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COLLEGE FILES
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John Greiner, Asst. Treas.
281 Fourth Ave., New York 10

January 3, 1947

Mr. John L. Coe
38 Poyang Road
Hankow, CHINA

Dear Mr. Coe:

We have received a letter from Miss Grace A. Crosby asking that one-half of the 1945 income from the Daniel A. Pierce Fund, subject to her disposal, be sent as soon as possible to Dr. Francis C. M. Wei, Hua Chung College, for a young girl at the college in whom he is interested and whom he has asked her to befriend. This is to advise you that we received a check from the Society for \$41.39 being one-half of the income mentioned and that I have deposited this check in the National City Bank of New York, Reserve Account. Please advise Dr. Wei that this amount is available for him.

Sincerely yours,

John Greiner,
Assistant Treasurer

JG:r

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Boone Compound, Wuchang, Sunday, January 5, 1947

Dear Mr. Lyford: I just want to add a word of "Happy New Year" in John's letter. At the moment, it is not possible to enthuse too much over the prospects for 1947, but perhaps the great minds of the nations have a clearer vision of what they ^{can} achieve for this year than they had for 1946. The young students of China at the moment seem to be quite exercised over the incident in Peiping where a GI allegedly attacked a Chinese girl student-- and our compound has been pretty well plastered with notices urging the removal of all US troops from China, as well as criticizing the National Government, but I cannot see that many students appear very excited over the "demonstration." A number of students went off this morning to parade in a demonstration, but they certainly gave the impression that they thought it was pretty much of a lark. We hope it stays that way.

We had a very nice Christmas here. On the afternoon of the 22nd, the College Glee Club, under the direction of Miss Venetia Cox, gave a good deal of "The Messiah." Three of the soloists were from the college community, and one was a well-known concert soprano from outside. The Church of the Nativity, in which it was held, was full. On Monday evening, the 23rd, the English Club and the College Choir put on a Christmas pageant in English, under the direction of Miss Hutton. On Christmas Eve the Church of the Nativity had its regular carol service and Christmas pageant in Chinese; the church was "mobbed" by many outsiders who had not had a chance to see a Christmas pageant in years. After this pageant well into the early hours of Christmas morning, groups of students came about singing carols to us. On Christmas morning there ~~was~~ the regular Early Communion at the Church of the Nativity and Morning Prayer and sermon at half past ten. Our students have learned to love the Christmas Season as much as we do, I think. During Advent and for the Christmas Services, the collection was taken to be sent to Miss Cornelia Morgan, in Tsuyung, Yunnan, who had been so good to the college people travelling back and forth on the Burma Road during all our years in Hsichow. She runs her mission on Faith, and frequently she is very short of money to carry on her good work. I think everyone who had been in Hsichow was eager to give towards Miss Morgan's work. After a day or two (or more) on the Burma Road, Miss Morgan's clean bed, hot food, and Southern hospitality (she never would take a cent) were just like a bit of heaven. I remember arriving there one night, after an especially bad day when I had been dizzy and carsick, when I thought I did not care if I staid there the rest of my life! These people who travel to the far ends of civilization in trucks, wheelbarrows, or on camels, and then write books about ^{their travels} ~~it~~, are welcome to all the fame they ever so acquire, as far as I am concerned. I will still settle for the "Twentieth Century Limited" and the "Queen Elizabeth."

We are all still rather under the horror of the plane accidents that took place on Christmas evening around Shanghai. We understand they even got into the New York papers. Three planes down, with over 70 killed, because of an enveloping fog -- is a pretty bad record for one day. I believe at the moment it is possible to go anywhere on a plane in China now without any advance purchase of ticket. We have become so dependent on air travel. The government is now going to institute some kind of an investigation-of-safety board, but one wonders how much it can really do. Of course, if the commercial lines cannot give a reasonable amount of safety, they will just die out from no business. But China simply has to have plenty of air transport, for its old means of communication are not back to normal. We have heard of one ship on the river, which has been "redecorated," but most of them are pretty hard to travel on. However, it is probably better to "eat bitterness" for six days than to fly in comfort for three hours -- and never reach the destination.

We still hope to get off in February for furlough, but the Shanghai office so far has not been able to get us a sailing. We would like to ^{go} home via Suez, as I have never been that route, but these days one has to take most any sailing offered. It is a happy life out here, and I suspect that, like all missionaries on furlough, I will no sooner set my foot on America's shore than I shall start planning about our return. We probably have more food to eat here in this center than you can get in America. We can still buy through CNRRA ex-US Army tinned foods at reasonable prices (comparatively), and we shall have to adjust in America to little meat, scarcity of butter -- and the high prices in America too. The Shanghai paper tells us that the cost of living went up 6.5 times in Shanghai during 1946 -- and the ratio is about the same for Hankow. As near as we can figure, fuel of all kinds has risen more proportionately than other things in daily use. With best wishes to you and Mrs. Lyford for the New Year -- and hoping to meet you again in the ~~not-to-~~ distant future,

Sincerely yours
Mary Richards Cox

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C O P Y

Hua Chung (Central China) College
Wuchang, China

February 12, 1947
(Rec'd March 5th)

Mr. Oliver S. Lyford
281 Fourth Avenue
New York 10, N.Y., U.S.A.

Dear Mr. Lyford:

Yesterday I sent you the following cable:

FOWLER REQUEST LYFORD PAY WESLEY WAN 905A YALE STATION NEWHAVEN ONE THOUSAND
DOLLARS CHARGE COLLEGE ACCOUNT COE.

Will you please make this payment in the usual way.

Also, will you please pay the American Physical Society, through its
treasurer, George B. Pegran, Columbia University, New York 27, N.Y. US\$11.50.

On January 27 I gave Miss Chow Kwang-tsung a letter to Mr. Greiner, asking
him to pay her US\$800 on presentation of the letter. Miss Chow will probably be on
her way to the States within a month or so and will be studying in California. Will
you please pass this information on to Mr. Greiner.

Dr. Wei returned here on the first of February and has gotten the term
started. Up till Saturday evening our enrollment was 334, but there are a large number
of students drifting in this week, so our enrollment may run up to nearly 400.

It is difficult to see how far this economic storm, which is now sweeping
the country, will go. So far there are few signs that things are quieting down. One
place in Hankow yesterday quoted the Black Market rate at 14,000, which is nearly double
what it was two weeks ago. Rice has more than doubled in price, and merchants are very
reluctant to sell.

I was able to wind up the first term with a comparatively small balance in
Chinese currency on my hands, and with the fees coming in at the present time I have
hopes that we shall have enough Chinese dollars on hand to carry us through this month.
The exchange situation is very confused at the present time, and things are so uncertain
that I feel we should not sell any more than absolutely necessary. This radical increase
in prices will mean that we shall have to make a revision of the college salary scale,
but I have hopes that the exchange will enable us to make such an increase without having
to increase our probable deficit for the year.

The Associated Boards have just sent us CN\$6,400,000 as their grant for
January. This is an increase of \$1,400,000 over what we received for the months October
through December of last year. At the same time there was word from Dr. Fenn that there was
no guarantee that this rate could be continued.

At the present time I am working on the closing of the college books for the
first term, and hope to have it finished within a day or so. Bishop Gilman returned to
Hankow early in January. Mr. Pickens arrived in Hankow late last week, and I shall very
soon have turned over all of my mission business.

My present plan is to get a sailing for Shanghai sometime the latter half of
next week, with the hope of getting the "General Gordon" from Shanghai about March 6th.
With the best wishes,

Yours sincerely,

JLC/MRC

(Signed) JOHN L. COE

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3 Copies

Hand Col

Hua Chung College,
Wuchang,
Feb. 19, 1947.

MAR 3 1947

Mr. J. Earl Fowler,
281 Fourth Ave.,
New York, N. Y.

J. EARL FOWLER

Dear Earl,

I am writing this to you, but will you please share it with Mr. Lyford as I am sort of rushed this week trying to get everything wound up preparatory to leaving. We have passage down river on the An Kang for Sunday morning the 23rd and hope that the boat won't be commandeered for troops and will get through all right. We know it started up river on last Sunday. The An Kang is an old friend of yours namely the Kutwo of Jardine's which looks much the same as of yore except the ~~xxx~~ funnel is differently painted. It is run by a company which is closely connected with Jardine's and at the moment offers the best service on the river. We hope to make the General Gordon from Shanghai on the sixth or so of March. Our departure was delayed on account of the late arrival of various people and then Francis went off to Kwangtung for a good part of January. Also it might not have been easy to get on the earlier sailings.

Will you please tell Mr. Lyford that Dr. Wei and myself have decided that one of the methods of helping out our finances is to use the joint account on the National City Bank again. As a trial of this ~~xxx~~ at the end of last week we sold a check for US\$200 on that account which will be coming through to New York. The number of the check is 60 and is for US\$200. signed by both Dr. Wei and myself. How much further use we will make of it I don't know but it is just as well to have it to fall back on. With the check I sent a note to Mr. Greiner ~~asking him to~~ asking for it to be referred to him in case there was any difficulty.

On Monday afternoon we had a long meeting of the rehabilitation committee which was really putting together the results of Ward's work and the work done here. The first thing decided upon ~~xxx~~ was that in the matter of future orders for rehabilitation equipment etc., that none should be placed before the money was in sight to pay for them. Up to the present time we have been theoretically working upon the budget adopted by the Board of Founders when Francis was in America and have known that not all the funds had been received to cover the budget. Our present review of the situation is as follows:

Receipts for rehabilitation.

In New York-	National Council	US\$105,000.
	Reformed Church Mission	5,000.
	Associated Boards	8,000.
In China-	from " " in Aug. 1945.	10,000.
	surplus of gov. grant after dormitory and music rooms and also faculty subsidies.	11,500.
		<hr/> 139,500.

Expenditures.

Repairs and furnishings in Wuchang to date, plus estimated cost of library stacks.	68,500.
estimated cost of things ordered so far including shipment to Wuchang.	55,500.
	<hr/> 124,000.

It was voted to recommend that out of the balance of approximately \$15,000 remaining, ~~that~~ \$1,000 be reserved for the purchase of psychology equipment by Dr. Lo, \$1,000 for the completion of rehabilitation repairs, \$2,000. for completion of furnishings, \$1,000 for Physic teaching equipment, \$1,000 for equipment for Dr. Tragear and the balance of \$9,000 for books. In this summary nothing is said about items one and six of the original budget which have been covered and need not concern the future. It was further recommended that

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Mr. J. E. Fowler- Feb. 19, 1947. page 2.

this be considered the completion of the first stage of rehabilitation and that as funds become available be for further rehabilitation, that they be divided in the following ratio: six for books, three for science equipment, one for general equipment and one for furniture which will be needed as we look to the future building program. The goal for each of these categories to be \$180,000 for books, \$90,000 for science equipment, \$30,000 for general equipment and \$30,000 for furniture. The goal in the case of the first three items to include any sums spent so far.

I believe that Ward will be sending a complete report of the meeting a little later.

I have nearly finished the financial report for the first term and it looks as though we had had a deficit of about US\$5,000 for the term. It is very hard to predict how we will come out the second term but there is a chance that if things hold up the way we hope they will, that we may come near to breaking even for the term, thus not increasing the deficit for the year over that figure for the first term. I will probably have to finish off the final rounding of the report into shape ^{after} I get started downriver.

With best wishes and hoping to see you before too many months have elapsed,

John C. C.

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Huachung College, Summary of Income and Expenditure of Operation for
First Term 1946-47

	<u>Income</u>		<u>C\$</u>		<u>Foreign Sal.</u>
Western Sources:					
American Church Mission			21,600,000.		6
" " " Miss Johnston			9,000,000.		
Yale-in-China			9,000,000.		
Harvard-Yenching			9,000,000.		
London Missionary Society			821,625.	2	
Methodist Missionary Society			2,000,000.	3	
Evangelical Mission			3,293,450.		
Reformed Church Mission			7,200,000.	1	
British Aid to China			1,361,160.		
United Service to China			25,923,366.		
For Scholarships			5,650,000.		
Total Western Sources			94,849,601.		12
Local Sources:					
Tuition and other fees			20,364,880.		
Bank Interest			1,494,588.57		
Mr. Newton Tsui			500,000.		
Total local sources			22,359,468.57		
GRAND TOTAL INCOME			117,209,069.57		

	<u>Expenditure</u>			
Administration			4,001,188.	
" personnel			21,450,225.	1½
Operation and Maintenance			11,093,808.	
Physical Education			3,713,000.	
Scholarships			5,650,000.	
Extra - Pao family final			181,400.	
School of Arts - Personnel			41,034,100.	6½
" " - books, etc.			686,985.	
" " Education-personnel			10,409,098.	2½
" " " books			1,125,000.	
" " Science - personnel			28,746,216.	1½
" " " - equipment and maintenance			7,884,944.	
			135,975,964.	12

Thus there is a deficit of C\$18,766,894.43 for the term.

In the case of Income from the American Church Mission, Miss Johnston, Yale-in-China, Harvard-Yenching, and the Reformed Church Mission the figure given is the equivalent of one-half of the appropriation expected for the college from that source in US\$. Thus, the deficit for the term would amount to approximately US\$5,213.03 at the average rate the college has been able to do business, and a sum of this amount of US\$ has been sold to cover this deficit. IT IS DIFFICULT TO PREDICT how the second term will go, and much depends upon the interrelation of prices and exchange, but it should be remembered that the deficit for the first term is really a charge against the second term, and there will be less foreign currency available for sale during the second term, as it had been sold during the first term at lower rates.

Feb. 25, 1947.

John L. Loe.
Treasurer.

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Hua Chung College , General Administrative Financial Statement for First Term Academic Year, 1946-47 (4)

	<u>Income</u>	C\$	<u>For. Salari</u>
London Missionary Society		821,625.	
Methodist " "		471,400.	
American Church Mission			1/2
Reformed Church Mission			1/2
Western Sources			1/2
Evangelical Church	14,837,677.43		
For scholarships	3,293,450.		
Tuition Fees	5,650,000.		
Registration fees	8,840,000.		
Medical fees	884,000.		
Library fees	4,420,000.		
Physical Ed. fees	2,210,000.		
Miscellaneous fees	1,964,800.		
Bank Interest	702,080.		
Mr. Newton Tsji	1,494,588.57		
	500,000.		
	46,089,621.00		1 1/2

	<u>Expenditure</u>	
1. Administration		
College functions	356,000.	
Entertainment	277,800.	
Offices-President	675,270.	
" - Dean and Reg.	902,060.	
" - Treasurer	156,200.	
" - Business	249,380.	
Postage and Telegrams	689,345.	
Admissions	420,433.	
Medical and Infirmary	274,700.	4,001,188.
Administrative Officers.		
President 3/4	2,316,000.	
Treasurer 1/2		1/2
Dean 1/2		1/2
Superintendent of B. and G. 1/2		1/2
Chinese Secretary	2,398,000.	
Assistant Treas. 1/2	1,140,500.	
Assistant Regist.	1,751,150.	
" Librarian*	2,264,075.	
" In Library	1,657,800.	
Asst. Clerk in President's office	1,194,100.	
" " " " " "	1,303,900.	
Business Manager	1,468,600.	
Extra clerks	940,000.	
Dean of Women 1/2	1,355,000.	
Physician	2,192,500.	
Nurse	1,468,600.	21,450,225.
2. Operation and Maintenance		
Library	1,527,750.	
Grounds	507,000.	
Heating	2,713,000.	
Lighting	939,990.	
Rentals (gross 2,700,000)	2,220,398.	
Wages	3,120,150.	
Sundries	65,520.	11,093,808.
3. Physical Education		
Physical Director	1,748,200.	
Equip, etc.	1,964,800.	3,713,000.
4. Scholarships and Student Aids	5,650,000.	5,650,000.
5. Pao Family, final payment	181,400.	181,400.
	46,089,621.	

Feb. 25, 1947

John L. Lee.
Treasurer

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Hua Chung College financial report for school of Arts, first term 1946-47. [5]

Income.

	C\$.	For. sal.
London Missionary Society		1
Methodist " "		2 1/2
American Church Mission		3
other income	45,320,985.	
	<u>45,320,985.</u>	<u>6 1/2</u>

Expenditure.

Department of Chinese:		
M. C. Fu	2,435,500.	
C.J.Hsu *	3,393,000.	
T.S.Shao*	2,533,700.	
C.T.Lin	2,341,000.	
C. P. Teng	2,101,000.	
M. C. Wei	2,009,500.	
C. P. Chien*	3,403,000.	
S. H. Shih *	<u>1,996,400.</u>	20,213,000.
Department of Western Languages		
M. Bleakley		1
E. Hutton		1
M. Sheets		1
J. Chamberlayne		1
T. E. Wang	1,583,500.	
M. Y. Kao	1,583,500.	
Wu Mi (part time)	<u>540,000.</u>	3,707,000.
Department of History		
L.Constantine 1/2		1/2
P. Ward		1
Y.C. Wang	2,101,000.	
Y. L. Hsu	1,748,200.	
S. H. Shih	<u>1,413,700.</u>	5,262,900.
Department of Econ.-Com.		
A. C. Shen	2,963,000.	
J. I. Tan 1/2	1,140,500.	
Tu	2,192,500.	
Y. Y. Lee Tregear	2,099,500.	1
C. H. Wu	<u>1,468,600.</u>	9,774,100.
Philosophy Religion		
C. M. Wei 1/4	722,000.	
W. K. Taai 1/2	<u>1,355,000.</u>	2,077,000.
total personnel	41,034,000.	6 1/2
Books for Chinese Dept.	3,806,985.	
" " other depts.	<u>480,000.</u>	
grand total	<u>45,320,985.</u>	6 1/2

* after a name indicates that travel expenses were paid in addition to salary.

In the case of the books for the Chinese dept. it is recommended that \$3,600,000 be charged as US\$1,000 against the rehabilitation budget.

Feb. 25, 1947.

John L. Cve
Treasurer.

Hua Chung College, English Department School of Education, financial report
for first term 1946-47. [6]

Income.

	C\$	For salary.
Reformed Church Mission		1/2
London Mission (furlough)		1
American Church Mission		1
Music fees	320,000.	
Education fees book	99,000.	
British Aid to China	1,361,160.	
other income	9,753,938.	
	11,535,098.	2 1/2

Expenditure.

Personnel:			
Education			
Dr. Hwang	3,628,000.		
Mr. Anderson (furlough)			1
Dr. Taylor 1/2			1/2
W. M. Hsiung *	3,555,598.		
Paul Wu	1,866,700.	9,050,298.	
Music			
V. Cox			1
W. T. Cheng	1,358,800.	1,358,800.	
total personnel		10,409,098.	2 1/2
Music			
Piano	1,215,000.		
repairs and tuning	149,000.		
student help etc.	93,400.	1,457,400.	
Education			
Principal's conference	250,000.		
furnishings	235,000.		
printing etc.	320,000.	805,000.	
		12,671,498.	2 1/2
music deficit		1,137,400.	

It is recommended that the deficit in the music dept be held to see how far the fees during the second term will help to pay it off.

Feb. 15, 1947.

John L. Coe.
Treasurer.

[7]

Hua Chung College, Yale-in-China School of Science financial report for first term
1946-47.

	Income.	C\$	For. sal.
American Church Mission			
Methodist Mission			1 1/2
Laboratory fees		1,528,600.	
other income		925,000.	
		38,909,392.	
		41,372,992.	1 1/2

Personnel:

		Expenditure.	
Biology			
Dr. Li *	3,080,000.		
Dr. Cheng 1/2	1,228,000.		
M.C. Pi	1,468,400.		
P.C. Chang	1,468,400.	7,244,800.	
Chemistry			
G. Bien	2,710,000.		
Dr. Ho*	3,671,916.		
Dr. Weidnhammer			
F. H. Chu	1,691,300.		1
T. S. Chiang	1,358,800.	9,432,016.	
Physics.			
R. P. Bien	3,148,000.		
C. F. Ying	1,583,500.		
C. Y. Lin	1,528,600.		
J. Yang	1,583,500.		
Chao	6 1,358,800.	9,202,400.	
Mathematics			
J. L. Coe 1/2			
Hu	1,860,500.		1/2
Hwang Chieh	1,006,500.	2,867,000.	
Total personnel		28,746,216.	1 1/2
Biology	1,376,670.		
Chemistry	6,448,256.		
Physics	4,781,650.		
Dean's office	20,200.	12,626,776.	
		41,372,992.	

In the matter of department expenditures, it is proposed that in the case of Chemistry and Physics where the expenditure runs over the amount set for the year of US\$1,000 per department that in the case of Chemistry that the sum realized from the sale of apparatus and chemicals in Hsichow last year namely US\$956.80 equivalent to C\$3,444,480 be used and the balance of \$2,583,776 equivalent to US\$717,71 be charged to this year's grant.

In the case of Physics the sum realized from the sale of apparatus in "sichow" namely US\$354.82 equivalent to C\$1,297,352 be used and the remainder of C\$3,081,308, be tentatively charged to this year's grant as US\$855.64. Both of the above amounts are after ~~adjustment~~ the departments concerned have been credited with laboratory fees. and in the case of physics there may be a further adjustment when work done for other departments is credited in.

names * denote that travel expenses also were paid in addition to salary.

Feb. 25, 1947.

John L. Coe
Treasurer.

S. S. Ankang,
Feb. 26, 1947.

Mr. J. Greiner, Assistant Treasurer,
Hua Chung Board of Founders,
281 Fourth Ave.,
New York City.

Dear Mr. Greiner,

Enclosed please find a complete financial statement for the college for the first term of the current academic year. As I am leaving for furlough I thought it would be wisest to see that the report was made for the term in the same form as I have usually made in August. I have not definitely assigned all of the income from abroad or its uses as this report is only for half the year. However if things come along in the matter of income in much the same way as last year and assuming that one half should have been used during the first term, our deficit during the first term would run to a bit over US\$5,000. It is hard to tell whether or not it will be possible to make up all or part of that. With the recent rise in the official rate I have hopes that the deficit for the year will not be much larger. The problem is of course will the government be able to control prices in its new attempt, and if it does, then things may work out a bit better for us. Then too there is the problem of the amount to be received from the Associated Boards. For the three months October through December, we were receiving \$5,000,000 a month. Then in January we received \$6,400,000 with the statement that this did not constitute a promise of how much we would be receiving in future months.

I have been finishing off this report on the trip down river and will have it posted from Shanghai. We should be arriving there sometime this afternoon, and we have hopes that we will not be too long delayed there in getting away for the States.

With best wishes,

Yours sincerely,

John L. Lee

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Hua Chung College, US\$ balance sheet as of Feb. 4, 1947.

[2]

	DR US\$	CR US\$
A Sustaining Fund		2,279.47
Johnston Fund		20,306.86
Harvard-Yenching		11,166.62
Yale-in-China		16,154.38
American Church Mission		6,000.00
B President's Discetionary		479.48
Practice School		4,218.17
Relief Fund		46.50
Arts Books		1,428.02
" Equipment		800.00
Education Books		1,168.67
Music		476.90
Biology		1,994.15
Chemistry		1,033.78
Physics		223.25
Science Books		781.69
Thorne Fund		461.42
Science Museum		200.00
C Reserve for Fellowship for Jr. Staff		1,700.00
Scholarshaps		2,422.72
Page Fund		400.00
Alumni Fund		530.00
Transportation		9,245.92
Board of Founders Special		278.57
C. F. Lo	3,863.08	
Land Purchase	1,115.59	
Deposit a/c		11,656.60
From Associated Bds. ReH. in N.Y.		8,000.00
Reformed Ch. Mission Reh.		5,000.00
Associated Bds. Rehab. China		10,000.00
balance of Ministry grant		11,764.18
Unpaid on Transportation-see note.		1,000.00
drawn thru ACM		12,000.00
drawn thru ACM college		30,000.00
Repairs	34,744.25	
Furnishings	10,306.39	
Freight and books	1,221.85	
against current budget	15,500.00	
deficit first term	5,213.03	
Receivable Reformed Church Mission	82.50	
Spec. China Funds	4,147.57	
ACM Hankow " B"	238.20	
Receivable CCC Foundation	703.66	
Equivalent Rangoon deposit	9.90	
" Hongkong "	1,580.00	
Dom. and For. Missionary society	39,000.00	
NOB Joint account	3,608.08	
" Reserve account	51,883.25	
	<u>173,217.35</u>	<u>173,217.35</u>

82.50 ok - Rec'd 7/1/47
4,147.57 Ch with Henry - No statement from R.P.S. ofc Payments.

Note: The item unpaid transportation represents the balance of US\$1,000 from the amount paid thru Shanghai office in spring of 1946 when ~~39,000~~ 39,100 was drawn.

The balance in the SOF is arrived at by taking the balance as of Aug. 1 and then deducting the payments requested ~~by xxxxxx~~ thru the Shanghai office.

Feb. 25, 1947.

John L. Coe
 Treasurer

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Hua Chung College, Balance Sheet, Feb. 4, 1947.

[3]

	Dr. C\$	C.R.C\$.
Board of Founders	6,721,252.40	
Ministry of Education		3,300,000.
Student Furniture deposit		2,310,000.
Repairs	3,308,000.	
Physical Education		245,200.
Government Loan		3,747,247.78
Scholarships		191,600.
English Books		663,600.
Music	1,137,490.	
Deposits Local		484,551.92
Men's Hostels		1,733,844.
Women's Hostel		165,878.
Balance Sh.Com. and Savings Bank Hankow	567,648.27	
Balance Bank of China, Hankow	243,345.33	
Central Bank of China, "	94,186.85	
" " " " Wuchang.	810,105.88	
	12,841,941.70	12,841,941.70

The debit balance against repairs represents amounts spent on the Methodist Mission Houses for which the mission is planning to reimburse the college.

The credit in the Ministry of Education account represents the amount still due on the new dormitory to the contractor and has been accounted for in the report of the Ministry money.

On the US\$ balance sheet the balance in the reserve account is arrived at in the following way:

Balance shown in J. Greiner's letter Dec. 6, 1946		60,508.41 ✓
Honolulu check for Bien sent for deposit summer 1946.		25.00
1/2 income from Pierce Fund, Greiner letter Jan. 3, 1947		41.39
payments in Wei travel and Receivable GWL-Greiner letter Dec. 3.		3,421.50
		63 63,996.30
less payments for current budget-1945-46.		6,640.55
		57,355.75
less payments ordered from Wuchang,		
Dr. Wu Pao-chin	✓ 150.	
Dr. Wu Pao-chin	✓ 190.	
Dr. S. W. Wan	✓ 800.	
Miss H. Y. Hwang	21. ^{du pay.}	
Mrs. G. E. Cummings	✓ 2500.	Balance
Dr. S. W. Wan	✓ 1000.	51,883.25
Miss Chow Kwang-tsung	800.	
American Phys. society	✓ 11.50	
		5,472.50 5,472.50
		51,883.25 51,883.25
		51,883.25 51,883.25

Feb. 25, 1947.

John L. Lee
Treasurer

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Hua Chung College, Rehabilitation account fall term 1946-47.

I. Moving-

debit balance Aug. 1, 1946.	C\$436,959.18	
adjustment student board charges	110,000.	
payment for services rendered and faculty adjustments where faculty members left		815,160.
credit balance	<u>268,200.82</u>	<u>815,160.</u>
	815,160.	815,160. X

Note: balance is transferred to scholarships as last year US\$1,000 from the Women's Auxiliary was used in this account for travel of students.

II. Repair

debits Aug. 1, 1946.	C\$	US\$
expenditures-Aug. 1, Feb. 4.	32,723,901.	9,913.68
C\$ exp. converted to US\$	71,259,615.	

total to date

US\$44,657.93 ~~34,744.25 - 10,000~~

III. Furnishings-

Debit Aug. 1, 1946.	C\$	US\$
expenditure Aug. 1-Feb. 4.	71,259,615.	8,615.80
C\$ exp. converted to US\$		<u>10,306.39</u>

18,922.19

IV. V. Books and Science equip.

Freight paid Hankow to Wuchang	C\$	US\$
Chinese Dent. books	798,650.	221.85
Physics Dept. uses proceeds of Hsichow sales	3,600,000.	1,000.00
US\$354.82		
Chem. Dent. uses proceeds of Hsichow sales		1,221.85
US\$956.80		

VI. Faculty rehabilitation-

from associated Boards	Exp.	Income
from Ministry for first grant		21,000,000.
from " " second "		870,976.74
Associated Board grant by rules	21,870,976.74	10,100,000.
September M. of E. grant	<u>10,100,000.</u>	
	31,970,976.74	<u>31,970,976.74</u>

Ministry of Education.

received in July 1946.		100,000,000.
balance of old science grants		1,097,255.72
faculty September rehabilitation and bal. for Associated Bds.	10,970,976.74	
Students travel extra	4,100,000.	
new dormitory	38,404,900.	
music rooms	<u>8,203,130.</u>	
	61,679,006.74	<u>101,097,255.72</u>
credit balance	39,418,248.98	

It is suggested this this balance to converted to US\$11,764.18 and transferred to the equipment item in the rehabilitation budget(later recommended by rehabilitation committee).

In August US\$10,000 was received from the Associated Boards for rehabilitation.

During the term a ~~xxxxxx~~ a total of C\$14,889,150 ^{has been spent on land} of this C\$8,167,896.60 is converted to US\$2323.02 and the balance of C\$6,721,252.40 is temporarily carried as a debit on the C\$ balance sheet to be converted later.

Feb. 25, 1947. $\frac{2,323.02}{1,115.59}$ \$1,207.43
 John L. Coe
 Treasurer.

1512 Brooklyn Ave.,
Ann Arbor, Mich.
APRIL 5, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. J.

Dear Mr. Lyford,

Thank you for your letter of the 31st.
~~XXXXXXXX~~ Your suggestion that I be in New York on the
15th of April and spend as much as necessary of that
week there works in very nicely with my plans. I will
plan to arrive there on the morning of the 15th and
am prepared to give you as much time as you wish for
going over any problems and questions you may have in
connection with Hua Chung. I will bring with me all
the duplicate figures which I have brought with ~~me~~
me. I sent that letter of the 26th of February off
from Shanghai more to be sure that those figures would
be in New York, rather than expecting that they would
need your immediate attention and I have a copy of
them with me. That statement was drawn up in the usual
form that I use for a year's statement but I thought
it wisest seeing that I was turning over to Ward in
Wuchang to wind up the term's business.

I think that Ward was finding his hands full between
getting settled and taking up work there so he had
not gotten around to writing you. I know that he and
Bien were going over the question of orders for books
and equipment and I thought that you would have heard
from him ere this. I sent a digest of the meeting, we
held in Wuchang the Monday before I left, to Fowler
in reference to rehabilitation and I understand that
either Ward, who was secretary of the meeting, or
Dr. Wei would write more fully about that. However
those questions can all be taken up when I arrive in
New York.

I will probably be leaving here next Friday the 11th
planning to stop and visit Mr. and Mrs. Miller en route
east, so unless I hear to the contrary by next Thursday
the ~~11~~ 10th I will expect to see you on Tuesday the
15th in New York.

Mary went to Boston on last Monday the 31st and is
there with her mother at the present time. After our

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conference in New York I plan to go to Boston for a bit. If it ~~is~~ seems advisable in the interests of Hua Chung that I should be at the meeting of the Yale-China trustees on the 27th I think that I can arrange it all right.

J. M. Wood

With best wishes,

Dear Mr. Wood,

Yours sincerely,

John S. Lee

Thank you for your letter of the 21st. I am glad to hear that you are in New York on the 25th of the month. I will try to get to New York on the 27th and will plan to arrive there on the morning of the 28th and am prepared to give you as much time as you wish for going over any problems and questions you may have in connection with Hua Chung. I will bring with me all the duplicate figures which I have brought with me from Shanghai more to be sure that those figures would be in New York rather than expecting that they would need your immediate attention and I have a copy of them with me. That statement was drawn up in Shanghai form that I use for a year's statement but I thought it wise to see that I was turning over to Ward in Wuchang to wind up the term's business. I think that Ward was finding his hands full between getting settled and taking up work there so he had not gotten around to writing you. I know that he and Lien were going over the question of orders for books and equipment and I thought that you would have heard from him ere this. I sent a digest of the meeting held in Wuchang the Monday before I left to Fowler in reference to rehabilitation and I understand that either Ward, who was secretary of the meeting, or Dr. Wei would write more fully about that. However those questions can all be taken up when I arrive in New York. I will probably be leaving here next Friday the 11th planning to stop and visit Mr. and Mrs. Miller en route east, so unless I hear to the contrary by next Thursday the 10th I will expect to see you on Tuesday the 12th in New York. Mary went to Boston on last Monday the 31st and is there with her mother at the present time. After our

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Boston, Mass.
April 23, 1947.

Dear Mr. Lyford,

Do not know yet
source of \$5,000.

Dinner Wednesday
Barnes - Thorne

Please pardon me for not having written earlier after I saw Mr. Evans last Friday. I talked with him for nearly an hour and did not feel I got too far.

The Associated Boards do not seem as yet to have any fixed policy in regard to sabbatical leave but the whole tendency lately is to give assistance to younger men who have not had the advantages of study in this country, and even there the situation is vague. What I wonder is whether we are in a position to underwrite as extensive a plan, as Dr. Wei envisaged, with our present resources.

As for the cases in the past, I should think that Dr. Lo's business might be settled on the basis of \$800 travel plus his Chinese salary allowing his earnings at Franklin and Marshall to be in place of the \$1500 subsidy. as to his return passage to China for self and family I rather think that can be covered out of his Chinese salary for the year (plus the balance of his \$800 travel. (\$383 has been drawn of this so far.) This would not make necessary the raising the question of further advances. For his previous advances leave the business to Dr. Wei to settle.

As for Dr. Wei himself the equivalent of his ^{Chinese} salary for the year at least should be granted. (I think that sum worked out at about US\$790 according to figures I worked out last summer.) Then there is the question of US\$800 travel allowance. If Dr. Wei is to be treated the same as Dr. Lo, he should receive it.

Dr. Bien is coming next year (this summer) and has a scholarship of \$2,000 from the National Council, and I suppose he should have the Chinese salary and \$800 travel.

As for any future cases Dr. Wei should be informed that we must wait on the policy of the United Board.

This whole business brings up the question of the matter of a man who comes to the States and takes a teaching position which pays him more than the \$1,500 living subsidy in contrast to the man who comes here to study. Probably the only way to handle that will be to tighten up by requiring the man to submit for approval a program of what he intends to do in this country before he comes.

I did not get very far with Evans on the question of his control of funds and wanted to talk further with you about this phase of things.

I had a good talk with Fowler on Friday evening. Just before I left New York the people from Newark phoned in offering two month delivery on the library stacks and Fowler's secretary said we would let them know later.

With best wishes,

Yours sincerely,

John L. Cox.

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I did not get very far with Evans on the question of future control of funds and wanted to talk further with you about this phase of things.

I had a good talk with Fowler on Friday evening. Just before I left New York the people from Newark phoned in offering two month delivery on the library stacks and Fowler's secretary said we would let them know later.

With best wishes,

Yours sincerely,

John L. Coe.

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私立華中大學
HUACHUNG UNIVERSITY
WUCHANG, CHINA
TEL. ADDRESS: "WUCHANG 8344"
電報掛號：武昌八三四四

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

CHINA MISSION EVANGELICAL CHURCH

校長 章卓民
PRESIDENT *Treasurer*
FRANCIS CHO-MIN WEI, PH.D., D.C.L., L.H.D.

MAY 1948
April 28, 1948

Mr. J. Earl Fowler
281 Fourth Avenue
New York 10, N.Y., U.S.A.

Dear Earl:

Thank you for your letter of April 21, which came in yesterday. I hope that by the time this reaches you, you will have had a chance to catch your breath a little after the rush of getting things ready for the National Council meetings and the meetings themselves.

I will take up with Yale-in-China the matter of the US\$1,000, and it would seem to me proper that Richard Bien should be advanced up to a total of that amount for his entire travel. I will ask Yale to send the money to you, as Richard had already drawn some travel money in Shanghai on his way home.

I agree with you about the question of the Board of Directors here in China. The three alumni directors have been selected, and I think the representatives of the various cooperating units have all been officially appointed; therefore, I think at the meeting, which I believe Dr. Wei is calling for sometime late in June, that they will be in a position to take over officially and carry on in much the same fashion as before the war. It is my feeling that a great deal can be carried by them, and it will not be necessary for so much to be decided in New York. The main problems for decision in New York will be final approval of a building plan, permission to go ahead with various parts of it, over-all approval of the budget, and matters of a similar nature. In regard to the budget, the main problem will be for New York to approve the total within resources in sight, with the administration of the budget on this end. I will try to push this as much as possible.

It is certainly too bad in regard to Mr. Lyford, but he is not so young as he once was, and I could well see it coming when I was in the States.

I am enclosing for your information a copy of two orders which I have just sent to biological supply houses in Chicago. I have asked them to send their invoices to you for payment, and it may be that it will be necessary for us to get a statement from Mr. Dietz in order to help clear Customs in Shanghai. When these bills come in, will you please ask Mr. Greiner to pay them and charge to the current account.

Last Friday afternoon Dr. Tregear and I went over and surveyed the Chekiang Guild. The deal still is hanging fire, the main trouble being that there are fifty or more people on the other side, all of whom have to be consulted. If this comes through, is it the intention of the Board of Founders that it be charged against the \$200,000 from the RAF Fund, or against the Procter-Johnston Building Fund? Also, if it is charged against the RAF Fund, is it to be paid out of the sum which may be released at the present time?

With best wishes to you, and Bob,
Enc
JLC/MRC

as ever, John

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1512 Brooklyn Avenue
Ann Arbor, Michigan
May 12, 1947

*Copy for
Mr. D. S. Lyford.*

Mr. John Kenneth Moreland, Executive Secretary
Yale in China Association
905-A Yale Station
New Haven, Connecticut

Dear Mr. Moreland:

When I was in New Haven, Frank Fulton mentioned to me the matter of the Yale-in-China houses at Hsuechung, and I promised to send in some information which I should have done earlier.

There are only three houses there: the Jeme Tien Yeo house, a single, built in 1934; the Mrs. Reynolds house, a double house, built in the summer of 1937; the Mr. Reynolds house, built in 1935-36, another single house. The two single houses stand on the small compound just back of the Boone Compound; they were quite badly shaken up when the Boone Scout Building, just across the wall, was hit by a Japanese bomb in August 1938. During the war they were occupied by various people and organizations. Also, the floor of the Mr. Reynolds house had rotted quite a bit in places. Many of the windows were out. In the Jeme House especially a lot of the plaster was down.

The Mrs. Reynolds House on the City Wall land belonging to the college was rebuilt in the interior quite a bit by the Japanese, according to their own designs.

With the return of Dr. Taylor to Wuchang, the repair and rehabilitation of these houses was included in the college plan of rehabilitation. Wiring has been done where necessary; glass has been replaced; the floors have been repaired, in one case largely relaid; missing doors have been put in, and broken plaster has been repaired. In the case of the house on the City Wall, one-half of it has been largely restored to its original condition by tearing out most of the partitions put in by the Japanese. The other half of the house has been fixed up, but not restored to its original condition, for by using some of the Japanese partitions we have been able to put three families in that section. Very little painting has been done, and so far there has been no repair of the screening.

My estimate of the cost is about as follows: for the Jeme House US\$750; for the Mr. Reynolds' house US\$650; for the Mrs. Reynolds' house US\$900. It should be remembered that the Mrs. Reynolds' house cost a little more than the total cost of the other two combined houses when it was built, and it has as much room as the total of both the others.

When Dr. Wei returned to China last August I discussed with him the question of repayment for these repairs, and it was his feeling that as Yale-in-China faced very heavy charges for rehabilitation in Changsha, we should not send you a bill for the above repairs at that time. We realized that Changsha suffered much more than Wuchang did, but anything that Yale-in-China can do to help us towards the rehabilitation of these houses, either in defraying the costs outlined above, or in helping us to provide paint and screening, will be very much appreciated.

With the best wishes,

Yours sincerely,

Treasurer

John L. Lee

1121

1512 Brooklyn Ave.,
Ann Arbor, Mich.,
May 24, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, New Jersey.

Dear Mr. Lyford,

I am enclosing herewith a copy of a letter which I sent Mr. Morland a couple of weeks ago in regard to the Yale houses at Hua Chung. I should have sent this copy to you earlier. I sent this letter on after a request from Frank Fulton that it be in if possible before the executive committee meeting of Yale-in-China on the 15th. What action will be taken in regard to it I don't know.

We enjoyed very much seeing you in New York and I hope that your eyes are much better. Mrs. Coe will be going to Boston on the first of June and I will be there by the middle of June.

With best wishes,

Yours sincerely,

John D. Coe

Dear Mr. and Mrs. Lyford,

This is a much belated word of thanks for the delightful evening you gave us April Thirtieth. I only hope the party was not too much of a strain on your wife's health - and you and your daughters were not too tired.

We had a good visit down in Hampton, Virginia, with my brother-in-law and his family. Down there we were in the midst of spring - and the flowering trees and gardens were lovely. Ann Arbor has been wet and cold much of the two weeks we have been here.

We are very lucky to have Miss ⁵⁰Elise G. Dexter's apartment in Boston at West Cedar Street. I will be there on June 2. She is letting us have it for the three summer months. If you are passing through Boston, I do wish you would come and see us.

Sincerely yours,
Mary Coe

1122

June 27, 1947

To the members of the Board
of Directors of Huachung University

I have the honor to submit herewith the operating budget for the university for the next fiscal year, August 1, 1947, to July 31, 1948, as prepared by the Senate (for the Administrative and General items) and by the Finance Committees of the three Schools. For convenience in appraising this budget, a summary statement is given first and is followed by the full list of the items to be appropriated.

It is to be hoped that the care taken in preparing this budget will render it as reliable as such forecasts can be under present conditions in China. The figures for salaries (and wages) are taken from the scales in force at this moment, applying a rate of exchange that is slightly more conservative than the experience of the past month but much more optimistic than the experience of the first term 1946-47 would justify. The figures for all other expenditures in Chinese currency are taken from a searching analysis of essential expenditures February through May 1947, applying the rate of exchange then experienced by the university; if this is considered to be too optimistic as a basis, producing figures unrealistically low, it should be remembered that these are the expenditures that can be kept under control by strict economies. The total of the figures for the few expenditures abroad for academic equipment and books is virtually the same as has been budgeted each year recently, and in the event of an over-all deficit would be reduced under a new rule proposed below.

This budget is therefore strictly an emergency budget for an abnormal year, confined to expenditures found in present practice to be essential. The total to be spent on salaries, when reconverted and divided by twelve, is virtually identical with the total paid out this month. The total for administration proper remains seriously small, so that the most valuable and hard-pressed members of the faculty must continue to spend much time in purely clerical functions. The amount for repairs and alterations is clearly inadequate for the collection of antiquated and rundown buildings that house the university. The appropriations for renewing academic "capital", books and equipment, are so small as to be disastrous, if they were not supplemented as they are at the moment by rehabilitation purchases. Above all, faculty members are still receiving much less than bank clerks and the like. It cannot be too much emphasized that with better times the budget for exactly the same scale of operations should be raised to a much higher figure. But the present budget is submitted in the faith that it will permit the healthy continuance of the university's career, given the spirit of loyalty, cooperation, and Christian devotion that has been the university's greatest asset in the past few years.

The acting treasurer must point out that the whole budget rests upon a carefully considered guess at the relationship of price level to rate of exchange, over the whole of the next fiscal year. If China's financial troubles were to disappear and leave the U.S. dollar more valuable in terms of goods, then the danger of a deficit would diminish and a surplus might even be in sight, so that the university would have to apply to the Board of Directors to authorize further appropriations along the urgent lines indicated in the foregoing paragraph. But, unfortunately, the opposite is much more likely. In order that the whole of the budget may be affected more or less equally by a deterioration of the local situation, the acting treasurer has one new recommendation to make.

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If the relationship during 1947-48 of price level to rate of exchange proves less favorable than estimated, all individual appropriations that can be held within the budget's limits will suffer in terms of value received. All, that is, except the few appropriations (for books and equipment, chiefly) for expenditure in U.S. dollars. By established custom, credits or debits in these few accounts are at the end of the fiscal year transferred to corresponding U.S. dollar balances, in view of the difficulties in scheduling and completing purchases abroad. The acting treasurer therefore recommends that if the budget now submitted produces a total deficit of 10% or more, any appropriation (or part of one) that is spent or held in U.S. dollars be reduced by 20%.

Example: If the fiscal year ends with total expenditure \$58,000 and total income \$51,000, the appropriation for the library's foreign periodicals will be cut from \$125 to \$100 and any excess over \$100 will be charged to the small accumulated U.S. dollar balance for this account. The \$250 appropriation for the library's local periodicals will, on the other hand, not be altered; the unfavorable financial situation that has produced the general deficit will already have reduced the number of periodicals purchasable with the \$250.

Respectfully submitted,
Paul R. Ward
acting Treasurer

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50 West Cedar Street
Boston, Massachusetts
June 29, 1947

Mr. Oliver S. Lyford
54 Dana Place
Englewood, New Jersey

Dear Mr. Lyford:

Thank you for your letter of June 27, which reached me last evening. This problem of exchange in China is certainly a very troublesome and worrisome one. I see by the paper this morning that the Black Market rate has gone up to 58,000-to-one, with predictions that it may go so high as to be almost out of hand before the end of the year. The official rate, I understand, is still at 12,000-to-one. I have had no word from Dr. Wei or Ward since the letters written about the middle of May which reached me at the end of May. I assume that you saw all of these. The thing in those letters which impressed me most was the fact that Dr. Wei at that time felt that it was very unwise, if not impossible, to sell on the Black Market. If this situation still prevails, it means that we are up against it, as prices have apparently continued to rise rapidly. Our hope along that line is that there will be either a change in the official rate or a relaxation of the present controls.

This whole problem of possible collapse of the Chinese dollar was in our minds several times while we were in Hsichow, but I think less was said about it during my last six months in Wuchang. In talking the matter over with me, Dr. Wei's thought ran along the line of regulating our sales very carefully and expending the funds so acquired just as quickly as we would receive them.

In Hsichow it was possible for us to buy up commodities and resell them to the faculty, but the situation in Wuchang is such from the point of view of storage, keeping stocks in good condition, and faculty reaction to such that I fear very little could be done along that line. How soon there will be a determined effort on the part of the Chinese government to stabilize currency conditions is uncertain, but I am afraid that without a foreign loan any efforts in stabilization will be fruitless. I am certain that Dr. Wei is very much concerned over the situation and will do the best he can. For the present the best we can hope for is that some avenue of being able to sell at somewhere near the open market rate will open up.

A week ago I had a letter from Kenneth Morland of Yale-in-China, saying that the trustees of Yale-in-China had granted Huachung US\$2,300. for the repair of the houses in Wuchang. This figure was the figure which I submitted to them at the request of Dr. Fulton as my estimate of what had already been spent on those houses to put them into livable shape. I believe Morland is making arrangements to send this money to Fowler in New York. The repairs to these houses had already been charged to our general rehabilitation repair budget in Wuchang. This sum of US\$2,300. I would assume could be counted upon as additional income for our rehabilitation budget. *SK*

I have been here for two weeks and expect to be here for the remainder of the summer. If there is anything I can do for the college during that time, let me know, and I shall be glad to do it. I hope that your eyes are better and that both you and Mrs. Lyford are not suffering unduly from this summer heat.

With best wishes,

Yours sincerely,

John L. Coe

P.S. From M.R.C. We would very much enjoy seeing you and Mrs. Lyford on your way to New Hampshire -- if you can stand the temperature of Beacon Hill!

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July 6. Answered long hand. Repeated the informal drafts by Paul Ward. He not like the procedure but we have paid them. Questioned how he could use such amounts quickly enough. Suggested the 4-family units as a possibility.

OKed the use of \$2,300 from Yako in China.

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1126

50 West Cedar St.,
Boston, 14, Mass.
July 8, 1947.

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Ans to

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. Y.

Dear Mr. Lyford,

Thank you for your letters of July 6th and 7th and the one from Dr. Wei. I had heard of Earl Fowler's illness and it is too bad. He has been carrying a very heavy load there in New York. I hope that he will continue to progress favorably and after he leaves the hospital he will take time for a good rest to put himself back into shape before he attempts to return to the office.

I can give you the following information in regard to the fellowships for junior members of the staff to which Dr. Wei refers in his letter of June 27th. Several years ago in Hsichow the executive committee pro-tem recommended that an annual fellowship of US\$1,200 be awarded to a junior member of the ~~staff~~ staff for study abroad under certain conditions. The first fellowship was to start after the end of the war. But it was decided to start accumulating funds for this by an item in the annual budget. For the first year US\$500 was in the budget and for the three succeeding years it has been US\$600. Thus as of July 31 this year there should be a balance of US\$2,300 in this fund.

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500
2300

The gentleman who was awarded the first fellowship and should have left China a year ago this summer failed to secure his passport. As I would read Dr. Wei's letter to you, I would assume that the fellowship in this case has lapsed according to the rules.

The gentleman who was awarded the second fellowship should leave China this summer but is apparently having difficulties in securing his passport.

The gentleman who has been awarded the third fellowship is Mr. Ying about whom Dr. Wei is writing you. It would seem that under the circumstances that Mr. Ying should be allowed to come this year on the understanding that it is the fellowship for 1948-49 and that no further candidate be considered until the fellowship for the year 1949-50.

I feel that this whole matter may become somewhat involved with the plans of the Associated Boards for fellowships for junior faculty members for study. Dr. Sherman told me somewhat of this when I saw him at Wellesley a week ago. He said that the Associated Boards are granting a number for 1947-48 which are to clear through Dr. Fenn's office in Shanghai. Hua Chung sent in the names of four candidates to Dr. Fenn's office.

Two of these were turned down in the first weeding out as the decision was that only Christians should be considered this year. One was assigned to Hua Chung for this year 1947-48. Dr. Sherman understood that because of the way the applications had come in that the Associated Boards committee had not made the decision as to which of the remaining two Hua Chung candidates was to receive the ~~xxx~~ award but had referred the matter to Dr. Wei for decision. Thus it would seem that one man should be coming from Hua Chung under the Associated Boards this year. From what Dr. Sherman said to me (he was uncertain of the names) I think that the two candidates from Hua Chung who are being considered by the Associated Boards are the two men who received the first two Hua Chung fellowships. It would be my feeling that if a man receives an Associated Board grant that he should not receive a Hua Chung Fellowship at the same time; and second that in light of the fact that we have joined the United Board this whole question

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question of fellowships should be carefully examined and no further ones beyond those already granted including the one for 1948-49 be granted. [2]

My own feeling is that Mr. Ying the candidate for 1948-49 be allowed to come this year and that Hua Chung should in the future not attempt to grant fellowships other than those through the Associated Board scheme.

This question of exchange has also been bothering me. In regard to the payments asked by Ward, the only question in my mind is whether or not he has sent a duplicate of his order direct to you at "281." If such duplicate has not arrived I should think it would be in order to hold up payment until it does. When I went over matters with Ward in Wuchang before leaving I impressed upon him the necessity of sending such duplicates and that was the method which I had been following.

I have no more information than you have of what rates they have been obtaining. In his letters of early May to you, copies of which were sent by Earl Fowler to me, Dr. Wei intimated quite strongly that he did not consider it at all wise to receive anything more than the official rate at that time. Whether his attitude has changed since I do not know. I do know that when I was in Shanghai in March, that in cases of transactions at other than the official rate, that it was considered wiser to handle matters by letter such as I had been doing than through a regular draft. In a letter which we had from Bishop Gilman a few days ago, he said that he expected the official rate would be raised to 48,000 to 1 very soon. We can only trust Dr. Wei in this matter and hope he is doing the best he can for the college. I am a little surprised that Ward should be drawing so much at the moment but our only guess can be that he is needing money for those houses.

With the illness of Earl Fowler I am a bit concerned about those library stacks. When I saw the manufacturer in Newark he promised delivery for the middle of July. Earl Fowler was to write him confirming our ~~order~~ order and asking for delivery slightly earlier if possible. Earl told me that he would be checking up on the business towards the end of June as it would be up to Earl through the shipping department at "281" to arrange for shipment to Shanghai. I trust that everything will be going through all right in this.

I expect to be here in Boston until about the end of August or early September. If for any reason you should wish to see me in New York or there is anything that I can do about college orders as Earl Fowler is laid up, please let me know and I will come down at your convenience. Probably it would be a good plan if we were to get together after Ward's report comes through though I am afraid that will not arrive till late in August at the earliest. So if you want to see me and talk over some of these matters, it might be better if I were to go down earlier.

With best wishes,

Yours sincerely,

John L. Coe

Dr. Wei has certainly done a most excellent job in bringing the college through this year so well.

JLC

50 West Cedar St.
 Boston, 14, Mass.
 July 18, 1947

Mr. Oliver S. Lyford
 54 Dana Place
 Englewood, New Jersey

Dear Mr. Lyford:

Thank you for your note of July 10, and also for the copy of your letter of July 10 to Wuchang and of Dr. Wei's of June 27 to you.

Your note of July 17 came in just after I started to dictate this letter.

where?
 I am afraid that my letter of last week to you did not make it entirely clear about the accumulation for the fellowship for junior members of the staff. Up through July 31, 1946 this money had been actually accumulated, and it is in "Group C" in the US dollar Balance Sheet as a credit of US\$1,700. However, I agree with you that if we are running a considerable deficit this year, as the last letters from Dr. Wei and Ward would indicate, it would be very questionable to add another US\$600 to this sum. I know that when this whole question of fellowships was up for consideration in Hsichow, it was recognized that the amount of US\$1,200 probably would not be sufficient for one man for a year. I understood that the idea was to grant a man this much and encourage him to find other ways and means of financing his stay abroad. In this I am reporting the feeling of some of the senior members of the staff. However, in the light of present conditions the problem looks somewhat different because of the large number of Chinese students who have come here and have been more-or-less stranded. I think that some method or procedure will have to be worked out to "bale out," so-to-speak, the fellowships already awarded by the Senate.

The first one, Mr. Wu Tsai-hsin, apparently is already taken care of by the grant from the Associated Boards.

The second one, Mr. Donald Wang, apparently may or may not get his passport. If he gets his passport and comes ahead on the basis of receiving US\$1,200, it should be made very clear to him that Huachung and the Associated Boards are in no position at the present time to grant him anything more.

As for the case of Mr. Ying Chung-fu for 1948-49, it would seem that that should be studied more carefully. Also it would seem that as we have joined the United Boards, all questions of sabbatical leave and fellowships for junior members of the staff should be handled by machinery which they have set up.

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 I will give you as clearly as possible a summary of figures of income for 1945-46 and 1946-47, and I am giving my estimates for 1947-48.

	45-46	46-47	47-48 (possible)
American Church Mission	US\$12,000	US\$12,000 ✓	US\$12,000 ✓
Miss Johnston	5,000 ✓	5,000 ✓	5,000 ✓
Yale-in-China	5,000 ✓	5,000 ✓	5,000 ✓
London Missionary Society	400 ✓	800 ✓	800 ✓
Methodist Missionary Society	500	1,000 ✓	1,000 ✓
Reformed Church in the U.S.	1,500	3,000 2500	3,000 ✓
Evangelical Mission	-	1,500	1,000
Harvard-Yenching	5,000	5,000 ✓	5,000 ✓
Special for Scholarships	-	1,200 ✓	500
British Aid to China	4,000	500	?
United Service to China	10,000	12,000	?
	\$43,400	\$47,000	\$27,800
			\$ 28,300

*do not quote more million
 this is correct
 or Evans*

46,000

52,500

These figures are exclusive of foreign salaries.

July 18, 1947

COMMENTS

I think the first three, American Church Mission, Miss Johnston, and Yale-in-China are all clear.

The totals for the two English missions are a bit difficult to get at because their initial appropriation is in pound sterling, which is paid from time to time in Chinese dollars, and I know that Dr. Wei has been pushing for an increase there, but I feel that the figures I have given there reflect very nearly the true situation.

The figures for the Reformed Church in the U.S. for 1946-47 and 1947-48 may be slightly low because I have not seen their letter saying exactly how much they are sending this year, and possibly that letter may be in Greiner's hands -- but the difference would not be very much.

In the case of the Evangelical Mission, their grant was US\$1,000 for the year, and I hope it will continue at that rate. The reason for the higher figure for 1946-47 is that in October 1946 they sent me US\$1,000, which they really meant for the calendar year 1946, and they have since sent \$500 for January through June, 1947.

In regard to Harvard-Yenching, I am not certain whether the grant runs out this year or next year. In case it runs out this year I trust that Dr. Wei is taking the proper steps to ask for a renewal. Inasmuch as up through last year Harvard-Yenching had commented favorably on our work, I hope that there will be very little danger of their not renewing.

Specials for Scholarships was money which came to Dr. Wei as gifts from one source or another, which he has turned over to this fund, and the figure for 1947-48 is an estimate. It is something which cannot be counted upon from year to year because when Dr. Wei is in the States, he ordinarily receives larger gifts for this fund than when he is in China.

As for the item British Aid to China, I have attempted to give you an estimate in US dollars of the amount actually received there in Chinese dollars. The same thing applies to the item from United Service to China, with a somewhat wild estimate on my part as how much may have come in during the present term.

When it comes to the matter of an attempted estimate for 1947-48, I feel somewhat in the dark because I do not know what the present exchange situation is. Through 1945-46 my usual estimates had run somewhere around a total of US\$60,000, but with 1946-47 and the return to Wuchang, our salary scale went up considerably, and so my estimate for 1946-47 would be somewhere between US\$65,000-75,000. Given the same situation for next year, it would probably run about the same. I know Dr. Wei is concerned over this problem, but he has felt it was very difficult to retrench very much in regard to the number of staff members because of the small size of the institution makes it difficult to eliminate departments, as has been suggested by Dr. Fenn of the Associated Boards. I do know that in the case of two departments where a vacancy did occur in February and where there was a chance other vacancies might be occurring, Dr. Wei informed the heads of the departments it would not be possible to fill those vacancies until the financial situation cleared up.

I know that Dr. Wei will figure on a radical increase in tuition fees this summer! How much we can expect to get from that source I do not know because of the exchange situation. My estimate would be that we can count on a minimum of US\$12,000 and a possible maximum up to US\$25,000, although there again we are up against the exchange factor.

Thus my summary of possible income for 1947-48 of say, US\$28,300, plus tuition (taking an average of US\$18,000 from my "guesses") would give us an income of US\$46,300.

When we were receiving our grant from the Associated Boards from United China Relief in US dollars, our share worked out at around US\$30,000. The equivalents which I have given you for 1945-46 and for 1946-47 are merely approximations on account of the exchange factors.

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Mr. Oliver S. Lyford -- 3.

July 18, 1947

I know that our receipts from United Service to China for the year 1945-46 were lower than lower in proportion than earlier years, and we received a slightly larger proportion this year. I feel it is anybody's guess as to how much we can expect for 1947-48.

I should be very much interested in knowing the total amount of money which Ward has drawn through Greiner in the past few months. I have an idea that one reason for the heavy drafts by Ward is in covering the cost of the houses, which you and Dr. Sherman authorized Dr. Wei to go ahead and build.

In a letter which I had from Wuchang a couple of days ago I understood that Ward left for Kuling with his family on July 5. Whether Ward planned to go up and settle his family and then return to Wuchang to wind up the books at the end of July I don't know.

If you would like me to come down to New York for a conference with you and John Greiner before he goes on his vacation, please let me know as soon as possible. I am afraid that the 1946-47 figures may not be in for a couple of months.

With best wishes, and hoping that the heat is not too oppressive in Englewood,

Yours sincerely,

John L. Coe.

JLC/MRC *What it actually cost USL in terms of US\$ I have no way of knowing and the estimates I have given you should not be quoted to them or the associated Bds. Any sums which have come from them in C\$ have been accounted for in C\$. JLC.*

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Memo:

July 19th. 1947

Dear Mr. Lyford:

The college books have all been written up to July 18th. and reconciled with the bank statements and the receivable accounts with the Episcopal Board. You will note that since the last statement was prepared, the operating cash was reduced \$19,850.08 Add this sum to the amount expended from the ACM-SCF held by the Society, \$5,324.93, you will have a total reduction in the operating assets amounting to \$25,175.01 This is due of course to the many withdrawals being made by Paul Ward. With the present cash operating balance \$20,580.76 and the \$44,000.00 with the Society from Miss Johnston, we have a total of \$64,580.76 quick assets. *operating*

40,430.84
20,580.76
19,850.09
+ 5,324.93
\$ 25,175.02

Enclosed herewith are three copies of the Statement of Assets, three copies of the college statement 1945-1946 and three copies of the college statement for the first term 1946-47. Also find enclosed a copy ~~of~~ ^{letter} we received from C. Pickens asking us to reserve \$2,000. for Dr. Victor F. H. Chu This is the same man Paul Ward asked us to pay \$4,200.00 when he comes to America. You can destroy this copy as I am simply sending it you for your information.

See last enclosure

John

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Assets of Hua Chung College

As of July 18, 1947

*As of April
28, 1947*

Operating Funds

	Cash balance in the National City Bank of N.Y.		
\$ 37,022.76	1 Reserve account.....	\$ 17,172.68	
3,408.08	2 Joint account.....	3,408.08	
40,430.84			\$ 20,580.76
44,000.00	3 Receivable from Dom. & For. Missionary Soc. (Miss Johnston).		44,000.00
(a) 3,863.08	4 " " Dr. John F. Lo.....		3,863.08
(b) 703.66	5 " " Central China College Foundation.....		703.66
5,324.93	" " <i>hd + F. Miss. Soc. (A.C.M. - S.C.F.)</i>		
<u>94,322.51</u>		Total operating Funds.....	<u>\$ 69,147.50</u>

Special Funds

107,287.68	6 Proctor Johnston Building Fund.....	\$107,287.68	
	7 Rehabilitation Fund:		
11,762.51	Cash in National City Bk (Reserve)...	\$ 11,808.18	
(c) 33,174.45	Receivable from Dom. & For. Miss. Soc. ..	28,023.35	39,831.53
2,100.00	8 Miscellaneous Specials.....		2,125.00
	9 Scholarship Funds:		
5,100.00	Holmes Scholarship Fund.....	\$ 5,160.00 ✓	
7,524.00	Yunan Student's Scholarship Fund....	7,654.00 ✓	
2,253.34	Dr. Wei's Scholarship Fund.....	2,253.34 ✓	15,067.34
468.81	10 Dr. Wei's Special Travel Fund.....	468.81	<u>\$164,780.36</u>
<u>169,710.79</u>			
<u>264,033.30</u>		TOTAL ASSETS	<u>\$233,927.86</u>

(a) This item of Operating Funds will be recovered very slowly.
 (b) " " " " " " probably will be recovered soon
 (c) A recent draft of \$ 5,000. presumably is for payment on account of 3 cheap housing units which are expected to reimburse the Rehabilitation Fund through saving of rent.

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C O P Y

Hua Chung College, Summary of Income and Expenditure of
Operation for First Term 1946-47.

[33]
9,000,000 = 3,600.
2,500

Income

	C\$	U.S.	Foreign Sal.
Western Sources:			
American Church Mission	21,600,000.		6
" " " Miss Johnston	9,000,000.	2,500	
Yale-in-China	9,000,000.	2,500	
Harvard-Yenching	9,000,000.	2,500	
London Missionary Society	821,625.		2
Methodist Missionary Society	2,000,000.		3
Evangelical Mission	3,293,450.		
Reformed Church Mission	7,200,000.		1
British Aid to China	1,361,160.		
United Service to China	25,923,366.		
For Scholarships	5,650,000.		
 Total Western Sources	 94,849,601.	 26,400.	 12
Local Sources:			
Tuition and other fees	20,364,880.		
Bank Interest	1,494,588.57		
Mr. Newton Tsui	500,000.		
Total Local Sources	22,359,468.57	6,200	
 GRAND TOTAL INCOME	 117,209,069.57	 32,600 6 months	

Expenditure

Administration	4,001,188.	
" personnel	21,450,225.	1 1/2
Operation and Maintenance	11,093,808.	
Physical Education	3,713,000.	
Scholarships	5,650,000.	
Extra-Pao family final	181,400.	
School of Arts - Personnel	41,034,100.	6 1/2
" " - books, etc.	686,985.	
" " - Education - personnel	10,409,098.	2 1/2
" " - " - books	1,125,000.	
" Science- personnel	28,746,216.	1 1/2
" " - equipment and maintenance	7,884,944.	
	135,975,964.	37,800 12

Thus there is a deficit of C\$18,766,894.43 for the term.

In the case of Income from the American Church Mission, Miss Johnston, Yale-in-China, Harvard-Yenching, and the Reformed Church Mission the figure given is the equivalent of one-half of the appropriation expected for the college from that source in US\$. Thus, the deficit for the term would amount to approximately US\$5,213.03 at the average rate the college has been able to do business, and a sum of this amount of US\$ has been sold to cover this deficit. It is difficult to predict how the second term will go, and much depends upon the interrelation of prices and exchange, but it should be remembered that the deficit for the first term is really a charge against the second term, and there will be less foreign currency available for sale during the second term, as it had been sold during the first term at lower rates.

(Signed) JOHN L. COE.
Treasurer

Feb. 25, 1947

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Hua Chung University, summary of Income and Expenditure of regular operation for 1945-46.

Exchange
6,000,000 = 1200.
5000

Income

	C\$	91.6,	For. salary
Western sources.			
American Church Mission	12,486,458.69		2
" " " Miss Johnston	6,000,000.	57,000.	
London Missionary Society	600,445.		2 1/2
Methodist " "	783,360.		3
Reformed Church Mission	2,700,000.		
Yale-in-China	6,000,000.	57,000.	
Harvard-Yenching	6,000,000.	57,000.	
Sustaining Fund- from Great Britain	7,887,566.19		
UCR	12,715,465.		
Total Western Sources	<u>55,173,294.88</u>	45,000	<u>7 1/2</u>
Local Sources.			
National government	458,000.		
Rice subsidy	403,248.98		
Government Loans and Sch.	4,102,581.22		
Relief Scholarships	1,553,253.		
Fees	725,487.		
Alumni contribution	105,000.		
Total Local Sources	<u>7,347,570.20</u>		
Grand total income	<u>62,520,865.08</u>		<u>7 1/2</u>

Expenditure

Administration	12,481,277.	2 1/4
Operation and Maintenance	3,567,685.20	
Physical Education	5,100.	
Pao Family	761,165.	
Fellowship for Junior members of staff	720,000.-	
School of Arts -personnel	16,374,945.	3 3/4
books equipment	1,989,686.	
School of Education -personnel	6,839,440.	1
books equipment	442,220.51	
School of Science - personnel	10,997,134.	1/2
maintenance and equipment	2,555,988.15	
Scholarships and student aids	5,786,224.22	
Grand Total Expenditure	<u>62,520,865.08</u>	<u>7 1/2</u>

In this summary, items in the various detailed budgets which were there carried in US\$ currency have here been put into C\$.

(Signed) JOHN L. COE,
Treasurer

Sept. 9, 1946.

EXPLANATORY COMMENTS ON PROPOSED BUDGET
for Mr. Lyford and Mr. Coe

July 25, 1947

I can think of no systematic way of determining just what points in the budget particularly need explanation. The following are therefore comments at random to supplement my formal letter submitting the budget, and no more.

1) This budget is not based, to any significant extent, upon the "suggestions for budget" typed up by Mr. Coe (as he left China) under pressure from Dr. Wei. The initial reason for seeking another basis is that the "suggestions" indicated a total expenditure of \$74,700 -- so far above our income as to seem an unrealistic basis for next year's operations. With all apologies to Mr. Coe, I came to feel that our actual experience in the past months would be a better basis for the budget, if sufficient care were taken.

2) The rate of exchange I used in working from the June scales for salaries ~~to~~ and wages to the corresponding figures in the budget was really substantially lower than the rate obtained in June in getting the money to cover these payments -- the former was to the latter as 16 is to 23. But I think the latter rate represented unusual good fortune, and this large slice of the budget (over 70%) is inflexible -- we can't fire people quickly if the government raises the salary scale greatly. I cannot quickly be as precise about the rate of exchange I used for all other operating expenditures, but I think it is, to the rate actually obtained February through May, as 12 is to 13. So here again the budget was on the cautious side, though only slightly so. If the foregoing is clear to you, you can now see why the underlying basis of the budget seems to me probably sufficiently cautious -- especially since further caution, producing higher budget figures, would if things go well next year make the budget inadequate as a restraint on individual accounts.

3) The new rule with which my letter of submission ends has a special justification apart from the general one mentioned. In justice to the Arts work, it seemed necessary to raise the amounts budgeted for that School's books and incidentals; even the new figures give the School of Arts only 42% of what the School of Science gets in this non-salary category. Dr. Bien was willing to allow a ^{career} cut in the latter appropriations. But it seemed better, since the amounts for renewing academic "capital" are over-all so ridiculously low, to increase them outside the School of Science and to provide for a general cut-back if the university's finances run into trouble.

4) Turning to the estimated income, the figures for the English missions are Dr. Wei's hopes. Gifts for scholarships are entered at less than the budgeted expenditure for scholarships because of his strong feeling that we must start providing for scholarships out of operating income. On the "deficit" item, to be found by the United Board, let me say that if we receive the USC grant for June and a British Aid item or the like for about a million CNC, we still will have received this term through the Associated Boards at Shanghai no more than the equivalent of US \$2,800. At this rate the deficit remaining in this item would be about \$6,000 on the year.

5) For the estimated expenditures, I think the sheet giving the budget in detail is sufficiently clear to give you the picture. C.C.E.A. is the China Christian Educational Association, to which Dr. Wei says we used to contribute regularly and which has asked us again for support. Wages have been distributed to the accounts concerned, and 2/3rds of the Grounds item is in fact wages; I've made this and similar changes so that the budget may be more useful, but I expect to make few such changes in the accounts themselves for fear of complicating Mr. Coe's work. Dr. Richard Bien's salary of US \$1,100 is included, but not his travel expenses since Yale-in-China is evidently ready to help with these. The Junior Staff Fellowship is not in, for this ^{must} lapse pending consideration by the United Board. END

CLW

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50 West Cedar St.,
Boston, 14, Mass.,
July 31, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. J.

Dear Mr. Lyford,

Thank you for your letter of July 24th with the enclosures which I have gone over carefully.

I have checked over the figures in reference to probable US\$ income for 1946-47 and see where the shrinkage occurs between my estimate of July 18th and the total of US\$52,400 which would come from doubling the amount for the first term. The amount to be expected from the English missions is uncertain. I had expected US\$2,000 from the Reformed Church the first term; and then made a lower estimate of US\$3,000 for the entire year, which I suspect is low. Also from the Evangelical church I had ~~expected~~ US\$1,000 in October and then US\$500 has come in this second term.

Then I made a wild guess on the amount from United Service to China, and because of the higher exchange rate during the second term, I doubt very much if the amount actually received in C\$ ~~will~~ (while larger in C\$) will be anywhere near approximate the total equivalent of US\$ received during the first term.

In the matter of income from government sources the situation is as follows:

In 1945-46 the bulk of the income from government sources of C\$4,102,000 was for loans and ~~scholarships~~ scholarships to students and was an item in and out. The only income applicable to the general budget was C\$458,000. During the fall term 1946-47 there was ~~considerable~~ considerable confusion in government educational circles in regard to the government loan and scholarship program, and so nothing was paid out on this. The situation was becoming clarified in February before I left but that would not effect our income. The regular government grant for the year also was coming in, and that would give us C\$500,000 approximately towards the current budget, which would not help much. I am sorry I omitted this in my summary of July 18th but it will not have much effect on the total.

I have had no further word from Ward, and so can only guess about the use of the funds which he has drawn through you. If with the funds which he has drawn to date he has covered the construction of the houses at US\$15,000 and if the interpretation which I make of Dr. Wei's letter of late June is correct, then I would think that he has not drawn too much. My interpretation of Dr. Wei's letter of June 27 in reference to finances for the year is that he anticipated then a deficit of US\$500 for the second term 1946-47, which added to the deficit of US\$5,200 odd from the first term, would make a total deficit for the year of a little less than US\$6,000. Ordinarily I have not worked out the figures so carefully at the end of the first term nor have I considered each term ~~separately~~ separately, but this year did so in order to have things cleared up before Ward took over. However it would require a short session with Greiner to ascertain just how much Ward has drawn as there may have been other payments made in New York, such as those to Lo, and I know that there were one or two old payments made in April by Greiner which had been ordered earlier and charged off then, but only made at that time.

Before I left Wuchang Dr. Wei discussed with me the matter of government subsidies etc. This was after his trip to Nanking in January and his feeling was that we could hope for very little along that line. Last autumn there was a tentative offer by the government of a large sum of money to be loaned to the Christian Colleges, who would then go into business with the money, i.e. loaning it out at rates of 10% and up

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per month. The collgges wouldthen pay their expenses on the interest. But I believe that Fenn's office turned it down, and it was the general concensus of opinion that it was not wise.

We were away from Sunday night to Tuesday morning at a conference north of here. We are both getting a good rest of it here this summer. Mary was very fortunate this week in getting a second-hand car which she knows well, as she drove it a bit here in the summer of 1940 and it has been in the 'family' ever since. We plan to drive up to the White Mountains ovr this ~~xxx~~ coming weekend and then hope to make another trip sometime in August.

You write about wanting to see me. I now plan to be leaving for Ann Arbor somewhere around the first of September. I could fit in any time before that for a trip down to see you at your convenience. One ~~wo~~ thought has occured to me; Greiner is on his vacation till the first of September. I am wondering if it might be bettr for me to plan to be in New York right after labor day and see you and also go over figures with Griner at the same time; or would it be better for you to see me earlier and then wait till after Ward's figures ~~xxxx~~ sometime in the fall, and plan to make a trip on to New York from Ann Arbor; or might there be a meeting coming along in October or so, which you would want me to be there for.

With best wishes,

Yours sincerly,

John D. Lee

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50 West Cedar St.,
Boston, 14, Mass.,
Aug. 12, 1947.

Dear Mr. Lyford,

Thank you for your letter of Aug. ninth which I found here awaiting me when I returned from Vermont yesterday. I will go over those letters of Ward's and see that they ~~were~~ returned to you soon. Those letters arrived while I was in New York last spring and I remember answering his questions in detail.

I have just had a letter from Ward, dated July 26th. He sent me a copy of the proposed budget for next year together with some notes. He says that he had just sent you a letter and a copy of the budget also. His letter in regard to this year's finances and the budget I will digest for a day or so and then send you my comments on it.

Ward further goes on to say that he would be leaving Kuling sometime between the 10th and the 15th of August to return to Wuchang. He says "When I get back to ~~Wuchang~~ ~~Wuchang~~ Wuchang in August I'm going to start in on the job of closing the books for the term. My thought is to send ~~the~~ you the results in the form of credits and debits (with full explanations) to the items on the US\$ balance sheet, letting you put this in final form; all other sheets I ought to be able to do." That means it will probably be well on towards the middle of September before the accounts reach me and I'll have several days of homework to do on them.

John
We are having to get out of this apartment around the 25th of this month and we will probably stay at Medfield with Mary's sister for a few days before starting for Ann Arbor. I ought to be starting for Ann Arbor as soon after Labor Day as I ~~can~~ (we will probably drive through). I have been wondering if the following would be best for you: (1) that I send you by the end of this week a summary of my findings in reference to Ward's latest reports and budget and then if you wish it that I ~~make~~ make a trip to New York to see you sometime the last week of this month. Then if there is to be a meeting of the Hua Chung Committee of the United Board, or if ~~not yet~~ not yet in the United Board formally, an executive committee of the Hua Chung Board in late September or early October, ~~that~~ I plan to be in New York a couple of days before that meeting and go over Ward's figures (which should be here by then) with you. I can more or less set my times to suit you and am afraid that we would not accomplish much right after Labor Day as Fowler and Greiner would just be getting back with a lot of accumulations to clear up. It may be that ~~Ward~~ I can clear up enough of your questions with the information which I now have so that you would not need to see me this month. I expect that we will be in Maine the early part of next week, probably leaving here on Monday and returning by Thursday evening. Mary is finding it very nice to have a car.

With best wishes,

Yours sincerely,

John L. Coe.

P.S. Ward writes that he is going to ask you to send me some money. Will you please hold it until I send for it as I am not certain how soon I will buy the things asked for.

When Dr. Sidney Hsiao writes to you and requests it will you please send him a check for US\$ 10. and charge it to the Physics department as payment for a clock ~~to~~ of his the Physics dept. used.

John L. Coe.

1140

50 West Cedar St.,
Boston, 14, Mass.,
Aug. 14, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. J.

*Ans. 17
Come Dad + Thursday*

Dear Mr. Lyford,

I have been going over the letter which I had from Ward, and ones of his of April which you sent me and have come to the following conclusions:

I. On this year's operations:

For the second term 1946-47 the deficit should not be more than US\$500.

In arriving at this figure Ward is figuring on using (this figure in my mind is a bit uncertain but is the best I can glean from Ward's letters) for current

	operati ons	US\$13,000.
in addition there is the payment to Dr. Wei 1945-6/ salary		1,200.
	Lo salary	1,000.
	Lo travel	1,200.
for sch fellowships grant for yougner faculty members		600.
		17,000.

Income from the British Missions, USC and local income I had already figured off when I ~~xxxxxxx~~ made the total of US\$13,000 which is the amount I arrived at as needed to cover the expenses of operation after the sums from the sources just enumerated has been used.

To cover this we can count upon as received or receivable the following:

American Church Mission	US\$6,000.
Miss Johnston	2,500.
Yale-in-China	2,500.
Harvard-Yenching	2,500.
Evangelical-United Brethern	500.
R,formed Church Mission	2,500.
	16,500.

In the above I think all the figures are exact except the last for the Reformed Church Mission which may not be exact.

This would mean that the total picture for the year would mean a deficit of a little less than US\$6,000 for the whole year after the first term is taken into consideration where the deficit was US\$5,218. I think that one reason why Ward wrote as he did in April was that he was not then cognizant of the four items of expenditure which I have listed above and he had not put ^{them} into the picture.

1947-48
II. Budget for 1946-47. This follows much the same form as used previously and allows for approximately the same number of staff as during the year just past, except for a slight increase in the clerical staff in the offices. As far as I can see it the figure for faculty salaries is predicated upon an exchange rate of ~~xxxx~~ 16,300 when salaries are paid at the ~~xxxxxxx~~ scale for June and July, (and also assumes that exchange will rise as fast as it is necessary to increase the ~~scale~~ of payment to the faculty). Before I left China I worked out at Dr. Wei's request a tentative budget ~~xxxxxxx~~ reducing it to US\$ as this one has been done. At that time the official rate had not been raised to \$12,000/ 1. and hence my whole guess was higher and my figures and total were considerably higher except in the case of the figures for ~~xxxx~~ repairs, and grounds where the new estimate is very much higher.

On the income side I think that Dr. Wei may be optimistic about the amounts hoped for from the British Missions, as I think these amounts are about double what they have been giving. Ward's figure for the Reformed Church Mission is probably correct for next year. This leaves us with an income of US\$44,800 fairly certain.

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Mr. O. S. Lyford, Aug. 14, 1947 page 2.

Thus Ward has included a figure of \$11,400 to be found by the United Board. How much will be available along this line is uncertain.

It has been interesting to note that over the past few years that the earlier the budget has been made that the larger the probable deficit has been. I will remember that in Hsichow where we made up the budget in March that frequently we faced the situation of where it would cost the college nearly US\$80,000 for the next year and then as the spring wore on, exchange conditions would improve and we would come down to a figure of nearer sixty thousand. Operations over these years usually finally cost somewhere between fifty and sixty thousand so that in terms of US\$ our costs of operation have been fairly steady. The deficit for this year arises because salaries went up faster than exchange early in the academic year and also the amount received from USC has not been as large as had been hoped for. Probably for the year which has just closed it will not amount to the equivalent of US\$10,000. though there again is the question of how they figure exchange.

~~Since~~ There is one item in the budget which possibly is low, When Dr. Wei brought up the matter of these new houses now being built he mentioned the amount of rent which would be saved by using them. My guess is that they are of such temporary construction that they will last from only ten to twenty years at the outside. I have been wondering if it might not be wiser to have the rental item in the budget slightly larger so as to so to speak return to the reserve at least a portion of the cost of these houses.

Since I wrote you the other day, I have had a card from ~~Sind~~ Sidney Hsiao and hence I know his address. Will you please send a check for US\$10 to Dr. Sidney Hsiao
Marine Biological Laboratory,
Woods Hole, Mass.

He says that he will be there till September. This should be charged to the Physics Department and is in settlement ~~for~~ for a clock which Dr. Hsiao owned, which was ~~used~~ used by the Physics Dept. during the last year in Hsichow, according to an arrangement between Dr. Hsiao and Dr. Bien.

Since writing you the other day, I have received a request from the Speakers' Bureau of the National Council at 281 to accept an engagement at the Laymens Conference in Northern Michigan September 5-7th. As I wrote earlier I feel that there is little chance of Ward's reports being on hand before mid September, I would suggest that if it is convenient to you and also you think it would help along. Then plan on really getting things fixed after Ward's reports do arrive and I have had time to go over them. We are leaving for Maine this afternoon and will be back at the latest next Thursday afternoon.

With best wishes,

Yours sincerely,

John L. Cowe.

that I be in
New York for a couple
of days the last week
of August to see you.
It may be that with
the information I have
sent you and also answers
to further questions of yours
that you would not
want me to come down then.

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50 West Cedar St.,
Boston, 14, Mass.,
Aug. 21, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. J.,

Dear Mr. Lyford,

Thank you for your letters of Aug. 14th and 17th and your telegram of the 20th which I found upon our return here today from Maine. I will go over in detail your enclosures and return some of them as soon as possible.

Mary and I thank you for your kind invitation to visit you. If the following would work in with your plans, we will plan on it. Please let us know if it is inconvenient for you. We would plan to take the night train down from Boston on Labor Day, arriving in New York early on Tuesday morning, the 2nd of September. We could plan to go ~~ix~~ over to Englewood immediately and spend that day and part of the day on Wednesday with you there. Then if you wanted to see either Greiner or Fowler with me or any of the people at the Associated Boards, we could plan to do so on Wednesday, the 3rd. I would have to leave New York that evening in order to get to the conference in Northern Michigan, which I have been asked to speak at on the 5th-7th. Mary would probably stay on in the vicinity of New York for a few days, visiting some other people and then returning to Boston for a bit. She does not now plan to drive through to Ann Arbor till a bit later and also is not anxious to drive through New York City.

We have been very fortunate so far this summer as far as the heat is concerned as this apartment has had the benefit of any breeze which is going, and also the summer for us has been much better than the one we had last summer in Hankow.

With best wishes,

Yours sincerely,

John L. Coe.

We shall be looking for you both on Tuesday morning Sept 2nd and will meet you with our car on the Jersey side of the Washington Bridge if you will telephone me when you are ready to start from New York

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50 West Cedar St.
Boston, 14, Mass.
Aug. 25, 1947.

Dear Mr. Lyford,

Herewith I am returning those letters from Ward which you so kindly sent me! I have copied for myself some of the figures. Please pardon my having kept them so long.

Has Dr. Wei written you anything of what Ward has put in his figures about the proposed building? I would be glad to talk with you more in detail about this.

I have just read Wedemeyer's statement in this morning's paper and wonder what will develop from it.

Personal letters we have had recently from Hankow speak of reconstruction going forward at a much faster pace than was evident six months or a year ago.

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With best wishes,

Yours sincerely,

John L. Coe.

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1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Sept. 4, 1947.

Received Sept 6

Dear Mr. Lyford,

After you left yesterday afternoon I discovered the following matters which I will pass on to you.

First, the steel stacks for the library have been completed. They were to have been shipped this week but the boat was delayed and it will be about the middle of the month before they are actually ~~at~~ on their way. This means that they are taken care of. The bill has been paid but evidently had not gotten through to Greiner.

Second. I had a conversation with Jim Whitney about exchange and know how things are working at the present time, though how soon there will be a change no one knows.

A committee of the representatives of several of the government banks, the National City Bank, and one or two others has been set up in Shanghai. This committee will from time to ~~at~~ time set the rate at which drafts on the United States will be purchased by these banks. On the 19th of August the rate was set at 38,500/1 and for a few days after that there had been no change but the expectation is that the rate will follow conditions. There is a great deal more to the regulations in ~~reference~~ reference to importers in China wishing to purchase foreign exchange and the official rate of 12,000 is still maintained for a few imports. This will mean that in Wuchang we should be able to obtain at least this rate which should make things easier. On the other hand there is the report the prices of foodstuffs have again taken a big jump.

I worked over the figures for 1943-6 yesterday afternoon and will ~~at~~ give you the approximate results here. The final figures I will send you sometime next week. There is no sign of Ward's report here.

For 1943-44	"	"	"	"	"	US\$72,000.
For 1944-45	"	"	"	"	"	US\$62,000.
for 1945-46	"	"	"	"	"	US\$56,000.

for 1946-47 my present guess on the total is between US\$55,000 and US\$60,000.

I feel that these results can be explained and tied up to a very considerable extent with the result of approximately US\$55,000 for 1937-38 our last normal year before the war affected us and the proposed budget figure of US\$55,000 plus which Ward sent thru for 1947-48. My reasoning is as follows:

The figure for 1943-44 is higher than the above, but it was the last year of controlled exchange when for the first part of the year we were receiving 30/1 and the later part 40/1. ~~Further~~ Further during that year we received large gifts from ~~the~~ Great Britain and also extra commodity grants for the faculty.

The figure for 1944-45 is still slightly high, but during the early part of the year we received a relatively low rate on our exchange and there were still large gifts from Great Britain though not as much as the previous year.

The figure for 1946-47 will be up somewhat because it was the first year we were back in ~~Wuchang~~ Wuchang where the price index was higher in comparison with exchange than in Hsichow. Also included in this total are the fairly heavy expenses for the 10 travel amounting to US\$1200.

When I have worked this out more closely next week, I will send it to you. I thought you might be interested in my preliminary results.

Both Mary and myself had a very pleasant visit with you people there in Englewood and thank you very much for it.

With best wishes,

*Yours sincerely,
John D. Lee*

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1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Sept. 16, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. J.

Dear Mr. Lyford,

Herewith my attempt at a revision of the table which you worked over. For 1937-38 I have taken the figures in C\$ and reduced them to US\$ at the rate of 3.33 which was the average rate prevailing during that year. Also in the figures which you sent me, on the income side were included the amounts for the foreign salaries. I have eliminated those and hence have the total shown on the sheet.

For 1943-44 the results are higher for it was the last year when exchange was pegged and as far as I have been able to reckon it was during that year particularly in the spring of 1944 that living costs were higher in terms of US\$ than they have been at any other time.

For 1944-45 the effects are beginning to show of the freeing of exchange. However during that year there were a number of extra grants which helped out and which were not repeated in the following year.

As Ward's figures have not yet arrived, I have made a somewhat wild guess in some cases for the year 1946-47 and to this guess will have to be added somewhere around \$5,000 taken from reserves to cover the deficit for the year. In my table the figures which I am guessing at, I have followed by a question mark. The explanation for the rise in 1946-47 is that first the college was back in Wuhang where costs were comparatively higher than in Hsichow. Secondly during the first term exchange did not keep pace with increasing costs.

Last week I asked Mr. Greiner to make payment to Gilbert Baker's account at "281" of the equivalent of £22 which was in payment for some books which he sent to the college in 1945 and I only received the bill the other day. This should be charged to Arts books.

With best wishes,

Yours sincerely,

John L. Coe.

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1512 Brooklyn Ave.
Ann Arbor, Mich.
Oct. 3, 1947

Mr. Oliver S. Lyford
54 Dana Place
Englewood, N. J.

Dear Mr. Lyford:

I suppose that ere now Dr. Richard Bien has gotten in touch with you, as I understand that he was in New York late last week.

Mr. Donald Wang, who was given the Huachung Fellowship for the year 1947-48, arrived here in Ann Arbor last Monday. I had heard indirectly earlier that he might be coming here to the university, but knew nothing definite until he arrived at the house. I believe that all of his entrance formalities to the Graduate School have been completed.

Paul Ward gave Mr. Wang a letter to you in regard to his finances. Because of the fact that Mr. Wang is new to this country, I have helped him out temporarily. The award of the fellowship is US\$1200. for the year. \$400. of this could have been drawn in Shanghai, if necessary for passage; \$400. of it would be payable when he registers for the first term; and the balance of \$400 payable at the beginning of the second term. In addition to this, Paul Ward wrote that Mr. Wang had on deposit with him \$300., which could be drawn at any time. According to notations on the letter, Mr. Wang drew a total of \$231. from Mr. Gilson in Shanghai; he had a further advance of \$200. from the Diocesan Office of the Episcopal Church in San Francisco; both of these charges will be coming through to Mr. Greiner, I presume. As Mr. Wang was in need of money to pay his tuition in order to complete registration, I advanced hima further \$150 the other day. Will you at yourconvenience please send me a check for \$150. to cover this advance, charging it against the Reserve for Fellowship for Junior Members of the Faculty. I will talk further with Mr. Wang about his finances, and one of us will be communicating with you in regard to this.

From letters which I have had from China, I understand that the college was expecting to take in about 560 students this term, but just where they are going to put them I imagine is a bit of a problem. Mr. Wang said they had about 6,000 applications to take the entrance examinations.

When I have received Mr. Ward's figures, I will let you know.

With best wishes,

Sincerely yours,

John L. Cox

JLC/MRC

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1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Oct. 7, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. J.

Dear Mr. Lyford,

Thank you for your telegram which came in this noon. I am expecting to be away this evening and tomorrow so that it may be sometime Thursday before I have the figures ready for you. I will be very much interested in seeing a copy of that letter from Dr. Wei. The total of Ward's budget was somewhere around US\$55,000. I will make a copy of it and will send along my comments on it. My feeling is that we will again find Fenn working from his end on the same basis he had been using for the past couple of years. That has been to take our monthly salary total and add to that a certain fraction (one-third has been the usual figure) for other ~~xxx~~ expenses and then work from that. I will study carefully Ward's letter to me of late July and see where I can get from that angle.

I am uncertain from your telegram just when the meeting of the United Board is to be. Is it the 25th of October or earlier? Do you think that it would be well for me to be in New York for that meeting and also a day or so previously in order to go over things with you? I do not have many immediate plans but would appreciate knowing as soon as possible when and if you would like me to be in New York. Mary wants to be east in Boston before too long in order to attend to some purchasing for ~~xxxxxx~~ ourselves etc. so we had been planning a trip before too long anyhow. If possible I would not want to leave here before Sunday the 19th of October.

If you would let me know the date of the United Board meeting and whether I could be of assistance in ~~xxxx~~ working out figures for you before that, I will do my best to fit my plans in with that. Also is Fenn back in this country yet and I wonder what his opinion of things is.

In the talks which I have had with Donald Wang here, I have the impression that things have been going fairly well with the college and he seemed to think there would be few changes in the staff.

With best wishes,

Yours sincerely,

*I found raw exchange had jumped to \$73,000 / 1
in Shanghai.*

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1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Oct. 8, 1947.

Dear Mr. Lyford,

Herewith I am sending you Ward's budget figures for 1947-48. I have reworked them into substantially the same form as we have used previously. The total comes out the same as Ward's and the items are the same. However the method of putting them together is changed slightly to correspond in a greater degree with the old form. I am also sending along the letter of explanation which Ward submitted to the Board of Directors in June in explanation of the budget. I have also appended a sheet of notes of my reactions to it for what they are worth. I feel in a way the more important thing is to see how Fenn is working things and if he is working things as he did last year I hope that I have given enough data to help out.

Thank you for your second telegram and I will try to work my plans in with your suggestions for I want to do what I can for Hua Chung.

*With best wishes,
Yours sincerely,
John L. Loe.*

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Comments on the proposed budget.

[23]

On the income side, there may have been an overestimation of the income to come from the two English Missions and possibly the Reformed Church Mission.

On the expenditure side many of the items are estimated at a lower figure than when I made a preliminary estimate for Dr. Wei in February. There are a few which are higher. The total estimated than ran considerably higher than Ward's total of US\$55,200 but the February estimate was based upon the old exchange figures. Also it should be remembered that during the past few years, that when the budget is made upon in February or March that the total ~~xxxxxxx~~ has worked out at high figures and that the total in ~~xxx~~ terms of US\$ usually dropped in somewhat the same way as the figures have dropped this year between February and June.

As far as I can see studying the figures carefully, the number of the Chinese staff called for in the new budget is about the same as the number actually employed in the fall term 1946-47. There has been an increase in the library staff but that was absolutely needed to care for the new books which were ~~xxxxxx~~ arriving.

I do not know whether or not Dr. Fenn's office ~~xxxx~~ is using the same methods which they used a year ago and earlier in attempting to arrive at a fair division of sustaining fund money or not. I know that then he was ~~xxxxxx~~ using the total of the monthly payroll and adding to it one-third and then ~~working from~~ that.

As far as I can discover from figures which I have had from Ward, the salary total in July was \$51,954,500. Adding to this 1/3 or \$17,318,000 would give a monthly total \$69,272,500. It may be that you may find Fenn working from such figure as this. I know that it was the result of some such figuring as the above that Fenn calculated the amount which we received from the ~~xxx~~ sustaining fund for 1946-47. ~~xxxx~~

In his budget my guess is that Ward is working with an exchange figure of slightly more than 16,000/1 and then ~~xxxxxxx~~ hoping that exchange will rise as rapidly as it is necessary to increase salary payments.

In the summer of 1946 Fenn's ~~fix~~ office was talking for quite a bit over the possibility of attempting to reckon salaries on the basis of 40% of prewar purchasing power but after considerable study I believe they found that it was more satisfactory to use the same scale as the government was using for various places in the country. Since June 1946 we have been using that system and found it more satisfactory than the earlier systems which we had used in Hsichow.

Respectfully submitted,

John L. Lee

Ann Arbor, Mich.,
Oct. 8, 1947.

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Hua Chung University, proposed administrative and general expenditures for 1947-48. [3]

US\$

For.sal.

~~xxxxxxx~~ Administration.

President's office	250.		
Dean's and Reg. office	340.		
Treas. office	110.		
Business office	125.		
Postage and telegrams	375.		
Entertainment	100.		
Promotion	435.		
Admissions	500.		
C. C. E. A.	60.		
Wages	260.		
College functions	160.	2,715.	
Administration Personnel			
President 3/4	845.		
Chinese Sec.	750.		
English Sec. 1/2			1/2
Asst. " " 3/4 1/2	255.		
Dean 1/2			1/2
" 's clerk	290.		
" " 1/4			1/4
Treasurer 1/2			1/2
Asst. Treas. 3/4	625.		
clerk	290.		
Registrar 1/2			1/2
Asst. Reg.	635.		
" clerk 1/2	145.		
Alumni office clerk 1/2	145.		
Dean of women 3/4 1/2	500.		
Business manager 1/2	275.	4,755.	2 1/4

Operation and Maintenance personnel

Library			
Librarian	885.		
Asst. Librarian	690.		
3 clerks	1,075.		
Medical -			
Physician		1/1	1
Nurse	375.		
Physical Ed. director	655.		
Superintendent Bldgs, gr. 1/2		1/1	1/2
Asst. " " " 1/2	270.	3,950.	1 1/2
Library- eqâpment and inc,	350.		
local periodicals	250.		
foreign "	125.	725.	
Medical- Maintenance	175.	175.	
Scholarships	1500.	1500.	
Physical Ed.-maintainace	725.	725.	
Furniture			
Repairs and Alterations	1625.		
Grounds	875.		
Sanitation	60.		
Heating	1000.		
Light and water	155.		
Rentals	690.	4,780.	
		19,325.	3 3/4

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Hua Chung University, proposed ~~unpublished~~ expenditure budget for School of Arts for 1947-48. [4]

	US\$		For. sal.
Equipment, Maintenance books			
Dept. of Chinese			
4 professors	3,990.		
2 Asst. professors	1,690.		
1 Lecturer	600.	6,280.	
Dept. of Western Languages			
Professor 1/2			1/2
2 Asst. Professors			2
2 " "	1,545.		
3/4 lecturer			2 3/4
2 " "	1,200.		
1/2 Jr. Lecturer	255.	3,000.	
Dept. of History			3 1/4
2 Professors			2
2 Asst. Professors	1,575.		
1 Lecturer	545.	2,120.	
Dept. of Economics			2
1 1/2 Professors			1 1/2
1 Professor	1,065.		1 1/2
1/2 Asst. Professors			1/2
1/4 " "	205.		
1 Lecturer	545.	1,815.	
Dept. of Philosophy Psy.			
1 1/4 professors	1,345.	1,345.	
Dept. of Rngi Religion			
1/2 professor	505.		
1 1/2 Asst. Profs.			1 1/2
1 Lecturer		505.	1
Total personnel		15,065.	9 3/4
Equipment, Maintenance books			
Dean's office	10.		
Chinese Dept. books	100.		
Research and Inc. Chin. Dept.	180.		
Eng. Dept. books	320.		
History Books	125.		
Economics "	125.		
Phil-Psy. books	125.		
Religion Books	250.	1,235.	
total expenditure.		16,300	9 3/4

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Hua Chung University, Yale-in-China School of Science, proposed expenditure budget for 1947-48. [5]

	US\$		For. sal.
Personnel.			
Dept. of Biology			
2 Professors	2085.		
2 Lecturers	<u>1090.</u>	3,175.	
Dept. of Chemistry			
2 Professors	2160.		
1 " "			1
1 Jr. Lecturer	525.		
1 Assistant	<u>375.</u>	3,060.	
Dept. of Physics			
1 Professor	1100.		
3 Lecturers	1820.		
1 Technician	<u>435.</u>	3,395.	
Dept. of Mathematics.			
1/2 Professor			1/2
1 Asst. Professor	820.		
1 Lecturer	<u>300.</u>	<u>1,120.</u>	<u>1/2</u>
total personnel		10,750.	2
Equipment and maintenance			
Biology	875.		
Chemistry	875.		
Physics	<u>875.</u>	2625.	
Books and periodicals			
Biology	100.		
Chemistry	100.		
Physics	100.		
Mathematics	<u>30.</u>	<u>330.</u>	
Grand total expenditure		13,715.	2

~~Hua Chung University, Yale-in-China School of Education~~

Hua Chung University, School of Education proposed expenditure budget for 1947-48.

	US\$		For. sal.
Personnel			
Education			
2 1/4 Professors			2 1/4
3 " "	3,180.		3
Extension			
1 1/4 Professor			1/4
Music			
2 1/2 Asst. Professors			2 1/2
1 Jr. Lecturer	<u>510.</u>		
total personnel	3,200 3,690.		<u>5</u>
Equipment books, etc.			
Dean's office	10.	10.	
Education-Books and Periodicals	<u>200.</u>		
Investigation	60.		
Extension	125.		
Practice School	<u>1250.</u>	1,685.	
Music			
Instruments and music	375.		
Maintenance	<u>100.</u>	<u>475.</u>	
Total expenditure		5,860.	5

1512 Brooklyn Ave.
Ann Arbor, Mich.
November 1, 1947

Mr. Oliver S. Lyford
54 Dana Place
Englewood, N. J.

Dear Mr. Lyford:

Thank you for your letter of October 29, which came in yesterday. I am sorry that there is this mix-up about Harvard-Yenching. I will give you all the information that I have here, and it may be necessary to check some of the old records.

<u>Academic Year</u>	<u>Grant</u>	<u>Paid</u>
1938-39	US\$4,000.	To J.L.C. October 1938 .
1939-40 ✓	2,500.	To Dr. Wei sometime winter, 1940. <i>Nov 16, 1940</i>
1940-41	5,000. ✓	To Dr. Wei sometime winter 1941. <i>Dec 27, 1940</i>
1941-42	5,000.	To Mr. Lyford spring 1942
1942-43	5,000.	" " " " 1943
1943-44	5,000.	" " " " 1944 - <i>May 5 - with May 10</i>
1944-45	5,000.	" " " July 1945 - <i>July 6 - Entered July 14</i>
1945-46	5,000.	" " " July 1946 - " <i>July 27</i>
1946-47	5,000.	---

This is the way I remember that the grants were made. I am certain of the payment to me in 1938, and fairly certain of the two payments to Dr. Wei in Hsichow. I vaguely remember that in the spring of 1942 I wrote you about this; you wrote to them, and they sent the money for 1941-42, saying they had not been certain where to send the money until they had heard from you, as this was shortly after Pearl Harbor. As far as I know, since that time the payments have been made to you or Mr. Greiner. I am sorry that I do not have the exact date of these payments from 1942-44.

According to the word which Mr. Greiner sent me, the payment in 1945 was deposited in the National City Bank on July 14, and about the same time in 1946. Probably a copy of the statements which you sent me for the years 1942-44 would show when those payments were deposited in the National City Bank. I am sorry I do not have those here with me.

It would look to me as though what had happened was that in 1942 Harvard-Yenching paid their grant toward the end of that academic year, and that somewhere in the intervening years they began to figure the grant which was paid in the spring, as for the future year. I do not know whether you have a copy of the statements which they sent you when these payments were made or not.

Another way in which you might be able to get at this would be to study my statement for the years in question. If the payment was made and you had sent me word of it in time, I counted it as having been paid in. Otherwise I marked it as a "receivable."

I am expecting to drive east with Mary next week, stopping to visit friends enroute. We probably will not be arriving in Boston before Sunday, the 9th. I expect to spend a goodly portion of the week of the 9th in Boston, and will then return to Ann Arbor. Mary will be staying in Boston longer. My address in Boston will be C/o Mrs. A. L. Richards, The Sheraton, 91 Bay State Rd. If there is anything I can do in regard to the Harvard-Yenching business, please let me know around the 10th of the month.

I have no recent word from Wuchang, so I do not know what may be under consideration in the eventuality that the Communist trouble becomes worse. I suspect that the present situation in Central China is much the same as we had in the years 1930-33.

With best wishes,

Yours sincerely,

John L. Cox

1154

November 6, 1947

Mr. Carl A. Evans
United Board for China Christian Colleges,
New York, New York

Dear Sir:

Confirming our conversation regarding payments made by Harvard-Yenching Institute to Hua Chung College, (now Huachung University), I believe the difficulty is due to the fact that the Huachung College year closes July 31 whereas the Associated Boards (now United Board) year closes June 30.

The record of the last five annual amounts received by Huachung is as follows:

<u>Academic Year</u>	<u>Paid</u>
1941-42	Spring 1942
1942-43	" 1943
1943-44	May 10, 1944
1944-45	July 14, 1945
1945-46	July 29, 1946

The dates given for the last three years are the dates entered on our books. I do not have immediately available the exact dates for the first two years.

You will see from the figures that if it has been the custom of Harvard-Yenching to consider that the college year closes June 30th, the last two payments would have been made in the first month of the new year, whereas they were overdue payments of the Huachung budget for its college year ending June 30, - as we understood them.

Our executives in China have been very successful in keeping the expenditures within the budget throughout the war but now, with exchange and living costs demoralized, this has been impossible and our operating reserves are shrinking rapidly. We have realized that we had no authority to assume that the Harvard-Yenching annual grant will be extended indefinitely

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November 6, 1947

but our need for it is greater than ever. The budget provides only a fraction of the former personal income of the teaching staff.

I assume that Dr. Wei has made his annual report to Harvard-Yenching Institute, but we have not received a copy of it, as we usually do. The conditions may be summarized in a few sentences:-

We have a splendid faculty working in harmony in spite of the crowded temporary housing, inadequate purchasing ability, and inadequate teaching facilities. Out of over 3600 applicants for admission, 536 were chosen - 344 men and 192 women. This will be reduced somewhat but will be the largest student body in our history. These students have remained steady in spite of crowded dormitories and the general restlessness of the community.

A letter from Dr. Wei under date of October 23 and just received contains the following paragraphs:

"In spite of all rumors, our district of the country is still safe. Please have this news broadcasted to our friends in America. As long as we do not cable you to the contrary, you may assume that all goes well with us. Prices are still rising but during the last week they have not been as alarming as before.

"As a whole, everybody in the faculty and staff feels happy about the situation in the university. The students are working very hard and they are behaving well."

I will be glad to have you make this clear to Dr. Illisseff how much we need the payment of \$5,000 for 1946-47 and for 1947-48 in addition to the very helpful payment of \$2,000 recently received from Harvard-Yenching through you.

Yours very sincerely,

Oliver S. Lyford,
Treasurer.

OSL:V

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1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Nov. 29, 1947.

Mr. O. S. Lyford,
54 Dana Place,
Englewood, N. J.

Dear Mr. Lyford,

I hope that you had a good conference with Richard Bien early this week. It is possible that I may see him towards the middle of December in Boston as I expect to be there from around the ~~middle~~ middle of the month till just after Christmas. Do you know of any reason why I should plan on a trip to New York at that time to consult with you in regard to college matters? I am beginning to be afraid that Paul Ward's report will not appear here before I leave for China. I think that he has been kept pretty busy at one thing and another, and then things have all been new to him. If you could let me know as soon as convenient if I should plan to see you in New York, it would help me in working out my plans.

With best wishes,

Yours sincerely,

John L. Lee.

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1512 Brooklyn Ave.,
Ann Arbor, Mich.,
Dec. 9, 1947.

Mr. Oliver S. Lyford,
54 Dana Place,
Englewood, N. H.

Dear Mr. Lyford,

Thank you for your telegram of this morning. Following your suggestion I will plan to be in New York for the meeting on Friday of this week, the 12th. I wonder if Dr. Wei has written more of his ideas in regard to building. Certainly it is a problem at the present time. Being at the meeting on Friday will work in very well with my plans as I was planning on being in Boston by ~~Saturday~~ Saturday and I will simply make the trip to Boston by way of New York.

With best wishes,

Yours sincerely,

John L. Coe.

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