee on Finance. We have been glad to note that during recent months financial affairs in China have been moving along much the lines you indicated. We trust and believe that they will continue to progress in a satisfactory way.

Letter T-37-2-8-152. This discusses the financial arrangements between Dr. Wee and the Trustees, particularly as regards the publication of his dissertation. We quite clearly recognize the difficulties and embarrassments involved in deviating from fixed rules of procedure in handling the salaries and allowances of members of the Yenching staff. Of course the field authorities and the Board of Directors must adopt and follow uniform rules of procedure in such matters. Here in New York the Trustees are always anxious to cooperate in carrying out these same lines of procedure when staff members are here in America. In all matters of salary and regular allowances we try to adhere strictly to the field rules, and to write to Peiping for decisions on any points where there seems possible difference of opinion or interpretation.

On the other hand, while a staff member is in America on special assignment, there is usually some necessity for special arrangements to meet special situations involved, and these generally have to be dealt with on the merits of the individual case. It would, for instance, be foolish to ask the field authorities to define the amount which should be allowed by the Trustees to cover travel expenses and special living costs of a staff member engaged in promotional activities here. In such

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Mr. Tsai

-2-

July 6, 1937

matters as these about the only procedure we can follow is to trust the judgment of the Trustees to deal as fairly as possible with each individual case. If at any time the Trustees err on the side either of too great generosity or too great penury, there should be no cause for embarrassment to the field authorities, since the matter lies outside the area for which they are accountable.

In Dr. Wee's case, our general understanding was this:- That the field would grant Dr. Wee a leave of absence for study and promotional work in America and would continue to provide his regular salary for the support of his family and for helping along with his expenses while in America. That the Trustees would supplement this regular salary to the extent necessary to cover the extra expenses involved in his study and promotional work here in America.

One of the expenses essential to the completion of the study in which Dr. Wee was engaged was the publication of his dissertation. It was on this basis primarily that the grant was made, though a supplementary consideration was the fact that the dissertation was of some value in connection with our promotional efforts to secure increased support for the Department of Physical Education. The question of whether the dissertation might more economically be printed in China was gone into at some length, but whether the decision to have it printed here in America was a wise one I will not attempt to say.

Also, it is quite possible that the original agreement of the Trustees as to their responsibilities in Dr. Wee's case was not altogether a wise one. I have thought that we were following President Stuart's recommendations in the matter, but we may either have misunderstood what he had in mind, or may have handled some details of the agreement in ways which he would not have approved. At all events, we should redouble our efforts to be more cautious about such arrangements in future.

At all events, none of the field authorities of the university should feel any sense of embarrassment in the matter. The Trustees quite properly deserve the blame for any mistakes that may have been made. The analogy of the case of Dr. Shushi Hsu's dissertation is not an exact one, for the situation and relationship there were entirely different.

We trust that by the time this reaches Peiping you will be away from the campus for a good period of rest and refreshment. You have had a strenuous year, and fully merit a good vacation.

With all good wishes, I am

Very cordially yours,

BAG/G

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January 21, 1938

To the Board of Trustees:

I am most happy to report that the University has been able to function thus far without interruption or interference from the outside. In these days of uncertainty it is impossible to tell what course the future events may take. But we have good reason to believe that, for the time being at least, we will be able to continue our work unmolested. Our experience is a strange anomaly if compared with the recent sweeping changes in the curricula and text books in other schools in North China. No praise can be too high for our leader, Dr. Stuart, in handling the situation with respect to both the internal administration in dealing with the faculty and students and the new environment in which we find ourselves. Without his statesmanlike way of meeting the crisis, catastrophe might have befallen us or might still occur at any moment.

We have had 500 students for the fall semester. About half are old students. This is about 300 less than our normal enrollment due to the fact that a good number of the students who went to their homes in South China for summer vacation were not able to return because of the interrupted communications. We could take in new students to fill their vacancies if we wanted for we had over 1500 candidates who took the entrance examinations. But our faculty was unwilling to run the risk of lowering our standards in taking in any one whose records were questionable. I interviewed large groups of our students at Shanghai and Hongkong. Most of them were planning to return for the spring semester. So I expect that our enrollment will have a substantial increase this spring.

Prudence forbids me from going into details of the situation in Peking in particular and China in general. But I shall be glad to give you individually or as a group any information that I have.

China's problem is at least as much political as it is military if not more so. In helping China to train her young men and women, you are aiding her in the most fundamental way possible. On behalf of my country and my people, I wish to thank you most heartily for your continuing interest and generosity.

Stephen Tsai

0796

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

1201-S

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WESTERN UNION (04)

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- NM - Night Message
- NL - Night Letter
- LC - Deferred Cable
- NLT - Cable Night Letter
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CHAIRMAN OF THE BOARD

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FIRST VICE-PRESIDENT

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RELUCTANT TO APPEAR BEFORE BIG AUDIENCES FEAR REPRECUSIONS
ON UNIVERSITY=

STEPHEN TSAI

TSAI

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

0797

May 1938

Yenshing Prospects and Donors with whom Mr. Ts'ai had contact

Dr. B. Raymond Hoebler, 805 Three Mile Drive, Detroit, Michigan
PYF Sibley W. Hoebler, 805 Three Mile Drive, Detroit, Michigan
Mrs. Robert Young Conrad, Ambassador Apartments, Baltimore, Maryland
Mrs. Grace E. McClellan, The Lathrop Hall, Lakewood, N. J.
Mrs. Edgerton Parsons, 555 Park Avenue, New York City
Mrs. Orin Scotten, The Wardell, East Kirby, Detroit, Michigan
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Mrs. Francis Kirk Remington, 81 Penfield Road, Rochester, N. Y.
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Mr. Godfrey Cabot, 77 Franklin Street, Boston, Mass.
Mrs. Arthur M. Hartt, 162 Goddard Avenue, Brookline, Mass.
Mr. Richard Lockwood Tower, 178 Devonshire Street, New England Trust Co., Boston, Mass.
Mr. George G. Barber, Fred. F. French Bldg., 551 Fifth Avenue, New York City
Mr. Henry R. Luce, Time, Inc., 135 East 42nd Street, New York City
Dr. Henry W. Luce, 741 Milbrook Lane, Haverford, Pa.
Mr. Stuart Brown, Whitinsville, Mass.
Mrs. Charles Lathrop Paek, Lakewood, N. J.
Mr. E. M. McBrier, 150 Fifth Avenue, New York City
Mrs. Francis Stewart Kershaw, 6 Bond Street, Cambridge, Mass.
(Justina F.)
Mr. John Freeman, Houghton Mifflin Company, 2 Park Street, Boston, Mass.
Mr. Victor W. Knauth, 30 Rockefeller Plaza, New York City
Mrs. Henry O. Marcy, Jr., 140 Sargent Street, Newton, Mass.
Mrs. T. Merrill Prentice, 55 East 86th Street, New York City
Mr. (and Mrs.) J. A. Machado, Jr., Bankers Trust Co., 16 Wall Street, New York City
Mr. Arthur Walworth, Houghton Mifflin Company, 2 Park Street, Boston, Mass.
Mr. Lewis L. Strauss, Kuhn-Loeb Company, 52 William Street, New York City

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May 1938

Princeton Alumni with whom Mr. Ts'ai had contact

WASHINGTON, D. C.

Hurston Thompson, Jr., Southern Building
William Floyd Crosby, 925 Shoreham Building

MARYLAND, Baltimore

David B. Baker, 2000 First National Bank Building
Richard F. Cleveland, Baltimore Trust Company (Lunch)
William G. Dancy, Baltimore and St. Paul R. R.
Robert Garrett, Garrett Building (Out of town, secretary friendly. Might do good to write)
D. Luke Hopkins, Maryland Trust Company
Robert M. Van Sant, B. & O. Building
Mr. and Mrs. H. Milton Wagner, Lake Station, Ruxton

Chevy Chase

Arthur G. Lambert, 7203 Meadow Lane

MASSACHUSETTS, Boston

Mr. and Mrs. A. Philip Giles, 340 Chestnut Street, West Newton
James O. Murray, 126 Newbury Street

MICHIGAN, Detroit

Rogers I. Marquis, 3000 Union Guardian Building

NEW JERSEY, Princeton

Dr. Wilson Farrand, Princeton Inn
Rev. Laurence Fenninger, Student-Faculty Association
Dr. and Mrs. Edward S. Corwin
Dr. Robert R. Wiaks
Professor DeWitt Clinton
Datus C. Smith, Jr., Princeton Alumni Weekly
George C. Wintringer (Controller of Princeton University)
Neville Miller

Newark

John R. Hardin, 40 Mt. Prospect Place

NEW YORK, New York City

Douglas H. Alexander, 149 Broadway (sent \$25)
James C. Bell, c/o J. B. Colgate & Company, 44 Wall Street
George Whitefield Betts, 120 Broadway (Renewed current gift a little later)
Colonel Henry Breckinridge, 39 Broadway (Too busy to see Mr. Ts'ai)
Professor J. P. Chamberlain, Kent Hall, Columbia University
Henry J. Cochran, 16 Wall Street (Trustee)
Howard Crosby Foster, 120 Broadway (Found mutual friends; S. Tsai sent letter of appeal after call; no answer)
Archibald A. Gulick, 120 Broadway (S. Tsai called with letter of introduction from F. Sturgis)

0799

New York City (cont'd)

Walter E. Hope, 15 Broad Street
Walter L. Johnson, 14 Wall Street
Major Francis G. Landon, 14 Wall Street (Too busy; asked Mr. Tsai to go back next week. ?)
E. C. R. Laidlaw, 26 Broadway
Henry W. Lowe, 40 Wall Street (Depressed over business affairs; seemed interested in PIF, hoped to renew gift in 1939.)

Albert G. Milbank, 15 Broad Street (Lunsh)
William Church Osborn, 20 Exchange Place
Timothy Pfeiffer, 4800 Palisade Avenue, Riverdale
John D. Rockefeller, III, 30 Rockefeller Plaza
Louis Dean Speir, 49 Wall Street (Increased gift from \$10 to \$50; very friendly)
Frederick Sturgis, Jr., 31 Nassau Street (Very friendly; gave letter to Gulick)

Rochester, N. Y.

Theodore C. Briggs, Aqueduct Building
Hugh C. Burr, 1010 Temple Building
Edward Harris, II, Rochester Trust & Safe Deposit Company
Richard M. Harris, 400 Oxford Street
M. Herbert Eisenhart, 1316 East Avenue
Frank W. Lovejoy, Jr., 56 Berkeley Street
James Wallace Ely, 344 Barrington Street
Mr. and Mrs. Thomas R. White, 41 Westminster Road

VIRGINIA, Fairfax

Lennig Sweet

TRUSTEES OF PRINCETON-YENCHING FOUNDATION - (Present at meetings Mr. Tsai attended)

Sidney D. Gamble, 347 Madison Avenue, New York City
Cleveland E. Dodge, 40 Wall Street, New York City
William R. McAlpin, 70 Broadway, New York City
Van Santvoord Merle-Smith, 30 Pine Street, New York City
James B. Cochran, 1003 Park Avenue, Plainfield, N. J.
Harrison Garrett, Pleasantville Road, Green Village, N. J.
Joseph Van Vleck, Jr., 21 Van Vleck Street, Montclair, N. J.
Dr. J. Stewart Burgess, 140 Heathcote Lane, Wyncote, Pa.
Louis D. Froelick, 42 Broadway, New York City
Dr. Walter P. Hall, Princeton, N. J.
Edward Everett Watts, Jr., 20 Exchange Place, New York City

C
O
P
Y

THE STEVENS

Chicago, Illinois

June 1, 1938

Dear Mr. Garside:

Your air mail letter has just come, and I am glad to record again what I told Dr. Luce in a long talk during our annual meetings and what I reported again in the conversation with Mr. Aydelott and you in Mrs. Macmillan's office.

I had two dinners with young Hoobler, and found him very friendly. After I had showed the Yenching movies to both Hooblers, the father excused himself, and left us with Sibley. My feeling was that Sibley had recently come into the estate - or, at least, some influence in its management - and that he was honestly searching for advice in learning how to give wisely. He ~~said to me:~~ "You and I speak the same language", - and I used my best judgment in trying to find out along what lines he could be led to give the most money. He showed an interest in scholarships, but said that I was to write him if there seemed to be some need for apparatus or something else more urgent. The \$500 for scholarship - if that seemed to be the best use of the sum - was to be paid during the summer. Miss Van Sciver has copies of the correspondence between Sibley and me. I can only repeat that I followed my best hunch at the moment in letting my interview with Sibley follow the lines which seemed to have the best chance of being constructive for the future.

In all my previous reports of these interviews I have stated that I did not at any time mention the \$25,000.

For tomorrow - Thursday - only I shall be at the Hotel Chase, St. Louis.

Sincerely yours,

/s/ Stephen Tsai

0801

June 8 1938

Dear Eva:

I am writing this in Mr. McBryde's (Dr. Stuart's cousin) office waiting for him to arrive. I was so stupid not to ask for Detroit address. Now I have to send this all the way to New York to be forwarded to you.

I had a very busy day in St. Louis. Ruth Ingram was most helpful. She was like a sister to me. I certainly am grateful to her. We went to a Chinese restaurant and had the best Chinese food in America. Ruth knows the proprietor & he seemed very intelligent. In fact he is the leading Chinese citizen in St. Louis.

I had lunch with Mr. Donforth Thursday. He was very cordial. He gave me \$1000.00 to be forwarded to Dr. Stuart to be used at his (J. D. S.) discretion. I also had several other interviews in the afternoon. But they brought in no cash. Donforth sent for me again in the evening in his home. Ruth and I went together & had a sociable time before I took the train for Kansas City & west.

The day at Grand Canyon was very enjoyable. The train was full of shiners going to Los Angeles for a convention. They were a jolly crowd & very friendly.

I spent yesterday with Woodbridge Bingham in Berkeley. I saw Owen Latimore & had a nice talk with him. He will be in John's Hopkins

after the summer as lecturer in the Uni. ~~at~~ school of
International affairs.

Miss Van Seiver sent me a copy of
Alice Boring's letter. I have just finished reading
it. I am still ashamed myself for losing you.
Please forgive me.

I had my line tails for Los Angeles tomorrow.
I don't know why they did not hook me from
there on.

I don't need to tell you how I enjoyed
working with you during these past five months.
The pleasant association made the difficult task
seem like play.

With all good wishes
Yours sincerely
H. H. H.

SATURDAY, JUNE 18, 1938

Yenching University Asks Aid by American People

Yenching university, physically untouched by the war in China, is in danger of perishing from lack of funds to carry on.

So says Stephen Tsai, comptroller of Yenching, who arrived on the Lurline Wednesday bound for Peiping, site of the university.



Mr. Tsai

He has been touring the mainland United States, raising funds to keep Yenching in operation. He will be here until July 1, sailing then on the Empress of Japan.

A graduate of Yale, class of '23, a scholar and a keen businessman, Mr. Tsai makes the following points about Yenching's need:

The physical plant in Peiping is unmarred. It missed the ravages of war. But its supporting funds have been largely cut off. The government can not help it, for that government itself is battling for survival.

Student enrollment has dropped from 800 to 600 and even this 600 courageously trying to continue their education are almost penniless, many actually suffering from

hunger to keep up their small fees.

Gifts from usual Chinese sources have dwindled to almost nothing.

But demands for Yenching's educational service has redoubled.

Pre-medical students, trained here for medical studies at the Rockefeller medical school in China, are badly needed. Teachers for China's millions are needed.

For the year 1938-39 a total of about \$100,000 is necessary. That is what Comptroller Tsai is trying to raise—or every possible penny of it.

"Even in China's present position, we must think about the future," he says, earnestly.

"Yenching is strategically situated from an educational standpoint. We have been able to preserve our independence of teaching and of internal administration. Our friends and supporters can rest assured that so long as we can keep Yenching's doors open to students, it will be as it has always been a Chinese Christian university, maintaining its ideals and so far as possible its teaching and study standards."

Yenching's history goes back nearly 70 years, for it represents the union of China Union college, 1867; Peking university, 1870; Peking Women's college, 1905, and North China Union Theological college, 1906.

Yenching's plant is valued at \$2,689,469.

YENCHING IS NEEDED

In the midst of a terrible struggle to survive present attacks, China thinks about her future.

Yenching university, at Peiping, is in the "occupied" zone. Fortunately it escaped the bombardments and burnings of the invading troops. In its picturesque compound, in its buildings designed by an American architect, this noted Chinese educational institution tries bravely to carry on.

From it — if it can carry on — must come many of the men who will figure in the rehabilitation of the Chinese people after their harrowing experience. It can, for instance, supply some of the thousands of the pre-medical students whom China must have for future doctors.

And so Stephen Tsai, comptroller of the university, is in Honolulu on the last lap of a long journey. He has been touring the United States, explaining Yenching's needs and Yenching's great opportunity, to the people of a more fortunate republic.

Yenching should survive. China needs it. The world needs it. If it is to survive, American aid is vital.

學 大 京 燕

YENCHING UNIVERSITY

PEIPING, CHINA

American Office

150 Fifth Avenue

New York

OFFICERS OF THE TRUSTEES

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- MRS. JOHN H. FINLEY, Vice President
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- C. W. LUH, Chancellor
- J. LEIGHTON STUART, President
- MARGARET B. SPEER, Dean of the Women's College
- STEPHEN I. O. TSAI, Controller

July 1 1938.

ack'd 7/8/38

Dear B.A. and C.A.E.

I came at a wrong time. The price of sugar is the lowest in many years. As almost all the wealthy people are dependent on the sugar industry, they all have a libi to refuse. Then again, the inter-island marine strike upsets many people. Furthermore June is a tax paying month. However, we did our best. Mr. Ching-ho Cheng (otherwise Hung Wo Ching) is a very fine faithful worker. I cannot praise him too highly. We have made many calls as shown on the list Mr. Cheng has prepared. They should all be cultivated. Our old list is out of date. I really think, when times are better, it is worth an while to spend one month here. I have tried to avoid all the Lingnan prospects in ~~many~~ ^{our} contacts. The money we collected are partly in cash and partly in checks. Mr. Cheng is handing all that. I have received from him \$25.14 which is the balance due me in my expenses account as per the attached statement. I thought this would be the simplest way of handing it.

Please read my letter to Miss Van Sever for additional information.

With best regards.

Stephen I. O. Tsai

Mr. Ching is sending the list in his letter.

NOTE: See letter from Miss Cookingham- C38-6-21-100 with Budget attached, Miss Cookingham's folder.
See Cable from Yenching dated Sept. 5, 1938. "CABLES" Yenching, an individual folder.

August 9, 1938

Mr. Stephen Tsai
Yenching University
Peiping, China

Dear Mr. Tsai:

It is fortunate that I did not follow instructions of the Committee in writing you by Clipper mail, as the letter would now be in the bottom of the Pacific. In looking up the sailings, I found that in all probability it would take nearly as long by sending your letter to Hongkong by Clipper as across the Northern Pacific by boat.

Another reason for not writing you has been that the meeting held, which consisted of two members of the Executive Committee, did not represent a quorum and of necessity a vote by mail would have to be secured. Up to the present, the two members attending the meeting have not agreed upon the phaseology of the various actions, and we are more or less at a standstill.

There is, however, one thing which can be attended to, and which should be done promptly - that is in relation to the budget.

The proposed budget for 1938-39 was received in Miss Cookingham's letter No. 100 dated June 21st. We put considerable time into studying same and getting it into shape for consideration of the Executive Committee. The more we studied the more convinced we became that it would hardly do to place these figures on record when the Finance Committee of the Associated Boards had been presented with emergency needs for next year in amounts far in excess of the deficits set forth in your budget. You will recall that we gave considerable time and thought to the Yenching 1938-39 needs, and later on I sent you a draft of the revised figures as suggested for final consideration - these being mailed to San Francisco, as I recall it. To freshen your memory, the list is as follows:-

*The Yenching Trustees estimate that Yenching's needs for 1938-39 will be US\$56,331.95 as follows:

1. General administrative and operation	\$16,728.25
2. College of Liberal Arts	13,500.00
3. College of Natural Science	14,024.72
4. College of Public Affairs	2,035.75
5. College for Women	3,543.23
6. Financial assistance to needy students	6,500.00
	<u>\$56,331.95</u>

Askings for 1937-38 were \$29,206, and allocations have been approximately \$30,000.

It is estimated that no substantial surplus can be carried forward to 1938-39.*

With the above list in mind, and the communication I sent you to San Francisco, some revisions should be made in the Yenching budget which would

0806

Mr. Stephen Tsai

-2-

8/9/38

bring it more in line with the askings for 1938-39. I hope I am getting across my point which is to have the field budget and the askings of the Associated Boards nearly parallel if possible. In other words, the budget we have received with a deficit of LC\$72,691.00 does not warrant us asking for \$56,331.95 emergency funds from the Associated Boards.

^{nd.} I am routing this letter through Kobe and Tientsin by way of the Pacific, with the hope it will reach you promptly.

At the same time, you might pass on the word that William W. Hollister, whom we could not get on the boat sailing August 6th, is scheduled to sail on August 20th on the Empress of Japan. It will make him a little bit late, but frankly it could not be helped as all boats are overcrowded.

Very truly yours,

C. A. EVANS

CAE/B

(Air mail to Pacific Coast
President Cleveland - San Francisco
via Kobe and Tientsin)

0807

燕京大學
YENCHING UNIVERSITY
Peiping, China.

Office of the Controller

Telegraph Address
"Yenta"

T38-8-10-3
August 10, 1938.

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

Dear Friends:

I have been back nearly four weeks. I have wanted to write to you long before this. But the office is on summer schedule and I find myself lamentably behind my work with the routine matters and have therefore delayed writing you. Miss Cookingham is on her vacation and will not be back for another two weeks. In this letter I will attempt to answer several batches of letters that have come to the office during the past three weeks.

Letter E38-6-14-1 requires no further comment.

Letter of June 16 addressed to me telling me that you have remitted to Mrs. E. P. Harris five dollars. I wish to thank you for taking care of this personal matter for me.

Letter E38-29-6-1 informing us of a contribution from the Sunday School of the First Congregational Church in Berkeley for scholarship. I am writing to Mrs. C. E. Rugh, 99 Ardmore Road, Berkeley, to thank her and to keep the interest up in the Church.

Letter E38-5-7-1 requires no further comment.

Letter E38-6-7-1. I think Miss Cookingham has already broadcast the information regarding the participation of the annuity scheme under the old plan to file the application before December 1st.

You have no doubt received copies of the proposed budget for 1938-39. The amount of deficit as worked out in this proposed budget is a good deal less than the estimate you and I worked out last May. Since this budget was made, the currency situation in North China has gone from bad to worse. The bank notes of the Bank of China and Bank of Communications are being displaced by the new Federated Reserve Bank notes which are not

Letter
T38-8-10-3

2

not/ convertible. As a consequence, the notes have greatly depreciated with a corresponding rise in the cost of commodities. The exchange rate between U.S. dollars and local currency has gone down to 1-6. This being the situation, the estimates in our budget have to be revised accordingly. Dr. Stuart has already written to Mr. Garside regarding the situation. We have no way to tell what may happen in the future to these local notes. The uncertainty is very great. It is most difficult to operate the budget under such circumstances.

Letter E38-7-7-1. This gives us three authorizations each for the University and Women's College for the current budget. While we do not need to use these authorizations in the immediate future, we are glad to have been fortified.

Letter E38-7-7-2. This gives us the authorization for the year for the Harvard Yenching Institute. Here again we do not know how the present situation is going to affect the budget of the Institute. It is highly possible that a radical revision may be necessary, since the budget is in local currency.

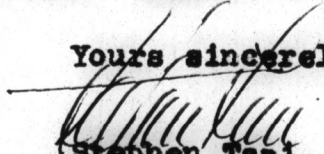
Letter E38-8-7-1 requires no further comment.

Letter of July 8th addressed to me is very much appreciated. I am happy to report that in spite of the difficulties the University encountered during the past sixteen months, things on the campus look just as before. In fact I find the morale on the campus, both students and faculty is even better than when I left. There are about 100 students remaining on the campus taking advantage of the summer courses offered. For the new semester, we will probably have a record registration. There were over 1300 applicants taking the entrance examinations, of whom 390 were successful. The records of the students were surprisingly good. We have been requested by the legal authorities to take in as many as we can. As you know, our dormitories only hold 800. We have rented a house in the village to take care of the surplus. Dr. Stuart has also been successful in settling a very annoying matter with the local authorities regarding the appointment of certain teachers. So we are looking forward to a good year. You must be glad to hear of this in view of the events that are taking place here.

This brings our correspondence up to date. After having had an opportunity to know you personally, I have an entirely different feeling in addressing letters to you now than before. I hope you are having a little vacation this summer. I hear you have had quite a few hot spells in the New York City. I hope you missed them.

With best wishes and kindest regards to you and to others in the office.

Yours sincerely,


Stephen Tsai.

ST:H

P. T. O.

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Letter
T38-8-10-3

3

P. S. Letter E38-28-38-1 dated June 28 regarding subscription of Yenching Journal by James H. Stewart. We are sending Mr. Stewart the publication.

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燕京大學
YENCHING UNIVERSITY
Peiping, China.

Office of the Controller

Telegraph Address
"Yenta"

August 11, 1938.

Mr. Elvena Van Sciver,
150 Fifth Avenue,
New York City,
U. S. A.

My dear Mr. Van Sciver:

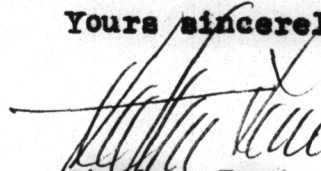
I have been back for four weeks now and have been dealing with the office routine. I have wanted to write to you long before this. The delay, however, is no proof of my lack of enthusiasm on my part, for I have thought of you and Miss Groh very often especially when I read about the hot spells in your great city. Do I remember correct that you are going to take a motor trip through Kentucky mountains? I hope you have had a grand time and missed all the hot weather in New York.

I found the University just as beautiful as ever. The spirit among the faculty is even better than when I left. The new year has every indication to be a very prosperous one with probably a record number of students. We have been asked by good authorities to take in as many as we can. We have rented a big house in the village to take care of the surplus population. It is a great stimulation to work in the direction of expansion rather than the other way under the present circumstances.

I heard from friends of Lakewood that my dear old Mrs. Pack was greatly disappointed that I harbored ultra motive in our social relation. I think the old lady needs a little education. After consulting the matter with Dr. Stuart, I wrote her a letter a copy of which I enclose herewith. I am afraid she is not very promising.

With best wishes and kindest regards to you and Miss Groh.

Yours sincerely,



Stephen Tsai.

ST:H

0811

燕京大學
YENCHING UNIVERSITY
Peiping, China.

C38-9-6-11 v
C38-11-2-27

Office of the Controller

Telegraph Address
"Yenta"

T38-8-15-4
August 15, 1938.

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

Dear Mr. Evans:

The last American mail brought in yours E38-13-7-1 and E38-18-7-1 enclosing the June Trial Balance and Closing for the Women's College and the University respectively. We are very happy to have these on hand to make the final entries in our books for the past year.

We note with gratitude that you have been able to allocate \$16,628.26 for the emergency fund for the University and \$2,510.06 for the Women's College, making a total for the entire University \$19,138.32. Since the total emergency fund for Yenching is to be \$29,205.66, there still leaves a balance of \$10,667.34 to come. I am, however, at a loss as to how you arrived at the figure \$16,628.26 which, as you stated, includes \$7,000 from the Rockefeller Foundation. In the minutes of the joint meeting of the Executive Committee and Promotion Committee of January 19th, I note that at that time you already received from the Emergency Campaign \$15,927. Even if nothing was added from the other campaign receipts, the Rockefeller Foundation grant of \$7,000.00 would bring our total emergency fund to \$22,927. However, I do not know all the factors involved in your calculation. I wish merely to point out my perplexity in the matter.

I have just read Mr. Garside's letter of July 13th to the Presidents of the participating colleges announcing the good news that the campaign for the \$300,000 emergency fund has practically gone over the top. You certainly deserve to be congratulated for the success.

I am proposing to allocate the \$7,000 from the Rockefeller Foundation designated for Yenching toward meeting the deficit in the Government's grant to us. You may remember that the Ministry promised us for 1937-38 \$60,000 L.C. But the war broke out in July 1937 before we received any of this grant. In the course of the year, however, we received in three installments amounting to \$27,022.48. This leaves us short of our calculation by \$32,977.52. We cannot figure out at what exchange rate we convert this Rockefeller fund. But I will report to you again later on the matter after Miss Cookingham returns.

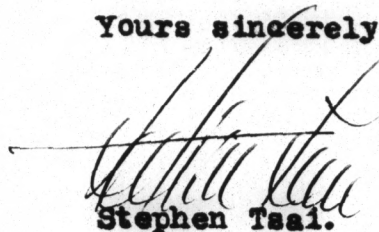
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T38-8-15-4

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Under separate cover we are sending you two copies of the audited statements for the Harvard Yenching Institute for the year closed on June 30th. I have not been able to study the accounts since I returned. Miss Cookingham is familiar with them. Since the Harvard Yenching Institute wishes to have these statements as early as possible, I am forwarding them to you without any comments. Miss Cookingham will write to you when she returns if she has comments to make on them.

Yours sincerely,



Stephen Tsai.

ST:H

0813

August 24, 1938

Dear Stephen:

It was good of you to keep me in touch with your journey westward. I have before me now the note which came from you in Hawaii. It sounded like extraordinary good fortune for you to be with the Houghtons, which should have meant that the plan of going from Kobe to Dairen would have been easier to execute. I hope that it went smoothly, and I shall look sometime for a word of the details. I am taking it for granted that you will have a certain amount of secretarial assistance to help you in carrying on correspondence from the Yenching campus, and I cannot put too strongly my assurance that your continued interest in the work we are doing in New York is very important to us personally and officially.

The completion of the three hundred thousand dollar emergency fund in early July gave us a good deal of satisfaction here, and I know you were glad to receive the news in China. The fund for next year, as you already know, is slightly over that figure: \$330,000. Naturally that means our definite hope that the Rockefeller Foundation will carry along with us, and that we may be successful in securing a few other substantial amounts from foundations or individuals.

I can imagine the joy with which your wife and sons greeted your return, and I can almost hear your fervent vow never to get as far away from them again! May I remind you that a part of my plan for bringing you back to the States in the near future is that your family is to come along with you.

Some of us have been getting a bit of vacation during August, following upon an executive conference which we held during the last days of July. We shall go into more detailed discussion during the first fortnight in September, and I feel certain that we have a chance to emerge with a more carefully considered program than it was possible to evolve last year at this time, when we knew so little of what was likely to happen from day to day.

You will be hearing of some of my letters to the Yenching campus. When Margaret Speer and I had a long talk at Lakeville in July, she was very earnest in her feeling that we must develop a better news service from the Yenching campus to the New York Office, and that this might well be a composite of personal messages. One of the convictions that came out of our July executive session was that Ginling had had during

1937-38 the very best information service in all the China College fabric and that its quality came from the number of individuals who were constantly writing to the New York Office center. So if you hear questions, or even protests, from those of your colleagues whom we are asking to write of their personal and professional life at Yenching, please give them all the encouragement you can. We need to make the Yenching story increasingly attractive and convincing to American friends.

With cordial personal greetings, I am

Mrs. T. D. Macmillan

0814

燕京大學
YENCHING UNIVERSITY
Peiping, China.

Office of the Controller

Telegraph Address
"Yenta"

September 5, 1938.
T38-9-5-5.

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

ack 10/1/38

My dear Mr. Evans:

This morning we dispatched to you a cablegram a part of which is in reply to your letter of August 9th. The text is as follows: "REPLYING LETTER AUGUST NINE BUDGET REQUIRES DRASTIC REVISION WRITING WEE UNAVAILABLE DUE LARGE ENROLLMENT RECOMMEND NASH ABCCC". Dr. Stuart will write you regarding Messrs. Wee and Nash. In this letter I will elaborate further on the budget issue.

Dr. Stuart wrote you the end of July reporting in general how the depreciated currency and the rising costs of commodities would affect our budget which was drafted in the spring when the new factors of currency and costs were not taken into consideration in the calculations. A few examples of the rising costs will illustrate the extent to which our budget has to be revised. Diesel oil was \$105 per ton last year, \$180 this year. Coal was \$10 per ton, now \$18. The prices of metals have gone up even further. We paid \$59 for a gas retort last year. For the same we have to pay \$152 now. Realizing the hardship caused by these increased costs of living, the University decided in July to subsidize \$2 per month to each employee whose salary falls below \$40. We are studying the problem of the higher paid staff. While we do not want to have too much luxury and comfort when the country in general is going through national calamity, we must take cognizance of local situation and want to provide for our staff adequately. All these factors would indicate to you that the estimated deficit of LC\$72,691 in our proposed budget will be substantially increased when the budget is revised and brought up to date, which we hope to do as soon as registration is over. Our large enrollment will of course bring us more income. But just how much it will be we cannot tell until registration is complete. While our final requirement will perhaps not be as large as US\$56,331.95 as you and I worked out early in the spring, it will be considerably larger than it appears in the present budget. We hope we can send you the revised budget before very long.

0815

To Mr. C. A. Evans
T38-9-5-5

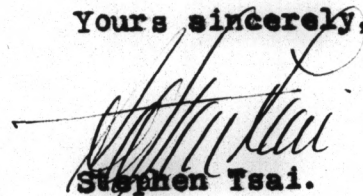
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Since Miss Cookingham returned I have learned from her how the emergency grant to the University was handled. The question I raised in my letter of August 15th is now clear in my mind. Please disregard the comment I made in the latter part of the second paragraph of my letter of August 15th if you have not taken the trouble in answering it.

We are in the midst of the opening rush of the new session. The student body will undoubtedly go over 900 when the registration is complete. We have fixed several temporary dormitories for men students. They are far from being satisfactory and comfortable. But I am sure our students will endure the inconvenience and discomfort in exchange for an untrammelled education.

With best wishes and kindest regards.

Yours sincerely,



Stephen Tsai.

ST:H

08 16

燕京大學
YENCHING UNIVERSITY
Peiping, China.

INDEXED

Office of the Controller

Telegraph Address
"Yenta"

November 12, 1938.
T38-11-12-6

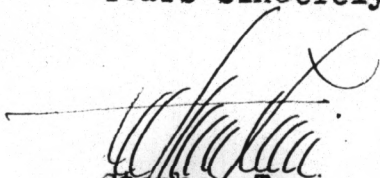
Mr. C. A. Evans,
Yenching University,
150 Fifth Avenue,
New York City,
U. S. A.

Dear Mr. Evans:

Miss Cookingham has already written regarding a journal entry covering the purchase of a piece of land for LC\$2523.50. I wish to explain a little further about this lot.

Between our South Residence Compound and the Crop Improvement Station, which is now being operated under the auspices of the College of Agriculture of Nanking, there is a lot about 35 mou of farming land composed of two adjacent pieces belonging to two different owners. This land is most desirable for us to possess both for future expansion and for keeping it from falling into the hands of people who may not be desirable from the University's point of view. We have succeeded in purchasing 20 mou from one owner the cost of which is referred to above. We are hoping to conclude the deal for the other part in the near future. We hope this will meet with the approval of the Trustees.

Yours sincerely,


Stephen Tsai.

ST:H

12/19/38
Pr. # 1366

0817

燕京大學
YENCHING UNIVERSITY
Peking, China

RECEIVED
UNIVERSITIES
DEC 17 1938
JOINT OFFICE

Office of the Controller

Mr. C. A. Evans,
Yenching University,
130 Fifth Avenue,
New York City,
U. S. A.

Dear Mr. Evans:

I am writing you in regard to the
loan of a certain amount of money
to the Yenching University for the
purpose of purchasing a certain
amount of books.

The amount of money is \$10,000.
This money is to be used for the
purchase of books for the library
of the Yenching University.
The books are to be purchased
from the United States and
sent to the Yenching University
in Peking, China.

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