Huachung
Corres.
Lyford, Oliver S. 1943

See - Pres. Francis C. M. Wei's file also See - Budget Hua Chung file

HUA CHUNG COLLEGE

(*Central China College*)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

January 19, 1943.

Budget file

Mr. C. A. Evans,
Associated Boards,
150 Fifth Avenue,
New York, New York.

Dear Mr. Evans:

In addition to the enclosure which I am sending you herewith quoting Dr. Wei's Christmas message, I also hand you herewith a copy of Dr. Wei's letter to Mr. Cressy answering the latter's request for a budget for a year from March 1st.

I am satisfied that this letter gives the best estimate which can be arrived at for the total budget but his assumption that the increased amount needed from the Associated Boards is 50% above the amount which the Boards are furnishing for the current year involves a further assumption that the amounts received from other sources will also be increased 50%. Considering the fact that the United China Relief is draining the sources of funds so heavily, I doubt if it is safe to make this assumption. In other words, I feel sure that the second budget figure for the amount needed from the Associated Boards will certainly be nearer the higher figure mentioned by Dr. Wei; namely, U.S. $37,200 at the present rate of exchange.

The details of the present and previous budgets are given in a report which I sent to you on June 12, 1942.

I also hand you herewith a copy of letter of December 29 from Professor Greene to me in answer to a letter which I wrote him in December to report the splendid character of the meeting of Dr. Van Duzen's Committee on December 21. This answer explains in more detail than I have known before about the serious operation to which Professor Greene had been subjected.

Sincerely,

Oliver Lyford

encl.

January 29, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

We are enclosing herewith a check for $5,250 made payable to Central China College Foundation.

This $5,250 together with the previous remittances make a total of $15,750.00 paid to you from our Sustaining Fund for the emergency needs of Hua Chung College.

We are also enclosing a check for $15.00 for your Current Budget Needs. The gifts came from the following sources:

Designated Gifts

12/28	Mr. Garth Cate, 125 Barclay Street, New York, N. Y.	10.00
1/18	Miss Elizabeth R. Gerhard, 129 East Vine Street, Lancaster, Pa.	5.00
		15.00

Very truly yours,

EC:EK
Enc. 2

HUA CHUNG COLLEGE

(*Central China College*)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

February 3, 1943.

Mr. C. A. Evans, Associate Treasurer,
Associated Boards for China Colleges,
150 Fifth Avenue,
New York, New York.

Dear Mr. Evans:

I received your letter of January 29th with check for $5,250 from the Sustaining Fund of the Associated Boards and check for $15.00 for current budget needs. These amounts will be used to very good advantage.

Yours very truly,

Oliver S. Lyford

Treasurer.

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

COOPERATING BOARDS

Domestic and Foreign Missionary Society of the Episcopal Church
Board of Foreign Missions of the Reformed Church
English Methodist Missionary Society
London Missionary Society
Yale-in-China Association, Inc.

OFFICERS OF BOARD OF TRUSTEES

Arthur M. Sherman, S.T.D., *President*
412 Sycamore St., Cincinnati, Ohio
Edwin C. Lobenstine, D.D., *Vice-President*
49 West 49th St., New York City
John Wilson Wood, D.C.L., *Secretary*
281 Fourth Ave., New York City
Oliver S. Lyford, *Treasurer*
230 Park Ave., New York City
Robert Ashton Smith, *Associate Secretary*
905-A Yale Station, New Haven, Conn.

February 15, 1943

ack 2/17/43

Mr. C. A. Evans, Associate Treasurer,
Associated China Colleges,
150 Fifth Avenue,
New York, New York.

Dear Mr. Evans:

Enclosed please find check of Central China College Foundation for $839.17, being the amount voted by the Trustees of this college as its proportion of the expense of the Associated Boards for the year 1942-43.

Yours very truly,

Oliver S. Lyford

Treasurer

839.17 — Dep. 2/16/43
169.63 Cr — Paid Central China College Fd. 2/16/43 - No 16660
$ 669.54 -

February 17, 1943

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

Dear Mr. Lyford:

Never yet have we been able to give you the right information regarding the balances due us from Hua Chung College.

The total amount asked Hua Chung was $839.17, but Hua Chung's share in the credit last year earned by the Colleges was $169.63. We are, therefore, enclosing our check for this amount, which reduces your appropriation accordingly.

With sincere apologies but with the perfect assurance that we will never be able to answer your questions correctly, I am

Most sincerely yours,

C. A. EVANS

CAE/B
ENC.

File 2c

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

March 1, 1943.

Mr. C. A. Evans, Associate Treasurer,
China Christian Colleges,
150 Fifth Avenue,
New York, New York.

Dear Mr. Evans:

Thank you for your check for $169.63 being a rebate on the amount which I sent you recently as Hua Chung's share of the expense of the Associated Board for the current year. Please keep up the good work as apparently we shall soon secure the services of the Associated Boards without cost.

Yours very truly,

Oliver S. Lyford

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

March 5, 1943

Rev. Arthur M. Sherman, S.T.D.,
281 Fourth Avenue,
New York, New York.

Dear Sir:

I think it is high time that the Trustees of Hua Chung College, or at least those who will be available in New York, devote a couple of hours before March 31 to an earnest consideration of the present condition of the College, its probable future and the responsibilities of the Trustees in connection therewith.

The financial circumstances need some thought, but ever more important is the state of mind and spirit of the officers and faculty in Hsichow and the best possible effort by the Trustees to encourage and sustain the high purpose of these friends in these exceedingly difficult times. I have tried to help to this end, but something more than any one can do is necessary.

It seemed to me that we could have such a meeting immediately after the meeting of the Foundation which will take only a few minutes.

I am handing to you herewith the three last letters of Dr. Wei, dated November 17, December 8, December 15. You will note in his letter of December 8 that Dr. Wei is putting forth much effort to keep the attention of the faculty on the possibilities of the future. This obviously is because of the need of the faculty for all the encouragement possible.

The importance of such a meeting of the Trustees at this time is because the annual meeting of the Associated Boards will occur early in May and we need to go into that meeting with all the hope and assurance we can muster. The vision which is forming for the Christian Colleges after the war is a great one and we must be able to show that Hua Chung sees its possibilities as clearly as any of the others.

Another reason is that we should formulate the best way to take advantage of the visits to China of the technical experts whom the U.S. Government is sending to China.

I am preparing a memorandum which may be made the basis for such a discussion as I have in mind.

Yours very sincerely,

Oliver S. Lyford.

Read by Mean Hsu Vane at Meeting of Founders
Will be incorporated in the minutes

Quotations from Recent Communications:

Dr. Wei's Letter of November 5, 1942:

"On Monday we had a distinguished visitor to Hsichow from the provincial government in Kunming. He was Mr. T. H. Li, commissioner of Civil Affairs in the province, and one of the multimillionaires in the province. I spent almost two days with him, attending lunches and dinners given by the local gentry. He came to address the college students on Tuesday morning, and in the evening he addressed the students in the primary and middle schools in the town, as well as the gentry and representatives of the people. The college only joined in with the other organizations in giving him a reception Tuesday evening.

"The commissioner seemed to have a good impression of the college. Both he and the two or three people who came with him expressed their desire that we might at least have a branch institution in Western Yunnan after the war. Of course, that may have been just courtesy. I had many opportunities during the two days to talk things over with him, and the result may be that he will raise some money for the subsidy of faculty members in the college. How much he will be able to raise it is difficult to tell, but I believe it will be one of the largest sums that I have been able to raise in China. I am working over with Mr. Coe a budget which I am going to present to him."

"Miss Gerturde Zenk of the Reformed Church Mission, who has been teaching Piano in the college ever since we came to Hsichow, and Mr. Walter Allen of the American Church Mission, who has been teaching English Literature here for a year, announced their engagement on October 31. The missions concerned will have had the news by the time this letter reaches you. It is very good news to us all. Particularly it means that Miss Zenk will not be going home next summer, as she had been planning to do."

Dr. Wei's Letter of November 17, 1942: #52

"In your letter #33 you refer also to our need for reading material, which we have felt most keenly for some months already. Writing to Dr. Lobenstine in the last mail, I reminded him of the necessity of securing for us as soon as possible a microfilm reading desk, so that when the microfilms of books and periodicals should come out to China, we may be able to make use of them here in Hsichow. It is necessary, however, to remember that while here in Western Yunnan, we are quite isolated and remote from the center of things in Chungking. If the microfilms and the reading desks should come to China, the chance is very little of our getting our share here. Reports have been received here that the American government and people have sent clothing material to faculty and students in schools and colleges in the country and that some of the Christian colleges in Chengtu have had their share, but we have heard nothing about it. It is not so much the material things that concern us, but we do want to be remembered in America whenever tokens of good-will are being sent to people employed in educational work at a time like this. I hope you will find it possible to keep the Hua Chung name before the authorities in the United States who have anything to do with sending things to meet the needs of the educational institutions in China.

"I wish to add that the students published five of their periodicals by posting them on the Bulletin Boards as usual. The Erh HaiEcho has dedicated this last issue to the Founders as all these periodicals were published on Founders Day, November 1. The five periodicals published this time are under the department of Chinese Literature, the department of English Literature, the department of

"English Literature, the department of Economics-Commerce, the department of History-Sociology, and the Science Club. We have in the college over ten of these periodicals. Some of them are published monthly, and others every two months.

"I am also glad to say that after a period of interruption we have our radio again giving us news every evening about the wide world. For almost four months now we have not had the power plant, but the Physics department has been trying to get the old truck in repair so as to give us light and power again."

Dr. Wei's letter of October 8, 1942: #49

"It is the instruction of our Board that whatever exchange we may get over 18 to 1 as a favorable balance may be applied to subsidies, we may have a decent some for this purpose when prices go up or when circumstances make it necessary to increase our subsidies."

President's Annual Report:

"The living conditions of the faculty and administrative staff members are nothing but wartime hardships stalking abroad.

"Nevertheless, for the past year there has been the invariable smile on every face on the College campus. The general spirit is cheerful and cordial. The President has no longer the vexing personal problems as in the first two years in Hsiehow. He is consulted more about College finance, filling of vacancies, and the general war situation. There has been more discussion in the President's office during the year about maintaining of standards, plans for the future, and from time to time what to do in an emergency."

President's Christmas Letter:

"Suffering has drawn us more closely together, because it has revealed more clearly the infirmities of mankind, which call for repentance and for greater efforts to follow more faithfully in the footsteps of our Common Master. All those who have been working for the Kingdom realize how discouraged sometimes we feel, but when Christmas comes around again and when we adore in the churches, as well as in our hearts, the Infant Jesus, we take heart again. It is in meekness that our strength lies, for while Christian love seems meek, it is the strongest thing that Jesus has revealed to the world.

"We feel that in Hua Chung College we have the privilege of participating in the great historical movement which is intended to bring peace to the world through the Gospel of Peace, and as we labor along, our goal will be reached in God's appointed time."

April 28, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

Enclosed herewith is a check to the order of Central China College Foundation in the amount of $2,625.00. This covers Hua Chung College's share in unassignated gifts since our last report.

This payment, and the amount previously received, makes a total to date of $18,378.00 as your portion of the Sustaining Funds.

Very truly yours,

EC/EK
Enc.

Hua Chung '43

Copy for Mr. Sherman

May 12, 1943

Rev. A. V. Casselman, D. D.,
1505 Race Street,
Philadelphia, Pennsylvania

Dear Dr. Casselman:

I have received, since our last meeting, more letters from Francis Wei and John Coe which threw some light on our financial problem, but I still have to do a lot of guessing as to what was meant by Dr. Wei's radiogram of April 1 which read as follows:

> "Next year budget Chinese one million two hundred twentyfive thousand. Need sustaining fund Chinese six hundred thousand. Cable approval before June"

In his letter of March 23, Dr. Wei says "We are able to find the money (for the latest increase in subsidies) within the budget because circumstances have enabled us to swing it without increasing the budget approved which is approximately U.S. $36,000." (We approved a total of N.C. $720,000 which equals his figure at 20 to 1).

We know that in addition to the budgeted income for the year ending July 31, 1943 the college has received from various sources amounts which total about N.C. $370,000. I think that such are the "circumstances" to which Dr. Wei refers and that he expects extras from these and similar sources in 1943-44 but to a somewhat lesser extent. This combination of guesses leads me to the conclusion that the Executive Committee Pro-tem at Hsichow sees the need of a total of about N.C. $1,600,000 for Chinese expenses in 1943-44 including "circumstances" or more than double the 1942-43 budget which we approved.

This conclusion is consistent with the report which Dr. Wu, president of Ginling College, made at the Associated Board's meeting. She said the cost of living index which stood at 60 times normal last November now stands at 100 times normal.

The substance of all of this is that inflation in China is almost, if not entirely, out of hand and no American money which is sent over there at exchange of 20 to 1 will be anywhere near enough to feed our people, to say nothing of providing for other necessities which are out of reach. I believe we were agreed at the meeting on April 30th, that all we can do is to promise a certain amount in U.S. cash and call upon Dr. Wei and Mr. Coe to get the rest from other sources, mostly the Chinese Government.

Now what I am trying to get at is the U.S. figure to quote to him.

Based on the 1942-43 income budget and the extras received from the same sources, I arrive at the following figures:-

	N. C.	U.S. Equivalent at 1 to 20
American Church Mission		$ 7,000
Miss Johnson's grant		5,000
Reformed Church	$ 64,760	3,238
Yale-in-China		5,000
Harvard-Yenging		5,000
Associated Boards		19,000
	U.S.	$44,238

The figure of Chinese $600,000, in Dr. Wei's radiogram quoted above, means that they desire from the Associated Boards U.S. $30,000. The other colleges made similar requests for large increases. I understand that the United China Relief and the U.S. War Agencies Board have so limited the Associated Boards that Hua Chung cannot expect more than U.S. $19,000 for 1943-44.

On the other hand there is some talk that the Chinese Government might decide to match 1.00 for each 1.00 from western sources. If this proposal is in terms of Chinese dollars and our contribution of, say, U.S. $44,000 is equivalent to N.C. 880,000 and the Chinese Government will add another N.C. 880,000, our requirements will be met until inflation runs away some more. And then what? I cannot guess.

Just two questions for your Board:-

1. Can you contribute for 1943-44 any more than the equivalent of N.C. $64,760 which was provided for 1942-43?

2. What provision are you making for the sustainance of your western personnel in the face of inflation?

As we must make our final answer to Dr. Wei before June 1, I will appreciate a reply as soon as possible.

Yours very sincerely,

P.S. Please address reply to my home:
54 Dana Place, Englewood, N. J.

May 27, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

The enclosed check for $2,625.00 is from Undesignated Funds and is the final payment on the 1942/43 askings of Hua Chung College.

This payment plus the amounts previously received by Hua Chung College make a total for the year of $21,000.00.

Very truly yours,

HC/HK
Enc.

HUA CHUNG COLLEGE

(*Central China College*)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

June 2, 1943

file

Mr. C. A. Evans, Associate Treasurer,
Associated China Colleges,
150 Fifth Avenue,
New York, New York

Dear Mr. Evans:

I duly received your letter of May 27 with check for $2,625.00 payable to Central China College Foundation which, as you say, completes the total of $21,000 for the year 1942-43.

I have a confession to make regarding the payment of $2,625.00 which you sent to me with your letter of April 28. This arrived just when I was moving my records from New York to my home in Englewood and in my concern lest this check might be lost, I put it away so carefully that it actually was lost until a day or two ago. Now it has been deposited in the account of Central China College Foundation in The Bank of Manhattan Co. and I hereby acknowledge its receipt with due thanks and apologies. The Trustees are very appreciative of this grant of $21,000, all of which, and much more, went into the abnormal expense of operation of the College at Hsichow.

Yours very sincerely,

Oliver S. Lyford

File

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

June 23, 1943

CORBETT
REC'D
ANS'D

Associated Christian Colleges,
156 Fifth Avenue,
New York, New York

Attention of Mr. Corbett

Dear Mr. Corbett:

A letter dated April 8th and received June 17th from Dr. Wei includes the following paragraphs:

"I received last night your letter No. 36 dated February 24th together with a copy of the report of the meeting of The Committee on Christian Character, Staff and Curriculum and a letter from Mr. Corbett to the presidents of the christian colleges in China dated February 2nd.

"I am getting Mr. Corbett's letter duplicated for our Yale-in-China School of Science as it contains some very interesting information in regard to scientific research in America.

"There is a great deal that I would like to say by way of comment on the Minutes of the meeting of the Committee on Christian Character, etc. At previous meetings during the winter our Executive Committee has discussed practically all the points raised at that meeting, and more. Various things have delayed the completion of our memorandas on the future plans of Hua Chung College which has been considered by the Executive Committee at its several meetings. After our visit to Szechwan we shall have probably one or two meetings again on this matter again and get the memoranda in shape for presentation before the Founders."

Dr. Wei and our treasurer, John Coe, expected to attend a meeting at Chengtu in May and I imagine the memoranda to which he refers will not be received for another month.

I am enclosing my office copy of a memorandum which I prepared for discussion with the members of our Board of Founders. Please make extracts of any paragraphs which may be of use to you and return this copy to me [Copied & Returned OSL]

Yours very truly,

Oliver S. Lyford

For Copy See - Hua Chung College folder ← [Copy attached]

1 6 8 3 1 1 1 4

0861

June 25, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

We are enclosing herewith a check for $2,728.40. This covers the amount due Hua Chung College, since our last report, from the gifts received by Associated Boards for Christian Colleges in China applicable to Current Needs.

	Designated Gifts	
5/17	Dr. Lewis B. Franklin, 132-43 Sanford Avenue, Flushing, N.Y.	25.00
5/18	Rev. John K. Adams, 155 West 3rd Street, Bloomsbury, Pa.	2.00
		27.00
	Share Undesignated	2,701.40
		2,728.40

These amounts of Designated and Allocated Gifts added to what has been previously received make a total of $42.00 received for Current Needs in 1942/43. The $2,701.40 received as your share in undesignated, according to the action of the Executive Committee June 23, 1943, is to be considered as a payment on the first quarterly Sustaining Fund appropriation for 1943/44.

Very truly yours,

EC/EK
Enc.

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

June 28, 1943.

Mr. C. A. Evans,
Associate Treasurer,
China Christian Colleges,
150 Fifth Avenue,
New York, N. Y.

Dear Mr. Evans:

I have your letter of June 25th with check for $2,728.40.

I note the two designated gifts of $25.00 and $2.00 respectively and that the balance of $2,701.40 is to be considered as a payment on the first quarterly sustaining fund appropriation for 1943-44.

Yours very truly,

Oliver S. Lyford

Mr. John L. Coe, Treasurer July 9, 1943 - Letter C-3

Dear Sir:

My last letter to you was my C-2 of May 27th. Since then I have received the details of the Budget for 1943-44 and I have reported to Dr. Wei, in a letter of today, the attitude and action of the Executive Committee regarding your figures.

I have been unavoidably delayed in writing this present letter to you and I am afraid its late arrival will handicap you in preparing your financial report for the year ending July 31, 1943. I am enclosing on a separate sheet a report of the operations of the Joint and Reserve Accounts for the year ending July 31.

You will note that I have transferred most of the available cash from the Foundation Account to the Reserve Account. The entire Sustaining Fund of the Associated Boards for 1942-43 has been so transferred and on July 31 there will be only $1,000 left in the Foundation Acct. which is available for the use of the College.

I have a report from Mr. Whitney showing that on June 1, 1943 the total in operating funds in the Proctor-Johnston Account was $25,000. Therefore, in addition to the balances in the Joint & Reserve accounts, as shown in the attached sheet, there is available in New York at present $26,000. These are the figures which you should use in compiling the U.S. Balance Sheet as of August 1, 1943. The Yale-in-China grant of $5,000 has not been sent in, but I expect it before July 31.

I assume that you have arranged matters with Mr. Hsiao in connection with the advances made to him for traveling expenses. These were $530.00 on July 11, 1941 from the Joint Account and $100.00 on August 19, 1941 from the Foundation Account in the Bank of Manhattan.

By the way, I note that Mr. Tan-jen-i was handling the accounting while you were away. I hope this means that he is in good health again. Please give him my regards, as well as to Mrs. Coe.

Yours very sincerely,

Oliver B. Lyford

HUA CHUNG COLLEGE

July 9, 1943

Operations of Accounts in

National City Bank of New York

August 1, 1942 to June 30, 1943

Joint Account

1942 August 1	-	Balance on hand	$ 3,601.08
Dec. 9	-	Payment from Dom.& Foreign Miss.Soc. for Miss Lo	15.00
1943 June 30	-	Balance on hand	3,616.08

Reserve Account

1942 - August 1	-	Balance on hand	$3,304.99
Sept. 24	-	Final payment by Yale-in-China	3,604.15
Oct. 3	-	Associated Boards on acct. 1942-43 Sust. Fund	5,250.00
1943 - Jan. 30	-	Deposit by Central China College Foundation	5,000.00
June 5	-	" " " " " "	10,750.00
		Payment by Mr. Eugene Hsu for Dr. C. K. Cheng	200.00
June 19	-	Payment by Nat. Council - Draft of Reformed Church Mis.	375.00
25	-	Payment by Mr.&Mrs.A.Baker Duncan for Scholarships	200.00
"	-	Payment of Harvard-Yenching -Grant for 1942-43	5,000.00
29	-	Associated Boards - Sustaining Fund 1942-43 $ 27.00	
		1943-44 2,701.40	2,728.40
			$36,412.54

1942 - Oct. 15	-	Paid Franklin for like amount sent to Mr. Coe by Mr. Allen	$ 5,000.00	
1943 Jan. 2	-	Paid Daphne Dunbar in exchange for like amount paid Mr. Coe by Dr. Hsiao	125.00	
Jan. 15	-	Paid Franklin for like amount sent to Mr. Coe by Mr. Allen	5,000.00	
March 2	-	Paid E.P. Miller for like amount paid to Mr. Coe for sale of furniture	1,776.00	
March 8	-	ditto	224.00	12,125.00
June 30	-	Balance on hand		$24,287.54

Payments by Associated Boards for Sustaining Fund College Year 1942-43

1942 - Sept. 28	$ 5,250.00
Nov. 30	5,250.00
1943 - Jan. 29	5,250.00
April 28	2,625.00
May 27	2,625.00
	$21,000.00

Deposited in Reserve Account

1942 - October 3	- Check of Associated Boards	$ 5,250.00
1943 - January 30	- Check of Foundation	5,000.00
June 5	- " " "	10,750.00
		$21,000.00

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

July 9, 1943.

Rev. Arthur M. Sherman,
281 Fourth Avenue,
New York, New York

Dear Dr. Sherman:

I received your letter of July 7th with the enclosed letter from the Treasury Department which I have noted.

It seems to me that correspondence pertaining to matters of this sort should be kept with the records of the Secretary. Therefore I am returning this letter from the Treasury Department to be placed in the Secretary's file which I believe is in your possession at present.

For the same reason, I am handing you herewith the original record of the minutes of the Executive Committee and of the Foundation on April 30th together with the two Treasurer's Reports which belong therewith.

I also enclose the copy of the summary of proposed budget for 1943-44 as provided by Mr. Coe and received on June 17 with Dr. Wei's letter of April 8. This letter N.Y. 63 and also N.Y.64 of April 13 are enclosed herewith for your perusal.

All of these papers are for your file with the exception of letters N.Y. 63 and N.Y. 64 which I shall be glad to have for my file as soon as you have completed your study of the contents.

I am planning to get away myself from July 15th to September 1st. I assume that your short absence is in the nature of a vacation and I hope you will have a very happy and restful time.

Yours very truly,

Oliver S. Lyford

I also enclose, for your files, copies of my letters of today to Mr. Wei and Mr. Coe.

July 21, 1943

Mr. Oliver S. Lyford
Big Wolf
Faust, New York

Dear Mr. Lyford:

We have just received a letter from Miss Dowd, Mr. Robert Smith's secretary, in New Haven, asking if we would like to send the new Hua Chung booklet to a list of approximately 475 persons with whom Dr. Wei and other members of the Hua Chung College staff have had contact and to whom occasional information regarding Hua Chung, and mimeographed reports from Dr. Wei has been mailed.

We have a good supply of the pamphlets on hand and feel that these people should receive them. However, it seems a very good opportunity to give these people, who undoubtedly have some interest in Hua Chung, an opportunity to make a contribution toward Hua Chung needs. This can either be done by sending a letter and a pledge card and a return envelope with the booklet, or simply enclosing a pledge card and return envelope. What do you think of this plan? Since we have never handled a mailing for Hua Chung, there would be a number of details to clear up regarding the signing of the letter, etc. For instance:-

1. What letter-head should be used?

2. Who should sign the letter?

3. What type of pledge card should we use?

4. To whom should the return envelope be addressed?

We would like very much to have your judgement on the wisdom of sending this as an appeal and also your ideas on the above questions.

A copy of this letter is being sent to Miss Dowd for her information.

Sincerely yours,

JAC:MM

JAMES A. CAMERON

OLIVER SMITH LYFORD
54 DANA PLACE ENGLEWOOD, NEW JERSEY

Paust, N.J. July 26, 1943

Dear Cameron,

I received your letter of July 21 and my first answer is that this is the first time I have heard of a Hua Chung list of about 475 persons.

It must have been accumulated by Dick Weigle and Dr. Wei when the latter was in this country last, which must have been in 1938. I doubt if anything has been sent to this list since then except possibly one or two news sheets.

My other answers to your questions are as follows:-

1 - Hua Chung Letter Head

2 - Dr. Sherman as Pres. or Mr. Smith as Ex Secty

3 - Presumably the type of pledge card which you are using for the other colleges but a pledge made to the Trustees of Hua Chung (Central China) College.

4 - Presumably to me as Treasurer of the Board

5 - Whether a letter should go at the same time, depends on the effect to be produced for the future, as well as the present.

I am writing Miss Hand for further information and for the views of Mr. Smith about this procedure.

We are having a fine quiet time in this beautiful place.

Cordial good wishes to all of my friends.

Yours very sincerely,

Olivia S. Lyford

July 29, 1943.

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

Dear Mr. Lyford:

Thank you for your letter of July 9th which I found on my desk when I returned to the office. I resumed my office responsibilities on Monday, July 26th. However, I am laying them down again tomorrow and I shall be out of town most of the time at conferences and vacation between July 30th and September 16th, and that leads me to speak of our autumn meeting.

We usually have it on the Thursday in the week that the National Council meets in October. This year, however, the National Council is meeting in Cleveland on September 30th and October 1st, just before the meeting of the Triennial Convention. We expect to be back in New York on October 12th. Shall we plan to have our meeting on the 14th or 21st? The only person that I think of who might find it more convenient to come the later date is Miss Johnston. She will be at the Convention presumably and she might prefer to go back to Cincinnati for a while rather than come right on to New York for another meeting.

Thank you for the letters that you have sent to me. We have taken care of the letters that are to be filed here, namely, the letters you wrote to Wei and Coe; also the Minutes.

I am returning to you Letters #63 and #64 from Dr. Wei, together with the summary of the proposed budget. This morning the letter of June 8th from Mr. Coe reached me and has been read with much interest. It is good to hear that in his opinion the money in sight will take care of the expenses for the coming year, including a possible 60 per cent rise in prices. It is terrible to think what the increase in the cost of rice means for the poor people of China. I presume this letter from Coe is meant for me to keep and I am doing so.

I note in Dr. Wei's letter of April 23rd, #64, he refers to letter #62 in which he said he referred to loss in Wuchang. I do not recall having seen letter #62. If you have it would you be good enough to send it to me. My address for the next two weeks

willbe:

c/o The Rev. O. Worth May
400 High Street
Farmville, Virginia

After that you can send any mail to the office
will be forwarded to me.

If you carried out your plans you are away now
September. I hope you will have a restful vacation
look forward to seeing you in September.

Cordially yours,

AMS-F

Faust, New York
July 31, 1943

To the Members of the Board of Trustees:

There was mailed to you about ten days ago a copy of the letter from John Coe reporting on the financial prospects for 1943-44 and giving a brief report on the meetings at Chungking and Chengtu. I now enclose herewith Dr. Wei's letter of June 10th, giving his version of the developments at these meetings and some of his opinions in connection therewith. I believe you will agree with me that in his report we have the beginnings of the thinking and planning for the future of Hua Chung College in which we shall each have important responsibilities.

In the meantime the Planning Committee of the Associated Boards is proceeding with such matters as pertain to all of the Colleges. However, these plans shall develop we may be sure that the Christian college or university located in the Wuban Area will be a very important unit in the whole plan. Mr. Coe's statement shows that much will be expected from our President.

You will be kept informed of all developments of this character between now and the date for our October meeting, so that we may be prepared with all possible inspiration for the deliberations at that meeting.

Yours very sincerely,

Oliver S. Lyford

Oliver S. Lyford
Crw.

HUA CHUNG COLLEGE

(*Central China College*)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

Faust, N.Y. – July 31, 1943

Dear Mr. Evans.

I am asking Miss Vander Wende, who handles my correspondence, to send to you copies of my recent letters from John Coe and Mr. Wei, which relate to the meetings at Chungking and Chengtu and to the financial prospects of Hua Chung for 1943-44.

Apparently, if the Associated Boards can provide about U.S. $30,000. for the new college year, there is a fair prospect that we can finance the operations without drawing on the reserves of past years. In this connection, it may interest you to know that we have turned over to the College the entire amount of $21,000 received from the Associated Boards for 1942-43, with no deductions from it, for New York Expenses.

John Coe's opinion of Mr. Wei's status at the meetings no doubt is somewhat prejudiced, but Mr. Wei undoubtedly will be an important factor in the planning for the future of Christian Education in China, if he shall continue to be well and strong, physically. Let us all pray that he shall be so.

We are having a fine quiet time. I hope you are away somewhere, having the same benefit.

Yours very sincerely, Oliver S. Lyford

1943

OLIVER SMITH LYFORD
54 DANA PLACE ENGLEWOOD, NEW JERSEY

Paust, N.Y. Aug 3rd

Dear Mr. Sherman,

I have your letter of July 29 and note that you will be away until Sept 16. I wish all the time was to be vacation without any conferences. We are up here in the Adirondacks on Big Wolf Lake where we were a year ago, – Mrs. L., my daughter Olive and myself. My other daughter, Margaret, will probably join us later and we hope to remain until after Labor Day. It is very restful and I wish all of my friends could have such a time of peace.

I would suggest Oct. 21st for the Hua Chung meeting. The later date will increase the possibility that the annual report will have arrived from Haichow.

I received with your letter Mr. Weis Nos. 63 and 64. I am enclosing herewith his Nos 62 and 66 (his last) Please return these after you have finished with them. I did not send #62 because I did not see that we could do anything at present about the replacements at Wuchang except the collecting of books which Mr. Addison is doing. However it was a mistake not to send this letter for your notation which I intend to do in every case. This estimate is a good thing to have in our record for future use. I am also sending to you, for your record, in each case a copy

of my letter to Mr. Wei.

Yes #65 was sent to Miss Vander Wendt, (the public stenographer who does my work) to be copied and sent to each member of our Board, together with a covering letter from me. I hope you have received these by this time. With the papers for you I hope she included a copy of my last letter to Mr. Wei.

In his letter #66 you will see the confidential paragraphs which I answered in my letter. If his letter is circulated, these paragraphs, of course, should be omitted, but I saw no reason to make my answer confidential. However my answer will be on record only in your office and that of Mr. Smith. Evidently Mrs. Miller was disturbed by our effort to face facts. I hope that at the October meeting we can rush the business through and have some one give us an inspiring vision of the future of Hua Chung. This is evidently what Mrs. Miller wanted and she is right.

Well, have a good rest if you can.

Yours very sincerely,

Lyford

August 20, 1943

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

Dear Mr. Lyford:

Your letter of July 31st was held pending the receipt of letters from John Coe and Dr. Wei. I have these in my bag for vacation perusal.

Some day I would like to have an opportunity of talking with you further regarding Hua Chung.

Very sincerely yours,

C. A. EVANS

CAE/B

September 27, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

We are enclosing herewith a check for $5,298.60 on account of Sustaining Funds for 1943/44. In June we paid you $2,701.40, which according to Action E-1568 of the Executive Committee June 23, 1943, was to be credited as a first payment on 1943/44 Sustaining Funds. The sum of these two payments, $8,000.00, completes the first quarter of your appropriation for this fiscal year.

Very truly yours,

EG/EK
Enc.

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

September 28, 1943

file
9/29/43

Mr. C.A. Evans, Associate Treasurer,
China Christian Colleges,
150 Fifth Avenue,
New York, New York

Dear Mr. Evans:

I have yours of September 27th with check for $5,298.60 which, as you say, brings the total paid to Hua Chung College to $8,000. from 1943-1944 Sustaining Fund.

Yours very truly,

Oliver S. Lyford
Treasurer

October 15, 1943

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

Dear Mr. Lyford:

In addition to the regular appropriation for the current year the United China Relief granted the Associated Boards for Christian Colleges in China $65,000 additional for faculty relief, of which, according to recommendations from China $2,000 was allocated to Hua Chung. As our Executive Committee instructed the Treasurer to send this to the field immediately, this money was sent to Glenn Fuller at Chungking with instructions to distribute it for the purpose designated. You may, therefore, put upon your books by journal entry the receipt of $2,000 for faculty relief and likewise the payment made to China by the Associated Boards.

Very sincerely yours,

C. A. EVANS

CAE:EW.

October 21, 1943

HUA CHUNG COLLEGE

Balances in U.S. Grants

U.S. Currency

	Aug. 1, 1943	Aug. 1, 1942	Aug. 1, 1941
Associated Boards - Sustaining Fund	$ 4,869.97	$ 7,203.49	$ 6,219.34
Assoc.Boards -Sust. Fund-Advance for 1943-44	2,728.40		
Board of Founders - Special	278.57	278.57	278.57
Johnston Fund for School of Arts	21,306.86	18,044.68	14,458.54
Harvard-Yenching Fund	11,526.62	9,775.92	8,218.27
Yale-in-China - School of Science Reserves	16,154.38	15,760.00	15,744.08
Yale-in-China - School of Sabbatical Reserve			
President's Discretionary Fund	559.12	219.99	1,043.14
Practice School	3,734.89	2,816.13	1,988.34
Relief Fund	152.00	252.00	252.00
Scholarships	300.89	75.99	75.99
Thorn Fund	461.42	461.42	358.76
Arts Book Fund	682.41	441.30	420.06
School of Science Research & Book Fund	1,926.91	-	640.83
Science Museum	200.00	200.00	200.00
Biology - China Foundation	219.42	219.42	219.42
Music Fund	635.78	635.78	695.02
Education Book Fund	418.67	418.67	-
Deposit Account	2,818.50	607.02	37.92
American Church Mission	5,500.00	-	-
	$ 74,474.81	$ 57,409.38	$ 51,867.76

HUA CHUNG (CENTRAL CHINA) COLLEGE

Wuchang, China

Temporarily in Hsichow

Via Tali, Yunnan, China

November 17, 1943
L-7

Received January 13

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

Dear Mr. Lyford,

In his last letter to you Dr. Wei wrote of the additional gift from Mr. Chapman from Mr. Holmes. I have collected the checqe from the bank which amounts to C$12,147.54. I am converting this into US$ at the current official rate which makes it equivalent to US$415. Will you please place this amount of US$415 with the money which I wrote of in June (US$4340.) in the Holmes Scholarship Fund. I am crediting the Board of Founders account here on my books with the equivalent amount in C$.

In September I arranged to draw US$10,000. on this year's account through Mr. Allen in Kunming. I have received the money here, and I believe that Mr. Allen arranged for it through Mr. Whitney who doubtless has already collected from you. This would have put sufficient funds at my disposal to carry into the New Year until the present question of rice storage arose. The rice harvest is on at the present time in the valley here. Because of the late start the rice had in the summer, the crop is turning out to be a poorish one, according to most estimates 50 to 60% of normal where last year it was nearly 90% which was a very good year. The price is already higher than it was in the spring and we anticipate that it will be very materially higher next spring. Dr. Wei and Mr. Tan Yen-yi are now attempting to make arrangements to secure and store enough grain to provide fot the bulk of the needs of the faculty and staff and their families for next spring and early summer. At the same time members of the faculty and staff are being urged to store rice for themselves to last till early spring with the idea that the college-bought rice will be held till then for their use. Exactly how much money will be involved in this is a bit uncertain,but our present estimates range from C$250,000 to C$500,000 depending in part on how much the faculty should

borrow for

this purpose. There is no question in our minds but that in the end it will save the college money, as this will mean it will not be necessary to increase subsidies so much in the spring. It may be that I will be drawing more money in the near future to meet this extra need now which will help later. At the present moment we are negotiating for the sale of some of the old truck parts in Hsiakwan. Should that deal move rapidly and prove successful I may not need to call on you quite so soon for funds.

Recently I made a rough estimate of the probable cost of running the college for the current academic year. On the basis of the subsidy scheme as adopted in September, the cost would be in the neighborhood of C$1,750,000. However, there will probably be an increase of subsidies necessary for the second term and also other things may increase, so that my present guess is that the total will be somewhere between C$1,900,000 and C$2,000,000. From the income already on hand and in sight, assuming US$28,000, from the Associated Boards, the college should be able to meet my guess for expenditure without running behind seriously. You understand that my figures of expenditure are a guess which are subject to considerable change as prices fluctuate here.

Prices are rising. For instance I have just completed negotiations to lay in a stock of flour for my own household use, paying a price which is 66 2/3 % more than what I bought flour in July. Charcoal is between double and treble the price of July. Sugar is about four times the price that it was in March. Paper prices have doubled or trebled in six months. (In this case the college has a supply on hand sufficient for more than this academic year). Eggs are much higher in price and at the present time are selling for the equivalent of U.S.$1.60 a dozen. Lard is selling at a price of around US$2.00 a pound. Oranges have just come on the market, and their price is roughly the same as that of eggs. Matches which a year ago were C$15. a package of ten boxes are selling at around C$10 a box on the street. The college can get them through the government monopoly in Tali in limited amounts at about half that price. Vegetables and other fruits are up proportionately in price. Cloth and cotton yarn are still expensive, but in the last six months they have not risen much in price because a considerable amount of cloth and cotton yarn have been coming in by caravan from India which has helped to keep the price down slightly. However cloth is not cheap. The other day when I was in Ta li I priced khaki cloth of a fair quality and to have had a pair of trousers made of it, would have cost me at least US$40.

The increase in subsidies which was given the college faculty and staff in September was at that time probably slightly more than absolutely necessary and gave some of them an opportunity to make some needed replacements in clothing etc. However prices are catching up with them. The commodity grant of US$2,000. from the Associated Boards, which we received early in November and distributed to the faculty at that time, helped out and should carry them on the present scale till the end of the current calendar year. Our biggest problem is the faculty and staff particularly those with large families. Comparatively, the students are well off as they are either Yunnan students who seem to have plenty of money or else they are students who are receiving government assistance in the way of loans. The loans increase with the cost of the student board and at the present time are in the beighborhood of C$400 per student per month.

We had a very pleasant visit from Bishop Gilman during the later part of September and wish that he could have been longer with us.

I rather expect that we will be having a visit from Dr. Fenn field representative of the Associated Boards in China sometime before Christmas. The committee for postwar planning for the Christian Colleges is getting well started with its work according to reports which we have received.

With best wishes for the Christmas season,

Yours sincerely,

/signed/ John L. Coe

Dear Mr. Lyford: Taking the end of John's paper I will just insert a note. We are still getting along in spite of inflation. We intend to have a nice Thanksgiving Dinner. Because it looks as if the entire British community here (the Andersons, Miss Bleakley, and the Constantines) would be going on furlough next year, we Americans are asking them in for an evening Thanksgiving dinner. It is expected that the Roots will be going next year too, and Mrs. John Lo plans to take her baby to America in the summer for an operation on a lame leg. Somehow it seemed a fitting time to have a nice Thanksgiving -- and to make things nicer, we are expecting six or seven American officers to get here for the occasion. With our inadequate servants and poor kitchens it is taking considerable planning, but we housewives are getting together and expect to manage it. Our Coe-Allen household will be the scene of the affair. Meat loaf will substitute for turkey, but we shall have the last tin of Cheese in

Eastern Tobacco (a 12 oz. tin divided among 25 or so people!) - and a box of chocolates and coffee provided by our officer friends. Pumpkin pie can be made from all local products, and so we plan to have plenty of that.

John and Dr. Logan Roots climb mountains for a diversion. Last week they got well up over 14,000 ft. No wonder they are thin as rails! Milk is our most difficult scarcity - little to be had and poor quality.

Mrs. John Coe

Mrs. John Doe

November 30, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

The enclosed check for $4,000.00 made payable to Central China College Foundation is the second payment on account of Sustaining Funds for 1943/44. It covers the following:

	Allocated Gift	
8/30/43	Dr. Anson Phelps Stokes, Lenox, Mass. ($\frac{1}{2}$)	2.50
	Share Undesignated	3,997.50
		$4,000.00

This added to the previous payments makes a total of $12,000.00 which we have paid you for Hua Chung College on 1943/44 budget.

Very truly yours,

EC/EK
Enc.

Dear Mr. Sherman,

I am sending this letter to Mr. Hsiao in the hope that it will help to sustain his moral and that he may use it for the same purpose with others. You will note that I am also sending a copy to Dr. Coe.

O. S. L.

230 Park Avenue, New York.N.Y.
December 6, 1943.

My dear Dr. Hsiao:

I received on September 10 your nice letter of June 30 and it is hard to explain why I have been so slow in answering it. Certainly this was not because I am not greatly interested in you and Mrs. Hsiao. You both are in the minds of Mrs. Lyford, my daughters and myself very frequently as I receive the letters from Dr. Wei and Mr. Coe and tell the family of their reports on conditions at Hsichow. The fact simply is that I have nobody to whom I can dictate except the very nice public stenographer who will type this and I find that I can work at my desk only a few hours each week. Even my relatives, whom I have to correspond with, seldom hear from me as the time is taken up with pressing business and China College matters.

We try to visualize the circumstances under which you all are living and working at Hsichow but we did not have any certainty that we really understood until recently when I received from Mrs. Coe a splendid letter which I had asked her to write and which gave a very clear picture of your life there as it goes on from day to day. Now, at least, our sympathy can take a more definite form.

I was deeply impressed with the splendid spirit of your letter and your assurance that, in spite of the loss of many of your Chinese teaching staff, the college is able to weather the storm. I am sure your faith and your spirit must give much encouragement to Dr. Wei.

In this morning's paper we have the first reports of the historic meeting of Mr. Roosevelt and Mr. Churchill with the Generalissimo and Madame Chiag at Cairo. We are all deeply thrilled and I could write a long letter with the thoughts that go through my mind. One great concern, which we have in common with millions of others, is the possibility that something may happen to one or the other of these great leaders, either by accident or from the evil plotting of our enemies. But even if there should be such a grave misfortune, we can have faith that the spirit in the hearts of many consecrated people of our three nations and of Russia, will arise to the emergency and will carry out the great purpose of freeing the world from oppression.

You and I, with the training and experience which is involved in scientific research and constructive operations, know how many set-backs will occur as this great experiment in world reconstruction gets under way, but this experience also gives us the assurance that the men and women, whose abilities and desires are most nearly in accord with God's purpose and plans, can and will overcome these set-backs if they are sufficiently consecrated. Possibly you in that remote corner of the world and I in this center of activity may have some small part in overcoming such difficulties, even though the positions in which we find ourselves are quite different from any expectations which we may have had.

I want to tell you how God's purpose appears to be working out for the future of Hua Chung. About three years ago a professor at Princeton University. Dr. Theodore Green, (cousin of our Dr. Phillips Green of the Changsha Hospital) was chosen by some organization to make a study of the Christian colleges of the United States. This study was so enlightening and his conclusions so wise that, two years ago, he was invited to give an address at the annual meeting of the Associated Boards for Christian Colleges in China. This address deeply impressed all who heard it, as having a direct bearing on the problems of the colleges in which we are so much interested. Last winter a Planning Committee was appointed by the Associated

Boards to gather together all the best thinking regarding the desirable development in the China Christian Colleges after the war, and to visualize the part which we in the United States should perform. No doubt the existence of this Planning Committee is known to you all, but I mention it as an important step in the development of which I am writing. The Committee includes some of the strongest Christian statesmen we have and its meetings have been attended by many leaders from China - American and Chinese. These include: Dr. Wu-Yi-Fang, Dr. Paul Kwei and Dr. James Yen.

Dr. Theodore Green is now a member of the Planning Committee and was asked to deliver an address on the "Educational Aims of the Christian Colleges in China." at a three-day meeting which this committee held last October. The address outlines very clearly and sympathetically the purposes and hopes of our colleges and the distinctive contributions of Christianity in general and of our colleges in particular. In many ways it was the outstanding report of all that were presented in the three days.

The report of this meeting will be sent to the College Presidents and no doubt will be available for you to read. I will simply quote a few paragraphs from Prof. Green's address, as follows:

> "What is the distinctive contribution of Christianity to modern China? Our deepest conviction, as Christians, is that man cannot achieve, without God's help, that individual integrity and dignity, that brotherhood and community, which China is struggling to achieve in her great hour of need. We also believe that the God who has revealed Himself to man in Jesus Christ can do for man more than he can ask or think. We believe that man's greatest tragedy, today as always, is his failure to avail himself of his Divine Wisdom and Power for himself, for his community, and for the healing of the nations. The distinctive contribution of the Christian Colleges in China is <u>education in the spirit of the Christian Gospel</u>.
>
> "What is the distinctive contribution of the Christian Colleges as <u>educational institutions</u>. It is, we still believe, the offering of both a liberal education that will enrich and deepen human experience, and a professional training that will enable the student to employ his vocational skills in a humane and liberal perspective.
>
> Here again we would share with the Colleges in China the lessons of our mistakes. We have too often permitted liberal education in this country to become mere learning for learning's sake, forgetting that man is more than intellect and that education should nourish the entire personality and give its press to all of human living. We have permitted our students to specialize in one branch of study too early and too exclusively, and we have allowed them to leave our liberal arts colleges pathetically one-sided in equipment and out look. In much of our teaching in these colleges we have tended to emphasize individual facts rather than the methods and criteria of factual inquiry; and we have tended to impress upon our students our individual patterns of belief instead of teaching them how to make responsible judgments of their own. We have in some measure introduced them to their Western cultural heritage, but we have neglected for the most part to help them to understand and appreciate the riches of other cultures such as the Chinese. Above all, we have not made them sufficiently aware of the true relation of liberal studies to the practical problems of human life, to man's vocational skills, and to the many social tasks of local, national, and international cooperation.
>
> In short, the Christian Colleges can render Chinaan inestimable service by conceiving of liberal education in organic relation to professional pursuits and the business of human living, and by conceiving of vocational training in organic relation to the opportunities and responsibilities of citizenship in a free society. They can also help Christian Colleges in other lands, including America, by setting them an example and by providing them with guidance and inspiration.

"This challenge must be met in China by innumerable individuals and groups with whom the Christian Colleges will wish to cooperate to the utmost. The distinctive contribution of the Colleges, however, will depend upon the extent to which they can exemplify, in all they do and say, that Christian spirit which, both they and we believe, provides the answer to China's deepest needs. May they, in these days of weariness and anxiety, keep up "the good fight" with courage and confidence. Their cause is ours, and they may rest assured that we will make every effort to share their heavy load and to assist them in every way that lies within our power."

Now, this is what I have been leading up to in this letter:- This careful and extended study of Dr. Green has led to a vision for all the China Colleges which are closely in accord with the vision which President Frances Wei has had for Hua Chung for many years. We have in our leader the man whose faith and clear Christian philosophy have stood the test of time and now is found to be right not only for us but for all Christian colleges. Is this not an inspiration for all of us who are attempting to assist him?

Dr. Wei's report of the meetings in May at Chunking and Chengtu was read by Dr. Hume at the meeting of the Planning Committee and his views are always given close consideration by all to whom they are presented. The plan on which you in Hsichow are working and which provides for a larger institution at Wuchang is being given very favorable consideration by the Board of Founders of Hua Chung and we are considering the part which we must take in implementing this plan when the time comes. We may be sure of all possible help from the Associated Boards, the United China Relief and any other available service.

Dr. Paul Kwei dined with us in Englewood last Sunday and we had a delightful time with him. I gave him your message and of course it pleased him very much.

Please give my warmest regards to Mrs. Hsiao. I understand that neither of you have been very well and I do hope and pray that your health will return quickly and that you will be strong when the time comes to go forward with Hua Chung in the life of New China.

Yours very sincerely,

Olivia S. Lyford

P.S. Evidently the letter which I wrote to you last winter in answer to your letter of October 25th never reached you. I did receive your letter and I did forward the letters to Miss Ward and Dr. Hisaw. I would like to be sure that this letter reaches you and although primarily it is a message to you personally, I will send a copy with my letter to Mr. Coe. I hope you will not mind having him see this.

O.S.L.

HUA CHUNG COLLEGE

(Central China College)

WUCHANG, CHINA

Temporarily located at

HSICHOW, VIA TALI, YUNNAN

December 7, 1943

file

Mr. C. A. Evans, Assistant Treasurer,
Associated Christian Colleges,
150 Fifth Avenue,
New York, New York.

Dear Mr. Evans:

Thank you for your check for $4000. payable to Central China College Foundation, making a total of $12,000 paid to us on the 1943/44 budget.

Yours very truly,

Oliver S. Lyford

V.

December 21, 1943

Operation of Accounts in

National City Bank of New York

July 1 to November 21, 1943

Joint Account

1943 - June 30,	Balance on hand	$3,616.08
Nov. 22	" " "	Same

Reserve Account

1943 - June 30,	Balance on hand	24,287.54
July 15	Yale-in-China - 1942-43 Grant	5,000.00
Sept. 29	Associated Boards 1943-44 Grant	5,298.60
Nov. 8	Transferred from Foundation Acct.	
	Payment by Eugene T. Hsu for his family on September 18, 1942	200.00
	" by Hobart Haskins for Dr. Bien on September 18, 1942	10.00
		34,796.14
Oct. 19 -	Paid Lewis B. Franklin for like amount paid to Mr. Coe through Mr. Allen	10,000.00
November 21 -	Balance on hand (agrees with the Bank)	24,796.14

The above record is in agreement with the Bank reports which are made as of the twenty-first of each month. Since November 21 there have been the following transactions:

November 21	- Balance on hand	24,796.14
November 26	- Paid Paul V. Taylor for like amount credited to him by Mr. Coe (See Coe's letter of 6/15)	197.50
		24,598.64
December 6 -	Associated Boards. Third payment for 1943-44	4,000.00
December 6 -	Balance on hand	28,598.64

Payments by Associated Boards for Sustaining Fund College Year 1943-44

June 29	$2,701.40
September 29	5,298.60
Total to November 21	8,000.00
December 6	4,000.00
	$12,000.00

Mr. John L. Coe, Treasurer Copy for Mr. Sherman December 22, 1943 -- Letter C-4 File, Hua Chung 43

Dear Sir:

I received your L-4 on Oct. 6 and your L-5 on October 19, three days before the October meeting of the Trustees. The first letter enabled me to prepare my report for the meeting. As the second letter superseded the first, I will confine my remarks to it.

I am sorry that you had the difficulty with the Foundation Account but your analysis is correct as stated on your page 1.

Your explanation of the heavy costs is quite understandable. My only question is how the College and its personnel get along at all under present conditions. We merely want evidence that you know where each payment went. We have no doubt that the expenditures were necessary.

Regarding scholarships, I note that the Government is making loans to students amounting to about $300. per month per student. I hope that loans at this or greater rates are continuing. What are the conditions regarding repayment of these loans?

The number of foreign salaries is given as 6-1/2; why is Miss Zenk's salary considered to be only one-half?

I note that you have credited the Foundation with U.S. $100, loaned to Dr. Hsiao and his advances now have been entirely cleared up.

I am having considerable difficulty with the U.S. and Chinese Balance Sheets of your report. This is mainly due to my lack of experience in accounting and I am very happy to report that I am about to be relieved of this agony. Mr. Greiner, righthand man to Mr. Whitney, has been appointed Assistant Treasurer and he is beginning to work with me. Much of my trouble will be eliminated when he gets my books set up right but there are some questions on which we need further advice from you. I quote the following notes of Mr. Greiner:- "I attempted to reconcile Mr. Coe's summary of income and expenditures with the detail statements of each one of the units. I found the following differences;

	My summary	Coe's Summary	Difference
Yale in China	99,815.02	105,565.02	5,750
Reformed Church	29,566.55	35,316.55	5,750
A.C.M. Miss Johnston	36,519.93	39,969.93	3,450
			14,950"

Also we cannot reconcile the last debit item of $8,225.59 in the U.S. balance sheet, being Equivalent of line 1.C$ balance sheet." This line is "Board of Founders C.$292,671.26". This would mean exchange of 35,50 to 1. Is this correct? I assume that the equivalent of credit item of C.$69,371.65 in the Chinese account is included in the debit item of U.S. $11,514.89 in the U.S. account; also that the credit item "Deposits $47,277.70 in the Chinese acct. is a correction of the Chinese equivalent of £406-5-0 or C$48,246.85 from the London Missionary Societies as it appears on page 2 of your letter. Furthermore when these items are cleared up, I still shall be unable to arrive at a net total of all the funds, including the U.S. equivalent of the Chinese funds which you had on hand on August 1, 1943. Please give us some additional figures which will answer these questions.

I note in your U.S. balance sheet the figures which show how you arrive at the debit items for the Reserve Account. I have no doubt that the Founders will approve of the recommendation of the Ex-Comm. Pro-tem regarding the Holmes grant and we shall set aside out of the Reserve Acct. the amount of U.S. $4,340. to be known as the Holmes Endowment Fund, the revenue therefrom to be used for scholarships. The money will be invested according to the decisions of our finance committee and will be withdrawn from the Reserve Acct. as required. The payment to Mr. Taylor was made from the Reserve Account on Nov. 26.

I note also how you arrived at the debit item for the amount receivable from the Foundation Acct. The amount received from Mr. Hsu and Mr. Hobart Haskins, $200. and $10, respectively, should have been transferred to the Reserve Account long ago, but the matter was overlooked until recently. Now the transfer has been made as of November 8. To complete the adjustments I will reimburse the Foundation Account from the Reserve Account for the following payments:

Payment to Dr. Hsiao	Aug. 19, 1941	100.00
Draft on London	April 7, 1942	52.45
Stechert Bill	Aug. 26, 1942	48.89 (Not $58.80)
		201.34

Please note that the item of $200 shown in the operation sheet which accompanied my C-3 of July 9, as paid by Mr. Hsu on June 5th, is a second payment of this character. I hope you understood this and have paid this second amount to Dr. Cheng, although I forgot to explain it to you in my letter. I am hoping that your sixth sense made up for my omission.

Sometime ago I notified you that I would run all New York receipts and disbursements

through the Foundation Acct. but I now see that as you and we are now operating I will have to use the Reserve Account as completely as possible. This will involve a more complete bookkeeping record than I have maintained so far. The transactions will be solely for the account of the College.

Chambellan, Berger & Welti, the public accountants, gave me a final report for 1941-42 as follows: "November 10, 1943

"Mr. Oliver S. Lyford,
Hua Chung College, 71 Vanderbilt Avenue, New York, N.Y.
Dear Sir:

Supplementary to our report dated December 21, 1942 of the books and records of the Board of Governors of the Central China College Foundation, we wish to certify that we have checked the report of Mr. John L. Coe and have received satisfactory explanations of the difference and to the questions raised by us incident to our audit.

The errors mentioned were typographical errors and have been eliminated, and Mr. Coe's report has been accepted as being correct. Respectfully submitted, /signed/Chambellan, Berger & Welti, Certified Public Accountants."

The explanations to which the above applies were those which you gave in your letter of March 9, 1943, which I received and transmitted to them on May 6. The long delay since then was due to the fact that the man who had this case left for the war and the firm otherwise was badly handicapped through other losses of assistants. I hope that an audit made within our organization will be sufficient hereafter.

Your reports and those from Dr. Wei regarding the contribution from various sources in China and elsewhere which are supplemental to the income budget items, are spread through so many letters that I am unable to determine which of these contributions were used up in 1942-43 and which are available for the current year. May I ask you to send in your next letter a list of all those extra contributions or commitments so that I may keep the Founders correctly advised? In view of the growing seriousness of the financial assistance it is important that we be fully advised at all times.

With Dr. Wei's letter N.Y. 62 he includes an estimate of the losses at Wuchang exclusive of the property on the Boone Campus which Hua Chung had used. I have quoted these figures to the Founders and they are understood with the exception of the estimate of U.S.$180,000 for losses of books, which figure looks very high. I understand that this estimate is based on a report which was made to the Ministry of Education in 1936 but even so it looks like a much larger number of books than our people here were conscious of. Please send me a further explanation - not a list of the books but a summary in a few paragraphs.

I enclose herewith pages 3 to 6 of the report which I made to the Founders at their meeting on October 22. You will note on page 3 that in the year from Aug. 1, 1942 to July 31, 1943 the Foundation received from the Associated Boards $15,765 and paid to Central China College $20,750, the difference coming out of the cash on hand on August 1, 1942. Also the cash balance brought forward into the new collegeyear was $2,802.10, the reduction during the year being mostly due to the payments to the College. Of this balance about $1,000 is payable to the College, the exact amount will be determined by Mr. Greiner.

The operation statement for the Joint and Reserve Account which accompanied my letter of July 9 was for the period ending June 30, 1943. I enclose herewith an operating statement for the period from July 1 to December 6, 1943. This sheet also includes the payments made by the Associated Boards for the current college year, amounting to $12,000. It is the present hope that the total for 1943-44 from the Associated Boards will be at least $30,000. This does not include 2,000 which you recently received from the United China Relief for subsidies to the teaching staff. The first two pages of my treasurer's report were simply explanations of the figures on pages 3 to 6 with the exception of the following:

" A budget of Chinese expenditures totaling N.C. $1,225,000 was prepared by Dr. Wei and approved by the Executive Committee tentatively on April 30. This budget did not contain any emergency item to cover the rapidly increasing cost of living. Nor did it contain estimates of the emergency income probable from Chinese sources, such as had been received in 1942-43. On May 21, 1943, on instructions from the Executive Committee, we cabled final approval of the budget but notified the College that the receipts for the year from regular western sources probably would not exceed U.S. $44,000. This at the new rate of exchange of approximately 30 to 1 would cover the budget but nothing more. We saw the probability of a total requirement of at least N.C. 1,600,000 for the year owing to further inflation, but it seemed probable that the additional amount would be made available by contributions from Chinese sources. Since May Dr. Wei and Mr. Coe have reported such contributions or prospects, (not included in the Budget)

totaling over N.C. $400,000. Therefore the total which we then anticipated is in sight. Whether further inflation will carry the total requirement far beyond this remains to be seen. Fortunately the reserves are available to cover the shortage if this should be necessary. Apparently the Executive Committee Protem omits these abnormal receipts and disbursements from the budget because of the uncertainty of their continuance."

You will note that, as usual, I omitted, from the figures on page 6 of my report, the item of $1,207.43 which appears in your U.S. balance sheet as a credit to "Proctor-Johnston Land and Building" and which I therefore treat as a part of the Building Fund. I do not include the Building Fund in my October report but include it in the February report which is made to the annual meeting. I will appreciate any comments which occur to you regarding the data on these four pages. The remainder of my report simply an explanation of these figures.

I am enclosing herewith a copy of my letter of December 6 to Dr. Hsiao. I wrote this letter in the hope that it will help a little in sustaining his morale which, in spite of his courageous letter to me, must fall pretty low sometimes. Please tell Dr. Wei that he has my consent to pass the substance of my letter to Dr. Hsiao to others, if Dr. Hsiao is willing. The address by Prof. Green, from which quotations are made in my letter, is included as "Exhibit K" in the minutes of the Planning Committee which has been forwarded to the China College President from the Associated Boards.

Dr. Wei's letter N.Y. 72 was received on Dec. 2nd and has been copied and copies sent to each of the supporting missions in order that it may have immediate and active consideration. Certainly we all are very sympathetic to the need and the creative thinking of Dr. Wei and the Executive Committee Protem about its solution. The difficulties in the way of its realization are pretty serious, but some way must be found to keep the teaching staff up to the necessities. I also have just received Dr. Wei's letter N.Y. 73.

I have another letter from Mrs. Lo's mother, Mrs. Earnshaw regarding the dislocation of Baby Catherine's hip and the necessity for an operation at the earliest possible date. I have made some investigation of transportation possibilities, but cannot get very far at this end. Dr. Phillips Greene, who was connected with the Red Cross in China for a year and returned last summer, thinks that the necessity for this operation will be sufficient to secure for mother and child transportation by air to India, and we discussed the possibility of an adequate operation in India, but he is not acquainted with any of the surgeons in India and therefore could not advise about this. Dr. Greene says that although it is desirable to have the operation before the child begins to walk, it may be done quite well later. He suggests ~~from~~ transportation from India to America may be obtainable on a Norwegian steamer and that a Norwegian boat ~~there~~ will probably have a good doctor, whereas on a tramp steamer there usually is no doctor and being very slow the trip on a tramp steamer may take a couple of months.

Dr. Greene is purchasing a supply of cod liver oil concentrates for Baby Catherine which Dr. Frank Fulton will bring with him when he starts for China, which probably will be early in January.

Dr. Sherman is endeavoring to secure funds to cover the cost of transportation for Mrs. Lo and Catherine. As soon as we have anything to report, I will cable you.

I hope and pray that the clouds over China will soon break and that the New York will be brighter than the present year has been.

Warmest regards to all of our friends.

Yours very sincerely,

Oliver S. Lyford

December 29, 1943

Mr. Oliver S. Lyford, Treasurer,
Hua Chung College,
230 Park Avenue,
New York, New York

Dear Mr. Lyford:

The enclosed check for $4,000.00, when added to the amount which you have previously received, will bring the total to $16,000.00 or one-half of the appropriation for 1943/44.

This is a distribution of undesignated funds with the exception $20.00, of which $10.00 was a designated gift from Rev. E. Stroehlein, Route #3, Batesville, Indiana, and $10.00 was an allocated gift Mr. Garth Cate, 7 Hanover Square, New York, New York.

Very truly yours,

EC/EK
Enc.