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MINUTES OF MEETING
COMMITTEE ON INSTRUCTION
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

11:00 A.M., Tuesday, September 17, 1935
150 Fifth Avenue, New York City

List of Members

*Frank T. Cartwright
Mrs. C. H. Sears
*Courtenay H. Fenn

George T. Scott
John H. Edwards
Robert E. Speer

Those whose names are starred were present, as was also the secretary.

Due to the lack of a legal quorum it was agreed that any actions taken would have to be submitted to absent members of the Committee for their approval in writing before such action would be valid.

APPOINTMENT OF ROBERT O. WILSON

The Committee reviewed the Candidate papers of Dr. Robert O. Wilson, which had been circulated to all members of the Committee in advance of the meeting. After discussion it was

CI-794 VOTED to recommend to the Board of Founders of the University of Nanking the approval of the appointment of Dr. Robert O. Wilson as a short-term appointee to the staff of the University Hospital, on the following basis:-

1. Initial appointment will be for a period of one year, with the expressed hope, however, that this may be extended by mutual agreement to a total of three or more years.
2. Salary and allowances will be provided on the regular basis for short-term single appointees.

GENERAL POLICY AS TO APPOINTMENTS

The Committee discussed informally questions of general policy with reference to appointments. It was agreed that these should be considered at greater length at an early meeting of the Committee.

B.A. GARSIDE
Secretary

MP

*Approved by circulation
note - Sept 1935*

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
UNIVERSITY OF NANKING

12:30 P.M. Thursday, October 10, 1935
Parkside Hotel, New York

List of Members

*G. B. Huntington	*Russell Carter
J. L. Severance	M. W. Ehnes
*J. H. Banton	R. E. Speer

Those whose names are starred above were present, also C. A. Evans, Assistant Secretary.

Excuses for absence were presented from Dr. Speer and Mr. Severance.

Dr. Huntington was elected chairman pro tem of the meeting.

DEATH OF MR. EDWIN W. FIELDER

This was the first meeting of the Finance Committee since the death of Mr. Fielder on July 30th, and there was unanimous expression of sorrow and regret at his being removed from our midst. It was recalled how interested he became in the work of the University, how loyally he performed the tasks of a trustee and committee member, and of his constant endeavor to become more familiar with affairs of the University. He had been elected chairman of the committee at the spring meeting of the Founders, and it was suggested that the vacancy remain open until the next meeting of the Board.

Confident that the Founders would be anxious to recognize the loyalty and devotion of Mr. Fielder, it was

FC-795 VOTED to recommend to the Board of Founders that a suitable resolution be drafted in memory of Mr. Edwin W. Fielder, who died July 30th, 1935, voicing the extreme regret of the Finance Committee at the passing on of its chairman.

FAMINE FUNDS INVESTMENT

Payment of \$8,000. Langmead Note. A report was presented from the National Savings and Trust Company of Washington, D.C., indicating that \$8,000 involved in the Langmead mortgage had been paid. Consideration was given to the investment of these principal funds, but in view of the fact that the Famine Funds current budget will require more than income on principal funds, and that securities will have to be sold at no distant date, it was

FC-796 VOTED to instruct the Treasurer to deposit in savings accounts now being carried by the University such an amount of Famine Fund money involved in the Langmead payment as is not required for the near future.

Extension of \$30,000 Rheem Note. The Assistant Secretary presented a communication from the National Savings and Trust Company, asking for an extension and reduction of interest on the \$85,000 note on the Rheem property in Washington, D.C., of which the Nanking portion is \$30,000. The committee felt that such knowledge as it possessed indicated that conditions in Washington should warrant

a better contract than that proposed in this extension -- at least the trust company should give more complete data as regards to the income and operating costs of the property, and it was

FC-797 VOTED to instruct the Assistant Secretary to write to the National Savings & Trust Company, requesting a complete statement of facts concerning the Rheem mortgage, including operating costs, income from rentals, occupancy, and general character of the property, and that no approval be given to the extension for the time being.

EXTENSION OF MORTGAGE ON 40 LINCOLN ROAD, BROOKLYN

The Treasurer reported on the court hearing regarding the proposed plan of re-organization for the 40 Lincoln Road property in Brooklyn. While the hearing was completed, the judge reserved decision pending the receipt of further data and the study of the proposed plan. Meanwhile the attorneys for the Bondholders' Committee are urging the acceptance of the plan by participating certificate holders. It was

FC-798 VOTED to authorize the Assistant Secretary to complete the papers approving the five-year extension of the mortgage on 40 Lincoln Road, Brooklyn, on the following basis:- $3\frac{1}{2}\%$ the first year, 4% the second year, $4\frac{1}{2}\%$ the last three years, arrears and interest to be paid at $3\frac{1}{2}\%$, all other indebtedness to be paid by the owner, amortization at 1% during the last two years of the contract.

CLEARANCE OF OVERDRAFT IN FAMINE FUNDS

It was stated that in addition to the US\$6,357.73 approved June 30th as overdraft for 1933 Famine Funds that Miss Priest indicates that \$2,388.29 additional should have been carried by the 1933-34 budget, which amount had been charged to the 1934-35 budget. An item of \$800 which likewise should have been charged to the 1933-34 budget was carried forward through an oversight in the accounting office. Both of these decreased the budget figures for 1934-35 by \$3,188.29. It was

FC-799 VOTED to approve the request of the field that the total of \$3,188.29 be considered a part of the budget for 1933-34, thus releasing these funds for expenditure under the 1934-35 budget.

HOOVER TRUST FUND

A letter from the Geo. D. Harter Bank of Canton, Ohio, was presented, showing that the October payment of \$3,250 could not be remitted as funds were not available in the trust account. The assets as listed by the bank were as follows:-

\$10,000 Georgia, Carolina & Northern 6s '34
2,000 U.S. Treasury 3s '37
993.07 Cash

the total value of which, at present market, would not exceed \$4,882. The committee noted that in addition to this, the original list of securities included \$5,000 Bolton Square Improvement Company 7% bonds which became due in 1932, and of which no mention is made in the trust company report. After careful con-

10/10/35

sideration of the whole situation, it was deemed inadvisable to take any definite action, but the Assistant Secretary was requested to write to the following:-

1. To M. Searle Bates at the University of Nanking and advise him of the situation and ask for his recommendations;
2. To the Field Treasurer, giving particulars and suggesting an adjustment of the budget to conform to the new condition;
3. To the bank asking for further details regarding the Bolton Square Improvement Company and for complete data as to the manipulation of the fund.

It was suggested that upon receipt of a reply from the bank another meeting of the committee be called to give further consideration to the situation.

ANNUAL REPORT OF THE TREASURER AND AUDIT

Copies of the Annual Report had been sent to members of the committee in advance of the meeting. The report of the auditors was submitted at the meeting. Both of the documents were studied, and after due consideration, it was

FC-800 VOTED that the Finance Committee has reviewed the Report of the Treasurer for the period ending June 30, 1935, and the audit covering the same period, and recommend the approval of both by the Board of Founders.

On motion adjourned.

C. A. EVANS

Assistant Secretary

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REPORT OF TREASURER
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

For the Fiscal Year Ended June 30, 1935

Attached hereto are the Balance Sheet, Budget Analysis, and List of Securities as of June 30, 1935.

ENDOWMENT SECTION

(a) General Funds. The only change during the year in the amount of these funds was the addition of \$347.82 from gain on sale of securities. Sales and purchases during the year were as follows:-

Sales:-

<u>Security</u>	<u>Cost</u>	<u>Sold For</u>	<u>Gain or Loss*</u>
\$3,000 Commonwealth of Australia Ext. 4s, 1956	\$2,647.50	\$2,625.00	\$22.50*
5,000 Western Electric Deb. 5s, 1944 (called)	4,940.00	5,310.38	370.38
Less tax on checks		.06	.06*
	\$7,587.50	\$7,935.32	\$347.82

Purchases:-

\$5,000 Home Owners Loan Corp. "B", 2-3/4s, 1949 @ 100 7/32 \$5,010.94

Expended for insurance, taxes, other expenses in connection with foreclosed mortgage on hospital property at 2348 Seventh Avenue, the Bronx

2,668.30
\$7,679.24

It will be noted from the first section of the List of Securities, that on June 30, 1935, the book value of the securities in which our general endowment funds were invested was \$371,856.19, and the market value was \$291,812.76. During the year the market value of these funds increased \$24,844.79.

Total income on these investments for the year was \$10,292.43 or 2.77% of the book value of the securities. For the previous year the income was \$10,103.26 or 2.71%.

(b) Famine Fund. During the year the principal amount of our Famine Fund limited endowment was reduced by \$18,084.95, from \$646,739.54 to \$628,654.59. This was done under authorization of the Founders (Action EC-744 (d)), to provide the funds required, in addition to income on securities, to carry on the famine prevention program of the University. Changes made in the investment of these funds during the year were as follows:-

<u>Collections and Sales</u>	<u>Book Value</u>	<u>Amount Received</u>	<u>Gain</u>
Payments on Principal, Real Estate Note of \$100,000, Steuart Bros. Inc.	\$ 8,476.93	\$8,476.93	--
Payment on Principal, Real Estate Note of \$40,000, F. Carrington Weems	2,500.00	2,500.00	--

<u>Collections and Sales (Contd.)</u>	<u>Book Value</u>	<u>Amount Received</u>	<u>Gain</u>
Payment in Full, Real Estate Note of Terminal Refrigerating & Warehousing Company	100,000.00	100,000.00	--
Sale of \$13,000 U.S. Treasury Bonds, 2 1/8s, 1939	13,099.95	13,375.06	275.11
Sale of \$5,000 U.S. Treasury Bonds, 4 1/8s, 1952	<u>5,000.00</u>	<u>5,651.56</u>	<u>651.56</u>
	\$129,076.88	\$130,003.55	\$926.67

Reinvestments

Charges paid, Taxes and Foreclosure Expenses, Shannon & Luchs Construction Co., Real Estate Note

\$ 1,351.76

Purchase \$30,000 U.S. Treasury Bonds, 2 1/8s, 1939, @ 100 23/32

30,230.63

Purchase \$70,000 U.S. Treasury Bonds, 3s, 1955, @ 100 13/32

70,328.13
\$101,910.52

It will be noted from the second section of the List of Securities that at the close of the year the book value of the Famine Fund securities was \$610,833.64, and the estimated market value was \$604,584.87. Income during the year amounted to \$29,931.99 or 4.90% of the book value of the securities held in this account.

(c) Retirement Reserve Fund. There was no change during the year in the amount or in the investment of this fund. The book value of the securities in this fund was \$5,667.50. The market value of these securities on June 30th was \$6,405.00, an increase during the year of \$50.00. The income received was \$300.00, which was 5.29% of the book value of these securities.

PLANT SECTION

The only change during the year in the Plant Section of our accounts was an increase in the Land Account of \$2,272.75 for the Korean Gardens purchased from Yenching. A corresponding increase was made in the Famine Funds for Land.

CURRENT GENERAL SECTION

The total amount of Current General income received during 1934-35 was \$39,710.36, a decrease from the previous year of \$2,595.45. Details of income for the two years follow:-

<u>Source of Income</u>	<u>Amount of Income Received</u>	
	<u>1933-34</u>	<u>1934-35</u>
<u>(a) General Funds</u>		
Mission Boards		
United Christian Miss. Socy.	\$1,500.00	\$1,500.00
Methodist Board	921.49	1,055.00
Presbyterian Board	3,130.00	2,920.00
Baptist Board	1,500.00	1,000.00
Endowment Income		
General Fund	26.98	27.64
U. C. M. S. Fund	271.68	278.40
Hall Estate Fund	9,500.50	9,734.26
Swasey Fund	2,277.74	2,287.79
Methodist Board Fund, A & F	3,249.99	3,000.00
Miscellaneous		26.09
Total of General Funds	\$22,378.38	\$21,829.18
<u>(b) Designated Funds</u>		
Hoover Trust Fund	\$ 6,500.00	\$ 6,500.00
From Mission Boards, substitute salary for quota vacancies	1,083.33	750.00
Harvard-Yenching Institute	11,052.64	9,473.68
Support of C. H. Riggs	1,291.46*	1,157.50*
Total of Designated Funds	\$19,927.43	\$17,881.18
Grand Total	\$42,305.81	\$39,710.36

(*Does not include \$500 annually credited by American Board toward Mr. Riggs' salary, nor balance of his salary provided from Famine Fund)

Expenditures during the year totalled \$40,056.18, a decrease since the previous year of \$3,860.20. This leaves a deficit for the year of \$345.82.

The details are as follows:-

<u>Item of Expenditure</u>	<u>Amount of Expenditure</u>	
	<u>1934-35</u>	<u>1934-35</u>
Field Budget		
General	\$13,134.93	\$8,925.43
Salaries	6,798.00	8,770.00
Library	1,675.07	2,079.57
	21,608.00	19,775.00
Home Administration		
Administrative Services	2,133.51	2,181.91
Postage, cables, misc.	173.02	218.09
Trustees	74.42	--
	2,380.95	2,400.00
Hoover Trust Fund Program	6,500.00	6,500.00
Substitute salaries, mission board quota vacancies	1,083.33	750.00

<u>Item of Expenditure</u>	<u>Amount of Expenditure</u>	
	1933-34	1934-35
Institute Chinese Studies	11,052.64	9,473.68
Salary, C. H. Riggs	<u>1,291.46*</u>	<u>1,157.50*</u>
	\$43,916.38	\$40,056.18
Deficit	<u>1,610.57</u>	<u>345.82</u>
	\$42,305.81	\$39,710.36

(*Does not include payments to Mr. Riggs from Famine Fund.)

FAMINE FUND SECTION

Up to date^{the} when our accounts were closed as of June 30th, 1935, we had disbursed on the Famine Fund account a total of US \$39,232.57, equivalent to Yuan 114,533.25. Inasmuch as the budget appropriation in this department for 1934-35 amounted to Yuan 181,685.00, there thus remained Yuan 67,151.75 to be disbursed. At prevailing rates of exchange this would amount to approximately US \$25,500.00, and would bring the grant total required to meet this budget up to about US \$65,000.00

Toward these expenditures there were received during the year the following amounts:-

Income from invested funds	\$29,956.29	
Less Custodian Fee	<u>145.60</u>	\$29,810.69
Transferred from principal	16,753.87	
Less amount applied to 1933-34	<u>6,357.73</u>	<u>10,396.14</u>
		\$40,206.83

This still leaves approximately \$25,000.00 to be provided in order to complete the Famine Fund requirements for 1934-35. This will be obtained, as called for, (1) by transfer of the \$17,820.95 of funds in cash and in savings banks deposits to the credit of the Famine Fund capital account in the Endowment Section (This has been augmented since June 30th by further principal payments on Real Estate Notes); and (2) by the sale of additional Famine Fund securities as may be required, in accordance with the authority given by the Nanking Founders in Action EC-743 (d).

HOSPITAL SECTION

Receipts in the Hospital Section amounted to \$1,295.00, or \$60.54 less than the previous year. Details are as follows:

<u>Source of Income</u>	<u>Amount of Income Received</u>	
	1933-34	1934-35
Methodist Board	\$355.54	\$340.00
United Christian Miss. Soc.	375.00	375.00
Presbyterian Board	<u>625.00</u>	<u>580.00</u>
	\$1,355.54	\$1,295.00

year
 Disbursements for the/likewise equalled \$1,295.00, a decrease of \$80.72 over the previous year. Comparative figures follow:-

<u>Item of Expenditure</u>	<u>Amount of Expenditure</u>	
	<u>1933-34</u>	<u>1934-35</u>
General Purposes of Hospital	\$1,039.20	\$609.39
Salaries Account	<u>346.72</u>	<u>685.61</u>
	\$1,385.92	\$1,295.00
Deficit	<u>30.38</u>	<u>--</u>
	\$1,355.54	\$1,295.00

CURRENT SPECIAL SECTION

Retirement Reserve Account. While this account showed a deficit of \$21.75 at the beginning of the year, it closed with a balance of \$485.05, due chiefly to the refund of the University's share of cash value of the policies given up by two retiring members of the staff. The details follow:-

Income:-

Income on invested Retirement Reserve Funds	\$300.00
Refund on policies surrendered on withdrawal	
Mr. John G. Young	\$210.93
Miss Helena G. Van Vliet	<u>290.68</u>
	<u>501.61</u>
	\$801.61

Disbursements

Deficit at beginning of year	\$ 21.75
University's share of premiums	<u>294.81</u>
	\$316.56
Balance on Hand June 30, 1935	<u>485.05</u>
	\$801.61

Income on Scholarship Funds. During the year the sum of \$194.45 was received on Scholarship funds held in our endowment section:-

Williams Scholarship	\$ 27.63
Wood Scholarship	27.63
Sherwin Scholarship	<u>139.19</u>
	\$ 194.45

Of this amount \$91.49 was transmitted to the Field Treasurer in January, and the remaining \$102.96 was forwarded to the field shortly after our books were closed at the end of the fiscal year.

PROMOTIONAL SECTION

The \$2,630.45 appropriated by the Nanking Founders as their pro rata share of the promotional budget of the Associated Boards was carried forward at the close of the year as a deficit.

SUMMARY OF DEFICITS AND SURPLUSES

On June 30, 1935 the deficits and surpluses in our accounts were as follows:-

<u>Section</u>	<u>Deficits</u>	<u>Surpluses</u>
Current General, 1932-33		\$38.16
Current General, 1933-34	\$840.95	
Current General, 1934-35	345.82	
Promotional, 1934-35	<u>2,630.45</u>	
	\$3,817.22	\$38.16
	<u>38.16</u>	
Net deficit	\$3,779.06	

The Founders have, however, given instructions (EF-787) that their one-third gain on exchange for 1933-34, amounting to Yuan 2,225.20, be applied against these deficits. There will probably also be a somewhat smaller amount of gain on exchange for 1934-35 available for similar application to these deficits if the Founders so direct.

CASH SITUATION

At the close of the year our actual cash situation was as follows:-

<u>Section</u>	<u>Balance</u>	<u>Overdraft</u>
Endowment		
a. Awaiting investment	\$ 699.07	
b. Awaiting Transfer to Famine Fund	17,820.95	
Plant		\$ 93.38
Current General		4,005.95
Famine Fund	974.26	
Hospital		134.71
Current Special		638.61
Promotional		<u>2,830.45</u>
	\$19,494.28	\$7,703.10
	<u>7,703.10</u>	
	\$11,791.18	

This was deposited as follows:-

Irving Trust Company, Current Account	\$8,896.60	
ER	<u>699.07</u>	\$9,595.67

June 30, 1935

Savings Bank Accounts:-

North River Savings Bank	\$1,143.96	
Greenwich Savings Bank (#55,240)	1,021.54	
Greenwich Savings Bank (#856,830)	10.01	
Bowery Savings Bank (#47,985)	10.00	
Bowery Savings Bank (#1,417,702)	<u>10.00</u>	<u>2,195.51</u>
		\$11,791.18

AUDIT

This Treasurer's Report has been reviewed by Chambellan, Berger and Welti, Certified Public Accountants, in connection with their annual audit of the accounts of the University of Nanking.

Respectfully submitted,

RUSSELL CARTER, Treasurer
B. A. GARSIDE, Asst. Treasurer
C. A. EVANS, Asst. Treasurer

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UNIVERSITY OF NANKING

BALANCE SHEET AS OF JUNE 30, 1935

ASSETS

ENDOWMENT

LIABILITIES

Endowment Funds & Investments

11a Consolidated Endowment Investments	71,856.19	11 & 111 (b) General	1,024.14
11g China Famine Fund Investments	610,833.64	(c) Hall	350,000.00
11 & 111 (e) M.E.Bd-College of Agriculture	100,000.00	(d) United Christian Miss. Soc.	10,000.00
11 & 111 (f) Swasey	48,750.00	(e) M.E.Bd-College of Agriculture	100,000.00
12 Retirement Reserve Investments	5,667.50	(f) Swasey	48,750.00
19 Cash Awaiting Investment	16,354.52	(g) China Famine Fund	628,654.59
19.1 Savings Bank Accounts	2,165.50	112 Other Permanent Funds:	
		(a) H.M. Williams Scholarship Fund	1,000.00
		(b) Mr. and Mrs. Wood " "	1,000.00
		(c) Sherwin Scholarship Fund	5,000.00
		(d) Retirement Reserve Fund	5,667.50
		113 Profit & Loss on Sale of Securities	4,531.12
	<u>1,155,627.35</u>		<u>1,155,627.35</u>

PLANT

21a Land	88,171.41	121 General Plant Funds:	
22 Buildings:		(a) Baptist Board	31,764.00
(a) University	277,307.64	(b) United Chris. Miss. Soc.	66,675.00
(b) Hospital	109,554.03	(c) Methodist Board	109,432.00
(c) Science	55,691.95	(d) Presbyterian Board	226,277.00
(d) 1927 Dormitory	5,000.00	122 Special Plant Funds:	
(e) Language School	4,060.00	(a) James Normal School	20,000.00
(f) Undesignated	13,600.00	(b) Sericulture Building	21,000.00
23 Residences:		(c) Science Building	55,691.95
(a) University	90,064.18	(d) Science Equipment	13,550.66
(b) Hospital	24,000.00	(e) Language School	4,060.00
24 Equipment:		(f) Gas Plant	2,762.50
(a) University	16,596.94	(g) Land-Mulberry Orchard	4,000.00
(b) Hospital	54,503.95	(x) Miscellaneous	5,215.00
(c) Science	15,537.49	123 Hospital Funds	111,203.26
(d) Gas Plant	228.44	124 Plant Funds Transferred from Current	18,332.24
25 Misc. Plant Assets: Rural Nor. Sch. & Equip.	3,634.98	125 Plant Funds Transferred from Famine Tr. Fds.	52,871.27

ER

June 30, 1935

Savings Bank Accounts:-

North River Savings Bank	\$1,143.96	
Greenwich Savings Bank (#55,240)	1,021.54	
Greenwich Savings Bank (#856,830)	10.01	
Bowery Savings Bank (#47,985)	10.00	
Bowery Savings Bank (#1,417,702)	<u>10.00</u>	<u>2,195.51</u>
		\$11,791.18

AUDIT

This Treasurer's Report has been reviewed by Chambellan, Berger and Welti, Certified Public Accountants, in connection with their annual audit of the accounts of the University of Nanking.

Respectfully submitted,

RUSSELL CARTER, Treasurer
E. A. GARSIDE, Asst. Treasurer
C. A. EVANS, Asst. Treasurer

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Nanking Balance Sheet as of June 30, 1935

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<u>ASSETS</u>	<u>PLANT (Contd.)</u>	<u>LIABILITIES</u>
	125a Famine Funds for Land	15,022.75
	29 Plant Cash	93.38
	<u>757,951.01</u>	<u>757,951.01</u>
<u>CURRENT GENERAL (before closing)</u>		
31 Directors' Current Expense 1934-35	17,045.44	39 Current Cash
31.1 " " Salaries 1934-35	8,770.00	130 Receipts - Bd. of Directors Rent Acct.
31.1 " " " 1935-36	688.67	131 " -U. C. M. S.
32 " " Library 1934-35	2,079.57	132 " -Methodist Board
36.1 Home Administration-Executive Office	3,227.81	133 " -Presbyterian Board
36.2 " " -Incidentals	218.09	133.1 " -Baptist Board
36.3 " " -Trustees	1,850.05	134 " -Hoover Trust Fund
39.1 Accounts Receivable	25.00	136 Special Gifts for Current Budget
134 Hoover Trust Fund-Disbursed to Field	3,250.00	137.1 Endowment Income - General
136 Special Gifts-Disbursed to Field	750.00	137.2 " - Hall
	<u>37,904.63</u>	137.3 " - Swasey
		137.4 " - Methodist Board
		<u>37,904.63</u>
<u>CURRENT GENERAL (after closing)</u>		
31 Directors' Current Expense 1935-36	396.33	39 Current General Cash
31.1 " " Salaries 1935-36	688.67	
36.1 Home Administration-Executive Office	1,045.90	
36.3 " " -Trustees	1,850.05	
39.1 Accounts Receivable	25.00	
	<u>4,005.95</u>	
		<u>4,005.95</u>
<u>FAMINE FUND (before closing)</u>		
51 Famine Fund Expense	39,232.57	151 Famine Fund Receipts
59 Current Cash	944.25	
59.1 Savings Bank Account	30.01	
	<u>40,206.83</u>	
		<u>40,206.83</u>

Nanking Balance Sheet as of June 30, 1935

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FAMINE FUND (after closing)

51 Famine Fund Expense 1934-35	39,232.57	151 Famine Fund Receipts 1934-35	40,206.83
59 Current Cash	944.25		
59.1 Savings Bank Account	30.01		
	<u>40,206.83</u>		<u>40,206.83</u>

HOSPITAL (before closing)

61 Current Expense	609.39	69 Current Cash	134.71
61.1 " " -Salaries 1934-35	685.61	162.1 Receipts-Methodist Board	340.00
61.1 " " " 1935-36	134.71	163 " -U.C.M.S.	375.00
		164 " -Presbyterian Board	580.00
	<u>1,429.71</u>		<u>1,429.71</u>

HOSPITAL (after closing)

61.1 Current Expense Salaries 1935-36	134.71	69 Current Cash	134.71
	<u>134.71</u>		<u>134.71</u>

CURRENT SPECIAL (before closing)

77 Deficit 1933-34	840.95	171.2 Harvard-Yenching Inst. Restr. Income	9,473.68
79 Special Cash	4,180.89	175.2 Endowment Income Restr. (Non-Budget)	102.96
171.2 Harvard-Yenching-Disbursed to Field	5,000.00	176.2 Surplus 1932-33	38.16
172 Suspense	78.01	177 Retirement Reserve Fund Income	485.05
	<u>10,099.85</u>		<u>10,099.85</u>

CURRENT SPECIAL (after closing)

77.1 Deficit 1933-34	840.95	79 Special Cash	638.61
77.2 " 1934-35	345.82	175.2 Endowment Income Restr. (Non-Budget)	102.96
172 Suspense	78.01	176.2 Surplus 1932-33	38.16
		177 Retirement Reserve Fund-Income	485.05
	<u>1,264.78</u>		<u>1,264.78</u>

PROMOTIONAL (before closing)

81d Associated Boards	2,767.08	89 Promotional Cash	2,830.45
81f Miscellaneous Expense	63.37		
	<u>2,830.45</u>		<u>2,830.45</u>

PROMOTIONAL (after closing)

81d Associated Boards	200.00	89 Promotional Cash	2,830.45
87.1 Deficit 1934-35	2,630.45		
BR	<u>2,830.45</u>		<u>2,830.45</u>

Nanking Budget Analysis as of June 30, 1935

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II. FAMINE FUNDS
(Estimated rate of 3 to 1)

Acct. No.	Appropriation L.C.\$	Paid to June 30 L.C.\$	Paid to June 30 U.S.\$	Acct. No.	Item	Estimated Income U.S.\$	Rec'd to June 30 U.S.\$
51	General Purposes) Disbursed in New York)....	181,685.00	32,197.71	151	China Famine Relief Funds...	60,561.67	40,206.83
	Transmitted to Field)		82,335.54				
		181,685.00	114,533.25				

III. HOSPITAL

	Appropriation U.S.\$	Paid to June 30 U.S.\$					
61	General Purposes) Disbursed in New York).....	1,295.00	609.39	162.1	Methodist Board.....	340.00	340.00
	Transmitted to Field)			163	U.C.M.S.	375.00	375.00
61.1	Salaries Account.....		685.61	164	Presbyterian Board.....	580.00	580.00
		1,295.00	1,295.00			1,295.00	1,295.00

IV. BOARD OF FOUNDERS

36.1	Home Adm.-Executive Office.....	2,400.00	3,227.81				
36.2	" " -Incidentals.....		218.09		Assignment from General Funds	2,400.00	2,400.00
36.3	" " -Trustees.....		1,850.05				
81	Promotional Expense.....	2,567.08	2,830.45		Promotional Receipts.....	2,567.08	-
		4,967.08	8,126.40			4,967.08	2,400.00

SUMMARY

Cash Situation June 30 in US\$ (1934-35 Budget only)

Budget Situation June 30, 1935

	Balance	Overdraft	Unexpended U.S.\$	Overexpended U.S.\$	Unexpended L.C.\$
I. General University, Class A.....	-	345.82	-	-	-
Class B.....	-	-	-	914.69	-
II. Famine Funds.....	974.26	-	-	-	67,151.75
III. Hospital.....	-	-	-	-	-
IV. Board of Founders.....	-	5,726.40	-	3,159.32	-
	974.26	6,072.22	-	4,074.01	67,151.75

UNIVERSITY OF NANKING

LIST OF SECURITIES

June 30, 1935

Date Pur- chased	Face Value	Security	Legal Trust Due	Fitch Rating	Int. Rate	Cost Price	Market Price 6/30/35	Cost	Market Value 6/30/35	Income 7/1/34 to 6/30/35	
<u>(a) Consolidated Endowment Investments, General Funds</u>											
<u>Mortgages, Real Estate</u>											
1/23/29	\$4,000	Guar. Mtg. 1515 Overing St.....	1934		5½	100	85	\$4,000.00	\$3,400.00	\$220.00	
3/31/30	10,000	136 East 237th St., Bronx.....	1936		5	100	85	10,000.00	8,500.00	500.00	
3/31/30	9,000	6157 Tyndall Ave., Bronx.....	1933	On open mtg.	5½	100	85	9,000.00	7,650.00	495.00	
3/31/30	8,000	414 Brock Ave., Bronx.....	1933	" " "	5½	100	85	8,000.00	6,800.00	440.00	
1/23/29	72,404.25	2348 7th Ave. (Vintula Realty).	1933	Foreclosed	5½*	100	50	72,404.25	36,202.13	--	
4/3/28	5,500	Participating Ctf., Lawyers Mtg. Co., 40 Lincoln Rd. Brooklyn.....	1933	In Reorgan- ization	5½*	100	65	5,500.00	3,575.00	--	
	<u>\$108,904.25</u>							<u>\$108,904.25</u>	<u>\$66,127.13</u>	<u>\$1,655.00</u>	
<u>Railroad Bonds</u>											
1/22/29	10,000	Baltimore & Ohio R.R. Co. "D".....	2000	N.Y.	BB	5	101-1/2	67-1/2	10,150.00	6,750.00	500.00
1/25; 5/29	10,000	Central of Georgia Ry. "B".....	1959		DDD	5½*	100-7/8	10-3/8	10,076.25	1,037.50	
12/9/22	1,000	Interborough Rapid Trans.....	1966		BB	5	96-5/8	89-5/8	966.25	896.25	50.00
3/25; 1/29	9,000	Missouri, Kansas & Texas R.R. "A".....	1962	N.Y.	BB	5	96-1/2	43-5/8	9,652.50	4,362.50	500.00
1/14/25	5,000	New York Central R.R. Co. "C".....	2013	N.Y.	BB	5	99-7/8	68	4,993.75	3,400.00	250.00
11/7/29	2,000	St. Louis, San Francisco "A".....	1978		DDD	4½*	90	11	1,805.00	220.00	--
	<u>\$38,000</u>								<u>\$37,643.75</u>	<u>\$16,666.25</u>	<u>\$1,300.00</u>
<u>Public Utility Bonds</u>											
5/31/29	10,000	Amer. Power & Light Deb.	2016		B	6	105-2/5	84-7/8	\$10,540.00	8,487.50	600.00
1/14/25	5,000	American Tel. & Tel. Deb. S.F. ..	1943		AAA	5½	104	112	5,087.50	5,600.00	275.00
4/6/32	4,000	Brooklyn Edison Co. Gen'l. Mtg. "E".....	1952	N.Y.	AAA	5	100-1/4	109-1/2	4,010.00	4,380.00	200.00
1/14/25	4,000	Cleveland Elec. Illuminating "A".....	1954	N.Y.	AAA	5	99-1/4	106-1/2	4,055.00	4,260.00	200.00
7/26/29	3,000	Federal Light & Traction Co. 1st ..	1942		BBB	6	102-1/5	98-1/4	3,066.00	2,947.50	180.00
4/5/32	5,000	Hydraulic Power of Niagara Falls ..	1951		AAA	5	99-1/4	107-1/8	4,987.50	5,356.25	250.00
4/5/32	5,000	New York Edison Co. "C".....	1951	N.Y.	AAA	5	100-1/8	108-1/2	5,006.25	5,425.00	250.00
2/21/33	5,000	Toledo Edison Co. 1st Mtg.....	1962	N.Y.	AA	5	92-1/4	106-3/4	4,612.50	5,337.50	250.00
2/21/33	5,000	Utica Gas & Elec. "E".....	1952	N.Y.	A	5	100-1/4	106-1/2	5,012.50	5,325.00	250.00
	<u>\$46,000</u>								<u>\$46,377.25</u>	<u>\$47,118.75</u>	<u>\$2,455.00</u>

Ranking List of Securities as of June 30, 1935

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Date Pur- chased	Face Value	Security	Due	Legal Trust Inv.	Fitch Rat- ing	Int. Rate	Cost Price	Market Price 6/30/35	Cost	Market Value 6/30/35	Income 7/1/34 to 6/30/35
<u>Industrial Bonds</u>											
5/22/29	10,000	Purity Bakery Corp. S.F.	1948		BBB	5	91-7/8	94	\$ 9,187.50	9,400.00	500.00
5/24/29	10,000	United States Rubber Co.	1947		BBB	5	90.16	95	9,016.25	9,500.00	500.00
	20,000								\$18,203.75	18,900.00	1,000.00
<u>Foreign Bonds</u>											
1/29;5/29	7,000	Commonwealth of Australia Ext..	1956		A	4½	87	96-3/4	6,087.50	6,772.50	366.00
1/29;5/29	10,000	Kingdom of Norway, S.F.....	1963		BBB	5	96-1/4	101	9,628.75	10,100.00	500.00
	17,000								15,716.25	16,872.50	866.00
<u>U. S. Government Bonds</u>											
3/29/35	5,000	Home Owners Loan Corp. "B".....	1949			2-3/4	100.7	100.18	5,010.94	5,028.13	15.66*
<u>Preferred Stock</u>											
12/28/31	1,400 sh.	Aluminum Co. of America \$6 Pfd.			CCC	2.50	100	86-1/2	140,000.00	121,100.00	2,800.00
									371,856.19	291,812.76	10,060.34
											232.09
									699.07	699.07	
									\$372,555.26	292,511.83	10,292.43

(*Accrued interest charged when securities were purchased, and not collected up to June 30th.)

(b) Famine Fund Investments

Real Estate Notes, on Washington
Property, held by National Savings
& Trust Company, Washington

8/2/33	\$10,000	Oscar Baum - 1737-9 L Street N.W. & 1108 Conn. Ave. N.W.....	1933	Slow	5½	100	70		\$10,000.00	\$7,000.00	\$266.75
8/2/33	8,000	C.J.Langmead, 814-6 9 St. N.W..	1932	Slow	5	100	85		8,000.00	6,800.00	776.00
8/2/33	50,000	J.J.Moebis, 1025 Vermont Ave.NW, & 19th St. & Conn.Ave. N.W. ...	1933	Slow	4	100	60		50,000.00	30,000.00	1,320.00
8/2/33	30,000	E.D.Rheem, Trustee, 3039 Q Street, N.W.	1933	Slow	6	100	70		30,000.00	21,000.00	916.65
8/2/33	21,351.76	Shannon & Luchs Const. Co. Rhode Is.Ave.N.E. at 15 St. ...	1933	In Default	5½*	100	25		21,351.76	5,337.94	--

Nanking List of Securities as of June 30, 1935

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Date Pur- chased	Face Value	Security	Due	Legal Fitch Trust Rat- Inv. ing	Int. Cost Rate	Cost Price	Market Price 6/30/35	Cost	Market Value 6/30/35	Income 7/1/34 to 6/30/35
8/2/33	91,523.07	Steuart Bros., Inc., 6th & K Streets, N.W.	1934	Principal be- ing reduced	5½	100	95	\$91,523.07	86,946.92	6,737.21
8/2/33	37,500	F.C. Weems, 1603 K St. N.W. .	1934	" "	5½	100	95	37,500.00	35,625.00	2,134.00
	\$248,374.83							\$248,374.83	192,709.86	12,150.61
										5,184.50
										\$17,335.11
		Plus income on securities which matured during the year								
		<u>U.S. Government Bonds and Notes</u>								
7/25/33	275,000	U.S. Treasury Bonds.....	1952		4½	100	116.30	\$275,000.00	321,578.13	11,726.46
12/7/34	70,000	U.S. Treasury Bonds.....	1951-5		3	100	103.28	70,328.13	72,712.50	577.50
12/7/34	17,000	U.S. Treasury Notes.....	1939		2-1/8	100	103.14	17,130.68	17,584.38	292.92
	\$362,000							\$362,458.81	411,875.01	12,596.88
	\$610,374.83							\$610,833.64	604,584.87	29,931.99
		Plus Cash (1) awaiting transfer to F.F. expenditure acct.								
		(2) on deposit in savings banks								
								15,655.45	15,655.45	--
								2,165.50	2,165.50	24.30
								\$628,654.59	622,405.82	29,956.29
		<u>(c) Retirement Reserve Fund Investments</u>								
2/16/32	\$2,000	Cincinnati Union Terminal "B" ..	2020	N.Y. AAA	5	96-1/8	112-1/4	1,922.50	2,245.00	100.00
2/16/32	2,000	Cleveland Union Terminal "B" ...	1973	N.Y. BB	5	90	99-1/2	1,805.00	1,990.00	100.00
2/16/32	2,000	New York Edison 1st "C"	1951	N.Y. AAA	5	97	108-1/2	1,940.00	2,170.00	100.00
	\$6,000							\$5,667.50	\$6,405.00	\$300.00
		Grand Totals								
								\$1,006,877.35	\$921,322.65	\$40,548.72

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
UNIVERSITY OF NANKING

12:30 P.M. Wednesday, November 6, 1935
Parkside Hotel, New York City

List of Members

*G. B. Huntington	Russell Carter
J. L. Severance	*M. W. Ehnes
J. H. Banton	R. E. Speer

Those whose names are starred above were present, also C. A. Evans, Assistant Secretary.

A quorum was not present, but it was agreed to go ahead and submit the minutes to other members of the committee for approval.

Regrets were presented from Dr. Speer, Mr. Banton, and Mr. Carter.

REVIEW OF INVESTMENTS

A list of the mortgage holdings as well as bonds and preferred stocks was presented, there being a review of the status of each individual mortgage. Each item was discussed, but no action was deemed advisable, it being suggested that the Assistant Secretary investigate the possibility of switching from Purity Bakeries 5s '48 into Youngstown Sheet & Tube 5s of '70 or '78.

FAMINE FUND INVESTMENTS

A report covering each property involved in the Famine Funds investment in custody of the National Savings & Trust Co., Washington, D.C., was presented. Each situation was reviewed, but there seemed to be no necessity for action at the present time.

HOOVER TRUST FUND

It was recalled that at the last meeting of the committee the Assistant Secretary was requested to write to the Geo. D. Harter Bank and ascertain the standing of the \$5,000 Bolton Square Improvement bonds, which the bank had neglected to include in the list of present-day holdings.

It was reported that the bank has replied, stating that these bonds were written off as being worthless, as the company is insolvent and there seems to be no chance of recovery. The bank further stated that no definite policy of investment could be initiated in this trust account because of the requirements to pay the University \$6,500 per year, and that the handling of the account had been common with the usual procedure trustees adopted.

11/6/35

In reaching a decision upon this situation, the committee recalled that the Assistant Secretary had written to the field to the member of the staff largely responsible for the securing of the gift and also to the field treasurer. It was

FC-801 VOTED that (a) it is the judgment of the committee that the Hoover Trust be terminated as soon as possible and the funds and securities be turned over to the Nanking Founders, but that no definite action be taken until after a reply has been received from the field;

(b) that the George D. Harter Bank be instructed to make no payments until further notified.

CASH AVAILABLE FOR INVESTMENT

Attention was called to the proceeds of \$4,200 on hand representing the amount received when the \$4,000 Cleveland Electric Illuminating 5% bonds due in 1954 were called.

The committee gave consideration to possible investments and requested the Assistant Secretary to investigate various channels for investment and communicate with the committee by telephone.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

*Unanimously approved by circulation vote.
C.A. Evans*

MINUTES OF MEETING
EXECUTIVE COMMITTEE

BOARD OF FOUNDERS, UNIVERSITY OF NANKING

11:00 A.M. Wednesday, February 19, 1936
Room 918, 156 Fifth Avenue, New York, N. Y.

List of Members

*Robert E. Speer, Chairman	
*Russell Carter	*George T. Scott
*John R. Edwards	Frank T. Cartwright, Alt,
George B. Huntington	*John W. Decker, Alt,
*Mrs. F. J. McConnell	*Courtenay H. Fenn. Alt,

Those whose names are starred were present, as was the Secretary.

Dr. Speer presided. The meeting was opened with prayer.

MEMORIAL RESOLUTIONS

The Chairman reminded the Committee that since its last meeting there had occurred the death of two members of the Board, Mr. Edwin W. Fielder, and Mr. John L. Severance. He spoke appreciatively of the valuable services rendered to the board and to the University by both Mr. Fielder and Mr. Severance. It was

EC-802 VOTED that Dr. Edwards be requested to prepare a suitable memorial resolution for Mr. Fielder and Dr. Speer for Mr. Severance.

APPROVAL OF MINUTES

EC-803 VOTED to approve, as distributed, the minutes of the meeting of the Executive-Finance Committee on June 11, 1935,

EC-804 VOTED to confirm the following action adopted by the Executive Committee by mail vote during November, 1935:- "That Dr. Robert O. Wilson be appointed to the staff of the University of Nanking Hospital with the status of a short-term appointee, on the following basis:-

"(1) Initial appointment to be for a period of one year, with the expressed hope, however, that this may be extended by mutual agreement to a total of three or more years.

"(2) Salary and allowances will be provided on the regular basis for short-term single appointees."

EC-805 VOTED to confirm the following action adopted by the Executive Committee by mail vote during November, 1935:- "To approve the recommendation of the field authorities of the University that Miss Grace Bauer be allowed a study grant in an amount not to exceed \$200."

REVIEW OF MINUTES OF BOARD OF DIRECTORS, NOVEMBER 21, 1935

The Committee reviewed the minutes of the meeting of the Board of Directors held November 21, 1935. Copies of these minutes, and of covering letters by President Chen, had been circulated in advance of the meeting. Specific action on a number of matters in these minutes was taken as follows:-

D-1115 Report of the President.

EC-806 VOTED that the Executive Committee, having reviewed with interest the report of President Chen for the year 1934-35, desires to record its gratification for the continued progress of the University during a period of unusual difficulty, and to express to President Chen and his colleagues its appreciation of their loyal and efficient services during the year covered by the report.

D-1118 Death of Professor Joseph Bailie

EC-807 VOTED that the Executive Committee join with the Board of Directors in expressing sorrow at the death of Mr. Joseph Bailie, formerly a professor in the University of Nanking. Mr. Bailie had an important share in the establishment and early development of the University, and the work he so ably began has continued to grow in scope and value during the passing years.

D-1121 Resignation of Miss Purcell

EC-808 VOTED that the Executive Committee, in taking note of the resignation of Miss Minnie H. Purcell, express its appreciation for the excellent service she has rendered to the University during the past twenty years. The good wishes of the Trustees go with her as she returns to her home in England.

D-1122 Diplomas under Absolute Charter.

The Committee noted that under the absolute charter granted by the University of the State of New York on September 18, 1934, power to issue diplomas and to confer certain degrees was granted to the corporation of the University of Nanking. Inasmuch as the Board of Trustees of the University of Nanking has been defined in the original charter as the corporate body of the University, this power to issue diplomas and to confer degrees must either be exercised by the Board of Trustees, or by it delegated in part or in whole to the Board of Directors. After discussion it was

EC-809 VOTED that the Executive Committee recommend to the Board of Trustees

(1) That the Board of Trustees delegate to the Board of Directors the authority to issue diplomas to the graduates of the University in general accordance with the regulations of the University of the State of New York,

(2) That the Board of Trustees delegate to the Board of Directors the authority to confer the degrees of Bachelor of Arts, Bachelor of Science, and Master of Science in Agriculture,

(3) That in view both of the limitations of the program the University of Nanking is asked to undertake under the Correlated Program and also of the reduced income and existing deficits with which the University is now confronted, the Board of Trustees recommend to the Board of

Directors that for the present at least no Masters degrees be conferred except in the professional field of Agriculture.

D-1123 President Chen's Trip to America.

The Committee noted with pleasure the progress of plans for President Chen to come to America during the coming year. It was

EC-810 VOTED that the following be requested to serve as a special committee to make plans for President Chen's visit to America during the coming year:- Dr. Decker, Dr. Edwards, and Mr. Lobenstine, with Dr. Spoor and Mr. Garside members ex officio.

D-1124 Special Arrangements with Dr. Buck.

EC-811 VOTED that the request of the Board of Directors with reference to arrangements for Dr. J. Lossing Buck be called to the attention of the Board of Foreign Missions of the Presbyterian Church in the U.S.A.

D-1125 to D-1131 Report of Field Treasurer.

The Committee reviewed the Report of the Field Treasurer, and noted the actions related thereto taken by the Board of Directors. The Assistant Treasurer stated that the request made in Action D-1127 had already been complied with. It was agreed that the whole problem of the financial situation of the University should be given further study by the Board of Trustees at its next meeting in April.

D-1132 Registration of Land.

A letter from President Chen, dated January 13, 1936, dealing with this topic, had been circulated in advance of the meeting. The Committee reviewed both the minutes and the President's letter, and discussed also the experiences of other institutions and missionary bodies in dealing with this same problem. It was

EC-812 VOTED that whereas the Board of Trustees is conscious of the fact that many of the donors of the property of the University of Nanking have expressed a desire that title of this property be held in the name of the corporate body, "The University of Nanking"; and

Whereas the title of this property, both land and buildings, is for the most part vested at present in this corporate body and any legal transfer of title at this time would be difficult if not impossible; and

Whereas experience has at various times in the past shown that under some conditions of disturbance and political change there are many advantages in the present type of ownership of the University's property;

Therefore it is the general opinion of the Board of Trustees that the property of the University should continue for the present to be held under the corporate title of "The University of Nanking" unless there are very definite reasons for doing otherwise.

It is, however, the earnest desire of the Board of Trustees to follow whatever course seems wisest to the leaders actually on the ground in

Nanking, and to that end they suggest the appointment of a special committee to make recommendations to the Board of Trustees on the wisest procedure in registering the land belonging to the University, and further suggest that the personnel of this special committee be as follows:- President Y. G. Chen, Mr. W. R. Wheeler, Dr. Charles E. Patton, Dr. Ralph E. Ward, Dr. L. C. Hylbert, one member to be nominated by the United Christian Missionary Society, and one member to be nominated by the Board of Directors.

D-1151 Proportion of Christians on the Faculty.

The Committee expressed its gratification at the information on this topic contained in the minutes of the Board of Directors and in letters received from Miss Priest and President Chen. It was

EC-813 VOTED that this information concerning the proportion of Christians on the faculty be reported to the next meeting of the Board of Trustees.

D-1142 Furlough for Miss Anderson.

EC-814 VOTED that approval be given the recommendation of the Board of Directors that Miss Hilda M. Anderson be granted a regular furlough dating from the summer of 1936, to return to the College of Agriculture and Forestry in the same position.

ANNUAL AUDIT AND REPORT OF TREASURER

The Assistant Treasurer reviewed briefly the Annual Report of the Treasurer of the Board of Trustees, together with the annual audit of the Treasurer's accounts for the year 1934-35. It was noted that the Committee on Finance, by action FC-800, had reviewed these two reports and had recommended their approval. It was

EC-815 VOTED to approve the Report of the Treasurer of the Board of Trustees for the year ending June 30, 1935, together with the Annual Audit of the Treasurer's accounts for this same period.

The meeting adjourned.

B. A. GARSIDE,
Secretary

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
UNIVERSITY OF NANKING

12:30 P.M. Thursday, March 19, 1936
Parkside Hotel, New York City

List of Members

*G. B. Huntington	M. W. Ehnes
*J. H. Banton	*G. F. Sutherland (alternate for Dr. Ehnes)
*Russell Carter	R. E. Speer

Those members of the committee whose names are starred were present, also B. A. Garside and C. A. Evans.

MORTGAGES

The committee reviewed the mortgages held by the University, and gave special attention to the following:--

136 East 237th Street. It was noted that the Bond & Mortgage Guarantee Corporation had received a proposition from the owner to pay \$200. cash and \$68.75 quarterly until a total of \$750. had been received. In consideration of these amortizations the owner desired to have a reduction of interest to $4\frac{1}{2}\%$ to net 4% to the University. It was felt that these amortizations were too small and that too great a reduction of interest had been requested. It was

FC-816 VOTED that the Treasurer's office be instructed to negotiate with the Bond & Mortgage Guarantee Corporation on an extension of the mortgage attached to 136 East 237th Street on the basis of \$200. down and \$100. quarterly for the life of the extension. Interest is to be 5% to net $4\frac{1}{2}\%$ to the University, with the privilege of reducing principal in multiples of \$100. on any interest date.

414 Brook Avenue. The committee gave thought to this mortgage, which became due March 1, 1933, the owner at that time desiring an extension on the basis of \$40. semi-annual amortizations. As this small payment did not appeal to the committee, the mortgage has been running open since that time. It was suggested that the Assistant Treasurer institute negotiations through the Bond & Mortgage Guarantee Corporation, with the hope of securing periodic payments on principal, even to the extent of making some concession upon the interest rate.

2348 Seventh Avenue. A special report on the condition of this property was in the hands of the committee, showing that it is now occupied by the Central Manhattan Music Center as a social and music project under the direction of the Works Progress Administration. The expenditures for rehabilitation by the W.P.A., aside from the plumbing and heating expenditures made by the University, are as follows:--

Materials	\$ 2,067.28
Labor	11,270.46
Elevator Repairs	160.00
	<hr/>
	\$13,497.74

It was reported that the W.P.A. would not pay charges for insurance premiums and that permission had not been granted to the music center to raise funds for

3/19/36

this purpose. It was felt that the most pressing need was to get the Board of Assessors to remit the taxes, and the Assistant Treasurer was instructed to use every means to secure such a decision.

STOCKS AND BONDS

The committee gave time to the study of the investment list, noting that the New York Edison 5/51 are to be called on April 1st. After due consideration it was

FC-817 VOTED to authorize the Treasurer to use the proceeds of the New York Edison bonds, if sold or when called, plus the \$4,045.40 cash on hand for the purchase of Atchison, Topeka & Santa Fe 5% Preferred Stock.

The Assistant Treasurer was requested to watch the market on Aluminum Preferred, and in case the stock moved up appreciably and it was felt desirable to sell, that the committee be communicated with by telephone.

HOOVER TRUST FUND

It was reported that at a meeting of the Board of Directors on the field held November 22, 1935, it was voted to instruct the New York Office to request the Geo. D. Harter Bank to remit the balance of cash on hand, plus proceeds from the sale of \$2,000. U.S. Government securities held in this fund, the total cash to be sent to China to apply on the current budget. These instructions were carried out and \$3,055.03 remitted to the field. After these transactions were carried out, the records show that the following securities were held in the Hoover Trust Fund by the Geo. D. Harter Bank:-

\$10,000 Georgia, Carolina & Northern Rwy. 6/34
5,000 Bolton Square Improvement 7/32

The committee gave consideration to the advisability of terminating the trust and taking over the securities to be administered by the Board of Trustees of the University. The question was raised as to the desirability of again communicating with Mr. M. Searle Bates with the hope of securing his cooperation in an endeavor to reestablish the trust fund, and it was

FC-818 VOTED that if after further communication with M. Searle Bates it is found desirable to terminate the trust with the Geo. D. Harter Bank, the Treasurer be instructed to take the necessary steps to claim the securities in the name of the Board of Trustees of the University of Nanking, and release the Geo. D. Harter Bank from further responsibility.

On motion adjourned.

C. A. EVANS

Assistant Treasurer

MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

2:00 P.M. Wednesday, April 22nd, 1936
Room 300, 150 Fifth Avenue, New York, N.Y.

List of Members

<u>Board</u>	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>General Alternates</u>
Baptists		G.B. Huntington		*J.W. Decker	
Disciples	S.J. Corey	C.M. Youn	*Alexander Paul		C.T. Paul
Methodists		*J.R. Edwards	R.E. Diffendorfer	R.C. Morris	*F.T. Cartwright
Presbyterians		(vacancy)	*E.C. Lobenstine	E.B. Cobb	D.B.S. Morris
Coopted			*R.E. Speer	Ambrose Swasey	C.H. Fenn
			J.H. Banton	Russell Carter	
			*Margaret E. Hodge	*Mrs. F.J. McConnell	

Those whose names are starred were present, as was the Secretary.

Dr. Speer, the President of the Board, presided.

The meeting was opened with prayer, led by Mr. Lobenstine.

APPROVAL OF MINUTES

BF-819 VOTED to approve, as distributed, the minutes of the following meetings:-
Board of Founders, May 15, 1935; Executive Committee, June 11, 1935,
February 19, 1936; Finance Committee, October 10, 1935, November 6, 1935,
March 19, 1936.

FINANCIAL STATEMENT AND FORECAST

A financial statement and forecast was presented. This showed that to April 1st income and expenditure have been proceeding at about the estimated rate. If only such income as is considered assured is received up to June 30th, the year will close with a deficit of \$551.72. This amount will, however, be reduced by any further special gifts and also by gain on exchange. After discussion, it was

BF-820 VOTED to receive and place on record the financial statement and forecast showing the probable position of the Founders on June 30, 1936.

REGISTRATION OF LAND

The Board reviewed the developments of the last two or three months in the problems of registration with the proper Chinese authorities, of the land on which the University is situated. The latest information from Nanking was that the committee proposed by the Executive Committee of the Board of Founders on February 19th (EC-812) was being organized and that it would probably be able to submit its report and recommendations within a fairly short time. On April 16th a cable was received from Dr. Ferguson recommending that the deeds be registered in the name of the Board of Directors and deposited with the Founders for safekeeping. After a full discussion of the matter it was the judgment of the Board that

the latest communications from Dr. Chen, and the latest actions by the Board of Directors, seem to assume that further steps will not be taken by the Founders until a report and recommendations can be sent by the Committee now at work on the matter, or until further word can be sent or brought by President Chen. It was therefore

BF-821 VOTED to await additional word from the field before taking further action with reference to the registration of land.

REQUEST FOR AUTHORIZATION TO UNDERTAKE GRADUATE WORK

The Board gave consideration to the actions of the Board of Directors, D-1193 to D-1195, and to communications from President Chen, with reference to offering graduate courses in Chemistry, Agricultural Economics, History, and Chinese cultural studies, and the conferring of graduate degrees in these subjects. The matter was discussed from two angles (1) the attitude of the Harvard-Yenching Institute toward graduate work in Chinese subjects, and (2) the more general questions involved in the proposal to offer graduate work in the three other departments suggested.

The Secretary stated that correspondence and personal conferences with the officials of the Harvard-Yenching Institute had indicated that they are not as yet prepared to approve any proposal for the University of Nanking to undertake graduate work in the field of Chinese studies, or to make any funds available for such a development. The Director of the Institute is planning to start for China before the end of this year, with the purpose of spending about nine months studying at first hand the plans and programs of each of the universities receiving support from the Institute's Restricted Fund. Only when the Director returns would the Institute be willing to approve any substantial change in general policy. It would therefore seem unwise to press such a proposal at this time.

The more general questions involved in the proposal to offer graduate work in three other departments were also discussed. It was agreed that since authorization has already been given by the Founders for granting the Master's degree in the College of Agriculture, no further consideration of the proposal concerning graduate work in Agricultural Economics is necessary at this time. Discussion was therefore confined to the proposals for graduate work in History within the College of Arts, and in Chemistry within the College of Science. Excerpts from recent letters from Dr. Chen were studied with care. The Secretary reported that inquiries had been sent to Shanghai as to the attitude of the Council of Higher Education toward these proposals to undertake graduate work, and that a reply had been received stating that the Council has taken no recent action in the matter. At the close of the discussion it was

BF-822 VOTED that in response to the actions of the Board of Directors and the communications of President Chen concerning the proposed development of graduate work and the conferring of Master's degrees in Chemistry and History, the Board of Founders reported their judgment as follows:-

(1) The Board is still doubtful of the wisdom of undertaking even a limited amount of graduate work at the present time, in view of the serious deficits now outstanding in the Colleges of Arts & Science, and the continuing difficulty of securing from year to year sufficient funds to balance the budget for the program already being conducted.

(2) So far as the Board of Founders is aware, no approval has been given either by the Council of Higher Education, or by the Associated Boards for Christian Colleges in China, for the University of Nanking to undertake graduate work in any departments except within the professional field of Agriculture.

(3) The Board of Founders recognizes that inasmuch as the University of Nanking is registered under the Ministry of Education of the Chinese Government, the Ministry has the right to make recommendations concerning the program of the University with regard to the carrying on of graduate work, and to the issuance of Chinese diplomas and the conferring of degrees under Chinese regulations.

(4) The Board of Founders desires, however, to have the privilege of personal conferences with President Chen before taking action delegating to the Board of Directors further authorization to confer graduate degrees under the powers conferred by the Regents of the University of the State of New York, in any other departments of the University than those already authorized in the College of Agriculture.

BF-823 VOTED to recommend to the field that the proposal to undertake graduate work and to grant graduate degrees in the field of Chinese Cultural Studies to be held in abeyance until President Chen has an opportunity to discuss these matters with representatives of the Harvard-Yenching Institute.

VISIT OF PRESIDENT CHEN

The special Committee appointed by the Executive Committee to consider plans for the proposed visit of President Chen to America made a report of its discussions and recommendations. As a result of its discussions, the Committee sent on April 14th the following cablegram:

"FOUNDERS EARNESTLY DESIRE EARLY CHEN VISIT SUGGEST SPEND SUMMER AMERICA REST, FELLOWSHIP, WITH CULTIVATION AND HARVARD CONFERENCES AUTUMN. FOUNDERS WILL PROVIDE TRAVEL, ENTERTAINMENT."

Attention was called to minutes D-1168 to D-1171 of the March 20th meeting of the Board of Directors. The Board also discussed ways and means to make President Chen's trip to America as pleasant and profitable as possible. It was

BF-824 VOTED that the Board of Founders approve the action of its special Committee in extending a cordial invitation to President Chen to visit America at an early date, and in undertaking to provide funds necessary for his travel and for his entertainment while in America.

MATTERS ARISING FROM ANNUAL MEETING OF THE ASSOCIATED BOARDS

The Board reviewed such actions of the Annual Meeting of the Associated Boards on April 21st and 22nd as were directly related to the Nanking Board of Founders. All those present had attended the sessions of the Associated Boards, and were familiar with its discussions and actions.

Proposal Concerning United Board. The Board reviewed the recommendations of the Associated Boards with reference to the possibilities of greater unification of the Boards of Trustees of the various China Colleges either through the formation

of a United Board or through the delegation of greater responsibility to the present organization of the Associated Boards. It was noted that the Associated Boards has taken action approving the following recommendations of the special committee on United Board:-

- "a. That the plans suggested above be referred to the Boards of Trustees of the several Colleges for their consideration and action.
- b. That the individual Boards desiring to explore more fully possibilities of these alternatives be requested to appoint two representatives to meet with other representatives for this purpose; a report of the conclusions reached to be made to the individual Boards and to the Associated Boards.
- c. That the Secretary of the Associated Boards be requested to convene this Committee as soon as the three or more College Boards have appointed their representatives."

After discussion it was

BF-825 VOTED (1) That the Board of Founders of the University of Nanking has reviewed with interest the proposal brought to it by the Associated Boards for Christian Colleges in China with regard to a United Board of Trustees for Christian Colleges of China;

(2) That we regret we have not had sufficient time to study the merits of the questions involved;

(3) That we desire to explore the possibilities more fully, and appoint two representatives to meet with similar representatives of other interested Boards for fuller study and report to our Board.

BF-826 VOTED to appoint as representatives of the Nanking Board of Founders in accordance with the preceding action the following:- Dr. Robert E. Speer, Dr. J. W. Decker, and Dr. Ralph E. Diffendorfer, alternate.

Representation on Associated Boards Committees. It was noted that the Associated Boards has asked the individual Boards of Trustees to nominate their representatives on the various standing committees. The Nanking Founders are entitled to two representatives on each Committee and may nominate alternates also if desired. After discussion, it was

BF-827 VOTED to nominate the following as the representatives of the Nanking Board of Founders on the standing committees of the Associated Boards:-

<u>Executive Committee:</u>	Dr. R. E. Speer, Mr. Frank T. Cartwright, Dr. J. R. Edwards, alternate
<u>Committee on Promotion:</u>	Mr. E. C. Lobenstine, Mr. Alexander Paul
<u>Christian Character:</u>	Dr. R. E. Speer, Dr. J. W. Decker, Mr. S. J. Corey, alternate
<u>Finance Committee:</u>	Mr. Russell Carter, Dr. G. B. Huntington, Mr. Robert C. Morris, alternate
<u>Staff & Curriculum:</u>	Mr. F. T. Cartwright, Mr. Alexander Paul

Budget. It was noted that the individual boards of trustees have been asked to make appropriations for the administrative services rendered them by the Associated Boards on approximately the same basis as in 1935. The amount the Nanking Founders are asked to appropriate is \$2,950. It was

BF-928⁸ VOTED to approve the appropriation of \$2,950 to cover the pro rata share of the Nanking Founders in the administrative activities of the Associated Boards together with the cost of the specific administrative services rendered to Nanking by the Associated Boards.

Attention was also called to the decision of the Associated Boards that the entire cost of promotional work in 1936-37 be allocated on the basis of the new money secured for the several colleges. This makes it unnecessary for any board of trustees to make an appropriation or underwriting for promotional work. The Associated Boards has requested, however, that the several boards of trustees agree to advance funds, as may be necessary, up to the amount of their underwriting last year, in order to permit the promotional department to carry on its activities pending the collection of the pro-rata share of new money secured, Nanking's underwriting for 1935-36 was \$2,194. It was

BF-829 VOTED to authorize the Treasurers to advance to the promotional department of the Associated Boards, as may be required, funds up to a total of \$2,194, with the understanding that such advances are to be considered as merely a loan to be adjusted before the close of the fiscal year 1936-37.

OTHER MATTERS FROM DIRECTORS' MINUTES

In addition to the discussions and actions set forth above dealing with matters contained in the minutes of the March 20th meeting of the Board of Directors, the following items in these minutes were noted:-

- D-1159 President's Report. Noted with interest and appreciation.
D-1176-81 Ferguson Museum. Noted with interest.
D-1183-85 Library Building. Noted with interest.
D-1190 Furlough of Dr. and Mrs. Illick. The following action was taken:-

BF-830 VOTED to concur in the request of the Board of Directors to the Board of Foreign Missions of the Methodist Episcopal Church that, after their furlough, Dr. and Mrs. J. T. Illick be returned to the University of Nanking as regular representatives of the Methodist Episcopal Church on the University faculty.

D-2208 Promotion Work in U.S.A. Dr. Speer reported recent correspondence from Mr. Wheeler indicating that after all it might not be necessary for him and his family to return to America at this time on health leave. It was, however,

BF-831 VOTED that if it should prove necessary for Mr. W. R. Wheeler and his family to return to America this year on health leave, the Board of Foreign Missions of the Presbyterian Church in the U.S.A. be requested to retain Mr. Wheeler as one of the members of its quota on the Nanking staff and to allow him to devote himself to promotional work on behalf of the University.

SUBSTITUTE SALARY FOR MR. AND MRS. GOODSSELL

Mr. Paul stated that since the return from Nanking of Mr. and Mrs. Goodsell both of them have been undergoing sanatorium treatment at heavy expense to the United

Christian Missionary Society. This expense is still continuing. As a result the Society has not found it possible to make any additional provision for the usual cash grant to provide a substitute salary for this place on their quota. He expressed the hope, however, that the Society might be able to provide at least a part of such a substitute salary, and suggested \$600 as a possible figure. It was

BF-832 VOTED that the Board of Founders record its sympathy for the burden which the United Christian Missionary Society is carrying as the result of its heavy expenses on account of Mr. and Mrs. Goodsell, but that the Board express the hope that the Society may find it possible to provide a grant of at least \$600 per year to assist in securing a substitute until the Society is able to fill this place on its quota.

BUDGET FOR 1936-37

The Board reviewed the budget estimates for 1936-37 as submitted by the field and as checked by the treasurers of the Board of Founders. The representatives of the participating Mission Boards indicated informally the amounts which their Boards will be able to provide during the coming year. It was

BF-833 VOTED that the Board of Founders inform the Board of Directors that, in addition to the personnel supplied by the cooperating Mission Boards, it will contribute toward the budget of the University of Nanking for the fiscal year 1936-37 the following amounts:-

(a) toward the general budget the sum of US\$20,332.50, to be derived from the following sources:-

<u>Mission Board Cash Grants</u>		
Methodist Board	\$1,055.00	
Presbyterian Board	2,920.00	
United Christian Miss. Soc.	1,500.00	
Baptist Board (A. & F.)	800.00	\$6,275.00
		<hr/>
<u>Income from Endowment</u>		
General Funds	12,007.50	
Swasey Fund	2,000.00	
Methodist Fund for Agriculture	3,000.00	17,007.50
		<hr/>
		\$23,282.50
Less Home Administration		2,950.00
		<hr/>
Total		\$20,332.50

(b) toward the budget of the University Hospital the sum of US\$1,295.00, to be derived from the following sources:-

<u>Mission Boards Cash Grants</u>		
Methodist Board	\$ 340.00	
Presbyterian Board	580.00	
United Christian Miss. Soc.	375.00	\$1,295.00
		<hr/>

BF-834 VOTED that the Board of Founders also allocate to the Board of Directors three-fourths of any gain on exchange accruing on the appropriations defined in the preceding action, above the fixed exchange ratio of 2:10 to 1, the Founders retaining one-fourth of any gain on exchange as a protection against possible reductions in the sources of income itemized above as well as to meet deficits now standing in the home-base accounts of the Board of Founders.

BF-835 VOTED that the Board of Founders further inform the Board of Directors that it will transmit to the Directors all income from the following sources as and when received:-

Harvard-Yenching Institute US\$12,631.57
Special Gifts for Mr. and Mrs. Riggs 1,000.00

BF-836 VOTED that the Board of Founders appropriate for Famine Prevention Work the sum of LC \$179,226.00, and that it hereby authorizes the Treasurers of the Board of Founders to make such sales of securities during the year from the Famine Fund Endowment account as may be required, in addition to the income received in this account, to provide the full amount of this appropriation.

OFFICERS AND COMMITTEES

The Board then turned to the election of officers and the appointment of committees for the ensuing year. It was

BF-837 VOTED to instruct the Secretary to cast an unanimous ballot for the following officers for the ensuing year:-

President of the Board	Robert E. Speer
Vice Presidents	Mrs. F. J. McConnell
	J. W. Decker
Treasurer	Russell Carter
Secretary and 2nd Asst. Treas.	B. A. Garside
Asst. Sec. and Asst. Treas.	C. A. Evans

BF-838 VOTED to appoint the following committees for the ensuing year:-

- (a) Executive Committee:- Dr. Speer, Mrs. McConnell, Dr. Decker, Mr. Carter, Mr. Lobenstine, Dr. Huntington, Dr. Edwards, Mr. Cartwright, alt.
- (b) Finance Committee:- Mr. Banton, Chmn., Dr. Huntington, V. Chmn., Mr. Robert C. Morris, Mr. Carter, Dr. Ehnes, Dr. Speer ex officio.
- (c) Committee on Instruction:- Mr. Cartwright, Chmn., Dr. Edwards, Mrs. McConnell, and Dr. Speer ex officio.
- (d) Committee on Promotion:- Mr. Lobenstine, Dr. Diffendorfer, Dr. Decker, Mr. Alexander Paul, and Dr. Speer ex officio.

MEMORIAL RESOLUTION, MR. DOAN

Mr. Paul called attention to the death, since the last meeting of the Board, of Mr. Robert A. Doan, who from 1919 to 1931 was an active member of the Board of Trustees of the University of Nanking, representing the United Christian Missionary Society. It was

BF-839 RESOLVED that the Board of Founders record its sincere sorrow at the news of the death of Mr. Robert A. Doan, who for more than twelve years was an active member of this Board. During a vital period of the University's development Mr. Doan had an important part in all the activities being carried on in its behalf at the home base. His colleagues on the Board, and the officers and faculty of the University, join in extending to the friends and family of Mr. Doan their expressions of profound sympathy.

The meeting adjourned.

MINUTES OF MEETING
COMMITTEE ON INSTRUCTION
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

3:30 P.M., Thursday, June 4th, 1936
150 Fifth Avenue, New York, N.Y.

Members of Committee

*Frank T. Cartwright J. R. Edwards *Mrs. F. J. McConnell Robert E. Speer

Those whose names are starred were present as was the Secretary.

CANDIDACY OF MR. JOHN R. RAEBURN AND MR. GLENN W. HEDLUND

The Secretary presented cablegrams and correspondence from President Chen and Professor J. Lossing Buck, requesting the appointment of Mr. John R. Raeburn and Mr. Glenn W. Hedlund as specialists for graduate research and instruction in the College of Agriculture, Department of Agricultural Economics. The support for both positions is to be provided by a special grant made for this work by the Rockefeller Foundation. Application papers and medical reports were presented by both candidates, together with a number of letters of recommendation. The Secretary reported on a personal conference with Dr. H. H. Love in which Dr. Love spoke highly of the qualifications of both candidates. Mr. John R. Raeburn was introduced to the Committee, and a number of questions were asked him bearing on his training, experience, and religious qualifications. Mr. Raeburn then retired and after further discussion it was

CI-840 VOTED that whereas Mr. John R. Raeburn has been invited by the field authorities of the University to accept appointment for two years as a specialist in the College of Agriculture, Department of Agricultural Economics, the Committee on Instruction recommends to the Executive Committee of the Board of Founders of the University of Nanking the appointment of Mr. Raeburn to this position be approved.

The Committee then examined the candidate papers of Mr. Glenn W. Hedlund. After discussion, it was

CI-841 VOTED that whereas Mr. Glenn W. Hedlund has been invited by the field authorities of the University to accept appointment for one year as a specialist in the College of Agriculture, Department of Agricultural Economics, the Committee on Instruction recommends to the Executive Committee of the Board of Founders of the University of Nanking the appointment of Mr. Hedlund to this position be approved.

CANDIDACY OF MRS. ROBERT O. WILSON

The Committee reviewed the candidate papers of Mrs. Robert O. Wilson, the wife of Dr. Robert O. Wilson, a member of the staff of the University of Nanking Hospital. These papers included the candidate's application blank, medical report, and a number of letters of reference. Copies of all this material were circulated to members of the Committee in advance of the meeting. Mrs. Wilson was presented to the Committee, and some time was spent in discussion with her. She then withdrew and after further discussion, it was

Minutes of Meeting
Committee on Instruction
Nanking Founders

-2-

June 4, 1936

CI-842 VOTED that the Committee on Instruction recommend to the Executive Committee of the Board of Founders of the University of Nanking that the appointment of Mrs. Robert O. Wilson be approved on the same basis as that of her husband (EC-804), the initial appointment being for a period of one year with, however, the expressed hope that this may be extended by mutual agreement to a total of three or more years.

The Committee adjourned.

B. A. GARSIDE
Secretary

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MINUTES OF MEETING
EXECUTIVE COMMITTEE
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
UNIVERSITY OF NANKING

12:30 P.M. Tuesday, June 9, 1936
Parkside Hotel, New York City

List of Members

Executive Committee

R. E. Speer	E. C. Lobenstine
Mrs. F. J. McConnell	*G. B. Huntington
*J. W. Decker	J. R. Edwards
Russell Carter	*F. T. Cartwright

Finance Committee

J. H. Banton	Russell Carter
*G. B. Huntington	M. W. Ehnes
*Robert C. Morris	R. E. Speer,
	ex officio

Those whose names are starred above were present as were Mr. C. A. Evans and the Secretary.

Dr. Huntington was elected Chairman pro tempore.

Greetings were extended to Mr. Robert C. Morris, who was meeting with the Committee for the first time.

PROMOTIONAL OBJECTIVES

The Committees gave consideration to the preparation of a list of promotional objectives for the University of Nanking to be sought during the next five years. The adoption at this time of a revised list of objectives was considered necessary for two reasons - the plans of President Chen to be in America next year and the request of the Associated Boards for such a list of objectives to be used in setting up its unified list of promotional objectives to be sought by the China Colleges individually and collectively. The Committee reviewed the list of financial needs of the University as adopted by the Executive Committee of the Nanking Board of Founders on January 3rd, 1934, (EC-706). This list was transmitted to China for comments and approval by the field authorities. After making amendments to this list to bring it up to date, the Committees

EF-843 VOTED (1) to approve the following list as a statement of the financial needs of the University of Nanking, which the Board of Founders will seek to secure during the next five years;

(2) that this list be transmitted to the Associated Boards for Christian Colleges in China in response to its request for a statement of the promotional objectives of the Nanking Founders, with the understanding that if the lists of objectives submitted by the various Colleges are found by the Associated Boards to be larger than there is any reasonable hope of securing, the Associated Boards will undertake any necessary scaling down of lists on a basis of comparative study of the needs submitted:-

1. Urgent Current Needs 1936-37 budget

For the general budget of the University	US \$ 15,000
To maintain the work of the Hospital	7,500
	<u>22,500</u>

2. Immediate Endowment Requirements to be Sought during 1936-37

For general operation and for strengthening work in Arts & Sciences	560,000
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3. Additional Capital Requirements to be Sought during the five year period

Endowment

a. For College of Agriculture & Forestry	500,000
b. For Library Operation and Maintenance	80,000
c. Student Services	50,000
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	630,000

Plant

a. Classroom Building (primarily for Science)	75,000
b. Residences	40,000
c. Dormitories	92,500
d. Science Equipment	30,000
e. Power & Light Plant	17,500
f. Land Improvements	3,500
g. Minor Buildings	6,500
	<hr/>
	265,000

MATTERS ARISING FROM FIELD MINUTES

It was pointed out that at the Annual Meeting of the Board of Founders on April 22nd, the members had not had an opportunity to give detailed study to the minutes of the meeting of the Board of Directors held on March 20th, 1936. The Founders therefore were not able to take action on all the matters in these minutes calling for their consideration. The Committees reviewed certain actions from the Directors' minutes which seemed to call for further study.

D-1162. Appropriation for Promotional Expenses in America. The Committees noted that the action of the Annual Meeting of the Nanking Founders, in notifying the Board of Directors of the funds which would be available for the budget of the University during 1936-37, had not made any deduction for promotional expenses in America, as was thought would be necessary when preliminary estimates were first sent to the field. Therefore no action on D-1162 was necessary.

D-1164. Exchange ratio 1936-37. This recommends to the Board of Founders that "in view of the recent official stabilization of the currency of China, beginning with the next fiscal year, current exchange be adopted for all business, and that all accounting be recorded on that basis". In this connection the Committees reviewed action BF-833 and BF-834 defining the contributions of the Board of Founders to the 1936-37 budget, and defining also the rate of exchange and the allocation of any gains on exchange. The hope was expressed that even though these appropriations were not made in exactly the way suggested by the field, it would still be possible for the field authorities to carry their accounts on the basis of the current rate of exchange if they so desire. It was

EF-844 VOTED that it is the judgment of the Committees that as yet there has not been enough experience with the official stabilization of the currency of China to justify changing the basis used by the Board of Founders for several years in defining its appropriation to the University budget, and that therefore the Committees believe no change should be made at this time in the form of the appropriations made to the 1936-37 budget in action BF-833 and BF-834.

D-1167. Dr. Chen's Proposed Trip to America. The Committees noted with interest the reports of the latest information received from China as to Dr. Chen's plans. Since, however, arrangements for his plans are already being made by the Committee on Promotion, no further action seemed to be called for at this time.

D-1172. Rockefeller Grant. The Committees noted with appreciation that for 193⁵~~6~~-37⁶ the Rockefeller Foundation has granted LC\$17,500 to the College of Science, and LC\$55,000 plus US\$5,500 to the Department of Agricultural Economics. It was

EF-845 VOTED that the Committees record the appreciation of the Board of Founders of the University of Nanking for the generosity of the Rockefeller Foundation in its grants to the College of Science and the Department of Agricultural Economics ~~for the coming year~~, and request the Secretary to see to it that a suitable expression of appreciation is sent to the Foundation.

A-2004-6-7.

D-2004-6. Land Problems. The Committees made note of the fact that the larger problems of registration of land are being deferred until President Chen arrives and the Founders have an opportunity of discussing these problems with him at greater length. It was noted, however, that actions D-2004-6 request special authorization from the Founders to handle minor details involved in solving some of the land problems confronting the University. It was

EF-846 VOTED that the Committees approve the following recommendations of the Board of Directors:-

- (1) "to grant to the Board of Directors the right to make adjustments for exchange of land for 'rights of way' through our land, as may be mutually satisfactory to all concerned",
- (2) "that the Board of Directors be given jurisdiction for the sale of land, the total value not to exceed US\$500 for any single transaction",
- (3) "to authorize the administration to make temporary -- not to exceed three years -- leases for small pieces of unused land when requests are received from neighboring owners, such arrangements to be approved by the Executive-Finance Committee and ratified by the Board of Founders."

REPORT ON INVESTMENTS

Mr. Evans presented reports on a number of investment matters. These were discussed informally, and it was agreed that formal action would be left to a later meeting of the Finance Committee.

APPROVAL OF RECOMMENDATIONS OF COMMITTEE ON INSTRUCTION

The Secretary called attention to the minutes of the meeting of the Committee on Instruction held on June 4th. That Committee recommended that the Executive Committee approve the appointments of Mr. John R. Raeburn, Mr. Glenn W. Hedlund, and Mrs. Robert O. Wilson. Copies of these minutes were mailed on June 5th to the members of the Executive Committee, accompanied by ballots for their vote by mail on these recommendations. A majority of the members of the Executive Committee had already sent in their ballots, all of them approving these three appointments. It was

EF-846 VOTED to approve the recommendations of the Committee on Instruction (CI-840, 841 and 842), recommending the appointment of Mr. John R. Raeburn, Mr. Glenn W. Hedlund, and Mrs. Robert O. Wilson.

The meeting adjourned.

MINUTES OF MEETING
COMMITTEE ON PROMOTION
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

9:00 A.M., Thursday, September 24, 1936
Room 918, 156 Fifth Avenue, New York, New York

List of Members

*E. C. Lobenstine
*J. W. Decker

R. E. Diffendorfer
Alexander Paul

*Robert E. Speer

Those whose names are starred above were present, as were the following: President Y. G. Chen, Mr. W. R. Wheeler, Miss Margaret E. Hodge, and the Secretary.

Dr. Lobenstine presided.

COOPERATION WITH PRESIDENT CHEN IN PROMOTIONAL ACTIVITIES

The Committee discussed ways and means by which President Chen's stay in America can be made as productive as possible. It was pointed out that there are a number of areas in the United States where it is particularly important that Dr. Chen should spend a substantial amount of time. There are also unlimited opportunities for enlisting new friends. The Committee considered how Dr. Chen could best be assisted in making contacts by the members of the Board of Founders, the promotional staff of the Associated Boards, Mr. Wheeler, and Miss Anderson. The length of Dr. Chen's stay in America was discussed, and the hope was expressed that he would be able to remain at least a month or more beyond the middle of November, the date tentatively set for his departure. It was

CP-847 VOTED to recommend to the Board of Founders that they request the Board of Directors to extend President Chen's leave of absence to permit his remaining in the United States at least until the middle of December, 1936.

ARRANGEMENTS WITH MR. WHEELER

The Committee reviewed Minute BF-831 of the Annual Meeting of the Board of Founders on April 22nd, 1936, whereby the Board of Foreign Missions of the Presbyterian Church in the U. S. A., "is requested to retain Mr. Wheeler as one of the members on its quota on the Nanking staff and to allow him to devote himself to promotional work on behalf of the University." The secretary stated that action was taken by the Presbyterian Board on June 25th, 1936 approving this request. The question of the expenses involved in the promotional work on behalf of Mr. Wheeler was considered, and it was

CP-848 VOTED to recommend to the Board of Founders that it approve the payment of the expenses involved in Mr. Wheeler's promotional activities on behalf of the University, including travel, hotels, living and incidental expenses, disbursements to be charged against the promotional account of the Founders.

ARRANGEMENTS WITH MISS ANDERSON

The Secretary stated that Miss Hilda M. Anderson is now assisting Mrs. Macmillan with preparations for Nanking promotional activities in the Boston area. She is

rendering an extremely valuable service to the promotional work of the University, although immediate results in the form of substantial new gifts cannot be expected in the initial stages of this promotional work. The Committee discussed the advisability of recommending to the Founders that financial arrangements be made for Miss Anderson's expenses on the same basis as that being recommended for Mr. Wheeler. The desire was expressed that further study be given to the matter, and it was

CP-844^{9A} VOTED to recommend to the Board of Founders that financial arrangements for the promotional activities of Miss Anderson be referred to the Committee on Promotion with power.

STRENGTHENING OF PERSONNEL OF BOARD OF FOUNDERS

The Committee studied the present roster of the Board of Founders with a view to enlisting the assistance of each member of the Board in publicity and promotional activities on behalf of the University. Regret was expressed that at the present time the number of lay members of the Board of Founders is so small. It was

CP-845^{50A} VOTED to recommend to the Board of Founders that it give serious consideration to the problem of strengthening the personnel of the Board of Founders, particularly through the addition of lay members.

The Committee adjourned.

B. A. GARSIDE
Secretary

MINUTES OF MEETING
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

11:00 A.M., Thursday, September 24, 1936
Room 918, 156 Fifth Avenue, New York, New York

List of Members

<u>Board</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>
Baptists	*G. B. Huntington		*J. W. Decker
Disciples	G. M. Yocum	*Alexander Paul	S. J. Corey C. T. Paul
Methodists	(vacancy)	*R. E. Diffendorfer	R. E. Morris F.T. Cartwright
Presby.	(vacancy)	*E. C. Lobenstine	E. B. Cobb D.B.S. Morris
Coopted		*R. E. Speer	Ambrose Swasey
		*J. H. Banton	*Russell Carter
Ex Officio	Florence G. Tylor	Margaret E. Hodge	Mrs. F. J. McConnell

Those whose names are starred above were present, as were the following:-
President Y. G. Chen, Mr. W. Reginald Wheeler, Dr. C. Stanley Smith, Mr. C. A. Evans, and the Secretary.

Dr. Speer presided. The meeting was opened with prayer.

APPROVAL OF MINUTES

BF-847 ^BVOTED to approve the minutes of the Annual Meeting of September 22nd, 1936 as distributed; and to approve the minutes of the meeting of the Executive-Finance Committees on June 9th, 1936 as distributed, except for editorial corrections in EF-843.

GREETING TO REPRESENTATIVES FROM FIELD

Dr. Speer, as President of the Board of Founders, extended to President Chen a warm welcome on behalf not only of the members of the Board of Founders, but also of the constituent mission boards and of the other American friends of the University of Nanking. Ever since Dr. Chen was elected President of the University almost ten years ago, we have all looked forward eagerly to his coming to America.

Dr. Speer also extended a hearty welcome to Mr. Wheeler who was also present at the meeting, and to Miss Anderson who was in Boston preparing for Dr. Chen's visit to that city.

MESSAGE FROM PRESIDENT CHEN

At the invitation of the Chairman, President Chen addressed the Board. His message may be summarized as follows:-

Let me begin by expressing my sincere appreciation of this privilege of meeting with the Board of Founders. Although it is nearly ten years since I became President of the University of Nanking, this is the first trip I have made to America during that time, and is therefore my first opportunity to express to you in person the warm gratitude which we on the field have for the interest, sympathy, and support you have given so consistently during this past decade. All of those in Nanking who are related to the University have asked me to bring their greetings and good will, - the Directors, the faculty, the alumni, and the student body. All have a keen appreciation of what the Founders are

doing, and have been trying, even under difficult circumstances, to merit your confidence and support.

You are all aware of the extremely difficult period through which the University passed in 1927, as a result of the damages inflicted by the Communists. Buildings were damaged and destroyed; the faculty and students were scattered. The University had to rise again from its ruins. You have seen during these past nine years how remarkable that recovery has been, despite the serious drop in income which we have had to face. The Directors and the faculty have all been working hard, and have been making steady progress.

The University has also been fortunate in its relationship to the important developments taking place in Nanking during recent years. Formerly Nanking was a neglected city. But since it became the national capital of China in 1927 the population has trebled. The coming in of leaders in the government, of diplomatic officials, and of outstanding individuals in every phase of the developing life of China, has brought new and larger opportunities.

The University has been ranked by the National Government as one of the best private universities in China. In point of equipment it is surpassed by only one other such institution in China. During the last few years a number of buildings have been erected. This year a new dormitory has been added. A second science building is now in process of erection. Construction is now beginning on the new library. In addition to the larger buildings, a number of smaller buildings have been erected, such as the Twinom Chapel.

There has been no difficulty in the placement of our graduates. The demand for them has far exceeded the supply. Our graduates have made an outstanding record in examinations for fellowships for study abroad. Eight of our graduates were successful in one such examination and six in another. Our graduates have also secured a large number of provincial fellowships. The University of Nanking has had more graduates passing such examinations as these than has any other university in China.

The religious life of the campus has in general been very excellent. Eight or nine years ago we were troubled by a wave of anti-religious feeling, but this soon subsided. The faculty has taken a very active part in the religious life of the institution, organizing Bible classes, discussion groups, and retreats, as well as establishing contacts with individual students. The students themselves have been very active. Although religious courses and meetings are voluntary, from 70% to 75% of the non-Christian students in the University are in the habit of attending.

In the field of finance, the University has secured increasing amounts from Chinese sources. During the period of 1930-1936, LC\$482,000, in addition to tuition fees, was secured from entirely Chinese sources. During this same period LC\$403,000 was secured from Western organizations having departments of their work in China, such as the Rockefeller Foundation. During this same period LC\$366,000 of capital gifts was received from Chinese sources. Thus, the total of these funds secured in China during this six year period amounted to LC\$1,251,000. During the last few years the University of Nanking has been receiving more support from Chinese sources than has any other Christian University in China. For the current year 1936-37 we will probably receive from Chinese sources LC\$271,000, exclusive of student fees. Practically all of this income, is however, designated for special types of work and does not help the general budget.

At the present time, the University is engaged in working out plans for the correlation of our work with that of the Nanking Theological Seminary, and probably with some of the other Christian universities and colleges in the East China area.

We feel that these material gains have been supplied by divine providence. The University of Nanking is confronted by a great opportunity and we are all desirous of making the most of it.

STATEMENT FROM MR. WHEELER

Mr. Wheeler pointed out that he came to Nanking after serving for a time in two other Christian universities and colleges in China, and after experience in the Presbyterian Board of Foreign Missions. He stated that he has been tremendously impressed by the important Christian contribution being made by the University of Nanking. As he has talked with the governmental leaders of China he has found that they sincerely support the ideal of high educational standards, plus a strong Christian purpose.

Mr. Wheeler stated that the strong Christian character of the University of Nanking has been largely due to Dr. Chen's own deeply religious influence, and to his constant desire to do "the Christian thing" under all circumstances.

MINUTES OF BOARD OF DIRECTORS

The Board noted the receipt of the minutes of the meetings of the Executive-Finance Committees of the Board of Directors held on May 8th and June 5th, 1936. These minutes had already been mailed to the members of the Board. It was agreed that such matters in these minutes as require special action would be taken up under the various headings of the agenda.

LAND REGISTRATION

With the docket of the meeting was distributed an extensive digest of information on this subject, including a resume of actions already taken by the Board of Directors and the Board of Founders and their various committees. The findings of a conference of missionary executives dealing with the general subject of land registration in China held on September 23rd, was distributed. President Chen, Mr. Wheeler, and Dr. Smith made statements. There followed a general discussion, dealing chiefly with the question of whether the proposed registration of the property of the University with the Chinese government should be carried out in the name of the Board of Directors or the Board of Founders. Following the discussion, it was unanimously

BF-848 VOTED that the Board of Founders of the University of Nanking authorize the Board of Directors of the University to register the property, including both land and buildings, of the University of Nanking with the Chinese Government in the name of the Board of Directors, with the understanding that the Board of Directors will give the Board of Founders, representing the original donors, formal assurance of their acceptance of the trust to carry on the University in accordance with the purpose for which it was founded,

BF-849 VOTED to instruct the Secretary to report this action of the Board of Founders on land registration to each of the four Mission Boards cooperating in the University.

BF-850 VOTED to instruct the Secretary to file a copy of this action of the Board of Founders on the subject of land registration with the American Embassy in Nanking and with the Department of State of the United States Government.

Dr. Chen pointed out that in connection with the process of land registration, the University would probably have to pay not only the registration fee but also a fee for stamping a large proportion of the deeds to the individual plots comprising the University campus. He estimated roughly that the total of these costs might amount to as much as US\$6,000, although it is possible that some portion of the fees might be remitted. He asked whether the Founders would approve the sale by the Board of Directors of certain small and isolated plots of land belonging to the University which are not adjacent to the campus and probably would never be of any direct use to the University. It was pointed out that under action BF-848 the authority for the disposal of such pieces of land in order to pay the costs of registration lies in the hands of the Board of Directors. It was, however,

BF-851 VOTED that it is the judgment of the Board of Founders that the sale of certain small and isolated plots of land belonging to the University, in order to provide funds to cover the cost of registration of the property, is in accordance with the purpose set forth in action BF-848.

REPORT OF TREASURER, BOARD OF FOUNDERS

The Board reviewed the Report of the Treasurer of the Board of Founders for the fiscal year ended June 30, 1936, copies of which had already been mailed to the members of the Board. It was

BF-852 VOTED to approve the recommendation of the Treasurer that the surplus of \$38.16 from the 1932-33 Current General Account be closed out against the Current General deficit, 1933-34.

BF-853 VOTED to receive and place on record the Report of the Treasurer of the Board of Founders for the fiscal year ended June 30, 1936.

REPORT OF THE COMMITTEE ON PROMOTION

Dr. Lobenstine presented a report on behalf of the Committee on Promotion:-

(1) Plans for Dr. Chen. It was pointed out that there are so many present and potential friends of the University of Nanking who are desirous of meeting Dr. Chen while he is here in America that it is highly desirable to have him remain here as long as possible. Dr. Chen stated that while he wishes to do whatever is for the best interests of the University, the leave of absence granted him by the Board of Directors will expire at the end of December, and he has therefore been planning to start back to China, about the middle of November, travelling by way of Europe.

BF-854 VOTED to request the Board of Directors to extend President Chen's leave of absence to permit his remaining in the United States at least until the middle of December, 1936.

(2) Arrangements for Mr. Wheeler. On recommendation of the Committee on Promotion, it was

BF-855 VOTED to approve the payment of the expenses involved in Mr. W. Reginald Wheeler's promotional activities on behalf of the University, including travel, hotels, living and incidental expenses, these disbursements to be charged to the promotional account of the Founders.

(3) Arrangements with Miss Anderson.

BF-856 VOTED to refer to the Committee on Promotion, with power, the question of making similar provision for the expenses of Miss Hilda M. Anderson to permit her engaging in promotional work on behalf of the University of Nanking during her present furlough.

REVISION OF LIST OF PROMOTIONAL OBJECTIVES

The Board of Founders gave consideration to the minutes of the meeting of the University of Nanking Administration Committee held on July 10, 1936, together with Miss Priest's covering letter of July 16th. These give general approval to the list of capital needs, totalling U.S. \$265,000, set forth in Minute No. EF-843 of the Founders' Executive and Finance Committees, but suggest a revised preferential order and also itemizes the needs under the heading of "Dormitories and student center." It was

BF-857 VOTED to approve the revised preferential order of the building needs of the University as set forth by the Administration Committee on July 10, 1936, and to take note of the detailed statement of needs under the item "Dormitories and student center," as set forth by the Administration Committee.

Mr. Wheeler spoke of certain capital items, including both endowment and plant needs, which the field is particularly anxious to have met as soon as possible. It was the judgment of the Board that these are already within the comprehensive list of needs set forth in EF-843, and that there is room within the Associated Boards supplementary list of capital needs to be sought during 1936-37 sufficient to allow the promotional representatives of Nanking to press these capital needs as opportunity offers.

STRENGTHENING PERSONNEL OF THE BOARD OF FOUNDERS

The Board gave consideration to the urgency of the need for further strengthening of

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the Board of Founders through filling vacancies in both the representative and coopted groups with men and women able and willing to give substantial assistance to the work of the University. It was

BF-858 VOTED to request the cooperating Mission Boards, in filling vacancies in their representation on the Board of Founders, to give special consideration to the appointment of suitably qualified lay members.

BF-859 VOTED to request the officers of the Board of Founders to present to the next meeting of the Board nominations for additional members in the coopted group.

REPORT OF COMMITTEE ON INSTRUCTION

Report was made on behalf of the Committee on Instruction that the Committee recommends the appointment of Miss P. Margaret Turner for secretarial work at the University of Nanking. It was

BF-860 VOTED to approve the appointment of Miss P. Margaret Turner for secretarial work at the University of Nanking.

NEXT MEETING OF BOARD OF FOUNDERS

It was agreed that another meeting of the Board should be held while Dr. Chen is in America, and to that end it was

BF-861 VOTED to request the Chairman and Secretary to arrange for another meeting of the Board at a suitable date in late October or early November.

The meeting closed with prayer led by Dr. Stanley Smith.

B. A. GARSIDE,
Secretary

REPORT OF THE TREASURER
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

Fiscal Year Ending June 30, 1936

Several items are worthy of mention before entering into a consideration of details for the year's operations.

One is the remarkable appreciation of Aluminum Company of America preferred stock, of which the trustees hold 1,400 shares. The value per share increased from 86-1/2 on July 1, 1935, to 115-1/2 on June 30, 1936 - a total of \$40,600. Income was increased from \$1.00 to \$3.50, but there still is an accumulation of \$21,875, in back dividends.

Another item is the loss of about \$750.00 of income on the Swasey Fund, which we are told is due to the necessity of selling out real estate bonds and substituting securities of a lower yield.

Again, - the failure of the Hoover Trust Fund to function and the decrease of income for the year by nearly \$3,500.

The Retirement Fund has improved its position by the help of one resignation upon which only one-half return of University contributions was made.

This report is accompanied by the following papers:-

- (a) Trial Balance Sheet before and after closing 6/30/36
- (b) Condensed Balance Sheet 6/30/36
- (c) Budget Analysis
- (d) List of Securities

The following figures have been reviewed by the auditors and form a part of their audit.

ENDOWMENT SECTION

(a) General Funds. There was an increase in these funds during the year amounting to \$1,597.15, representing gain on sale of securities. The transactions for the year were as follows:-

<u>Sales -</u>				
	<u>Security</u>	<u>Cost</u>	<u>Sold for</u>	<u>Gain</u>
\$4,000	Cleveland Electric Ill. 5/54.....	4,055.00	4,200.00	145.00
5,000	Utica Gas & Electric 5/52.....	5,012.50	5,298.00	285.50
10,000	Purity Bakeries 5/48.....	9,187.50	10,115.75	928.25
5,000	New York Edison 5/51 (called).....	5,006.25	5,244.85	238.40
		23,261.25	24,858.40	1,597.15
<u>Purchases -</u>				
\$5,000	Northorn Pacific 5/2047.....	4,781.25		
10,000	Youngstown Sheet & Tube 5/78.....	10,246.25		
80 sh.	Atchison, Topoka & Santa Fe 5% Pfd. ..	8,040.00		
Expended for repairs and insurance on				
2348	Seventh Avonuo property.....	1,258.92		
		24,326.42	24,326.42	
Overspent beyond original cost.....		1,065.17		
Cash Balance from Sales.....			531.98	1,597.15

Referring to the security list, the book value of securities and endowment cash on July 1, 1935 was \$374,177.76. The market value was \$344,335.84, showing an increase in value during the year of \$51,824.01. Aluminum Company of America accounted for \$40,600 of this advance.

(b) Famine Fund. The principal amount in this account decreased \$62,197.79 during the year from \$628,654.59 to \$566,456.80. This is in agreement with action EF-789(d) covering approval of the 1935-36 budget, which permitted the use of principal in addition to income. The transactions in this account were as follows:-

	Collections and Sales	Book Value	Amount Received	Gain
Payment on	Stewart Bros. note.....	12,137.51	12,137.51	
"	" C.J.Langmead's "	8,000.00	8,000.00	
"	" F.Carrington Weems' note.....	2,500.00	2,500.00	
"	" Shannon & Luchs' note.....	1,130.39	1,130.39	
Sale \$5,000	U.S.Treasury 3/51-55.....	5,023.44	5,179.69	156.25
" 17,000	U.S.Treasury 2-1/8s/39.....	17,130.68	17,602.44	471.76
	Totals.....	45,922.02	46,550.03	628.01

There was no reinvestment of funds collected during the year, a total of \$62,212.96 less \$15.17 interest on savings being transferred to the Current account.

The book value of Famine Funds Investments as of June 30, 1936 was \$566,456.80. Market value was \$565,176.08.

(c) Retirement Reserve. During the year one investment was called, as follows: \$2,000 New York Edison 5/51 -(cost) \$1,940.00; (received) \$2,035.35; (gain) \$95.35. This gain was credited to the Retirement Reserve principal fund, and the proceeds were used in purchasing 20 shares of Atchison, Topeka & Santa Fe R.R. 5% preferred stock, costing \$2,010.00.

The book value of securities in the Reserve Fund is shown on the attached list as of June 30, 1936 as \$5,737.50, as compared with \$5,667.50 a year ago. Market value June 30, 1936 was \$6,397.50.

(d) Income. The following table shows the income received on the several funds with per cent rate as well as totals.

Name	Fund	Income	Per cent
General Funds.....	367,152.41	10,711.91	.0292
M.E.Bd.Col. Agriculture.....	100,000.00	3,000.00	.03
Swasey Fund.....	48,750.00	1,524.78	.0313
Retirement Fund.....	5,762.85	300.00	.0520
Scholarships.....	7,000.00	206.21	.0294
Famine Funds.....	597,555.69*	26,918.32	.0450
Totals.....	1,126,220.95	42,661.22	.0379

* Average for the year.

PLANT SECTION

There were no changes or transfers in the Plant section during the year.

CURRENT GENERAL

A comparative table is shown below giving income for the past two years:

<u>Source</u>	<u>Amount of Income Received</u>	
	<u>1934-35</u>	<u>1935-36</u>
(a) General Funds		
United Christian Missionary Society....	1,500.00	1,500.00
Methodist Board.....	1,055.00	1,055.00
Presbyterian Board.....	2,920.00	2,920.00
Baptist Board.....	1,000.00	800.00
Endowment Income		
General.....	306.04	324.48
Hall Estate Fund.....	9,734.26	10,321.43
Swasey Fund.....	2,287.79	1,524.78
Methodist Board-Agri. & Forestry.....	3,000.00	3,000.00
Miscellaneous.....	26.09	115.30
Total General Funds.....	21,829.18	21,560.99
(b) Designated Funds		
Hoover Trust Fund.....	6,500.00	3,055.03
Mission Board Vacancies.....	750.00	-
Harvard-Yenching Institute.....	9,473.68	12,631.58
*Support of C.H.Riggs (Special Gifts)...	1,157.50	957.54
Grand Total.....	39,710.36	38,205.14

*Not including \$500. from American Board on balance of salary from
Famine Funds for Mr. Riggs.

The following is a comparative list of disbursements showing closing deficits:-

<u>Item</u>	<u>Amount of Expenditure</u>	
	<u>1934-35</u>	<u>1935-36</u>
Field Budget		
General.....	8,925.43	6,531.12
Salaries.....	8,770.00	9,228.96
Library.....	2,079.57	1,568.67
Home Administration		
Administrative Services.....	2,181.91	2,284.87
Postage, Cables, etc.	218.09	115.13
Promotional.....	-	2,168.90
Hoover Trust Fund Expenditures.....	6,500.00	3,055.03
Substitute Salary (Miss.Bd.Vacancy).....	750.00	-
Institute Chinese Studies Drawn.....	9,473.68	7,694.97
" " " Underdrawn...	-	4,936.61
Salary-C.H.Riggs.....	1,157.50	957.54
	<u>40,056.18</u>	<u>38,541.80</u>
Deficit.....	345.82	336.66
	<u>39,710.36</u>	<u>38,205.14</u>

FAMINE FUNDS

The budget appropriation for the work was Yuan \$167,049. Funds remitted to the field and spent in New York totaled Yuan \$131,970.98, leaving a balance of Yuan \$35,078.02 to be disbursed. The average rate to June 30th was approximately 2.90 to 1.00, using US\$45,533.36. Applying this rate to the balance of Yuan \$35,078.02, US\$12,095.80 would be required, making a total expenditure of US\$57,629.16. As the original estimate was US\$60,745.09, there should be a saving under appropriation of around US\$3,000.00.

Receipts toward expenditures during the year were as follows:-

Income from Invested Funds.....	26,918.32
" " Savings Accounts.....	13.66
	<u>26,931.98</u>
Less Custodian Fee.....	175.92
	<u>26,756.06</u>
Transferred from Principal.....	62,840.97
	<u>89,597.03</u>
Less amount used for 1934-35.....	30,103.42
	<u>59,493.61</u>
Anticipated Expenditures 1935-36.....	57,629.16
This leaves a balance of	
approximately to be carried	
forward to 1936-37	US\$1,864.45

HOSPITAL

The income for the Hospital amounted to the same figure as the previous year, - the same amounts from the same sources. The details of the \$1,295.00 are as follows:-

<u>Source</u>	<u>Amount Received</u>
Methodist Board.....	340.00
United Christian Missionary Society.	375.00
Presbyterian Board.....	580.00
	<u>1,295.00</u>

Expenditures for the past two years are shown in the following table:-

<u>Item</u>	<u>Amount Expended</u>	
	<u>1934-35</u>	<u>1935-36</u>
General purposes of Hospital.....	609.39	31.56
Salaries.....	685.61	1,263.44
	<u>1,295.00</u>	<u>1,295.00</u>

CURRENT SPECIAL

Two items in this section call for special mention, i.e.:- Retirement Reserve and Scholarship Funds.

Retirement Reserve. Details of income are as follows:

Balance on Hand July 1, 1935.....	485.05
Income on Retirement Reserve invested funds.....	300.00
Sun Life Assurance Co. (Miss Purcell).....	<u>1,091.04</u>
Total Income.....	<u>1,876.09</u>

Disbursements were as follows:

University's share of premium.....	356.98
Paid accumulation to Helena G. VanVliet ($\frac{1}{2}$)..	145.34
M.H.Purcell (all).....	<u>1,091.04</u>
Balance on Hand June 30, 1936.....	<u>282.73</u>

Scholarship Funds. Income from Scholarship Funds held by the trustees amounted to \$206.21, credited as follows:-

Balance in account July 1, 1935		102.96
Williams Scholarship	29.32	
Wood "	29.32	
Sherwin "	<u>147.57</u>	<u>206.21</u>
		<u>309.17</u>

Remittances to the field of \$102.96 for the July 1, 1935 balance was made July 29, 1935, and of \$97.07 made in January, showing a balance in the account of \$109.14 to be forwarded at the closing of the books June 30th.

PROMOTIONAL SECTION

Promotional expenses for 1935-36, representing appropriation for the Associated Boards budget, were closed out at the end of the year, the total being \$2,168.90. The promotional deficit of \$2,630.45 for 1934-35 is carried in this section.

CONSOLIDATION OF DEFICITS AND SURPLUSES

The following schedule shows the surpluses and deficits as of June 30, 1936:-

Section	Deficit	Surplus
Current General 1932-33.....		<u>38.16</u>
" " 1933-34.....	84.08	
" " 1934-35.....	236.68	
Promotional 1934-35.....	2,630.45	
" 1935-36.....	336.66	
	<u>3,287.87</u>	<u>38.16</u>
	38.16	
Net Deficit	<u>3,249.71</u>	

CASH SITUATION

On June 30, 1936, the cash situation was as follows:-

Section	Balance	<u>Overdraft</u>
Endowment (a) Awaiting Investment.....	1,231.06	
(b) Famine Fund Cash.....	1,545.18	
(c) Retirement Fund Cash.....	25.35	
Plant.....		93.38
Current General.....		6,618.36
Famine Funds.....	13,960.25	
Hospital.....		80.00
Current Special.....	4,616.66	
Promotional.....		2,630.45
	<u>21,378.49</u>	<u>9,422.19</u>
	9,422.19	
	<u>11,956.30</u>	

This cash was carried as follows:

Irving Trust Company - General account.....	9,154.72
Endowment.....	1,231.06
Retirement Fund.....	25.35
Bowery Savings Bank, 130 Bowery - Famine Funds.....	1,019.63
Fifth Ave. at 34th St. - Famine Funds.....	10.50
Greenwich Savings Bank, 1356 Broadway - Famine Funds.....	515.05
	<u>11,956.30</u>

RECOMMENDATION

It is recommended that the surplus of \$38.16 from 1932-33 be closed out against the 1933-34 deficit.

Respectfully submitted,

RUSSELL CARTER, Treasurer
B. A. GARSIDE, Assistant Treasurer
C. A. EVANS, Assistant Treasurer

ROC

Balance Sheet - University of Nanking

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6/30/36

Amount carried forward	<u>757,951.01</u>	29	Amount carried forward Plant Cash	<u>757,857.63</u> 93.38
	<u>757,951.01</u>			<u>757,951.01</u>
<u>CURRENT GENERAL (before closing)</u>				
31 Directors' Current Expense 1935-36	7,697.69	39	Current General Cash	6,955.02
31 " " " 1936-37	877.85	130	Receipts-Bd. of Directors- Rent Account	.30
31.1 " " Salaries 1935-36	9,228.96	131	" -United Christian Miss. Society	1,500.00
31.1 " " " 1936-37	357.00	132	" -Methodist Board	1,055.00
32 " " Library	1,568.67	133	" -Presbyterian Board	2,920.00
36.1 Home Administration-Executive Office	4,163.48	133.1	" -Baptist Board	800.00
36.2 " " -Incidentals	115.13	134	" -Hoover Trust Fund	3,055.03
36.3 " " -Trustees	2,063.23	136	Special Gifts for Current Budget	115.00
36.4 " " -Promotional	2,194.00	137.1	Endowment Income-General	324.48
39.1 Accounts Receivable	250.00	137.2	" " -Hall	10,321.43
134 Disbursed to Field-Hoover Trust Fund	3,055.03	137.3	" " -Swasey	1,524.78
		137.4	" " -M. E. Board	3,000.00
	<u>31,571.04</u>			<u>31,571.04</u>
<u>CURRENT GENERAL (after closing)</u>				
31 Directors' Current Expense 1936-37	2,044.42	39	Current General Cash	6,618.36
31.1 " " Salaries 1936-37	357.00			
36.1 Home Administration-Executive Office	1,878.61			
36.2 " " -Trustees	2,063.23			
36.4 " " -Promotional	25.10			
39.1 Accounts Receivable	250.00			
	<u>6,618.36</u>			<u>6,618.36</u>
<u>FAMINE FUND (before closing)</u>				
51 Famine Fund Expense 1935-36	45,533.36	151	Famine Fund Receipts 1935-36	59,493.61
59 " " Cash	13,960.25			
	<u>59,493.61</u>			<u>59,493.61</u>

Balance Sheet - University of Nanking

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6/30/36

		<u>FAMINE FUND (after closing)</u>			
51	Famine Fund Expense 1935-36	45,533.36	151	Famine Fund Receipts 1935-36	59,493.61
59	" " Cash	13,960.25			
		<u>59,493.61</u>			<u>59,493.61</u>
		<u>HOSPITAL (before closing)</u>			
61	Current Expense-Hospital	31.56	69	Current Hospital Cash	80.00
61.1	" " -Salaries	1,263.44	162.1	Receipts-Methodist Board	340.00
61.1	" " - " 1936-37	80.00	163	" -United Christian Miss. Society	375.00
			164	" -Presbyterian Board	580.00
		<u>1,375.00</u>			<u>1,375.00</u>
		<u>HOSPITAL (after closing)</u>			
61.1	Current Expense-Salaries 1936-37	80.00	69	Current Hospital Cash	80.00
		<u>80.00</u>			<u>80.00</u>
		<u>CURRENT SPECIAL (before closing)</u>			
77.1	Deficit 1933-34	84.08	171.2	Harvard-Yenching Inst.-Restricted Income	12,631.58
77.2	" 1934-35	236.68	175.2	Endowment Income-Restricted (non-budget)	109.14
79	Special Cash	4,953.32	176.2	Surplus 1932-33	38.16
171.2	Harvard-Yenching Inst.-Disbursed to Field	7,694.97	177	Retirement Reserve Fund-Income	282.73
		<u>13,061.61</u>			<u>13,061.61</u>
		<u>CURRENT SPECIAL (after closing)</u>			
77.1	Deficit 1933-34	84.08	171.2	Harvard-Yenching Inst.-Restricted Income	4,936.61
77.2	" 1934-35	236.68	175.2	Endowment Income-Restricted (non-budget)	109.14
77.3	" 1935-36	336.66	176.2	Surplus 1932-33	38.16
79	Special Cash	4,616.66	177	Retirement Reserve Fund-Income	282.73
172	Suspense	92.56			
		<u>5,366.64</u>			<u>5,366.64</u>

Balance Sheet - University of Nanking

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6/30/36

87.1 Deficit 1934-35

PROMOTIONAL (before closing)

2,630.45 89 Promotional Cash

2,630.45

2,630.45

2,630.45

87.1 Deficit 1934-35

PROMOTIONAL (after closing)

2,630.45 89 Promotional Cash

2,630.45

2,630.45

2,630.45

ROC

UNIVERSITY OF NANKING
CONDENSED BALANCE SHEET
JUNE 30, 1936

ASSETS

<u>Endowment</u>			
University Investments	372,921.36		
China Famine Fund Investments	564,911.62		
Retirement Reserve "	5,737.50		
Investments held by others	148,750.00		
Cash	<u>2,801.58</u>	1,095,122.06	
<u>Plant</u>			
Land, Buildings & Equipment	757,951.01		
Less Cash Overdrawn	<u>93.38</u>	757,857.63	
<u>Current Fund Assets</u>			
Accounts Receivable		250.00	
Famine Fund Cash	13,960.25		
Current Special Cash	<u>4,616.66</u>		
	18,576.91		
<u>Less:</u>			
Cur.Gen.Overdft.	6,618.36		
Hospital "	80.00		
Promotional "	<u>2,630.45</u>	<u>9,328.81</u>	9,248.10
<u>Expenses Advanced to 1936-37</u>			
Directors	2,401.42		
Home Administration	3,966.94		
Hospital	<u>80.00</u>	6,448.36	
<u>Deficits-General (net)</u>			
	619.26		
-Promotional	<u>2,630.45</u>	3,249.71	
<u>Suspense</u>			
	<u>92.56</u>	<u>19,288.73</u>	
		<u>1,872,268.42</u>	

LIABILITIES

<u>Endowment</u>			
University Funds		509,774.14	
China Famine Funds		566,456.80	
Restricted (Scholarship)		7,000.00	
Retirement Reserve Funds		5,762.85	
Profit on Sale Securities		<u>6,128.27</u>	1,095,122.06
<u>Plant</u>			
Funds for Land, Buildings and			
Equipment			757,857.63
<u>Current Funds</u>			
Restricted Accounts			
Harvard-Yenching a/c	4,936.61		
Scholarship	109.14		
Retirement Reserve	<u>282.73</u>	5,328.48	
<u>Famine Fund</u>			
Receipts carried forward	59,493.61		
<u>Less:</u>			
Expenses carried forward	<u>45,533.36</u>		
Net Receipts carried fwd.		<u>13,960.25</u>	19,288.73
			<u>1,872,268.42</u>

ROC

BUDGET ANALYSIS 1935-36

UNIVERSITY OF NANKING

As of June 30, 1936

DISBURSEMENTS

I. GENERAL UNIVERSITY

RECEIPTS

Class A. General Funds

Acct. No.	Item	Appropriation US\$	Disbursed to June 30 US\$	Acct. No.	Item	Estimated Income US\$	Recd. to June 30 US\$
					<u>Mission Board Cash Grants</u>		
31	General Purposes, Directors' Budget (a) Directors' Current)		7,697.69	131	United Christian Mis. Soc.	1,500.00	1,500.00
31.1	Salaries Account)... 17,328.75		9,228.96	132	Methodist Board.....	1,055.00	1,055.00
32	Library)		1,568.67	133	Presbyterian Board.....	2,920.00	2,920.00
				133.1	Baptist Board.....	800.00	800.00
				136	Special Gifts-Current Budget..	-	115.00
				130	Board of Directors - Rent.....	-	.30
					<u>Endowment Income</u>		
				137.1	General.....	27.65	29.32
				137.1	U.C.M.S.	279.00	295.16
				137.2	Hall Estate.....	10,041.00	10,321.43
				137.3	Swasey Fund.....	2,275.00	1,524.78
				137.4	M.E. Fund-Agri. & Forestry.....	3,000.00	3,000.00
						21,897.65	21,560.99
					Less Home Administration & Promo. ..	4,568.90	4,568.90
						17,328.75	16,992.09

Class B. Special Funds

	Estimated Disbursements	Disbursed to June 30		Estimated Disbursements	Disbursed to June 30
134	Hoover Trust Fund.....	3,055.03	134	Hoover Trust Fund.....	3,055.03
171.2	Harvard-Yenching Inst. ..	12,631.58	171.2	Harvard-Yenching Inst.	12,631.58
178.1	Salary Acct.-C.H.Riggs...	2,409.93	178.1	Special Salary-C.H.Riggs.....	2,409.93
		18,096.54			18,096.54

ROC

II. FAMINE FUNDS
(Estimated Rate - 2.75 to 1.00)

Acct. No.	Item	Appropriation LC\$	Paid to June 30 LC\$	Paid to June 30 US\$	Acct. No.	Item	Estimated Income US\$	Rec'd. to June 30 US\$
51	General Purposes 1935-36) Disbursed in New York) Transmitted to field)	167,049.00	22,091.74 109,879.24	8,033.36 37,500.00	151	China Famine Relief Funds- 1935-36.....	60,745.09	59,493.61
		<u>167,049.00</u>	<u>131,970.98</u>	<u>45,533.36</u>			<u>60,745.09</u>	<u>59,493.61</u>

III. HOSPITAL

	Appropriation US\$	Paid to June 30 US\$				
61	General Purposes) Disbursed in New York).....	1,295.00	31.56	162.1	Methodist Board.....	340.00 340.00
61.1	Salaries Account.....		1,263.44	163	U.C.M.S.	375.00 375.00
		<u>1,295.00</u>	<u>1,295.00</u>	164	Presbyterian Board.....	580.00 580.00
						<u>1,295.00 1,295.00</u>

IV. BOARD OF FOUNDERS

			<u>Assignment from General Funds</u>	
36.1	Home Adm.-Executive Office.....	2,400.00	4,163.48	Home Administration..... 2,400.00 2,400.00
36.2	" " -Incidentals.....		115.13	Promotion..... 2,168.90 2,168.90
36.3	" " -Trustees.....		2,063.23	
36.4	Promotional Expense.....	2,168.90	2,194.00	
		<u>4,568.90</u>	<u>8,535.84</u>	<u>4,568.90 4,568.90</u>

S U M M A R Y

	<u>Cash Situation June 30, 1936</u>		<u>Budget Situation June 30, 1936</u>		
	Balance US\$	Overdraft	Unexpended US\$	Overexpended US\$	Unexpended LC\$
I. General University, Class A.....	-	1,503.23	-	1,166.57	-
Class B.....	4,936.61	-	4,936.61	-	-
II. Famine Funds 1935-36.....	13,960.25	-	-	-	35,078.02
III. Hospital.....	-	-	-	-	-
IV. Board of Founders.....	-	3,966.94	-	3,966.94	-
	<u>18,896.86</u>	<u>5,470.17</u>	<u>4,936.61</u>	<u>5,133.51</u>	<u>35,078.02</u>

UNIVERSITY OF NANKING

LIST OF SECURITIES

June 30, 1936

<u>Date</u> <u>Pur-</u> <u>chased</u>	<u>Face</u> <u>Value</u>	<u>Security</u>	<u>Legal</u> <u>Trust</u> <u>Inv.</u>	<u>Fitch</u> <u>Rat-</u> <u>ing</u>	<u>Int.</u> <u>Rate</u>	<u>Cost</u> <u>Price</u>	<u>Market</u> <u>Price</u> <u>6/30/36</u>	<u>Cost</u>	<u>Market</u> <u>Value</u> <u>6/30/36</u>	<u>Nominal</u> <u>Income</u>
(a) Consolidated Endowment Investments, General Funds										
<u>Mortgages, Real Estate</u>										
1/23/29	\$4,000	Guar. Mtg. 1515 Oving St....1934	On open mtg.	"	5 $\frac{1}{2}$	100	85	\$4,000.00	\$3,400.00	\$220.00
3/31/30	10,000	136 East 237th St., Bronx....1936	"	"	"	100	85	10,000.00	8,500.00	500.00
3/31/30	9,000	6157 Tyndall Ave., Bronx.....1933	"	"	"	100	80	9,000.00	7,200.00	—
3/31/30	8,000	414 Brook Ave., Bronx.....1933	"	"	"	100	85	8,000.00	6,800.00	440.00
1/23/29	73,663.17	2348 7th Ave., Vintula Realty1933	Foreclosed	"	5 $\frac{1}{2}$ *	100	50	73,663.17	36,831.58	—
4/3/28	5,500	Participating Ctf., Lawyers Mtg. Co., 40 Lincoln Rd. Brooklyn..1933	In Reorgan- ization	"	5 $\frac{1}{2}$ *	100	70	5,500.00	3,850.00	—
	<u>\$110,163.17</u>							<u>\$110,163.17</u>	<u>\$66,580.68</u>	<u>\$1,160.00</u>
<u>Railroad Bonds</u>										
1/22/29	10,000	Baltimore & Ohio R.R.Co. "D"....2000 N.Y.	BBB		5	101-1/2	81-1/4	10,150.00	8,125.00	500.00
1/25;5/29	10,000	Central of Georgia Ry. "B"....1959	DDD		5 $\frac{1}{2}$ *	100-76	14	10,076.25	1,400.00	—
12/9/22	1,000	Interborough Rapid Trans.....1966	BBB		5	96-5/8	94-5/8	966.25	946.25	50.00
3/25;1/29	10,000	Missouri, Kansas & Texas R.R."A"1962 N.Y.	B		5	96-1/2	83	9,652.50	8,300.00	500.00
1/14/25	5,000	New York Central R.R.Co. "C"....2013 N.Y.	BB		5	99-7/8	93-1/2	4,993.75	4,675.00	250.00
9/6/35	5,000	Northern Pacific Rwy. "D"....2047 N.Y.	A		5	95-3/8	107-1/8	4,781.25	5,354.50	250.00
11/7/29	2,000	St. Louis, San Francisco "A"....1978	DD		4 $\frac{1}{2}$ *	90	18-1/4	1,805.00	365.00	—
	<u>\$43,000</u>							<u>\$42,425.00</u>	<u>\$29,165.75</u>	<u>\$1,550.00</u>
<u>Public Utility Bonds</u>										
5/31/29	10,000	Amer. Power & Light Deb.....2016	BB		6	105-2/5	102	10,540.00	10,200.00	600.00
1/14/25	5,000	American Tel. & Tel. Deb. S.F..1943	AAA		5 $\frac{1}{2}$	104	113-1/2	5,087.50	5,675.00	275.00
4/6/32	4,000	Brooklyn Edison Co. Gen'l Mtg"EW"1952 N.Y.	AAA		5	100-1/4	103-7/8	4,010.00	4,155.00	200.00
7/26/29	3,000	Federal Light & Traction Co. 1st 1942	BBB		6	102-1/5	103-1/4	3,066.00	3,097.50	180.00
4/5/32	5,000	Hydraulic of Niagara Falls.....1951	AAA		5	99-1/4	107-1/4	4,987.50	5,362.50	250.00
2/21/33	5,000	Toledo Edison Co. 1st Mtg.....1962 N.Y.	AA		5	92-1/4	107-1/8	4,612.50	5,356.25	250.00
	<u>\$32,000</u>							<u>\$32,303.50</u>	<u>\$33,846.25</u>	<u>\$1,755.00</u>

Ranking List of Securities as of June 30, 1936

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<u>Date</u> <u>Pur-</u> <u>chased</u>	<u>Face</u> <u>Value</u>	<u>Security</u>	<u>Due</u>	<u>Legal</u> <u>Trust</u> <u>Inv.</u>	<u>Fitch</u> <u>Rating</u>	<u>Int.</u> <u>Rate</u>	<u>Cost</u> <u>Price</u>	<u>Market</u> <u>Price</u> <u>6/30/36</u>	<u>Cost</u>	<u>Market</u> <u>Value</u> <u>6/30/36</u>	<u>Nominal</u> <u>Income</u>	
<u>Industrial Bonds</u>												
5/24/29	10,000	United States Rubber Co.....	1947		BBB	5	90.16	106-3/4	\$9,016.25	\$10,675.00	500.00	
11/35;2/36	10,000	Youngstown S. & T. "A".....	1978		BB	5	102	105	10,246.25	10,500.00	500.00	
	\$20,000								\$19,262.50	\$21,175.00	\$1,000.00	
<u>Foreign Bonds</u>												
1/29;5/29	7,000	Commonwealth of Australia Ext..	1956		A	4½	87	101	6,087.50	7,070.00	315.00	
1/29;5/29	10,000	Kingdom of Norway, S.F.....	1963		BBB	5	96-1/4	101-1/2	9,628.75	10,150.00	500.00	
	\$17,000								\$15,716.25	\$17,220.00	\$815.00	
<u>U. S. Government Bonds</u>												
3/29/35	5,000	Home Owners Loan Corp. "B"....	1949				2-3/4	100.7	101.14	5,010.94	5,071.86	137.50
<u>Preferred Stock</u>												
12/28/31	1,400	Sh. Aluminum Co. of America \$6 Pfd.			CCC	2.50	100	115-1/2	140,000.00	161,700.00	4,200.00	
4/7/36	80	Atchison, Topeka & Santa Fe 5% Pfd.					100-1/4	104	8,040.00	8,320.00	400.00	
									\$148,040.00	\$170,020.00	\$4,600.00	
									1,256.40	1,256.40		
									\$374,177.76	\$46,277.34	\$11,027.50	
Cash Awaiting Investment, June 30, 1936												

(*Accrued interest charged when securities were purchased and not collected up to June 30th.)

(b) Famine Fund Investments

Real Estate Notes, on Washington
Property, held by National Savings
& Trust Company, Washington

8/2/33	\$10,000	Oscar Baum - 1737-9 L Street N.W. & 1108 Conn. Ave. N.W.....	1933	Slow		5½	100	70	10,000.00	7,000.00	
8/2/33	50,000	J.J. Moeba, 1025 Vermont Ave. N.W. and 19th St. & Conn Ave. N.W.	1933	Slow		4	100	60	50,000.00	30,000.00	1,752.45

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Ranking List of Securities as of June 30, 1936

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Date Purchased	Face Value	Security	Due	Legal Trust Inv.	Fitch Rating	Int. Cost Rate	Price	Market Price 6/30/36	Cost	Market Value 6/30/36	Nominal Income
8/2/33	30,000	E.D. Rheem, 3039 Q St. N.W.	1933	Slow		6	100	70	30,000.00	21,000.00	4,219.50
8/2/33	20,221.37	Shannon & Luchs Const. Co. R.I. Ave. N.E. at 15th St.	1933	In default		5 $\frac{1}{2}$ *	100	25	20,221.37	5,055.34	-
8/2/33	79,385.56	Stewart Bros., Inc. 6th & "K" Streets, N.W.	1934	Principal being reded.		5 $\frac{3}{8}$	100	95	79,385.56	75,416.18	4,993.61
8/2/33	35,000.00	F.C. Weems, 1603 K St., N.W.	1934	ditto		5 $\frac{3}{8}$	100	95	35,000.00	33,250.00	2,001.36
	<u>224,606.93</u>								<u>224,606.93</u>	<u>171,721.52</u>	<u>12,966.92</u>

U.S. Government Bonds & Notes

7/25/33	275,000	U.S. Treasury Bonds.....	1952			4 $\frac{1}{2}$	100	117.26	275,000.00	323,984.38	11,687.50
12/7/34	65,000	U.S. Treasury Bonds.....	1951-5			3	100.13	104.16	65,304.69	67,925.00	1,950.00
	<u>340,000</u>								<u>340,304.69</u>	<u>391,909.38</u>	<u>13,637.50</u>
	564,606.93								564,911.62	563,630.90	26,604.42
		Plus Cash (1) awaiting transfer to Famine Fund Expenditure a/c (2) on deposit in savings banks							1,545.18	1,545.18	15.17
									<u>566,456.80</u>	<u>565,176.08</u>	<u>26,619.59</u>

(c) Retirement Reserve Fund Investments

4/6/36	20 sh.	Atchison, Topeka & Santa Fe 5% Pfd.						101-1/4	104	2,010.00	2,080.00	100.00
2/16/32	\$ 2,000	Cincinnati Union Terminal "B".....	2020 N.Y.	AAA	5			96-1/8	107-1/2	1,922.50	2,150.00	100.00
1/16/32	2,000	Cleveland Union Terminal "B".....	1973 N.Y.	BB	5			90	108-3/8	1,805.00	2,167.50	100.00
	<u>\$ 4,000</u>									<u>5,737.50</u>	<u>6,397.50</u>	<u>300.00</u>
										946,372.06	915,909.42	37,937.09

ROC

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
UNIVERSITY OF NANKING

12:30 P.M. Wednesday, October 14, 1936
Parkside Hotel, New York City

List of Members

G. B. Huntington	*Morris W. Eames
*Robert C. Morris	*R. E. Speer
*Russell Carter	

Those whose names are starred were present, also B. A. Garside and C. A. Evans.

A letter of regret for absence from Dr. R. E. Speer was presented.

Mr. Russell Carter was elected Chairman pro tem.

INDIVIDUAL MORTGAGES

The committee studied the reports submitted on four individual mortgages serviced by the Bond & Mortgage Corporation, and observed that only one of the group required special attention at the present time. This is the property located at 6157 Tyndall Avenue, Bronx, upon which a mortgage of \$9,000 is carried by the University. It was reported that the owner had promised to pay \$100, per month to the servicing corporation, but that he had failed to keep the promise, and it is the impression of the corporation that the owner is not in a position to make these payments and that he has lost interest in the property. As there is a second mortgage of at least \$7,000 on the property, title cannot be secured without foreclosure, which procedure is recommended by the Bond & Mortgage Corporation. The problem was studied with considerable concern, the committee being reluctant to take over the property if no other method of operation could be discovered. As no alternative was presented, it was

F-362 VOTED to authorize the proper officers of the Board of Founders to proceed with the foreclosure of mortgage attached to property located at 6157 Tyndall Avenue, Bronx, paying the necessary costs and caring for the accrued taxes for the purpose of securing a clear title.

STATUS OF HOLDINGS IN THE LAWYERS MORTGAGE COMPANY

The committee was informed that the Lawyers Mortgage Company is in the process of reorganization, which up to the present time has in no way affected the holdings of the University. As the one property serviced by the corporation is also in process of reorganization, a report was presented showing its present standing. The property is located at 40 Lincoln Road, Brooklyn, all taxes having been paid up through the first quarter of 1936, but no interest has been received since January 3, 1933. It is anticipated that the plan for reorganization will be completed within the next few weeks.

2748 SEVENTH AVENUE PROPERTY

The committee gave consideration to the accrued taxes on this property, amounting to \$1,471.50 for the year 1936. It was revealed that the W.P.A. is still occupying the building as a music center, and that no funds are available for rent or taxes unless the Safety Department will approve using the building without fire escapes. Pressure has been exerted to secure a decision in this respect, but

10/14/36

without result. As the W.P.A. claims to have spent \$14,000 in renovating the building and is maintaining it in good order, it was felt inadvisable to make any overtures to dispossess the present occupants unless some plan has been evolved for the sale or rental of the property.

It was recognized that large sums have been spent in meeting taxes up to the first of 1936, but as the stake involved in the property is now \$73,691.67, it was felt inadvisable to postpone the payment of taxes for a greater length of time, piling up penalties, even though it would be necessary to sell securities to realize funds to be used for this purpose.

Hope was expressed that the Assistant Treasurer could reopen channels of investigation whereby interest might be aroused to the end of disposing of the property. Meanwhile the present occupants shall be allowed to remain.

No other procedure seemed open but to authorize the payment of the taxes, and it was

F-863 VOTED to instruct the Treasurer's office to pay accrued taxes on the property located at 2348 Seventh Avenue, continuing negotiations with the W.P.A., with the hope of securing reimbursement of the present year's taxes.

INVESTMENTS

The committee turned its attention to the list of bonds and stocks held in the account of the University, and discussed the character of the various holdings. Consideration was given to the necessity of raising funds for paying taxes on the hospital property and foreclosure proceedings and taxes on the Tyndall Avenue property. General regret was expressed at the necessity for selling good securities and decreasing income for such a purpose, but all agreed that it would be the most advisable thing to do in order to protect the equity in the two mortgage propositions. It was

F-864 VOTED to authorize the Treasurer to sell a portion or all of the Toledo Edison 5/62 for the purpose of paying taxes on 2348 Seventh Avenue, and taxes and foreclosure expenses on 6157 Tyndall Avenue.

REDUCTION OF INTEREST ON STEUART LOAN (FAMINE FUNDS)

A communication from the National Savings & Trust Company was presented, voicing a request for a reduction of interest from $5\frac{1}{2}\%$ to 5% on the Steuart loan in Washington, D.C. carried in the Famine Funds account. The amount of the loan is \$76,244.03, representing more than one-half of the total loan of \$151,244.03. The committee felt it was not advisable to agree to this reduction, especially since the bank gave very little information as to the reason for making this request. It was

F-865 VOTED that the Assistant Secretary be instructed to write to the National Savings & Trust Company, informing them that the committee does not see its way clear to reduce the interest on the Steuart loan at the present time, and consequently declined the request as set forth in the letter of August 29th.

10/14/36

HOOVER TRUST FUND

The committee was informed that the Geo. D. Harter Bank, Canton, Ohio, trustee of the Hoover Trust Fund, had written September 23, 1936, requesting disposition of the balance of the investments held in the Hoover Trust Fund. The bank suggested that the securities now on hand be forwarded to the Board of Founders and that the trust fund with the bank be terminated. Agreeable to this request, it was

F-866 VOTED to authorize the termination of the Hoover Trust Fund, requesting the Geo. D. Harter Bank, Canton, Ohio, to forward securities now held in the fund to the custodian account of the University at the 21st Street branch of the Irving Trust Company, New York City.

1935-36 AUDIT

The Report of the Auditors for the year 1935-36 received from Chambellan, Berger & Welti, was reviewed by the committee, and after a careful study, it was

F-867 VOTED that the Finance Committee has studied the Report of the Auditors and recommend to the Board of Founders the acceptance of same.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

MINUTES OF MEETING
COMMITTEE ON PROMOTION
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

Room 918, 150 Fifth Avenue, New York City
3:30 P.M. Thursday, October 15, 1936

List of Members

*E. C. Lobenstine, Chmn. **R. E. Diffendorfer *Robert E. Speer
**J. W. Decker Alexander Paul

Those whose names are starred above were present, as was the Secretary. Those whose names are double-starred had sent in written expression of judgment on the major item of business to come before the Committee.

EXPENSES OF MISS ANDERSON

The Committee noted the following action of the meeting of the Board of Founders held on September 24, 1936:-

"Voted, to refer to the Committee on Promotion, with power, the question of making similar provision for the expenses of Miss Hilda M. Anderson to permit her engaging in promotional work on behalf of the University of Nanking during her present furlough."

The work being done by Miss Anderson in Boston, and contemplated for other areas, was discussed by the Committee. It was noted that Miss Anderson's furlough plans call for study the second semester, and that she would therefore probably be available for promotional work only until January. It was

CP-868 VOTED to approve the payment, from the promotional account of the Founders, of the expenses involved in Miss Hilda M. Anderson's promotional activities on behalf of the University, with the understanding that this is in accordance with the plans of the Promotional Committee of the Associated Boards.

The Committee adjourned.

B. A. GARSIDE
Secretary

VC

MINUTES OF MEETING
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

Room 300, 150 Fifth Avenue, New York, N. Y.
2:30 P.M. Wednesday, November 18, 1936

List of Members

<u>Board</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>Alternates</u>
Baptists		J. W. Decker	G. B. Huntington	
Disciples	Alexander Paul	S. J. Corey	*C. M. Yocum	C. T. Paul
Methodists	R. E. Diffendorfer	R. E. Morris	(vacancy)	F. T. Cartwright
Presby.	*E. C. Lobenstine	E. B. Cobb	T. C. Speers	*C. H. Fenn
Coopted	*R. E. Speer	Ambrose Swasey		
	J. H. Banton	*Russell Carter		
	Margaret E. Hodge	*Mrs. F. J. McConnell		
Ex Officio	*Y. G. Chen	Florence G. Tyler		

Those whose names are starred were present, as were Mr. W. R. Wheeler, Mr. C. A. Evans, and the Secretary.

Dr. Speer presided.

The meeting was opened with prayer by Mr. Yocum.

APPROVAL OF MINUTES

BF-869 VOTED to approve as distributed the minutes of the following meetings:-
Board of Founders, September 24th, 1936; Committee on Promotion, September 24th and October 15th, 1936; Committee on Finance, October 14th, 1936.

MINUTES OF MEETING, EXECUTIVE-FINANCE COMMITTEE, BOARD OF DIRECTORS

The Board reviewed briefly the minutes of the meeting of the Executive-Finance Committee of the Board of Directors held on September 26th, 1936. The following actions were taken:-

DEF-1188-9 The Wu Tiao-ching Gift

BF-870 VOTED that the Board of Founders record its sincere appreciation of the generosity of the descendants of Mr. Wu Tiao-ching for their gift of LC\$30,000 for the erection of a dormitory; and to Dr. Ferguson and other representatives of the University for their efforts in securing this gift.

DEF-1200 - Freshman Dormitory

BF-871 VOTED that it is the understanding of the Board of Founders that the securing of LC\$20,000 for a freshman dormitory is within the list of objectives already approved for promotional work during the year 1936-37, and the Board therefore heartily concurs in the request that Mr. Wheeler endeavor to secure the funds required for this purpose.

DEF-1205-8 - Special Grants

BF-872 VOTED that the Board of Founders record its appreciation of the continued support being given to the work of the University of Nanking by the British Boxer Indemnity Fund, the Rockefeller Foundation, and the Ministry of Education.

November 18, 1936

LAND REGISTRATION

The Board reviewed the actions of the Directors' Executive-Finance Committee dealing with the subject of land registration (DEF-1195-7). Covering letters from Dr. Wei and Miss Priest were also reviewed. It was noted that the Executive-Finance Committee has proceeded with the registration of all properties of the University on the basis of a perpetual lease in the name of the Board of Founders, but that this has been done with the understanding that the Directors may later decide to change the terms of registration to ownership under the Board of Directors. It was

BF-873 VOTED that the Board of Founders record its sincere appreciation of the careful and cautious manner in which the Board of Directors is proceeding in its dealings with the important problems connected with the registration of the property of the University.

The Secretary presented a letter from Dr. Speer under date of October 21, 1936, transmitting the action taken by the Board of Foreign Missions of the Presbyterian Church in the U.S.A. at its meeting on October 19, 1936, with regard to the registration of the property of the University of Nanking. This action of the Presbyterian Board was as follows:-

"The action of the Board of Founders of the University of Nanking with regard to the registration of the property of the University was reported to the Board as follows:

"Voted that the Board of Founders of the University of Nanking authorize the Board of Directors of the University to register the property, including both land and buildings, of the University of Nanking with the Chinese Government in the name of the Board of Directors, with the understanding that the Board of Directors will give the Board of Founders, representing the original donors, formal assurance of their acceptance of the trust to carry on the University in accordance with the purpose for which it was founded."

"It was voted to suggest to the Board of Founders the addition of a provision to the effect that if it should be found impossible at any time to continue the University or to maintain its Christian character and influence and missionary purpose, the equity of the Board of Founders in the land and buildings of the University should be returned to the Board of Founders.

"The Ginling Board of Founders reported that it had taken action identical with that of the Board of Founders of Nanking University and it was voted to extend this action of the Board of Foreign Missions to cover the situation in Ginling, and to agree to the inclusion in the transfer of title the one piece of property held for Ginling College in the name of the Presbyterian Board of Foreign Missions.

"The question was raised in the Board as to where the responsibility should reside for determining in the future whether the University was carrying on its work in accordance with the purpose for which it was founded and in maintenance of its Christian character and influence and missionary purpose, if doubt should arise. It was voted to inquire from the Board of Founders, and through it from the Board of Directors, whether this responsibility would reside in the courts in China or in the Board of Founders in its responsibility to the original donors and to the cooperating Boards."

The Secretary stated that as yet, no replies have been received from the other three cooperating Boards in response to the notification sent them by the Secretary relative to the action of the Board of Founders in regard to land registration (BF-848-9). It was

BF-874 VOTED that the Board of Founders make record of the action adopted by the Presbyterian Board on October 19, 1936 relative to the registration of the property of the University of Nanking as quoted above; and that the Founders request the Board of Directors to give consideration to the suggestions made by the Presbyterian Board, in connection with the "formal assurance of their acceptance of the trust to carry on the University in accordance with the purpose for which it was founded."

BF-875 VOTED that any further action on the suggestions of the Presbyterian Board be deferred until the next meeting, in the hope that by that time there will be available both the comments of the Board of Directors and the responses of the other three cooperating Mission Boards.

PROMOTIONAL MATTERS

The Board gave its attention to a number of matters related to publicity and promotion. The Chairman of the Committee on Promotion and the Secretary reported briefly on promotional plans and policies and the activities of President Chen, Mr. Wheeler, and Miss Anderson. President Chen commented briefly on the work he has been doing, and referred to the possible desirability of his returning to America again in a year or two for more prolonged and intensive promotional work. Mr. Wheeler pointed out that during the period of more than a decade since the last intensive promotional work for the University of Nanking was carried on, most of the supporters of the University have been lost, either through death or by transfer of interest to other causes. He stated that it would be necessary to rebuild support and interest almost from a new beginning, and expressed the judgment that this undertaking would require at least five years.

The use of a number of copies of Mr. Wheeler's biography of Dr. Williams, now being published by Revell & Company, was discussed and it was

BF-876 VOTED to authorize the purchase, for use in connection with the Nanking promotional work, of 100 copies of Dr. Williams' biography at the pre-publication cost of \$1.20 per copy.

The Board discussed briefly the possibility of creating a memorial fund in honor of Dr. Williams but no definite action was taken.

STRENGTHENING OF PERSONNEL OF THE BOARD OF FOUNDERS

The Board gave its attention to the problem of strengthening its personnel by the addition of members, particularly laymen, who would be able to give a substantial amount of time and thought to the interests of the University. A number of names were tentatively suggested for further study. It was agreed that a further canvass of the members of the Board should be made to secure additional names and to give the whole matter very careful study.

PROPOSALS CONCERNING GRADUATE WORK

The Board reviewed the discussions and correspondence of recent months with regard to the carrying on of a limited amount of graduate work in the fields of Chemistry and History. Attention was called to action BF-822 adopted by the Founders at the VC

Annual Meeting on April 22nd, 1936. President Chen reported on conversations he has had with the Director and Trustees of the Harvard-Yenching Institute in regard to this matter. He also stated that the Executive Committee of the Council of Higher Education has approved the recognition of this limited amount of graduate work being carried on in Chemistry and History. After discussion, it was

BF-877 VOTED that, in view of the action of the Ministry of Education directing the University of Nanking to undertake graduate courses in History and in Chemistry; and

In view of the fact that the University has been giving graduate courses in Chemistry since 1922, and is now prepared to offer graduate courses in History without assuming any increased financial burden, and desires to give only degrees in connection with this work now being done; and

In view of President Chen's report of his conference with the Harvard-Yenching Institute which, while unable to promise any increased support for these courses, yet takes no exception to their development; and

In view of the approval of this development by the Executive Committee of the Council of Higher Education;

Therefore, the Board of Founders of the University of Nanking hereby authorizes the Board of Directors to confer the degree of Master of Arts in History, and the degree of Master of Science in Chemistry, with the understanding that this meets with the approval of the Council of Higher Education and of the Associated Boards.

The Founders request that the Directors send reports from time to time as to the results attained in these two departments.

The meeting adjourned.

B. A. GARSIDE
Secretary

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
UNIVERSITY OF NANKING

12:30 P.M. Wednesday, January 27, 1937
Parkside Hotel, New York

List of Members

G. B. Huntington	Morris W. Ehnes
*Robert C. Morris	R. E. Speer
*Russell Carter	

Those whose names are starred were present, also Forrest Smith (representing George B. Huntington, absent on account of illness), B. A. Garside and C. A. Evans.

Regrets were received from Dr. Speer.

INVESTMENT OF FAMINE FUND CASH

The committee was informed that the Rheems note held in the Famine Funds account in custody with the National Savings & Trust Company of Washington, D.C. had been paid in full and that the money was available for investment.

A list of suggestions for investment was presented and others were mentioned by the committee. After a very careful review of conditions surrounding the general market as well as the prevailing economic situation, the committee deemed it wise to proceed with the investment of the funds, diversifying by the use of some preferred utility stocks, dividing the balance between industrials and rails. It was

F-878 VOTED to purchase 60 sh. North American Edison 6% Pfd. at 104	
40 " Consolidated Edison 5% Pfd. "	107 $\frac{3}{4}$ (call 105)
\$10,000 Pennsylvania R.R. 3 $\frac{3}{4}$ /70 "	102 (call 105)
5,000 General Motors Accept. 3 $\frac{1}{4}$ /51 "	102 $\frac{1}{4}$ (call 104)
Balance in Bethlehem Steel 3 $\frac{3}{4}$ /66 "	98 $\frac{1}{4}$ (call 105)

REPORT ON INVESTMENTS

Only three items called for special attention among the mortgages, as follows:

\$9,000 - 6157 Tyndall Avenue. It was stated that foreclosure proceedings have been inaugurated, the summons and complaint having been executed on January 14, 1937. As the property was reported vacant by the Bond & Mortgage Company, no trustee will be necessary.

2348 Seventh Avenue. Consideration was given to the proposal that the W.P.A. lease this property for a year on a month to month basis, the annual rental price being \$1,800, to cover taxes, and the attaching of a fire escape to the south side of the building. The question was raised as to the possibility of selling the property or leasing it for a larger rental, and as there seemed to be no prospects of either, it was

F-879 VOTED (a) To authorize the Assistant Treasurer to execute a lease with the W.P.A. for the 2348 Seventh Avenue property on a month to month basis at a price of \$1,800 per year;

1/27/37

(b) To authorize the Assistant Treasurer to sign contract for the erection of fire escape on the 2348 Seventh Avenue property at a cost not to exceed five hundred dollars (\$500.) to be deducted from income on lease.

Participating Certificates - 40 Lincoln Road, Brooklyn. It was stated that this company has completed its reorganization process and that interest will be forthcoming at an early date.

GAIN ON EXCHANGE 1935-36

Attention was directed to the report of the field treasurer showing the gain on exchange for the year to be \$506.12, accruing to the credit of the Board of Founders. It was

F-880 VOTED to recommend to the Board of Founders that the accrued gain on exchange for 1935-36 amounting to \$506.12 be credited against the current deficits as carried on the books of the Founders.

BACK DIVIDENDS ON ALUMINUM PREFERRED

Attention was directed to the \$10,150 received December 21st representing \$7.25 on accrued dividends from the Aluminum Company of America.

A study of the deficits carried on the field and on the books of the Board of Founders was presented and discussed. The suggestion was made that the fund be divided equally, to be applied to deficits in China and on the Founders' books, the net effect being to reduce the field debt to approximately LC\$30,000 and the Founders' deficit to \$1,635.50. It was

F-881 VOTED (a) To recommend to the Board of Founders that the \$10,150 received for back dividends on Aluminum Preferred Stock be divided equally between the Board of Directors on the field and the Founders, to be applied against accrued deficits.

(b) To recommend that the \$5,075 available for the Founders be applied against the Home Administration deficits, and the Current General deficits, the balance to be applied on the 1934-35 Promotional deficit.

BALANCE OF ALUMINUM ACCRUED DIVIDENDS TO BE PAID

It was noted that \$12,600 of accrued back dividends on Aluminum Preferred would be forthcoming at some future date. Consideration was given to the procedure to be followed in handling this amount of income. The suggestion which met with unanimous approval of the committee was that an endowment income stabilization fund be established, and it was

F-882 VOTED to recommend to the Board of Founders that when, if, and as the balance of accrued dividends on preferred stock of Aluminum Company is received, that same be set up on the books of the Board of Founders as an Endowment Income Stabilization Fund, the income to be applied to the current budget, and the disposition of the funds to rest in the hands of the Board of Founders.

ALUMINUM COMPANY DIVIDENDS OF HARVARD-YENCHING INSTITUTE

It was reported that a communication had been received from the Harvard-Yenching Institute showing that after the repayment of \$40,000 advanced from General Funds there remained \$25,250. available from the December 21st back dividend payment to be divided between or held for the various universities interested. The letter from the Institute invited suggestions for the handling of the balance.

The committee expressed appreciation for the opportunity offered by the Institute and discussed various suggestions made for the use of the income. It was

F-883 VOTED to recommend to the Board of Founders regarding the disposition of Nanking University's share in the surplus of \$25,250 now available in the Harvard-Yenching Institute Restricted Account, together with additional funds which may accrue from further payments of back dividends on the Aluminum Preferred Stock held by the Harvard-Yenching Institute:

(a) That the Harvard-Yenching Institute set up these payments of back dividends as an income stabilization fund to be used for maintaining future income on the investments in the Restricted Account at a stable rate;

(b) That in case the Trustees of the Institute prefer to distribute some or all of this surplus among the Boards of Trustees of the beneficiary universities and colleges, this Finance Committee would favor having the Nanking Board of Founders set up its pro rata share of this surplus as a special reserve fund to maintain a stable income for carrying on the work in Nanking University to which the Harvard-Yenching Institute funds are allocated;

(c) That if the Boards of Trustees of the other beneficiary institutions desire to confer on the matter of making uniform recommendations to the Trustees of the Harvard-Yenching Institute regarding the disposition of the surplus, the Finance Committee suggests that Mr. Russell Carter be named the representative of the Nanking Board of Founders.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

MINUTES OF MEETING
EXECUTIVE AND PROMOTION COMMITTEES
BOARD OF FOUNDERS, UNIVERSITY OF NANKING
10:00 A.M., Tuesday, February 9, 1937
Room 300, 150 Fifth Avenue, New York, N. Y.

List of Members

Executive Committee

*Dr. Robert E. Speer
*Mrs. F. J. McConnell
*Dr. J. W. Decker
*Mr. Russell Carter
*Dr. E. C. Lobenstine
*Dr. George B. Huntington
Mr. F. T. Cartwright

Committee on Promotion

*Dr. E. C. Lobenstine
Dr. R. E. Diffendorfer
*Dr. J. W. Decker
Mr. Alexander Paul
*Dr. Robert E. Speer, ex officio

Those whose names are starred above were present as was the Secretary, Dr. Speer presided.

The meeting was opened with prayer.

Apologies for absence were presented on behalf of members of the Committee who could not attend the meeting.

FINANCIAL ITEMS

The Committee gave consideration to the minutes of the meeting of the Committee on Finance, Property and Investment held on January 27th, copies of which had been distributed in advance of the meeting. The following actions were taken:

Gain on Exchange, 1935-36

Ep-884 VOTED to approve the recommendation of the Finance Committee that the accrued gain on exchange for 1935-36, amounting to US\$506.12, be credited against the current deficits of the Board of Founders.

Back Dividends on Aluminum Preferred Stock

EP-885 VOTED to approve the following recommendations of the Committee on Finances:

- (a) that the \$10,150 received for back dividends on Aluminum preferred stock be divided equally between the Board of Directors and the Board of Founders, to be applied against accrued deficits.
- (b) that the \$5,075 available for deficits of the Board of Founders be applied against the home administration deficits, the current general deficits, and the 1934-35 promotional deficits.
- (c) that when, if, and as, the balance of accrued deficits on preferred stock of the Aluminum Company is received, these dividends be set up on the books of the Board of Founders as an endowment income stabilization fund, the income to be applied to the current budget, and the disposition of the funds to rest in the hands of the Board of Founders.

Surplus in Restricted Fund of Harvard-Yenching Institute

EP-886 VOTED to approve the recommendations of the Finance Committee regarding the disposition of the University of Nanking's share in the surplus of \$25,250

now available in the Harvard-Yenching Institute Restricted Account together with additional funds which may accrue from further payments of back dividends on the Aluminum preferred stock held by the Harvard-Yenching Institute, as follows:-

- (a) That the Harvard-Yenching Institute set up these payments of back dividends as an income stabilization fund to be used for maintaining a future income on the investments in the Restricted Account at a stable rate;
- (b) That in case the Trustees of the Institute prefer to distribute some or all of this surplus among the Boards of Trustees of the beneficiary universities and colleges, this Finance Committee would favor having the Nanking Board of Founders set up its pro rata share of this surplus as a special reserve fund to maintain a stable income for carrying on the work in Nanking University to which the Harvard-Yenching Institute funds are allocated;
- (c) That if the Boards of Trustees of the other beneficiary institutions desire to confer on the matter of making uniform recommendations to the Trustees of the Harvard-Yenching Institute regarding the disposition of the surplus, the Finance Committee suggests that Mr. Russell Carter be named the representative of the Nanking Board of Founders.

MINUTES OF BOARD OF DIRECTORS

The Committee took note of the fact that the minutes of the meeting of the Board of Directors held in Nanking on November 20th, 1936, had previously been distributed to all members of the Executive Committee. It was pointed out that practically all the items in these minutes are in confirmation of the actions of the meeting of the Board of Directors Executive-Finance Committee held on September 26th, 1936, and that the matters in these earlier minutes were dealt with by the Nanking Founders at their meeting on November 18th, 1936, with President Chen present. It was considered unnecessary, therefore, for the Executive and Promotion Committees to review such of these actions as had already been dealt with by the Board of Founders. Note was made, however, of the discussion and actions of the Board of Directors on the subject of land registration (D-2033 and D-2034) and it was

EP-887 VOTED to record on behalf of the Board of Founders appreciation for the care and deliberation with which the Board of Directors is dealing with the problems attendant upon the registration of the property of the University with the Chinese governmental authorities.

PROMOTIONAL MATTERS

Dr. Lobenstine presented a report summarizing the promotional activities of the Board of Founders during recent months. He described briefly the work done by President Chen, by Mr. Wheeler, and by Miss Anderson during this period. He pointed out that, inasmuch as there has been little promotional activity on behalf of Nanking since the death of Dr. Williams, much of the work during recent months has necessarily been of a preparatory nature and not immediately productive of substantial new funds. A large number of meetings in various places have been addressed by President Chen and Mr. Wheeler, many former friends and an even larger number of new friends have been seen in promotional interviews, an illustrated booklet has been published, and our cultivation list has been revised and greatly enlarged. One copy of a series of news letters written by

2/9/37

Mr. Wheeler was sent out on January 1st. A letter of appeal is ready to go out to our Nanking constituency, but has been held up for a few weeks because of the Ohio and Mississippi valley floods with the accompanying nation-wide appeal on behalf of the Red Cross. It is now planned to put our appeal letter in the mail the first week in March.

The net results achieved by these promotional efforts have been of two kinds:

(1) Our existing sources of support have been stimulated by the presence of Dr. Chen and the other representatives of the University. (2) A beginning has been made toward the enlistment of new support amounting to \$2,400 in capital gifts and \$673.75 for the support of the current year's work. The representatives of the University of Nanking have been working in cooperation with the promotional staff of the Associated Boards.

The general plans for the remainder of the current fiscal year contemplate the continuation of personal solicitation of such Nanking friends as can be seen individually, and solicitation by mail of the remainder of the list. This work of individual solicitation has been carried on not only by Mr. Wheeler but by Dr. Young, Mr. Aycolott and Mrs. Macmillan of the Associated Boards promotional staff.

After discussion, it was

EP-888 VOTED to receive and place on record the report of promotional activities as given by Dr. Loewenstein, with an expression of appreciation to the representatives from the University of Nanking and the promotional staff of the Associated Boards, for the progress thus far made.

PLANS FOR MR. WHEELER NEXT YEAR

It was pointed out that, due to unfavorable medical decisions concerning Mrs. Wheeler's ability to return to China, the status of Mr. and Mrs. Wheeler as members of the Presbyterian quota at the University of Nanking will be terminated on August 31st, 1937. The question of Mr. Wheeler's future relationship to the University of Nanking, and to other phases of Christian higher educational work in China, was therefore discussed at some length. The possibility of Mr. Wheeler aiding in the promotional work on behalf of the entire group of China Colleges was also suggested. After discussion, it was

EP-889 VOTED (1) to request the representatives of the Nanking Founders on the Promotional Committee of the Associated Boards to present to that Committee the suggestion that the Rev. W. R. Wheeler be invited to serve as a member of the promotional staff of the Associated Boards, beginning not later than September 1st, 1937;

(2) That if the Associated Boards is unable to assume all of Mr. Wheeler's salary and expenses, the Board of Founders of the University of Nanking would be willing to divide those expenses upon any basis which would be found mutually satisfactory;

(3) That if the Associated Boards is unable to avail itself of Mr. Wheeler's services or to assume any portion of his salary and expenses, the Board of Founders of the University of Nanking will assume responsibility for an amount not in excess of US\$7,000 to cover his salary and travel expenses for a period of twelve months, beginning not later than September 1st, 1937.

MATTERS RELATED TO ROSTER OF BOARD

Cooption of Rev. Theodore Cuyler Speers.

In order to provide a place among Presbyterian representatives on the Board of Founders for the China Secretary of the Presbyterian Board, it was

EP-890 VOTED that the Rev. Theodore Cuyler Speers be elected a coopted member of the Board of Founders of the University of Nanking in the Class of 1939.

Other Invitations to Accept Coopted Memberships.

The Committee discussed the desirability of increasing the lay membership of the Board of Founders, and a number of names were suggested. After discussion, it was

EP-891 VOTED to extend an invitation to Mr. William H. Danforth and Mr. Horace C. Coleman, Jr., to accept positions as coopted members on the Board of Founders of the University of Nanking.

Representative on Ginling Board of Founders.

Attention was called to the fact that with the retirement of Dr. John R. Edwards there is at present a vacancy in the representation of the Board of Founders of the University of Nanking on the Board of Founders of Ginling College. It was

EP-892 VOTED to recommend to the Board of Founders of Ginling College that Dr. Frank T. Cartwright be appointed as the second representative of the Board of Founders of the University of Nanking on the Board of Founders of Ginling College.

The meeting adjourned.

B. A. GARSIDE,
Secretary

MINUTES OF MEETING
COMMITTEE ON PROMOTION
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

1:45 P.M., Thursday, May 13th, 1937
Solarium, Hotel Parkside, 18 Gramercy Park South, New York City

List of Members

*E. C. Lobenstine
Alexander Paul

*John W. Decker
Robert E. Speer

*R. E. Diffendorfer

Those whose names are starred above were present as were Mr. W. Reginald Wheeler and the Secretary.

Dr. Lobenstine presided.

ARRANGEMENTS WITH MR. WHEELER FOR COMING YEAR

The Committee reviewed action EP-889 adopted by the Executive and Promotion Committees of the Nanking Founders on February 9th, wherein it is suggested that the Associated Boards might undertake to assume all or some part of the support of the Rev. W. Reginald Wheeler for promotional work on behalf of the entire group of Colleges, but provides that, "if the Associated Boards is unable to avail itself of Mr. Wheeler's services or to assume any portion of his salary and expenses, the Board of Founders of the University of Nanking will assume responsibility for an amount not in excess of US\$7,000 to cover his salary and travel expenses for a period of twelve months, beginning not later than September 1st, 1937". Attention was called to the action of the Associated Boards Committee on Promotion (P-616) adopted April 8, 1937 recommending that the Associated Boards, "in view of the Board of Founders of the University of Nanking that in view of its budget limitations, it will not be possible for the Associated Boards to carry out the suggestions of the Nanking Founders that the Rev. W. Reginald Wheeler be invited to serve as a member of the promotional staff of the Associated Boards."

After discussion of these actions the Committee

CP-893 VOTED with regard to the invitation to the Rev. W. Reginald Wheeler to continue in promotional work during the year 1937-38 that the Committee on Promotion report to the Board of Founders that inasmuch as the Associated Boards has not seen its way clear to invite Mr. Wheeler to join its promotional staff, the third section of action EP-889 as adopted by the Nanking Executive and Promotional Committees on February 9th, 1937, becomes operative. The Committee on Promotion recommends that this action be confirmed by the Annual Meeting of the Nanking Board of Founders,

CP-894 VOTED that the Charman and Secretary of the Committee on Promotion be requested to serve as a special sub-committee to work out, in consultation with Mr. Wheeler, the details of the special promotional budget of the University of Nanking for the year 1937-38.

The meeting adjourned.

B. A. GARSIDE
Secretary

MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

2:15 P.M., Thursday, May 13, 1937
Solarium, Hotel Parkside, 18 Gramercy Park South, New York City

List of Members

<u>Board</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>Alternates</u>
Baptists		*John W. Decker	*G. B. Huntington	
Disciples	Alexander Paul	Stephen J. Corey	C. M. Yocum	C. T. Paul
Methodists	*R. E. Diffendorfer	*Robert C. Morris	(vacancy)	*F.T. Cartwright
Presby.	*E. C. Lobenstine	W. A. Eldridge	*C. H. Fenn	
Coopted	*Robert E. Speer	Ambrose Swasey	*T. C. Speers	
	Joab H. Banton	Russell Carter		
	*Margaret E. Hodge	*Mrs. F. J. McConnell		

Those whose names are starred above were present, as were Rev. W. R. Wheeler and the Secretary.

Dr. Decker presided until the arrival of Dr. Speer, who then took the chair.

The meeting was opened with prayer, led by Dr. Fenn.

Apologies for absence were submitted on behalf of members who could not be present.

APPROVAL OF MINUTES

BF-895 VOTED to approve, as distributed, the minutes of the following meetings:-
Board of Founders, November 18, 1936; Executive and Promotion Committees,
February 9, 1937; Finance Committee, January 27, 1937.

FINANCIAL STATEMENT AND FORECAST

The Assistant Treasurer presented a brief financial statement showing the position of the current accounts to date, and forecasting the probable income and expenditures to the end of the current fiscal year on June 30, 1937. This statement and forecast indicated that the Founders will probably close the year with a small net surplus, although developments during the next six weeks may change the situation materially. Note was made of the fact that, while general authorization has been given (Actions BF-824, BF-855, BF-856, and CP-868) to the Treasurer to make remittances covering the expenses of President Chen, Mr. Wheeler, and Miss Anderson while engaged in Nanking promotional work, no exact figure has been fixed for this item in the 1936-37 budget of the Board of Founders. It was therefore

BF-896 VOTED to define the item for promotional expenditures in the 1936-37 budget of the Nanking Founders as \$3,100.

MATTERS ARISING FROM MARCH 19th MEETING OF DIRECTORS

The Board gave careful consideration to the minutes of the March 19th meeting of the Board of Directors, which had just been received from the field. In this connection the Secretary read to the Board President Chen's letter of April 1st with its detailed comments on the matters dealt with by the Directors at that meeting. The following actions were taken on matters dealt with by the Directors' minutes:-

D-2064. Celebration of Tenth Anniversary of Presidency of Dr. Chen.

The Board noted with pleasure that plans are being made to celebrate the tenth anniversary of the presidency of Dr. Chen at the commencement season in June, 1937. It was

BF-897 VOTED that the Board of Founders of the University of Nanking request the President of the Board to write, extending the Board's felicitations to President Chen in connection with the celebration of the tenth anniversary of his election to the presidency of the University.

D-2066 and 2067 Furloughs of Western Members of Staff.

It was noted that three regular staff members are coming to America on furlough this year, and in each case return after furlough has been requested by the Board of Directors. It was

BF-898 VOTED that the Board of Founders cordially endorse the request of the Board of Directors to the Board of Foreign Missions of the Presbyterian Church that Dr. and Mrs. J. Horton Daniels and Dr. and Mrs. William P. Fenn be returned to the University at the close of their approaching furloughs as regular representatives of the Presbyterian Church; and to the Board of Foreign Missions of the Methodist Episcopal Church that Mr. and Mrs. Francis P. Jones be returned to the University after their furloughs as regular representatives of the Methodist Church on the faculty of the University.

D-2073. Further Back Dividends on Aluminum Preferred Stock.

The Board noted the request of the Directors that if and when the balance of US\$12,600 in back dividends on Aluminum Preferred Stock is paid, as much of this as is required to complete the clearance of the Board of Directors deficit (approximately US\$9,000) be transmitted to the field for this purpose. It also noted that the Board of Founders Executive Committee on February 9th (EP-885-c-) voted, "that when, if, and as, the balance of accrued deficits on preferred stock on the Aluminum Company is received, these dividends be set up as an endowment income stabilization fund, the income to be applied to the current budget and the disposition of the funds to rest in the hands of the Board of Founders." Inasmuch as no further payments of back dividends on this stock have been made or announced, it was

BF-899 VOTED that the decision as to the distribution of further payments of back dividends on preferred stock be referred to the Executive Committee with power

D-2087. Future Development of the Colleges.

The Board reviewed with interest action D-2087, proposing a study of the future development of the University, together with President Chen's comments on this point. After discussion it was

BF-900 VOTED that the Board of Founders is very much gratified to note the action of the Board of Directors (D-2087) requesting the administration to make a study of the future development of the University. The Board of Founders believes that such a study is particularly opportune in view of the recent actions of the Associated Boards and the desire of this Board of Founders for light on this important subject. The Board of Founders asks the

Secretary to communicate this action to the Board of Founders of the other China Colleges.

D-2089. New Departments.

BF-901 VOTED (1) that the Board of Founders records its appreciation of the action of the Board of Directors (D-2089), that "in keeping with the recommendation of the Council of Higher Education, we record as a matter of procedure that whenever the University plans to open new work, or to make structural changes it will first confer with the Council of Higher Education before such changes are made";

(2) that the Board of Founders recommend to the Board of Directors that no new work be undertaken by the University until adequate financial support for such work is definitely assured.

D-2095. Unified Research for Cultural Studies.

The Board noted with interest the action of the Directors (D-2095) with reference to a unified research program in the field of Chinese Cultural Studies, together with President Chen's comments on this topic. It was

BF-902 VOTED that the Board of Founders note with approval the efforts being made in China to unify the research program of the Harvard-Yenching Institute in the field of Chinese Cultural Studies; but that the Founders express the hope that the program of the Institute will be shaped to give a wide distribution of information and training in the field of Chinese cultural studies throughout the student body of the University, rather than restricted to the development of a comparatively small number of research experts.

Other Items in the Minutes of Board of Directors

Since the time available did not permit the Board of Founders to make a detailed study of all matters dealt with by the Board of Directors at its meeting on March 19th, it was

BF-903 VOTED to refer to the Executive Committee of the Board of Founders, with power, consideration and action on any other matters in the 21st meeting of the Board of Directors which may require the attention of the Board of Founders.

BUDGET ESTIMATES, 1937-38

The Board gave careful consideration to the budget estimates for 1937-38 submitted by the Board of Directors and checked by the Treasurers. It was

BF-904 VOTED that the Board of Founders inform the Board of Directors that, in addition to the personnel supplied by the cooperating Mission Boards, it will contribute toward the budget of the University of Nanking during the fiscal year 1937-38 the following amounts:-

(a) toward the general budget the sum of US\$20,804 to be derived from the following sources:

Mission Board grants

Methodist Board	1,055	
Presbyterian Board	2,920	
United Christian Mission- ary Society	1,500	
Baptist Board (A & F)	<u>800</u>	6,275

Income from Endowment

General Funds	14,630	
Swasey Fund	2,000	
Methodist Fund for Agri- culture	3,000	<u>19,630</u>
		25,905

Less:- Home administration	3,540	
Founders' Incidentals	450	
Share in ABCCC		
Promotion	<u>1,111</u>	<u>5,101</u>
		20,804

- (b) Toward the budget of the University Hospital, the sum of US\$1,295 to be derived from the following sources:-

Mission Board cash grants

Methodist Board	340	
Presbyterian Board	580	
U. C. M. S.	<u>375</u>	1,295

- (c) For Special designated items, the following amounts which will be transmitted as and when received:-

Harvard-Yenching Institute	US\$ 14,210.52
Hoover Gift	500.00
U. C. M. S. vacancy	1,300.00

- (d) Toward the Famine Prevention program the sum of LC\$176,751, to be secured from the interest and principal of the Famine Funds held by the Board of Founders.

BF-905 VOTED that the Board of Founders hereby authorize the treasurers of the Board of Founders to make such sales of securities during the year 1937-38 from the Famine Fund account as may be required, in addition to the income received in this account, to provide a total of LC\$176,751 toward the Famine Prevention program of the University for the fiscal year 1937-38.

MATTERS ARISING FROM ANNUAL MEETING OF THE ASSOCIATED BOARDS

The Secretary presented excerpts from the actions of the Annual Meeting of the Associated Boards for Christian Colleges in China held on May 10th and 11th, 1937, containing the items specifically referred to the individual Boards of Trustees, for their consideration and action. The time available did not permit detailed

consideration of all these items. It was

BF-906 VOTED that the Board of Founders of the University of Nanking approve the request of the Associated Boards for the following appropriations during the fiscal year 1937-38:-

(1) Nanking Founders' pro rata share in the administrative budget of the Associated Boards, \$3,540.

(2) Nanking Founders' pro rata share in the promotional budget of the Associated Boards (approximately) \$1,111.

BF-907 VOTED to approve the request of the Associated Boards that "in order to provide funds for carrying on the promotional work, each participating Board of Trustees be asked to advance without interest to the promotional department of the Associated Boards, as and to the extent that it may be required, up to 2% of the support received during 1936-37 from American sources for the current work of the institution it represents, such advances to be refunded before the end of the year out of the receipts of that year.

NOTE: It was noted that on the basis of the income received from American sources for the University of Nanking during the year 1935-36 - US\$111,081 - the amount which the treasurers of the Nanking Board of Founders would be authorized to advance under the above action would be approximately US\$2,222.

BF-908 VOTED that the other matters arising from the Annual Meeting of the Associated Boards requiring consideration by the Board of Founders be referred to the Executive Committee with power.

DISCUSSION OF PROMOTIONAL PLANS

Dr. Lobenstine, the Chairman of the Committee on Promotion, made a report of the meeting of the Committee on Promotion held just in advance of the meeting of the Founders. He submitted for approval by the Board of Founders the two actions adopted by the Committee on Promotion at that time.

Arrangements with Mr. Wheeler. After consideration of action CP-893, it was

BF-909 VOTED that inasmuch as the Associated Boards has not seen its way clear to provide support for Mr. Wheeler as a member of the Associated Boards promotional staff, the Board of Founders of the University of Nanking hereby confirms the procedure proposed in the third section of action EP-889 adopted by the Nanking Executive and Promotion Committees on February 9th as follows:-

"(3) That if the Associated Boards is unable to avail itself of Mr. Wheeler's services or to assume any portion of his salary and expenses, the Board of Founders of the University of Nanking will assume responsibility for an amount not in excess of US\$7,000 to cover his salary and travel expenses for a period of twelve months, beginning not later than September 1st, 1937."

BF-910 VOTED that the Board of Founders approve the following recommendation of the Committee on Promotion:-

"that the Chairman and Secretary of the Committee on Promotion be requested to serve as a special sub-committee to work out, in consultation with Mr. Wheeler, the details of the special promotional budget of the University of Nanking for the year 1937-38, and a suitable title for Mr. Wheeler as he continues his work for the University during the coming year.

ELECTION OF OFFICERS - APPOINTMENT OF COMMITTEES

The Board gave consideration to the election of officers and the appointment of committees to serve during the ensuing year. Dr. Speer informed the Board that due to his approaching retirement as Secretary of the Presbyterian Board, he would be unable to continue as President of the Board of Founders of the University of Nanking during the ensuing year. The Board adopted the following resolution:-

BF-911 RESOLVED that it is with sincerest regret the Board of Founders of the University of Nanking reluctantly accepts the decision of Dr. Robert E. Speer that he should retire from the Presidency of the Board. The Board gratefully remembers how loyally and how ably Dr. Speer has served the interests of the University of Nanking as a member of this Board since it was first established in 1910. He was one of the leaders in effecting the organization of the Board, served as its first regular chairman during the months of organization, and was instrumental in persuading Mr. Louis H. Severance to accept the presidency of the Board in 1911. Upon the death of Mr. Severance in 1913, Dr. Speer was elected President of the Board, and has served continuously in that capacity for the last twenty-four years. It is the earnest hope of the Board that even though Dr. Speer feels he should retire from its presidency, he will long continue to serve as one of its active members.

It was also pointed out that Mr. Russell Carter is retiring from the Treasurership of the Presbyterian Board within a few months and has expressed an earnest desire that he be not re-elected as treasurer of the boards of founders which he has been serving in this capacity. It was

BF-912 RESOLVED that the Board of Founders of the University of Nanking accepts with reluctance and regret the decision of Mr. Russell Carter that he should retire from the treasurership of the Board. The Board remembers with appreciation that Mr. Carter accepted the office of Treasurer of the Board within a few months after it was incorporated on April 19, 1911, and has served continuously in that office for more than a quarter of a century. The Board counts upon Mr. Carter's continued assistance, as a member of the Board, in dealing with its problems of finance and investment.

The Board then turned to the election of officers for the ensuing year and it was

BF-913 VOTED to instruct the Secretary to cast an unanimous ballot for the following officers for the ensuing year:-

Honorary President
President
Vice Presidents

Treasurer
Secretary & Asst. Treasurer
Asst. Secy. & Asst. Treas.

Robert E. Speer
John W. Decker
Mrs. F. J. McConnell
Theodore Cuyler Speers
Robert C. Morris
B. A. Garside
C. A. Evans

Minutes of Annual Meeting
Nanking Founders

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May 13, 1937

BF-914 VOTED to appoint the following as members of the Executive Committee for the ensuing year:-

J. W. Decker, Chairman
Mrs. F. J. McConnell
Robert C. Morris
George B. Huntington

R. E. Speer
T. C. Speers
E. C. Lobenstine
Frank T. Cartwright

BF-915 VOTED to refer to the Executive Committee, with power, the appointment of the other standing committees of the Nanking Board of Founders, together with the representatives of the Nanking Founders on the various standing committees of the Associated Boards.

ANY UNFINISHED BUSINESS

BF-916 VOTED to refer to the Executive Committee with power any other unfinished business now awaiting action by the Board of Founders.

The meeting adjourned.

B.A. GARSIDE
Secretary

JD

MINUTES ADOPTED BY CIRCULATION VOTE
EXECUTIVE COMMITTEE
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

List of Members

J. W. Decker, Chairman
Mrs. F. J. McConnell
Robert C. Morris
George B. Huntington

Robert E. Speer
Theodore Cuyler Speers
E. C. Lobenstine
Frank T. Cartwright

APPROVAL OF RECOMMENDATIONS OF SUB-COMMITTEE ON PROMOTIONAL MATTERS

The following action was adopted on July 8th, 1937, by circulation votes sent in by the members of the Executive Committee.

EC-917 VOTED to approve the following recommendations of the sub-Committee on Promotional Matters:-

Recommendation 1. That the special promotional budget for the Nanking Board of Founders during the fiscal year 1937-38, be for a maximum of \$7,000 as follows:-

Salary of Mr. Wheeler	\$4,800
Moving Expenses, Mr. Wheeler	200
Publicity Materials	500
Travelling Expenses	1,500

Recommendation 2. That Mr. Wheeler be given the title of Vice President of the Board of Founders of the University of Nanking.

Recommendation 3. That in pursuance of the action of the Executive and Finance Committees on June 9, 1936, (EF-843) defining the capital and current objectives to be sought over a period of five years, the following be defined as the objectives to be sought by the Nanking Board of Founders in cooperation with the Associated Boards for Christian Colleges in China during the next two years:-

1. Urgent Current Needs, to support the general budget of the University, and to meet the special expenses of home base administration and promotion, @ \$20,000 per year \$40,000

2. Endowment Requirements

For the College of Liberal Arts	100,000
For the College of Natural Science	100,000
For the College of Agriculture	100,000

3. Building Requirements

For Dormitories and Student Center	95,000
Residences	20,000
Science Equipment	5,000

B. A. GARSIDE
Secretary

MINUTES OF MEETING
EXECUTIVE COMMITTEE AND COMMITTEE ON PROMOTION
BOARD OF FOUNDERS' UNIVERSITY OF NANKING

12:30 P.M., Tuesday, September 21st, 1937
Hotel Parkside, 18 Gramercy Park South, New York, New York

List of Members

Executive Committee

*J. W. Decker
Mrs. F. J. McConnell
*Robert C. Morris
G. B. Huntington
*Robert E. Speer
Theodore C. Speers
*E. C. Lobenstine
*Frank T. Cartwright

Committee on Promotion

*E. C. Lobenstine
*R. E. Diffendorfer
*J. W. Decker
Alexander Paul
*Robert E. Speer

Those whose names are starred were present, as were Dr. William P. Fenn, Mr. W. R. Wheeler, and the Secretary.

Dr. Decker presided.

The meeting was opened with prayer, led by the Chairman.

APPROVAL OF MINUTES

The Committee reviewed the minutes adopted by circulation vote of the Executive Committee on July 8th, 1937. After discussion it was

EC-918 VOTED to approve the minutes adopted by circulation vote of the Executive Committee on July 8th, 1937, except that Recommendation 3 of Action EC-917 be held subject to revision in the light of changed conditions in China and changes in promotional plans for the ensuing year.

DISCUSSION OF PROMOTIONAL MATTERS

Mr. Wheeler submitted an outline of a tentative promotional program for 1937-38. This was discussed in detail by the committee.

I. Objectives It was

EC-919 VOTED that in view of the changes in condition which have occurred during the summer, and in order to bring the promotional objectives of the Board of Founders of the University of Nanking into accordance with the revised objectives of the Associated Boards, the following be defined as the immediate promotional objectives to be sought during the coming year:-

(1) Nanking's share (\$14,725) of the total of \$105,000 being sought for urgent current needs of the China Colleges during 1937-38.

(2) Nanking's share of the special emergency fund of \$145,000.

(3) Unfinished property items:- for Freshman Dormitory \$4,000.

9/21/37

II. Publicity Material. The committee discussed the publication of various types of publicity material during the coming year. It was agreed to continue with the publication of the series of printed news letters, the next number being sent out about October 1st, and to defer decision on other types of printed publicity pending further developments.

III. Cooperation with Associated China Colleges and with Presbyterian Board Centennial Fund. The committee discussed ways and means of working in the closest cooperation with the united promotional program on behalf of the China Colleges. It was also agreed that Mr. Wheeler should cooperate with the efforts of the Presbyterian Board on behalf of the Centennial Fund wherever this could be done without too great diversion of time and efforts.

IV. Strengthening of Personnel of Board of Founders. The committee renewed the discussions of former meetings as to the importance of strengthening the personnel of the Board of Founders, particularly through the addition of lay members. It was noted that by Action BF-859 the Board of Founders voted "to request the officers of the Board of Founders to present nominations for additional members in the coopted group", and the hope was expressed that the officers of the Board would give very serious attention to this responsibility.

MATTERS REFERRED TO EXECUTIVE COMMITTEE BY THE FOUNDERS

The committee noted that a number of matters had, by the Annual Meeting of the Founders, been referred to it for consideration and action. In view, however, of the insufficiency of time for dealing with these matters, it was necessary to defer action thereon to the next meeting.

MESSAGE TO THE UNIVERSITY

It was

EC-920 VOTED to request the Secretary to send a cable to the administrative authorities of the University assuring them of the earnest sympathy, the constant prayers, and the unqualified support of the Board of Founders in this time of crisis.

The meeting adjourned.

B. A. GARSIDE
Secretary

JD

MINUTES OF MEETING
EXECUTIVE-FINANCE COMMITTEES
UNIVERSITY OF NANKING

12:30 P.M. Friday, October 15th, 1937
Parkside Hotel, New York

LIST OF MEMBERS

Executive Committee

Finance Committee

*J. W. Decker	R. E. Spear	J. H. Banton	R. E. Spear
Mrs. F. J. McConnell	*Theodore G. Speers	*G. B. Huntington	*M. W. Eames
Robert C. Morris	*E. C. Lobenstine	Robert C. Morris	
*G. B. Huntington	*F. T. Cartwright		

Those whose names are starred above were present, also Mr. W. Reginald Wheeler, Mr. B. A. Garside, and Mr. C. A. Evans.

APPROVAL OF MINUTES

The minutes of the meeting of the Executive & Promotional Committees held September 21st were approved as distributed.

REPORT OF FINANCE COMMITTEE

It was reported that by action of the Finance Committee the following securities were purchased by using funds from the General Endowment section:-

\$2,000	Virginian Railway	3 ³ / ₄ /66
5,000	Milwaukee Gas & Electric	5/71
2,000	North American Edison	5/69

It was

EF-921 VOTED to approve the action of the Finance Committee in purchasing the above securities.

ORDERS FOR MEDICAL SUPPLIES FOR CHINA

Consideration was given to a cablegram received October 9th through the Secretary of State, Cordell Hull, requesting that approximately \$3,810. worth of prophylactic and antitoxin be sent by air mail to the University Hospital, and that an appeal be made to raise funds and supplies for the Hospital, the Ambassador adding that the Tetanus Antitoxin had been completely exhausted.

It was stated that the executive office had authorized the shipment of 15% of the order by air mail, making reservations for the balance to be delivered in Hong Kong from a shipment now en route, there being no charge for transportation on the latter.

Another cable under date of October 9th received through the Secretary of State was presented, asking for additional medical supplies to the total of approximately \$955., including transportation.

10/15/37

Dr. Lobenstine reported regarding his correspondence with the Red Cross covering the possibility of purchasing medical supplies through that organization or the application to University Hospital needs of funds set aside by the Red Cross for use in China.

As a portion of the first order had already been placed, it was

EF-922 VOTED to approve the purchase of 15% of the first cable order for medical supplies dated October 8th, charging same against the field budget, with the understanding that every effort be made to secure funds from other sources to cover the costs.

As the Red Cross had not agreed to accept any part or all of the proposed orders, and as negotiations had been opened with Sharp & Dehme toward claiming part of a shipment now en route to Hong Kong, it was

EF-923 VOTED to authorize the purchase of supplies as set forth in the balance of the first cable and all of the second, charging same to the current budget, with the hope that other funds may be secured to care for the costs.

FUNDS FOR MEDICAL SUPPLIES

Attention was directed to possible sources of funds to cover the cost of medical supplies and other emergency needs. In connection with this discussion, the committees had in mind a cable from the field transmitted through the State Department requesting US\$1,500. per month plus medical supplies and a light ambulance. After reviewing various relief agencies, it was

EF-924 VOTED to make application to the China Famine Relief for funds to cover the cost of medical supplies plus three months' appropriation to the Hospital, making an approximate total of \$9,414.24, with the hope that monthly appropriations may be continued as relief may seem to warrant.

It was agreed to ask Dr. Cartwright to sponsor the foregoing request before the China Famine Relief.

MONTHLY APPROPRIATION FOR HOSPITAL

Concerning the field's request for monthly appropriations, it was

EF-925 VOTED to authorize a cable informing the field to draw US\$1,500. each for October, November and December.

ALLOCATION OF FUNDS IN UNITED APPEAL

The question was raised as to the distribution of receipts from the general appeal of the Associated Boards. Recognizing the possibility of delay in securing action from a large body, it was

EF-926 VOTED to request the Executive and Finance Committees of the Associated Boards to appoint a small committee to promptly allocate receipts from the emergency drive.

SPECIAL COMMITTEE FOR HOSPITAL FUNDS

The following up of various agencies through which funds might be secured for the China emergency was given consideration, it being the consensus of opinion that a responsible committee should be placed in charge of this particular task. It was

EF-927 VOTED that Dr. E. C. Lebenstine and Mr. W. Reginald Wheeler be appointed a special committee to supervise the following up of the raising of funds to supply the Hospital needs.

REPRESENTATION ON THE CHINA EXECUTIVE COMMITTEE

Feeling that the experience of the Nanking Founders regarding the purchase of supplies and the raising of funds for the Hospital should be passed on to the proper committee of the Foreign Missions Conference, it was

EF-928 VOTED that Dr. E. C. Lebenstine be requested to report the experience regarding recent order to the acting China Executive Committee.

PROMOTIONAL REPORT

The Secretary reported on the progress being made in the promotional campaign instituted through the Associated Boards for the purpose of raising \$250,000. this year. There has been much encouragement through the responses from those asked to serve upon the general committee, and it is gratifying to report a national chairman has been secured, and general interest is manifested through the entire group of China Colleges.

Mr. Wheeler spoke of the extraordinary opportunity existing at the present time, and of the stress which may be laid upon the emergency appeal. It was stated that the list of potential givers had been increased to 2,500 from a very small beginning, the goal being 4,000 names. Hope was expressed that the Board of Founders would agree to bring back a member of the University staff to do special promotional work here in the United States. The correlation of Nanking work with that of the Associated Boards was alluded to, and it was

EF-929 VOTED to refer to the Promotional Committee with power the extent of cooperation for the combined promotional program for Christian Colleges in China.

ADDITIONAL TRUSTEES

The special committee chosen to propose names for accepted trustees recommended the following:

Dr. Albert R. Mann
Mr. J. H. Scheide

It was

10/15/37

EF-930 VOTED that the Secretary extend an invitation to the above persons, inviting them to become members of the Board of Founders of the University of Nanking, and that Messrs. Wheeler and Lobenstine confer with them in person.

APPOINTMENT OF COMMITTEES

It was

EF-931 VOTED that the following committees be appointed to serve for the balance of the current year:

Finance Committee

Morris W. Eanes, Chairman
G. B. Huntington
Robert C. Morris
J. H. Banton
A. W. Moore
J. W. Decker, ex officio

Committee on Instruction

F. T. Cartwright, Chairman
Theodore Cuyler Speers
Mrs. F. J. McConnell
J. W. Decker, ex officio

Committee on Promotion

E. C. Lobenstine, Chairman
R. E. Diffendorfer
William H. Danforth
A. W. Moore
J. W. Decker, ex officio

The appointment of representatives on committees of the Associated Boards was postponed until the next meeting of the Executive Committee.

NEXT MEETING OF THE COMMITTEE

Recognizing the urgent need of giving detailed consideration to the conditions existing at the University of Nanking, it was agreed that the Secretary arrange for a meeting of the Executive Committee at the latest within a month.

On motion adjourned.

C. A. EVANS

Assistant Secretary

MINUTES OF MEETING
EXECUTIVE-FINANCE COMMITTEES
UNIVERSITY OF NANKING

3:15 P.M. Friday, November 5th, 1937
Room 900, 150 Fifth Avenue, New York, N. Y.

LIST OF MEMBERS

Executive Committee

*J. W. Decker
Mrs. F. J. McConnell
*Robert C. Morris
*G. B. Huntington

H. E. Speer
Theodore C. Speers
*H. C. Lobenstine
F. T. Cartwright

Finance Committee

J. H. Banton
*G. B. Huntington
*Robert C. Morris

H. E. Speer
*M. W. Ehnes

Those whose names are starred were present, also W. R. Wheeler, B. A. Carside and C. A. Evans.

Regrets were presented from Mrs. F. J. McConnell, T. C. Speers, and J. H. Banton.

Dr. M. W. Ehnes was elected Chairman pro tem until the arrival of Dr. Decker, who then took the chair.

The meeting was opened with prayer led by Mr. Wheeler.

APPROVAL OF MINUTES

Minutes of the meeting of Executive-Finance Committees held October 15th were approved as distributed.

REPORT ON APPLICATION FOR FUNDS TO CHINA FAMINE RELIEF, INC.

It was recalled that at the October 15th meeting of the Executive-Finance Committees, it was voted to make application to the China Famine Relief for funds to cover the cost of medical supplies plus three months' appropriation for the Hospital.

It was reported that application had been filed immediately and that consideration had been given to same by the China Famine Relief at its Executive Committee meeting held on October 29th. At that time the Relief Committee voted to recommend with sympathy to the American Advisory Committee in Shanghai the application for approximately US\$9,500.

After conferring with the China Famine Relief office and members of the Nanking Board on the Relief Committee, it was decided to cable the University and urge that application be made to the Advisory Committee in Shanghai. This was followed by an air-mail letter.

It was agreed to accept this report and that it would be inadvisable to do anything more at the present time.

REPORT ON THE RED CROSS APPEAL

Reviewing the discussion at the October 15th meeting, it was recalled that previous approaches to the Red Cross should be followed up, with the purpose of either securing supplies to be used in the Hospital or obtaining a portion of funds appropriated for use in China.

The special committee appointed reported that the field must make application through Mr. Johnson at Nanking. Accordingly, this information was cabled to the University. Reports from China indicate that all Red Cross supplies are being used for the army.

The organization of other relief agencies was discussed, attention being called to a National Organization planning to make its own appeal and assist others in correlating appeals and distribution of funds; also the Christian appeal through the Federal Council of Churches, and to be distributed through the cooperation of the Federal Council and the Foreign Missions Conference.

SURVEY OF CONDITIONS ON THE CAMPUS

The committees had in hand several recent letters from the field narrating experiences during bombings, and of the effort to carry on classroom work under the most terrifying circumstances. The spirit and morale on the campus is reported to be excellent in spite of the strain and inconvenience. Practically all staff members are in Nanking, a few not having returned and others having been advised to remain away. The enrollment on October 22nd was 222 in the University (116 in the College of Agriculture), 137 in the Middle School, and 100 in the Rural Leaders Training School, making 459 in all.

Such protection to the buildings as can be afforded has been done by the use of sandbags and the painting of the roofs a neutral color to blend with the landscape.

ALLOCATION OF FOREIGN STAFF

Latest reports would seem to indicate that the foreign staff is located about as follows:-

On the Campus:- Miss Elsie M. Priest, Mr. C. H. Riggs, Dr. Robert O. Wilson, Dr. C. S. Trimmer, Dr. Richard F. Brady, Miss Iva M. Hynds, Miss Grace Bauer, Mr. Peter Bannon, Mr. Oliver J. Caldwell, Mr. L. S. C. Smyth, Mr. John R. Raeburn, Prof. M. Searle Bates, Mr. Claude J. Thomson, Miss Hilda Anderson,

In United States on Furlough:- Miss Olive Bowen, Mr. A. N. Steward and family, Mr. and Mrs. B. A. Slocum, Miss Imogene Ward, Dr. J. Horton Daniels and family.

Returned to the United States:- Miss Margaret Arms (resigned), Mrs. C. H. Riggs and four children, Mrs. Robert O. Wilson and daughter, Dr. J. Lossing Buck.

In Hong Kong:- Miss E. M. Turner, Miss Margaret Turner, Dr. and Mrs. W. Marshall Curtiss.

In Japan:- Mrs. M. Searle Bates and family.

SURVEY OF FINANCIAL NEEDS

The following schedule was presented, showing approximate figures in excess of budget appropriations for the current fiscal year.

Supplies purchased	\$4,941.24	- Emergency)	
Appropriation 3 mos. Hospital	4,500.00	- Emergency)	Authorized
Promotional	7,000.00)	Obligation	
Loan to Associated Boards	2,222.00)	Obligation	
Salary Cuts	12,500.00)	Local currency	
Return Travel Staff	1,000.00)	Local currency	
Cut in Foreign Budget Salaries	3,192.00)	Local currency	
Remodeling Auto for Ambulance	250.00)	Local currency	
	\$35,578.24		

The \$12,500 represented a small percentage of probable loss of salary to Chinese staff.

The "Cut in Foreign Budget Salaries" was shown to represent an actual total of losses to foreign staff insofar as can be computed from present information.

It was estimated that approximately \$2,600. is in sight to apply on the supplies purchased, or about one-half.

It was suggested that special appeals for funds to operate the Hospital might be successful if addressed to Dr. Co-tui and the Boston Committee. It was

EF-932 VOTED (a) To address an appeal to Dr. Frank Co-tui of the New York University Medical School, for assistance in supplying the Hospital with \$1,500. per month.

(b) To appeal to the Boston Committee for one or two months appropriation for the Hospital.

It was noted that the \$9,222.00 for Promotion and Associated Boards loan were obligations voted by the Trustees and should be covered by new money, and where-over gifts could be secured for this purpose, they should be so allocated.

The last four items on the list of financial needs appeared to be beyond the authorization of the Board of Founders, but sympathetic consideration was given and it was

EF-933 VOTED to refer the following list to the Finance Committee for further study of the items and means of meeting them:

Salary Cuts	\$12,500.
Return Travel of Staff	1,000.
Cut in Foreign Budget Salaries	3,192.
Automobile	250.
	<hr/>
	\$16,942.

PROMOTIONAL

The Secretary stated that the National Emergency Campaign was making encouraging progress now that the National Treasurership had been accepted by Mr. George W. Davidson. The Committee consists of outstanding people, and there is every indication that the active Boards participating will secure their share of the gifts received. Announcement was made of the luncheon on November 19th, to be addressed by Hon. C. T. Wang. The Boston Campaign is now launched. New York will follow, and the general mail appeal will go out immediately.

Immediate objectives for Nanking seemed to be as follows:

- (1) Get out a mail appeal at once.
- (2) Solicitation from selected individuals.
- (3) Cooperate in united appeal.

Mr. Wheeler stated that the building up of the Nanking list of names was progressing, and that he had made a number of addresses in churches and clubs recently. It was urged to use Dr. Daniels in his locality as much as possible, and Dr. Decker felt that the time of Mr. Slocum could be used effectively. It was suggested that others on furlough could be used to good advantage.

Mr. Wheeler presented a request that Dr. W. H. Ma be invited to the United States for promotional work. The field suggested the use of students now in America, and the consensus of opinion was that it would be inadvisable to ask so valuable a person to leave his work under the present circumstances - to say nothing of the expense involved.

REPORT OF THE TREASURER AND AUDITORS

By common consent the reports of the treasurer and auditors were distributed, with the understanding that each individual would study same before the next meeting of the Finance Committee.

INVESTMENTS

It was stated that, by telephone agreement, the Finance Committee had approved the purchase of the following securities, using Famine Funds Cash:-

\$5,000 Virginian Railway 3 $\frac{3}{4}$ /66	at approximately 103-1/4
5,000 Westchester Lighting 3 $\frac{1}{2}$ /67	at 98
5,000 Ohio Edison 4/67	at approximately 98
5,000 Atchison, Topeka & Santa Fe Adj. at	101-1/2

It was

EF-934 VOTED to approve the action of the Finance Committee in purchasing the foregoing bonds,

NEXT MEETING OF COMMITTEES

It was felt inadvisable to set a date for the next meeting of the Executive Committee, but it was agreed that the Finance Committee should meet Tuesday, November 9th at 3:15 P.M., and the Secretary was instructed to notify the members of the committee.

IN RECOGNITION OF THE WORK OF THE STAFF IN CHINA AT PRESENT

During the closing moments of the meeting everyone present expressed highest admiration and appreciation for the manner in which the whole staff has conducted itself during these terrifically trying days, and by unanimous approval, it was

EF-935 VOTED that the Executive and Finance Committees in meeting assembled do wish to express the deep appreciation of the entire Board for the magnificent courage, devotion and spirit in standing by the University, expressing the sincere hope and prayer that all will be kept safe.

Dr. Decker closed the meeting with prayer.

Adjourned.

C. A. EVANS

Assistant Secretary

ROC

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

3:15 P.M. Tuesday, November 9, 1937
Room 900, 150 Fifth Avenue, New York, N.Y.

LIST OF MEMBERS

M. W. Ehnes	J. H. Banton
*G. B. Huntington	*K. W. Moore
R. C. Morris	*J. W. Decker

Regrets were presented from Dr. Ehnes, Mr. Morris and Mr. Banton.

Those whose names are starred were present, also W. R. Wheeler and C. A. Evans.

In the absence of the chairman, Dr. Huntington was elected chairman pro tem.

The meeting was opened with prayer by Dr. Huntington.

SURVEY OF FINANCIAL NEEDS

It was recalled that four items in the list presented to the Executive-Finance Committees November 5th were referred to the Finance Committee for further study and means of meeting them, i.e.:

Salary Cuts for Chinese Staff	US\$12,500.00
Return Travel of Foreign Staff	1,000.00
Cut in Foreign Staff Salaries	3,192.00
Automobile	250.00
	<hr/>
	US\$16,942.00

It was stated that the "Salary Cuts for Chinese Staff" represented less than 28% of the estimated loss in salary as based upon recent information from the field. It was admitted, however, that present knowledge does not permit of an accurate statement of exact losses in salary cuts.

Return Travel of Foreign Staff was reported to cover the cost travel for Miss Olive Bowen and Mrs. Riggs and children.

Cuts in Foreign Staff Salaries was stated to represent the actual computation of cuts to University supported foreign staff as reported by the field treasurer.

Ambulance was said to represent the cost of an auto chassis and of remodeling same into an ambulance.

The committee noted the difficulty in arriving at the amount of actual salary cuts and other items involved, and lacking more definite information or a revised budget, nevertheless recognized the necessity of arriving at a conclusion as to emergency needs, and it was

F-936 VOTED (a) That we recognize the imperative need of from \$15,000 to \$20,000 to restore in part cuts in salaries for Chinese and foreign staff members and transportation for returned staff, and refer the amounts to the Promotional Committee for attention, and to the secretaries to be communicated to the field.

11/9/37

(b) That the \$250. for ambulance be a first obligation of the Promotional Campaign.

Giving consideration to the Trustees' responsibility for any of the foregoing items, it was

F-937 VOTED that the committee cannot authorize the expenditure of cash against any item when not in hand except for necessary expenses in the travel item.

The committee gave thought to previous recommendations of the Executive and Finance Committees regarding the seeking of funds for emergency supplies and operation, and directed the secretary to communicate with the field, plainly calling attention to the necessary delay entailed in getting an emergency drive under way, and suggest using every means possible to get funds on the field through the Red Cross, Famine Relief, or otherwise.

ANNUAL REPORT OF THE TREASURER, JUNE 30, 1937

The Treasurer's annual report was presented, and after study, it was

F-938 VOTED to recommend to the Trustees that the 1936-37 Report of the Treasurer be received.

REPORT OF THE AUDITORS, 1936-37

The annual report of the auditors, Messrs. Chambellan, Berger & Welti, was reviewed, and it was

F-939 VOTED to recommend to the Trustees the acceptance of the Report of the Auditors for the year 1936-37.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

REPORT OF THE TREASURER
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

Fiscal Year Ending June 30, 1937

While the operations for the year recorded no outstanding transactions, yet, on the whole, there were many things to lend encouragement.

Slight increases were shown in Endowment and Plant Fund. A small surplus accrued in current accounts, Endowment income increased somewhat due to payment of back dividends on Aluminum.

This report is accompanied by the following papers:-

- (a) Trial Balance Sheet before and after closing 6/30/37
- (b) Condensed Balance Sheet 6/30/37
- (c) Budget Analysis
- (d) List of Securities

Figures in this report bearing upon operations for the past year have been checked by the auditors and form a part of the annual audit for the Board of Founders.

ENDOWMENT SECTION

(a) General Funds. These funds, not including Methodist Board Agricultural Fund and Swasey Fund, increased during the year by \$7,489.15 to a total of \$381,686.91. The gain consisted of:-

Profit on Sales of Securities	\$1,326.65
Book Value of Hoover Fund	3,162.50
Endowment Stabilization Fund	3,000.00
	<u>\$7,489.15</u>

The reconciliation of this increase in expenditure is shown in the following table showing sales (or called bonds) and purchases:-

<u>Sales -</u>	<u>Security</u>	<u>Cost</u>	<u>Sold for</u>	<u>Gain</u>
\$4,000	Brooklyn Edison 5/52 (called).....	4,010.00	4,160.00	150.00
5,000	Hydraulic of Niagara Falls (called) 5/51.....	4,987.50	5,250.00	262.50
10,000	Youngstown Sheet Tube & Steel 5/78 (called)..	10,246.25	10,500.00	253.75
2,000	Toledo Edison 5/62 (sold).....	1,845.00	2,134.15	289.15
10,000	Kingdom of Norway 5/63 (called).....	9,628.75	10,000.00	371.25
		<u>30,717.50</u>	<u>32,044.15</u>	<u>1,326.65</u>

Purchases and Payments -

\$10,000 Georgia Carolina & Northern 7/34 Value Rec'd	3,162.50
10,000 North American Edison 5/69.....	10,576.25
10,000 Public Service of Northern Ill. 4 ¹ / ₂ /81.....	10,400.00
5,000 Virginia Railway Co. 3 3/4/66.....	5,277.50
5,000 Milwaukee Electric Railway & Light 5/71.....	5,081.25
Taxes & Insurance - 2348 Seventh Avenue property....	3,002.58
	<u>37,500.08</u>

Expenditures in Excess of Cost of Sales 6,782.58

Gain in Cash on Hand: 706.57
7,489.15

The security list shows a total of cash and securities valued at cost of \$381,686.91. The market value on June 30 was \$342,232.00. This was at the very bottom of the mid-summer decline in values.

(b) Famine Fund. The Famine Fund decreased during the year \$24,735.03 to a total of \$541,721.77. Transactions were as follows:

<u>Collections and Sales</u>	<u>Book Value</u>	<u>Amount Received</u>	<u>Gain</u>
Payment on Stewart Bros. note.....	15,612.44	15,612.44	
" " F. Carrington Weems' note.....	35,000.00	35,000.00	
" " Shannon & Luchs' note.....	3,000.00	3,000.00	
Sale \$2,000 U.S. Treasury 4 $\frac{1}{4}$ /52.....	2,000.00	2,357.45	357.45
" 5,000 U.S. Treasury.....	5,000.00	5,921.12	921.12
Interest on Saving Bankaccounts.....		30.91	30.91
Totals	60,612.44	61,921.92	1,309.48

<u>Investments</u>	
60 shs. North American Edison 6% Preferred.....	6,267.90
40 shs. Consolidated Edison \$5 Preferred Stock.....	4,328.60
\$10,000 Bethlehem Steel 3 3/4-66.....	9,862.50
\$10,000 Penn. R.R. Co. 3 3/4-70.....	10,237.50
\$ 5,000 General Motors Acc. Corp. 3 $\frac{1}{4}$ /51.....	5,150.00
	<u>35,846.50</u>
	26,044.51
	30.91
	<u>26,075.42</u>

Book Value of Famine Funds on June 30, 1937 was \$540,145.68, compared with a market value of \$541,409.18.

(c) Retirement Reserve. This Fund increased \$227.50 since July 1, 1936 due to profit on bonds being called. The \$2,000 Cincinnati Union Terminal Bonds yielded \$2,150.00 and with the proceeds \$2,000 North American Edison 5/69 were purchased at \$2,130.00 showing an increase of \$20.00 cash on hand or a total of \$45.35.

(d) Income. The following table sets forth the income received in the several accounts:-

<u>Name</u>	<u>Fund</u>	<u>Income</u>	<u>Per cent</u>
General Funds.....	368,479.06	14,468.63	.0392
M.E.Bd. College Agriculture.....	100,000.00	3,000.00	.03
Swasey Fund.....	48,750.00	2,065.40	.0423
Retirement Fund.....	5,990.35	350.00	.0584
Scholarships.....	7,000.00	280.23	.04
Famine Funds.....	554,089.28*	29,338.34	.0529
Totals.....	1,084,308.69	49,502.60	.0466

* Average for the year.

PLANT SECTION

Plant funds increased during the twelve months' period by \$2,035.91, to a total of \$759,986.92, through gifts for the Freshman Dormitory. Total collections for this object were \$2,129.29 less Plant Cash overdraft of \$93.38. The balance is held on hand in the Plant Section.

CURRENT GENERAL

The following table shows current income for the past two years:-

Source	Amount of Income Received	
	1935-36	1936-37
(a) General Funds		
United Christian Missionary Society....	1,500.00	1,500.00
Methodist Board.....	1,055.00	1,055.00
Presbyterian Board.....	2,920.00	2,920.00
Baptist Board.....	800.00	800.00
<u>Endowment Income</u>		
General.....	10,645.91	14,468.43
Swasey Fund.....	1,524.78	2,065.40
Methodist Board - Agri. & Forestry.....	3,000.00	3,000.00
Miscellaneous.....	115.30	1,305.90
	<u>21,560.99</u>	<u>27,114.93</u>
(b) Designated Funds		
Hoover Trust Fund.....	3,055.03	-
Harvard-Yenching Institute.....	12,631.58	14,210.53
Support of C.H.Riggs (Special Gifts)...	957.54	797.00
Grand Total.....	<u>38,205.14</u>	<u>42,122.46</u>

Expenditures for the same periods are shown as follows:-

Item	Amount of Expenditure			
	1935-36		1936-37	
<u>Field Budget</u>				
General.....	6,531.12		4,271.89	
Salaries.....	9,228.96		14,254.76	
Library.....	<u>1,568.67</u>	17,328.75	<u>1,805.85</u>	20,332.50
<u>Home Administration</u>				
Administrative Services.....	2,284.87		2,568.36	
Postage, Cables, etc.....	115.13		381.64	
Promotional.....	<u>2,168.90</u>	4,568.90	<u>3,100.00</u>	6,050.00
Hoover Trust Fund Expenditures.....		3,055.03		-
Institute Chinese Studies Disbursed...		7,694.97		10,000.00
" " " Undisbursed...		4,936.61		4,210.53
Salary - C.H.Riggs.....		957.54		797.00
		<u>38,541.80</u>		<u>41,390.03</u>
Deficit.....		336.66	Surplus.	732.43
		<u>38,205.14</u>		<u>42,122.46</u>

The main increase in current income was from payment on back dividends of Aluminum Preferred. Swasey Fund income also increased by about 25%. There was more than a thousand dollar increase in miscellaneous gifts.

Under designated funds the Harvard-Yenching income was increased by the Institute by approximately \$4,200.00, whereas support for C.H. Riggs fell by \$160.00 at time of closing and decreased still further after closing by \$125.00 when it was known that Cornell-in-China would contribute only \$50.00 against \$175.00 a year ago. Last year showed a loss from operation of \$336.66 against a gain this year of \$732.43 adjusted after closing to a net amount of \$607.43.

FAMINE FUNDS

The total appropriation for the year was Yuan \$179,226.00. Payments against the account both in New York and remittances to the field amounted to Yuan \$170,501.78, leaving a balance of Yuan \$8,724.22 to be disbursed. The average rate of exchange on remittances was 3.33 to 1 and applying this rate to the balance due the field U.S.\$2,619.22 will be required, making a total expenditure of US\$53,786.87. This makes a saving of US\$524.13 under the amount estimated would be required.

Receipts during the year were as follows:

Income on Invested Funds.....	US\$29,338.34
Transferred from Principal.....	26,044.51
Balance 1935/36.....	2,585.12
	<u>57,967.97</u>

HOSPITAL

Receipts in the Hospital account were the same as the previous year and are shown as follows:-

<u>Source</u>	<u>Amount Received</u>
Methodist Board.....	340.00
United Christian Missionary Society.	375.00
Presbyterian Board.....	580.00
	<u>1,295.00</u>

Expenditures were:-

<u>Item</u>	<u>Amount Expended</u>
General purposes of Hospital.....	1,479.43
Salaries.....	1,994.71
	<u>3,474.14</u>
Less Adjustments.....	81.96
	<u>3,392.18</u>
Transferred to Current General.....	2,097.18
	<u>1,295.00</u>

CURRENT SPECIAL

Endowment Income. The charge of accrued interest (\$143.89) on bonds purchased late in the year will be offset when the semi-annual coupon is collected.

Harvard-Yenching Institute Account. The balance of \$4,210.53 carried here belongs to appropriations for 1936-37 and is subject to draft by the field.

Endowment Income Restricted. This represents accrued income on scholarship funds and the balance of \$148.07 has been deposited to the credit of the field account.

Retirement Reserve. A summary of operations in this account is shown below:-

<u>Receipts</u>	
Income on invested funds.....	\$350.00
Balance from 1934-35.....	282.73
	<u>632.73</u>

<u>Disbursements</u>		
Accrued interest on bonds purchased.....	26.67	
University's share of premiums.....	294.15	320.82
Balance on hand June 30, 1937.....		311.91

PROMOTIONAL SECTION

The 1934-35 deficit carried in this section was reduced by \$994.92 during the year to a balance of \$1,635.53.

DEFICITS AND SURPLUSES

The following deficits were cleared during the year by the application of a portion of accrued dividends on Aluminum Preferred Stock and Gain in Exchange from 1935-36.

Current 1933-34.....	45.92
" 1934-35.....	236.68
" 1935-36.....	336.66
Promotional 1934-35.....	994.92
Total.....	1,614.18

Balances and overdrafts on the books as of June 30, 1937 were:-

	<u>Overdrafts</u>	<u>Balances</u>
1936-37 Home Administration Trustees	111.51	
" " Promotional Expense	280.02	
1934-35 " Deficit	1,635.53	
1936-37 Current General		732.43
	2,027.06	752.43
Net overdrafts.....		1,294.63
		2,027.06

CASH SITUATION

The cash situation as of June 30, 1937 was as follows:-

	<u>Overdrafts</u>	<u>Balances</u>
Endowment (a) Awaiting Investment.....		1,937.62
(b) Famine Fund Cash.....		1,576.09
(c) Retirement Fund Cash.....		45.35
Plant.....		2,035.91
Current General.....	3,079.90	
Famine Funds.....		6,802.22
Hospital.....	134.71	
Current Special.....		5,228.09
Promotional.....	1,635.53	
	4,850.14	17,625.28
Balance.....	12,775.14	
	17,625.28	

UNIVERSITY OF NANKING

BALANCE SHEET

JUNE 30, 1937

ASSETS

LIABILITIES

ENDOWMENT

Consolidated Endowment Investments	379,703.94	Endowment Funds:	
China Famine Fund Investments	540,145.68	(b) General	1,024.14
Endowment Funds:		(c) Hall	350,000.00
(e) Methodist Bd.-College of Agriculture	100,000.00	(d) United Christian Missionary Society	10,000.00
(f) Swasey	48,750.00	(e) Methodist Bd.-College of Agriculture	100,000.00
Retirement Reserve Investments	5,945.00	(f) Swasey	48,750.00
Cash Awaiting Investment	1,982.97	(g) China Famine Fund	541,721.77
Savings Bank Accounts	1,576.09	Endowment Income Stabilization Fund	3,000.00
		Other Permanent Funds:	
		(a) H. M. Williams Scholarship Fund	1,000.00
		(b) Mr. & Mrs. Wood " "	1,000.00
		(c) Sherwin Scholarship Fund	5,000.00
		(d) Retirement Reserve Fund	5,990.35
		(e) Hoover Trust Fund	3,162.50
		Profit on Sale of Securities	7,454.92
	<hr/> 1,078,103.68 <hr/>		<hr/> 1,078,103.68 <hr/>

PLANT

Land	88,171.41	General Plant Funds: (a) Baptist Board	31,764.00
Buildings: (a) University	277,307.64	(b) U. C. M. S.	66,675.00
(b) Hospital	109,554.03	(c) Methodist Board	109,432.00
(c) Science	55,691.95	(e) Presbyterian Board	226,277.00
(d) 1927 Dormitory	5,000.00	Special Plant Funds: (a) James Normal School	20,000.00
(e) Language School	4,060.00	(b) Sericulture Bldg.	21,000.00
(f) Undesignated	13,600.00	(c) Science Building	55,691.95
Residences: (a) University	90,064.18	(d) Science Equipment	13,550.66
(b) Hospital	24,000.00	(e) Language School	4,060.00

Balance Sheet - University of Nanking

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6/30/37

Equipment: (a) University	16,596.94	Special Plant Funds: (f) Gas Plant	2,762.50
(b) Hospital	54,503.95	(g) Land-Mulberry Orch.	4,000.00
(c) Science	15,537.49	(h) Freshman Dormitory	2,129.29
(d) Gas Plant	228.44	(x) Miscellaneous	5,215.00
Misc. Plant Assets: Rural Normal Sch. & Equip.	3,634.98	Hospital Funds	111,203.26
Plant Cash	2,035.91	Plant Funds tr. from Current	18,332.24
		Plant Funds tr. from Famine Trust Funds	52,871.27
		Famine Funds for Land	<u>15,022.75</u>
	<u>759,986.92</u>		<u>759,986.92</u>

CURRENT GENERAL (before closing)

Directors' Current Expense	4,271.89	Current General Cash - Overdraft	2,347.47
" " " 1937-38	1,536.00	Receipts-Board of Directors Rent Account	.30
" " Salaries	14,254.76	" -United Christian Missionary Soc.	1,500.00
" " " 1937-38	977.37	" -Methodist Board	1,055.00
" " Library	1,805.85	" -Presbyterian Board	2,920.00
Home Administration-Executive Office	2,568.36	" -Baptist Board	800.00
" " -Incidentals	254.62	Special Gifts for Current Budget	1,305.60
" " -Trustees	238.53	Endowment Income-General	440.98
" " -Promotional - Loan	200.00	" " -Hall	14,027.65
" " - Expense	3,180.02	" " -Swasey	2,065.40
Accounts Receivable	<u>175.00</u>	" " -Methodist Board	<u>3,000.00</u>
	29,462.40		<u>29,462.40</u>

CURRENT GENERAL (after closing)

Directors' Current Expense 1937-38	1,536.00	Current General Cash - Overdraft	3,079.90
" " Salaries 1937-38	977.37		
Home Administration-Trustees	111.51		
Promotional Expense	280.02		
Accounts Receivable	<u>175.00</u>		
	3,079.90		<u>3,079.90</u>

Balance Sheet - University of Nanking

-3-

6/30/37

FAMINE FUND

Famine Fund Expense 1936-37	51,165.75	Famine Fund Receipts 1936-37	57,967.97
" " Cash	<u>6,802.22</u>		
	57,967.97		<u>57,967.97</u>

HOSPITAL (before closing)

Current Expense - Hospital	82.63	Hospital Cash- Overdraft	134.71
" " - Salaries	1,212.37	Receipts-Methodist Board	340.00
" " - " 1937-38	<u>134.71</u>	" -United Christian Missionary Soc.	375.00
		" -Presbyterian Board	<u>580.00</u>
	1,429.71		<u>1,429.71</u>

HOSPITAL (after closing)

Current Expense Salaries 1937-38	<u>134.71</u>	Hospital Cash - Overdraft	<u>134.71</u>
	134.71		<u>134.71</u>

CURRENT SPECIAL (before closing)

Current Special Cash	4,495.66	Harvard-Yenching Inst.-Restricted Income	14,210.53
Endowment Income (Accrued Int. on Purchases)	143.89	Endowment Income - Restricted (non-budget)	148.07
Disbursed to Field-Harvard-Yenching Institute	10,000.00	Retirement Reserve Fund - Income	311.91
Suspense	<u>30.96</u>		
	14,670.51		<u>14,670.51</u>

CURRENT SPECIAL (after closing)

Current Special Cash	5,228.09	Harvard-Yenching Institute-Restricted Income	4,210.53
Endowment Income (Accrued Interest)	<u>143.89</u>	Endowment Income Restricted (non-budget)	148.07

Balance Sheet - University of Nanking

-4-

6/30/37

Suspense

30.96

Retirement Reserve - Income
Surplus 1936-37

311.91
732.43

5,402.94

5,402.94

PROMOTIONAL

Deficit 1934-35

1,635.53

Promotional Cash - Overdraft

1,635.53

1,635.53

1,635.53

ROC

BUDGET ANALYSIS 1936-37
UNIVERSITY OF NANKING
JUNE 30, 1937

I. GENERAL UNIVERSITY

DISBURSEMENTS

RECEIPTS

Class A. General Funds

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation US\$</u>	<u>Disbursed to 6/30 US\$</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income US\$</u>	<u>Received to 6/30 US\$</u>
					<u>Mission Board Cash Grants</u>		
31	General Purposes, Directors' Budget (a) Directors' Current)		4,271.89	131	United Christian Missionary Soc.	1,500.00	1,500.00
31.1	Salaries Account	20,332.50	14,254.76	132	Methodist Board	1,055.00	1,055.00
32	Library		1,805.85	133	Presbyterian Board	2,920.00	2,920.00
				133.1	Baptist Board	800.00	800.00
				136	Special Gifts-Current Budget	1,200.00	1,305.60
				130	Board of Directors Rent a/c		.30
					<u>Endowment Income</u>		
				137.1	General	33.00	39.82
				137.1	United Christian Missionary Soc.	332.60	401.16
				137.2	Hall Estate	13,541.90	14,027.65
				137.3	Swasey Fund	2,000.00	2,065.40
				137.4	M.E. Fund-Agriculture & For.	3,000.00	3,000.00
						26,382.50	27,114.93
					Less Home Adm. & Promo.	6,050.00	6,050.00
		<u>20,332.50</u>	<u>20,332.50</u>			<u>20,332.50</u>	<u>21,064.93</u>

Class B. Special Funds

<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Disbursements.</u>	<u>Disbursed to 6/30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income</u>	<u>Received to 6/30</u>
171.2	Harvard-Yenching Inst.	14,210.53	10,000.00	171.2	Harvard-Yenching Inst.	14,210.53	14,210.53
178.1	Salary a/c C.H. Riggs	1,962.75	1,962.75	178.1	Special Salary - C.H. Riggs	1,962.75	1,962.75
		<u>16,173.28</u>	<u>11,962.75</u>			<u>16,173.28</u>	<u>16,173.28</u>

II. F A M I N E F U N D
(Estimated rate - 3.30-1.00)

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation LC\$</u>	<u>Paid to 6/30 LC\$</u>	<u>Paid to 6/30 US\$</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income US\$</u>	<u>Received to 6/30 US\$</u>
51	General Purposes 1936-37 Disbursed in N.Y.) Trans. to Field)	179,226.00	53,346.98	16,165.75	151	China Famine Rec. 1936-37	54,311.00	57,967.97
		<u>179,226.00</u>	<u>117,154.80</u>	<u>35,000.00</u>			<u>54,311.00</u>	<u>57,967.97</u>
			<u>170,501.78</u>	<u>51,165.75</u>				

III. H O S P I T A L

	<u>Appropriation US\$</u>	<u>Paid to 6/30 US\$</u>		<u>Estimated Income US\$</u>	<u>Received to 6/30 US\$</u>
61 General Purposes) Disbursed in N. Y.)	1,295.00	82.63	162.1 Methodist Board	340.00	340.00
61.1 Salaries Account)		1,212.37	163 United Christian Miss. Soc.	375.00	375.00
	<u>1,295.00</u>	<u>1,295.00</u>	164 Presbyterian Board	580.00	580.00
				<u>1,295.00</u>	<u>1,295.00</u>

IV. B O A R D O F F O U N D E R S

	<u>Appropriation US\$</u>	<u>Paid to 6/30 US\$</u>	<u>Assignment fr. Genl. Funds</u>	<u>Estimated Income US\$</u>	<u>Received to 6/30 US\$</u>
36.1 Home Adm.-Executive Office	2,950.00	2,568.36	Home Administration	2,950.00	2,950.00
36.2 " " -Incidentals		254.62	Promotional	3,100.00	3,100.00
36.3 " " -Trustees		127.02			
36.4a Promotional	3,100.00	3,100.00			
	<u>6,050.00</u>	<u>6,050.00</u>		<u>6,050.00</u>	<u>6,050.00</u>

S U M M A R Y

	<u>Cash Situation - June 30, 1937</u>		<u>Budget Situation - June 30</u>		
	<u>Balance</u>	<u>Overdraft</u>	<u>Unexpended US\$</u>	<u>Overexpended US\$</u>	<u>Unexp. LC\$</u>
I. General University, Class A	732.43	-	-	-	-
Class B	4,210.53	-	4,210.53	-	-
II. Famine Fund 1936-37	6,802.22	-	-	-	8,724.22
III. Hospital	-	-	-	-	-
IV. Board of Founders	-	-	-	-	-
	<u>11,745.18</u>	<u>-</u>	<u>4,210.53</u>	<u>-</u>	<u>8,724.22</u>

ROC

UNIVERSITY OF NANKING
CONDENSED BALANCE SHEET
JUNE 30, 1937

ASSETS

Endowment

University Investments	379,703.94	
China Famine Fund Investments	540,145.68	
Retirement Reserve "	5,945.00	
Investments held by others	148,750.00	
Cash	3,559.06	
		1,078,103.68

Plant

Land, Buildings & Equipment	757,951.01	
Cash	2,035.91	759,986.92

Current Assets

Accounts Receivable	175.00	
Famine Fund Cash	6,802.22	
Current Special Cash	5,228.09	
	12,030.31	

Less:

Cur. Gen. Overdft.	3,079.90	
Hospital "	134.71	
Promotional "	1,635.53	4,850.14
	7,180.17	

Expenses Advanced to 1937-38

Directors	2,513.37	
Home Administration	111.51	
Promotional	280.02	
Hospital	134.71	
Endowment Income	143.89	3,183.50

Deficits

Promotional	1,635.53	
Less: Current Surplus	732.43	903.10
Suspense		30.96
		11,472.73

ROC

1,849,563.33

LIABILITIES

Endowment

University Funds	509,774.14	
China Famine Funds	541,721.77	
Restricted-Scholarships	7,000.00	
-Stabilization Fund	3,000.00	
-Hoover Fund	3,162.50	
Retirement Reserve Funds	5,990.35	
Profit on Sale of Securities	7,454.92	1,078,103.68

Plant

Funds for Land, Buildings and Equipment	759,986.92
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Current Funds

<u>Restricted Accounts:</u>		
Harvard-Yenching a/c	4,210.53	
Scholarships	148.07	
Retirement Reserve	311.91	4,670.51

Famine Fund

Receipts carried fwd.	57,967.97	
<u>Less:</u>		
Expenses carried fwd.	51,165.75	
Net Receipts carried fwd.	6,802.22	11,472.73

1,849,563.33

UNIVERSITY OF NANKING

LIST OF SECURITIES

JUNE 30, 1937

Date Purchased	Face Value	Security	Legal Trust Due	Rating	Int. Rate	Cost Price	Market Price 6/30/37	Cost	Market Value 6/30/37	Nominal Income
<u>(a) Consolidated Endowment Investments, General Funds</u>										
<u>Mortgages, Real Estate</u>										
1/23/29	4,000.	Guar. Mtg. 1515 Overing St. 1934	On open mtg.		5½	100	85	4,000.00	3,400.00	220.00
4/3/28	5,500	Participating Ctf. Lawyers Mtg. Co. 40 Lincoln Rd. Bklyn. 1933	Reorgan- ization		5½*	100	70	5,500.00	3,850.00	419.12
3/31/30	10,000	136 East 237 St., Bronx. 1936	On open mtg.		5	100	85	10,000.00	8,500.00	500.00
3/31/30	9,000	6157 Tyndall Ave., Bronx. 1933	" " "		5½*	100	80	9,000.00	7,200.00	2.81
3/31/30	8,000	414 Brook Ave., Bronx. 1933	" " "		5-½*	100	85	8,000.00	6,800.00	440.00
1/23/29	76,665.75	2348-7th Ave., Vintula Realty. 1933	Foreclosed		5½*	100	50	76,665.75	38,332.88	-
	113,165.75							\$113,165.75	68,082.88	1,581.93
<u>Railroad Bonds</u>										
1/22/29	10,000	Baltimore & Ohio R.R. Co. "D". 2000 N.Y.	BBB		5	101½	76¾	10,150.00	7,675.00	500.00
1/25;5/29	10,000	Central of Georgia Rwy. "B". 1959	DDD		5½*	100.76	16	10,076.25	1,600.00	-
12/9/22	1,000	Interborough Rapid Transit. 1966	BBB		5	96-5/8	54½	966.25	545.00	50.00
6/12/37	5,000	Milwaukee Electric Rwy. & Lt. 1971	BB		5	101-3/8	100	5,081.25	5,000.00	250.00
3/25;1/29	10,000	Missouri, Kansas & Texas R.R. "A". 1952 N.Y.	B		5	96½	74	9,652.50	7,400.00	500.00
1/14/25	5,000	New York Central R.R. Co. "C". 2013 N.Y.	BB		5	99-7/8	96¼	4,993.75	4,812.50	250.00
9/6/35	5,000	Northern Pacific Rwy. Co. "D". 2047 N.Y.	A		5	95-3/8	102½	4,781.25	5,125.00	250.00
1/7/29	2,000	St. Louis, San Francisco "A". 1978	DD		4½*	90	21	1,805.00	420.00	-
8/36;6/37	5,000	Virginian Rwy. "A". 1966	AAA		3-3/4	105½	105-3/8	5,277.50	5,268.75	187.50
	53,000							52,783.75	37,846.25	1,987.50
<u>Public Utility Bonds</u>										
5/31/29	10,000	Amer. Power & Light Deb. 2016	BH		6	105-2/5	90	10,540.00	9,000.00	600.00
1/14/25	5,000	Amer. Tel. & Tel. Deb. S.F. 1943	AAA		5½	104	112½	5,087.50	5,625.00	275.00
7/26/29	3,000	Federal Light & Traction Co. at 1942	BBB		6	102-1/5	103	3,066.00	3,090.00	180.00
8/36;6/37	10,000	North American Edison "C". 1969	A		5	106¼	101½	10,576.25	10,150.00	500.00
8/20/36	10,000	Public Service No. Illinois. 1981	BBB		4½	103-3/4	103-1/8	10,400.00	10,312.50	450.00
2/21/33	3,000	Toledo Edison Co. 1st Mtg. 1962 N.Y.	AA		5	92¼	108	2,767.50	3,240.00	150.00
	41,000							42,437.25	41,417.50	2,155.00

Ranking List of Securities as of June 30, 1937

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Date Pur- chased	Face Value	Security	Legal Trust Due Inv.	Fitch Rat- ing	Int. Rate	Cost Price	Market Price 6/30/37	Cost	Market Value 6/30/37	Nominal Income
<u>Industrial Bonds</u>										
5/24/29	10,000	United States Rubber Co.....1947		BBB	5	90.15	106-3/4	9,016.25	10,675.00	500.00
<u>Foreign Bonds</u>										
1/29;5/29	7,000	Commonwealth of Australia Ext.1956		A	4 1/2	87	102 1/2	6,087.50	7,175.00	315.00
<u>U. S Government Bonds</u>										
3/29/35	5,000	Home Owners Loan Corp. "B"....1949			2-3/4	100.7	100.7	5,010.94	5,010.94	137.50
<u>Preferred Stock</u>										
12/28/31	1,400	Sh. Aluminum Co. of Amer. 6 Pfd....		CCC	6	100	113-3/4	140,000.00	159,250.00	8,400.00
4/7/36	80	" Atchison, Topeka & Santa Fe 5% Pfd.....			5	100 1/4	94-3/8	8,040.00	7,550.00	400.00
								148,040.00	166,800.00	8,800.00
								1,982.97	1,982.97	
		Cash Awaiting Investment, June 14, 1937.....						378,524.41	388,990.54	15,476.93

(b) Famine Fund Investments

Real Estate Notes, on Washington

Property, held by National Savings
& Trust Company, Washington

6/22/33	10,000	Oscar Baum - 1737 - 9 L Street N.W. & 1108 Conn. Ave. N.W.....1933	Slow		5 1/2	100	70	10,000.00	7,000.00	1073.18
1/5/37	10,000	Brantwood Development Corp....			4	100	100	10,000.00	10,000.00	400.00
8/22/33	50,000	J.J. Moebis, 1025 Vermont Ave. N.W. & 19th St. & Conn. Ave. N.W. 1933	"		4	100	60	50,000.00	30,000.00	2000.00
8/2/33	30,000	E.D. Rheem, 3039 Q St., N.W....1933	"		5	100	70	30,000.00	21,000.00	1500.00

ANKING LIST OF SECURITIES AS OF JUNE 30, 1937

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Pur- chased	Face Value	Security	Legal Trust Due Inv.	Rat- ing	Int. Rate	Cost Price	6/30/37 Market Price	6/30/37 Cost	6/30/37 Market Value	Nominal Income
8/22/33	7,221.37	Shannon & Luchs Const.Co. R.I.Ave.NE at 15th St.	1933 In def.		6*	100	25	7,221.37	1,805.34	-
8/22/33	63,773.12	Steuart Bros., Inc. 6th & "K" Sts., N.W.	1934 Reduced		5½	100	95	63,773.12	60,584.46	3,662.95
	170,994.49							170,994.49	130,389.80	8,636.13
<u>Railroad Bonds</u>										
1/28/37	10,000	Pennsylvania Railroad "C" 1970		AA	3¾	102-1/8	99-1/8	10,237.50	9,912.50	375.00
<u>Industrial Bonds</u>										
1/27/37	10,000	Bethlehem Steel Corp.	1966	AA	3¾	98-3/8	94-1/2	9,862.50	9,450.00	375.00
1/28/37	5,000	General Motors Accept.	1951	AAA	3¼	102-3/4	100-5/8	5,150.00	5,031.25	162.50
	15,000							15,012.50	14,481.25	537.50
<u>U.S. Gov't. Bonds & Notes</u>										
7/25/33	268,000	U.S. Treasury Bonds	1952		4½	100	115.23	268,000.00	310,126.25	11,390.00
12/7/34	65,000	U.S. Treasury Bonds	1951-5		3	100-13	102.14	65,304.69	66,584.38	1,950.00
	333,000					32		333,304.69	376,710.63	13,340.00
<u>Preferred Stock</u>										
1/28/37	40 sh.	Consolidated Edison		A	5	107-7/8	101-1/4	4,328.60	4,050.00	200.00
1/28/37	60	North American Edison		BB	6	104-1/8	97-3/4	6,267.90	5,865.00	360.00
								10,596.50	9,915.00	560.00

NANKING LIST OF SECURITIES AS OF JUNE 30, 1937

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<u>Pur-</u> <u>chased</u>	<u>Face</u> <u>Value</u>	<u>Due</u>	<u>Rating</u>	<u>Int.</u> <u>Rate</u>	<u>Cost</u> <u>Price</u>	<u>6/30/37</u> <u>Market</u> <u>Price</u>	<u>Cost</u>	<u>6/30/37</u> <u>Market</u> <u>Value</u>	<u>Nominal</u> <u>Income</u>
Totals.....							540,145.68	541,409.18	23,746.13
Plus Cash (1) Awaiting transfer to Famine Fund Expense.....							1,576.09	1,576.09	30.91
(2) On deposit in savings banks.....									
TOTAL OF FAMINE FUND							541,721.77	542,985.27	23,479.54
 (c) <u>Retirement Reserve Fund Investments</u>									
4/6/36	20 sh.	Atchison, Topeka & Santa Fe 5% Pfd.		5	100-1/4	94-3/8	2,010.00	1,887.50	100.00
1/16/32	2,000.	Cleveland Union Terminal "B" 1973	BB	5	90	106-3/4	1,805.00	2,135.00	100.00
8/20/36	2,000.	North American Edison "C" 1969	A	5	106-1/4	101-1/2	2,130.00	2,030.00	100.00
TOTAL OF RETIREMENT FUND INVESTMENTS							5,945.00	6,052.50	300.00
 (d) <u>Hoover Trust Fund</u>									
10/23/36	10,000	Georgia, Carolina & Northern 1934	C	6*	31-5/8	33	3,162.50	3,300.00	-
10/23/36	5,000	Bolt@n Square Improvement Co. 1932		7*	-	-	-	-	-
TOTAL OF HOOVER TRUST FUND							3,162.50	3,300.00	-
GRAND TOTAL							929,353.68	891,328.31	39,256.47

* Interest defaulted

MINUTES OF MEETING
EXECUTIVE-FINANCE COMMITTEES
UNIVERSITY OF NANKING

12:30 P.M. Friday, January 21st, 1938
Parkside Hotel, New York, N. Y.

List of Members

Executive Committee

J. W. Decker R. E. Speer
Mrs. F.J. McConnell T. C. Speers
*Robert C. Morris *E. C. Lobenstine
*G. B. Huntington *F. T. Cartwright

Finance Committee

Morris W. Ehnes J. H. Banton
*G. B. Huntington K. W. Moore
*Robert C. Morris *J. W. Decker

Those whose names are starred were present, also W. R. Wheeler and C. A. Evans.

APPROVAL OF MINUTES

Minutes of the following meetings were approved as distributed:- Executive-Finance, November 5th; Finance Committee, November 9th.

SITUATION IN CHINA

Conditions in China, and particularly reports from the University of Nanking campus, were discussed at some length. It was reported that a cable of encouragement, sympathy and admiration sent December 18, 1937, had not been delivered, and it was suggested that another attempt be made, using the U. S. State Department if necessary.

Mr. Wheeler reported concerning his visit to Washington January 20th.

A cable dated January 15th received January 19th from Professor Searle Bates, forwarded through the State Department, was read, and acting on the advice received in Washington, certain portions of the cable were deleted, permitting distribution to Nanking constituency and possibly newspaper publicity. The full cable had been sent to all the Founders.

STUDY OF REPORT TO ASSOCIATED BOARDS ALLOCATION COMMITTEE

A preliminary report was presented covering financial needs to be placed before the Associated Boards Committee on Allocation of Emergency Funds. This was carefully studied and a number of changes suggested, such as the segregation of the Hospital financial statement and a complete listing of emergency needs, as well as all credits available. It was suggested that the whole statement be rechecked and presented to the Finance Committee for review as soon as possible. It was

EF-940 VOTED to refer to an early meeting of the Finance Committee, with power, the emergency needs of the University, it being the feeling of these committees that the schedule represents as clear a picture of the situation as can be obtained at the present time.

DEATH OF MRS. A. J. BOWEN

Announcement was made of the death of Mrs. A. J. Bowen on January 14th, and it was

EF-941 VOTED that WHEREAS, the Executive-Finance Committees of the University of Nanking at an assembled meeting January 21, 1938, noted with deep sorrow the passing on January 14th of Mrs. Nora Joan Bowen, wife of Dr. Arthur J. Bowen, President of the University from 1910 to 1927, and lifelong co-laborer with the Chinese people, and

WHEREAS, one daughter, Miss Olive J. Bowen, is a present member of the staff of the Middle School, and

WHEREAS, the Chinese and the University of Nanking have lost a devoted friend - one who gave unstintedly of her life and talents for the advancement of the cause of religious education, her unswerving loyalty to the principles of the Master making her a living example of His teachings, therefore be it

RESOLVED, that, in behalf of the Trustees, the Executive-Finance Committees extend deepest sympathy to the bereaved family, and spread these resolutions upon the minutes of the meeting.

Due to the lateness of the hour, the promotional item on the docket could not be considered, and the Assistant Secretary was requested to call a meeting of the Promotional Committee at an early date.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

3:15 P.M. Friday, January 28, 1938
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

Morris W. Ehnes	J. H. Banton
*George B. Huntington, Chmn.	*K. W. Moore
Robert C. Morris	*J. W. Decker

Those whose names are starred above were present, also B. A. Garside, W. R. Wheeler, and C. A. Evans.

The meeting was opened with prayer led by Mr. Wheeler.

ALLOCATION OF EMERGENCY FUNDS

The committee noted that at the meeting of the Executive-Finance Committee meeting held January 21st it was voted EF-940 that the Finance Committee be empowered to make this allocation, but if felt desirable, such action be approved by the Executive Committee. It was

F-942 VOTED that the allocation of funds from the emergency collections now on hand be made by the Finance Committee at this meeting, to be approved by the Executive Committee through circulation vote.

REPORT ON EMERGENCY FUNDS

It was reported that Nanking had received \$10,497.91 from the Associated Boards representing its pro rata share of funds collected so far on the first \$105,000 emergency goal, the total amount anticipated being \$14,725.

The committee studied with minutest care all of the liabilities of the Board of Trustees in connection with debts on the field and appeals for emergency relief. It was noted that certain obligations had been incurred, such as travel for return staff, medical supplies for the hospital, and it was felt that these obligations should be cared for from these funds. It was therefore

F-943 VOTED to transfer \$1,000. from the emergency fund to cover the emergency travel advanced to staff members returning as per instructions from the field treasurer.

The medical supplies also came within the foregoing category, and it was

F-944 VOTED that the total of \$4,815.65 covering the order for medical supplies be paid from emergency funds.

Further consideration was given to the authorization to draw \$4,500. for extra expenses in the hospital, \$1,500 of which had been drawn. It was

F-945 VOTED to authorize the use of emergency funds to balance the \$1,500. already paid for the hospital supplies, and to set aside \$3,000. to cover possible drafts for the authorizations made for November and December.

The committee was notified that the balance of \$14,725. from the first \$105,000. collected would be available soon after the end of January, which would leave, after the payment of the above items, a balance of \$4,409.35 for allocation. It was

F-946 VOTED that an air-mail letter be dispatched to the field immediately, informing the field of the balance available amounting to approximately \$4,409.35, and requesting that the trustees be advised as to how this balance is to be used, it being the intention of the trustees to release same for such objectives as are recommended by the field.

Reports from the field would indicate that the organization for dealing with financial administrative matters has been more or less scattered, and that it seems desirable to have some constituted authority responsible for administrative and financial matters. It was

F-947 VOTED that provided the field has not reorganized its Board of Managers to the extent of where it can take responsibility, that the constituted group with authority on the field be the President, Y. G. Chen, Miss Elsie M. Priest, and Bishop Ralph Ward, with two others which these three may coopt, it being the understanding that any two of the three named may act in the absence of the other.

REPORT TO THE ASSOCIATED BOARDS ALLOCATION COMMITTEE

A restudy of the report submitted to the Executive-Finance Committee on January 21st is attached herewith, and was presented to the committee. It was reviewed, and after careful consideration, it was

F-948 VOTED to present the attached statement to the Associated Boards Allocation Committee as representing the best picture which the Trustees can present at the present time, requesting that the Allocation Committee give sympathetic consideration to the appeal of the Trustees for funds to carry on the emergency work of the University and the Hospital.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

*Minutes approved by Executive
Committee by circulation vote 2/11/38*

INFORMATION REQUESTED FOR USE OF
COMMITTEE ON ALLOCATION OF EMERGENCY FUNDS

ASSOCIATED BOARDS FOR CHRISTIAN COLLEGES IN CHINA

submitted by

BOARD OF TRUSTEES OF UNIVERSITY OF NANKING

I. GENERAL SITUATION

- A. Describe briefly the opening of the institution last fall, and any changes that have taken place since the opening.

The University opened October 4th, 1937, upon approval of the Director of Education, with an enrollment of 230. Later this was increased to 480. Before the taking of Nanking by the Japanese, the school was closed and approximately 200 students were taken to West China Union University.

- B. What seem to be the prospects for the remainder of the academic year?

Carrying on at West China.

- C. Enrollment. (1) What was the enrollment in the autumn term, 1936? - 935.
(2) What has been the enrollment in the autumn of 1937? - 230 - 480.
(3) What seem to be the prospects for enrollment during the remainder of the current academic year? - Approximately 400 in the Nanking unit at West China.

- D. Staff. (1) How many staff members did the institution have in the autumn of 1936-37:- Chinese - 71, Western - 15, - Total - 86.
(2) About what per cent of the staff have been able to carry on their regular duties during the autumn term, 1937? (Make no deduction for members absent on regular furlough).. - A great majority.
(3) What cuts, if any, have been made in staff salaries? - Between 40% & 60%.
(4) What arrangements have been made for staff members unable to carry on their regular work: (a) Chinese members: - In early fall they were released for public service on 40% salary; (b) Western members: - One returned to U.S.A. for retirement; two others for probable retirement; two off salary on field.

- E. Transfers. Please describe any transfers of students and/or staff from or to your institution as a result of war conditions, giving approximate numbers so transferred. - The first of December three boats were chartered to take approximately 500 students and staff, together with 480 boxes of equipment to Chengtu.

II. BUDGET SITUATION

(All figures should be expressed in U. S. dollars, at the rate of \$1 Chinese equals 30¢ American).

A. Indicate for the year 1936-37 the total budget income and show its origin, as follows:-

	<u>University</u>	<u>Hospital</u>
Chinese sources	113,199.80	65,784.00
Western sources	<u>105,989.06</u>	<u>6,057.85</u>
	219,188.86	71,841.85

B. Please indicate below the general budget situation for 1937-38. (Do not include grants or anticipated grants from \$250,000 emergency fund.)

<u>INCOME</u>	<u>Budget originally drawn up before crisis developed</u>		<u>Revised Estimates at present</u>	
	<u>University</u>	<u>Hospital</u>	<u>University</u>	<u>Hospital</u>
<u>From Chinese Sources:</u>				
1. Tuition	67,980.60		10,000.00	
2. Government Grants	16,050.00		-	
3. Other Fees	19,466.40	76,650.00	5,000.00	15,000.00
4. Contributions of Individuals and Organizations	13,610.25			
5. Other special sources of income	<u>37,339.85</u>	<u>1,255.00</u>	<u>10,000.00</u>	<u>1,255.00</u>
Total from Chinese Sources	154,447.10	77,905.00	25,000.00	16,255.00
<u>From Western Sources:</u>				
1. Income on Endowment	18,444.55		18,444.55	
2. Mission Board Grants	23,355.00	7,055.00	23,355.00	7,055.00
3. Contributions of Organizations and Individuals	49,999.07		49,999.07	
4. Other sources	<u>53,355.30</u>		<u>53,355.30</u>	
Total from Western Sources	145,153.92	7,055.00	145,153.92	7,055.00
GRAND TOTAL	299,601.02	84,960.00	170,153.92	23,310.00
<u>EXPENDITURES</u>				
1. General Administration	13,904.40		10,000.00	
2. Operation & Maintenance Plant	17,488.00	77,160.00	15,000.00	44,500.00
3. Equipment & Supplies	13,982.40	7,800.00	10,000.00	8,700.00
4. Instruction	238,091.79		166,000.00	
5. Miscellaneous	<u>16,134.43</u>		<u>5,000.00</u>	
Total Expenditures	299,601.02	84,960.00	206,000.00	53,200.00
ANTICIPATED DEFICITS			35,846.08	29,890.00

- C. Please indicate any special arrangements being made to reduce or eliminate any anticipated deficit, exclusive of assistance from the \$250,000 emergency fund: - None

III. EMERGENCY EXPENSES

- A. Please indicate the nature and amount of any actual or anticipated emergency expenses (outside the budget) growing out of the present crisis.
- (1) Transportation of staff and/or students from regular campus to other points. \$9,000 (estimated)
 - (2) Erection of temporary structures to accommodate staff and/or students. If Nanking carries on at Chengtu, West China will take care of accommodations.
 - (3) Rental of temporary quarters. - \$2,000.
 - (4) Replacements which must be made during the current fiscal year of equipment and supplies lost as a result of the present crisis.
Situation not clear - possibly \$5,000.
 - (5) Any other emergency expenses (indicate exact nature).
Headquarters in Hankow and other expenses - \$2,000.
- B. Indicate what regular or special funds are available or may become available, outside the proposed \$250,000 emergency fund, to meet some or all of the above emergency expenses.
- C. Where students are transferred from or to your institution, describe the extent to which the expenses involved are borne by your institution and the extent to which they are borne by the institution or institutions to or from which such transfers are made.

Apparently all travel has been borne by Nanking.

IV. ANY SPECIAL INFORMATION OR REMARKS

January 26, 1938

Board of Trustees
University of Nanking

ROBERT C. MORRIS

Treasurer

ROC

MINUTES OF MEETING
COMMITTEE ON PROMOTION
UNIVERSITY OF NANKING

12:00 M Friday, February 4th, 1938
Hotel Parkside, New York City

List of Members

* E. C. Lobenstine	K. W. Moore
R. E. Diffendorfer	* J. W. Decker

Those whose names are starred were present, also W. R. Wheeler, B. A. Garside and C. A. Evans.

The committee gave consideration to a report on promotional activities as presented by Mr. Wheeler, a copy of which is attached to these minutes. This was studied with considerable care, with special reference to the results for the year up to date, and the source of income.

The method of allocating names between the various universities was also discussed at some length. It was felt that activities for promotional work should not be limited to the New York area, and that an effort should be made between now and the end of the fiscal year to try out different localities. It was therefore

P-949 VOTED (a) That, after conferring with those directing the Emergency Fund Campaign, Nanking promotional efforts up to June 30, 1938 be directed to other centers as well as to the New York area in an effort to see what can be done permanently in building up interest for the University of Nanking and securing gifts.

(b) That W. R. Wheeler, Mr. Hedrick and Mr. Garside confer on clearing names and dates for work in various centers.

After further discussion of various individual items in Mr. Wheeler's report, it was

P-950 VOTED that the report of Mr. Wheeler dated February 4th covering promotional activities be accepted and filed with the minutes of this meeting.

On motion adjourned.

C. A. EVANS

ROC

Assistant Secretary

REPORT OF VICE PRESIDENT OF FOUNDERS TO THE
PROMOTIONAL COMMITTEE OF THE UNIVERSITY OF NANKING

February 4, 1938

The objectives of the present campaign, as I understand them, are:

1. To supply publicity for the University of Nanking and win the interests of American friends of the University;
2. To secure gifts for the emergency needs of the University, as these have been agreed upon by the University Founders, and to prepare the way for later support and capital gifts;
3. To build up the membership of the University Board of Founders through the addition of individuals who are in a position to give time, thought and money to the University;
4. To keep faculty members on furlough informed of the situation in Nanking and to strengthen the spirit of unity and loyal fellowship among them;
5. To cooperate with the China Colleges Emergency Campaign and lend a hand wherever possible.

The methods attempted in the carrying out of these objectives during the past six months have been as follows:

1. (a) Printed letters have been sent to the Nanking constituency carrying reports from China and telling of the campaign in America. The mailing list, when I came to the office in August 1936, numbered approximately 600 names. It has now approximately 2800. An alphabetical and geographical file have been set up. Printed letters were sent out to the mailing list on October 10, November 10, and December 24. A brief letter is to be sent February 15, accompanying the leaflet, "China Colleges in the News," prepared by the China College office, which includes newspaper dispatches, and an article in "Time," concerning the capture of Nanking and the brave service of the missionaries there;
- (b) The newspapers, particularly the New York Times, have been kept informed of events in Nanking and at the University. The latest insertion in the New York Times was on January 23.
- (c) Articles have been written for various publications, including "Monday Morning," the weekly magazine which goes to over 8000 Presbyterian ministers; "Women and Missions," which in its January issue published the leading article on China; "These Days in China," written in this office. ("Women and Missions" has a subscription list of approximately 50,000 Presbyterian women); articles have been sent to the Editor of the Christian Advocate, and the editorial secretaries of the boards cooperating in the University. "Pageant," the new monthly magazine of the Presbyterian Church, will carry in its March issue, an article "Heroic Missionaries at Nanking." The office has cooperated with "Time" in supplying information for Time's Foreign News Section dealing with China. The biography of Dr. John E. Williams of Nanking has been given to individuals, who might be interested through it in the work in China. An article based on the diary of Dr. Robert O. Wilson of the University of Nanking Hospital staff has been prepared. Articles by Mr. Oliver J. Caldwell of the University Faculty have been received for publication.

Report of Vice President of Founders
to the Promotional Committee of the University
of Nanking. February 4, 1938

(d) Addresses have been made whenever possible and wherever it seemed that gifts might follow;

(e) The press reports concerning the capture of Nanking and the heroic service of the missionaries there, have provided unusual publicity in themselves and the leaflet, "China Colleges in the News," reproduces some of these reports.

2.(a) Efforts have been made to secure contributions through mail appeals from the office, through personal calls and solicitation, through the cooperative efforts of the Emergency Campaign of the several colleges, and through the help of members of the faculty and staff now on furlough in this country. Appeals were made to the constituency by letter; to previous donors on December 1st, and to others on the mailing list on December 10; and another general appeal was made February 1. There will be a follow-up letter February 15.

(b) The total amount received during the past six months, through these various efforts, chiefly through the Associated Boards' office, is \$13,248.82.

(c) Calls in the Metropolitan area are being made on individuals assigned at the conference among the representatives of the different colleges. A number of the individuals on the lists attended, or were invited to attend, the Cravath Luncheon on November 19, and the Davis Luncheon on December 6. Because of the prior claims of the other Universities, the number of individuals assigned to this office to be followed up and solicited, was comparatively small. There is a wider list of those who have been cultivated by the University and to whom printed letters have been sent.

3.(a) Invitations have been sent to several individuals to become members of the Board of Founders, but the men invited have not seen their way clear as yet, to accept election. These efforts will be continued, and the aid of the individual members of the Board of Founders is needed in this quest.

4.(a) The Faculty members on furlough have been kept informed of developments on the field and pledge cards have been sent to them for use in solicitation. Two members of the faculty have sent in several gifts secured from friends of the University.

5.(a) Efforts have been made, through conference and consultation and mutual adjustments, to fit into the general campaign.

In these efforts, and in the various relationships in this united promotional effort, human nature is involved, which always presents certain difficulties, but there is in this task, a Divine nature also; the members of the University staff on the field have been displaying fortitude and ability which are in line with the highest traditions of the University; and it is my hope and belief that the problems can be solved in a spirit of mutual patience and mutual concession, and in undiscourageable courage and faith.

Respectfully submitted,

W. Reginald Wheeler

MINUTES OF MEETING
EXECUTIVE COMMITTEE
UNIVERSITY OF NANKING

12:30 P.M. Wednesday, March 16, 1938
Hotel Parkside, New York City

List of Members

*J. W. Decker	Theodore Cuyler Speers
Mrs. F. J. McConnell	*E. C. Lobenstine
Robert C. Morris	*F. T. Cartwright
*George B. Huntington	

Those whose names are starred were present, also B. A. Garside, W. R. Wheeler and C. A. Evans.

APPROVAL OF MINUTES

Minutes of the following meetings were approved as distributed:

Executive-Finance Committees January 21st
Finance Committee January 28th (approved by circulation vote by Executive Com.)
Promotional Committee February 4th

HOSPITAL MAINTENANCE APPROPRIATION

It was reported in connection with the minutes of the Finance Committee meeting of January 28th that the field had sent notification that the \$3,000 appropriated for the hospital would not be required, as other means of support have been secured temporarily, and it was requested to release this for other emergency needs. After a thorough canvassing of the situation, which involved the review of promotional deficits on the Founders' books, it was

E-951 VOTED that in view of the notification received from China that \$3,000 appropriated for the hospital for the months of November and December in 1937 would not be required and had not been drawn, this amount be added to the \$4,409.35 appropriated for general use, subject to the same conditions as set forth in action F-883.

CONSIDERATION OF REVISED AND EMERGENCY BUDGETS

The committee learned that the revised budget for the current fiscal year, as well as the allocation of emergency funds, had not been received from the field. It was

E-952 VOTED that the Secretary be instructed to call a meeting of the Finance Committee as soon as the budgets are received from China, or not later than April 1st, and that consideration be given to emergency and current needs, as well as promotional costs already assumed.

REPORT ON MEDICAL SUPPLIES

Attention was called to a communication from Sharp & Dohme, the organization through which biological supplies were purchased last October for the University of Nanking Hospital. This included a letter from Miss Grace Bauer dated

January 7th, wherein she acknowledged receipt of the supplies, listing the various articles, thereby definitely establishing the fact that all supplies ordered and paid for were delivered to the University of Nanking Hospital. The committee noted this communication with gratification.

MATTERS ARISING OUT OF THE FIELD MINUTES OF JANUARY 13th, 1938

The minutes of the meeting of certain members of the Board and Executive Committee of the Board of Directors of the University of Nanking held in the Missions Building in Shanghai on January 13th were considered. It was

E-953 VOTED to note with gratification the meeting of the Executive Committee of the Board of Directors held on January 13th, and to acknowledge receipt of these minutes.

Transferring Work and Equipment to Chengtu. It was observed that in the above meeting approval had been given to the emergency action of the administration transferring the work of the University to Chengtu, and it was

E-954 VOTED to accept and to approve the temporary transfer of the work and some equipment to Chengtu, recognizing that this action was taken in accordance with the best judgment available at the time and dictated by conditions of frightful emergency.

Letters Regarding Removal of Work. Several communications covering the removal of University students, staff and equipment to Chengtu were given very sympathetic and thoughtful attention. These consisted of several letters from Dr. John C. Ferguson and kindred correspondence on the subject. After a very thorough and frank discussion, it was

E-955 VOTED that the Chairman of the Board of Founders be requested to write to Dr. John C. Ferguson, Mr. T. C. Woo, and President Y. G. Chen, setting forth the attitude of the Board of Founders in this matter.

Prof. M. Searle Bates as Representative of the Board of Founders. It was noted that Prof. M. Searle Bates has been elected by the Shanghai meeting of the Executive Committee of the Board of Directors to serve as Vice-President of the University, and it was felt that in view of his experience and special knowledge of the situation, that he should be given authority to act for the Board of Founders. It was

E-956 VOTED that the Executive Committee, acting for the Board of Founders of the University of Nanking, give full power of attorney to Prof. M. Searle Bates, appointing him as a representative of the Board of Founders in all matters pertaining to the property of the Board of Founders in the University, with the understanding that guidance in the use of such power should be sought when possible in conference with colleagues and with available members of the Board of Directors.

Several cooperating Boards have submitted papers covering their action along this line, and the Nanking document will be framed in a similar manner.

Use of Advice Distributed by Foreign Missions Conference. It was stated that the Foreign Missions Conference is distributing a memorandum covering various conferences of the Far Eastern Committee and with the State Department, advising that wherever possible local settlement be sought and effected in cases of claims for compensation for damages to or occupation of mission property, and for the return of occupied property to its rightful owners. It was

E-957 VOTED to transfer to Prof. M. Searle Bates, with the approval of this committee, the pertinent minute, information and advice distributed by the Foreign Missions Conference.

Cooperating Universities in Shanghai. It was noted with gratification that action had been taken by the Board of Directors looking to cooperation with other Christian universities and middle schools in establishing emergency units in Shanghai.

CORRESPONDENCE FROM NANKING

The Secretary called attention to the large amount of correspondence coming through from China descriptive of conditions in Nanking, and of the pressure which is being exerted for the distribution of this material. The purposes of such distribution and the results to be achieved were discussed fully, and it was

E-958 VOTED that as a Board of Founders we release confidential correspondence descriptive of conditions in Nanking only for use as background material and not for publication, and that it be carefully restricted to those who will make constructive use of it.

In connection with the foregoing, it was pointed out that some central agency for the control of this material should be established, and it was

E-959 VOTED to recommend to the Foreign Missions Conference the appointment of a small committee to control the releasing of material descriptive of conditions in China.

BOARD OF FOUNDERS COMMITTEE ON WAR MATERIAL

The Secretary raised a question as to the advisability of having a committee from the Board of Founders to act as a clearing bureau for the correspondence coming from China to this Board. It was

E-960 VOTED that B. A. Garside and W. R. Wheeler be appointed a committee of two to control the release of China material descriptive of conditions in Nanking, in conference with the Chairman where necessary.

REPRESENTATION ON GINLING BOARD

It was noted that no representatives had been elected to the Ginling College Board of Founders, and it was

E-961 VOTED that John W. Decker and E. C. Lobenstine be elected our representatives on the Ginling Board.

MEMBERSHIP ON FINANCE COMMITTEE

It was stated that difficulty had been experienced in securing adequate representation on the Finance Committee, and that it would be desirable to fill the quota of Board members on the committee. It was

E-962 VOTED that W. A. Eldridge and E. C. Lobenstine be appointed additional members of the Finance Committee.

DISTRIBUTION OF ALUMINUM DIVIDENDS IN HARVARD-YENCHING INSTITUTE RESTRICTED FUNDS

The Secretary reminded the committee that under date of January 27, 1937, action was taken by the Nanking Finance Committee covering the proposed distribution of \$25,250. available on back dividends of the Aluminum Company of America held within the Harvard-Yenching Institute restricted account.

Since that time there have been additional accumulations within this account totalling about \$50,000. The Executive Committee was asked to render judgment regarding the disposition of Nanking's share (3/19) of these restricted funds. Reference was made to the action taken on January 27, 1937, F-883, and it was

E-963 VOTED (a) To reiterate the former action of the Finance Committee regarding the distribution of accumulated Harvard-Yenching Institute back dividends.

(b) That if the Boards of Trustees of other beneficiary institutions desire to confer on the distribution of the surplus, George B. Huntington be appointed representative from the Nanking Board.

PROMOTIONAL WORK

Before retiring from the meeting, Mr. Wheeler recommended that a conference be held of various promotional workers of the Associated Boards and individual colleges for the purpose of obtaining concrete, practical views as to future plans and possibilities in promotional work, and where changes in the present system might make it more effective. The committee gave thought to the future of promotional work and to the personnel to be involved in such a program. It was stated that early action should be taken, and it was

E-964 VOTED (a) To ask a special committee, which will report to the Executive Committee, to investigate Nanking's relationship to the program of the Associated Boards and to the support of that program, together with the matter of personnel and plans of Nanking's own promotional efforts.

(b) That this special committee should be as follows:

E. C. Lobenstine, Chairman
F. T. Cartwright
Ralph Wells
Alexander Paul
Robert C. Morris
John W. Decker, ex officio

On motion adjourned.
ROC

C.A. EVANS
Assistant Secretary

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:30 P.M., Thursday, March 31, 1938
Room 4, City Midday Club, 25 Broad St., New York, N.Y.

List of Members

Morris W. Ehnes, Chairman	*E. C. Lobenstine
J. H. Banton	K. W. Moore
*W. A. Eldridge	*Robert C. Morris
*G. B. Huntington	*John W. Decker, ex officio

Those whose names are starred were present, also C. A. Evans.

Dr. Lobenstine was elected Chairman pro tem.

The committee gave a cordial reception to Mr. W. A. Eldridge, this being his first meeting since appointment on the Board. It was also observed that Dr. E. C. Lobenstine had been recently elected to membership on the committee.

\$1,000 ADVANCED FOR TRAVEL

The committee was reminded that early in the fall of 1937 Miss Priest wrote regarding the return of several staff members, requesting that \$1,000 be sent to the American Embassy at Tientsin to cover travel advances to be made for Mrs. Riggs and children and Miss Bowen.

As Mrs. Riggs made arrangements through the American Board, and Miss Bowen financed her own trip, the \$1,000 was not needed, and was transferred to the current field account. The Founders' treasurer, however, subsequently reimbursed \$1,455.42 for the total travel, \$1,000. being charged against the Emergency Relief Fund.

Miss Priest has written recently that this should be a regular travel charge against the field budget, and not a part of the emergency expenditure. The field requested that this \$1,000 be transferred to the Board of Directors' budget and \$1,000 be released for emergency use. It was

F-965 VOTED to instruct the Treasurer to transfer the charge of \$1,000 for travel from emergency relief funds to the current budget of the Directors, adding same to the \$7,409.35 of emergency funds appropriated for general use, and subject to the same conditions as set forth in actions F-946 and E-951.

REVISED AND EMERGENCY BUDGETS

It was stated that the Executive Committee, on March 16th, under action E-952, voted that the Secretary be instructed to call a meeting of the Finance Committee as soon as the budgets were received from China, or not later than April 1st, and that consideration be given to emergency and current needs, as well as promotional costs already assumed.

It was reported that no budgets had been received from China, and it was suggested that the Secretary cable asking when budgets had been mailed.

Revised figures covering the Trustees' budget for the current year were presented, which showed an anticipated overdraft to June 30, 1938 of \$6,784.92. The committee recognized this as a definite responsibility of the Board of Founders, and discussed various methods and reviewed various balances on the books which might be considered as available to cover the deficit.

The question was raised as to the possibility of using emergency funds raised through the Associated Boards for this purpose, additional funds totalling \$16,000 having recently been appropriated by the Allocation Committee, and the accumulated back dividends on Aluminum preferred were also discussed.

After a very thorough canvassing of the situation, it was felt that no immediate action would be necessary, it being the understanding that the Board of Founders would assume the entire responsibility for the overdraft, including promotional costs as definitely known at the present time. It was felt, however, that no disposition should be made of the Aluminum dividends until a clearer idea as to the University's requirements and the Board of Founders responsibility for the current year could be definitely established. It was

F-966 VOTED to recommend to the Executive Committee that no decision be made regarding the accumulated back dividends on Aluminum preferred, pending decision providing for deficits in the current year's budget.

Further thought was given to the discussion surrounding the use of emergency funds for current use. The committee had in mind the understanding within the National Emergency Committee that no promotional expenses would be deducted from funds received for emergency relief. It was felt that Nanking should adhere to this position, and it was

F-967 VOTED to inform the Executive Committee that in view of the attitude assumed by the National Emergency Committee, where no expenses are deducted from gifts received for this purpose, this Finance Committee deems it inappropriate to use funds received from the campaign for current budget, or deficits not due to the emergency.

In connection with the discussion as to funds available, it was reported that \$16,000 has been appropriated to Nanking by the Committee on Allocation for additional emergency funds received recently.

INVESTMENTS

\$8,000 mortgage - 414 Brook Avenue, Bronx. A communication from the Mortgage Corporation of New York, servicing corporation for the captioned mortgage, indicated that the owner of the property had complied with the demands of the Building Department of the City and made repairs which removed certain violations on the property. In view of the added expenditure entailed, a request was made that the interest be reduced from six to five per cent. It was

F-968 VOTED that in connection with any negotiations regarding further payments of interest, the treasurer be authorized to negotiate that the reduction of interest of one per cent be applied to amortizing the principal.

\$9,000 - 6157 Tyndall Avenue, Bronx. It was stated that this property occupies a very desirable location in the Riverdale section of the Bronx. There are three lots of irregular size, the house being a frame structure. Up to the time that

foreclosure proceedings were instituted, the premises were occupied by the owner of the Broadway Storage Warehouse Corporation or a member of his family. While thus occupied, the grounds and buildings were kept in excellent condition. Difficulties in the warehousing industry during the depression caused a sharp shrinkage of income, and there seems to be no opportunity of recouping these losses, thus the foreclosure proceedings. Sale of the property is now being advertised, and it is hoped that title can be secured by the latter part of April. During the past eighteen months, a receiver has been operating the property, and states that there will be about \$300. which, after expenses are paid, might be turned over to the mortgagee.

There are back taxes and penalties totalling \$2,300. against the property, plus approximately \$160. for foreclosure costs. It was recognized that the only method of protecting the original investment and securing title would be by paying the back taxes, and it was

F-969 VOTED to authorize the Treasurer to make payment of such tax bills and penalties and other foreclosure costs which are necessary, using cash balances in the endowment section for this purpose.

NEXT MEETING OF THE COMMITTEE

Time and place for the next meeting of the committee were discussed, and it was left to the Secretary to make such arrangements as could be secured in the downtown area, the committee to meet when advices from the field warranted a meeting.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:30 P.M. Wednesday, April 20, 1938
65 Liberty Street, New York, N.Y.

List of Members

*Morris W. Ehnes, Chairman	J. H. Banton
*George B. Huntington	K. W. Moore
*Robert C. Morris	*J. W. Decker
W. A. Eldridge	E. C. Lobenstine

Those whose names are starred above were present, also C. A. Evans.

The meeting was opened with prayer led by Dr. Huntington.

COMMUNICATION REGARDING CURRENT BUDGETS

The committee gave consideration to a letter from the Field Treasurer, dated March 21, 1938, together with revised budgets for the current year for both the University and the Hospital, also the current emergency budget. There was also in hand a schedule covering the estimated losses for Agricultural Experiment Station and Farm in and about Nanking. The covering letter from the field stated that all salaries were cut 50% January 1st, but that such hardships were entailed that a 70% schedule would be instituted March 1st. The current deficit minus emergency items amounted to LC\$2,016.04, not including the Middle School. The emergency budget totalled \$39,883.78, some items representing actual expenditures, whereas others were estimates.

It was stated that last June the field closed with a current deficit of LC\$27,435.16, and it was hoped that certain funds in the hands of the Board of Founders could be utilized to cover this deficit; also that \$5,000. had been anticipated by the field as income from the promotional activities in the United States. The combination of all deficits as enumerated by the field totalled LC\$71,194.14, aside from any deficit of the Middle School.

It was noted that in the Hospital account some funds had been left with those in charge of the Hospital at Nanking, but hardly enough to last through December. It was stated that the income for the Hospital was very uncertain, and that there would be a shortage on June 30th of approximately LC\$54,725.84. While there has been some help from various sources, yet the situation at Nanking, as a result of the invasion, had practically dried up all channels of assistance. The covering statement regarding capital losses stated that the reconditioning of buildings alone might reach a figure of LC\$50,000.

In giving consideration to the data in hand, the Finance Committee reviewed a summary of deficits both on the field and at home. Same is attached herewith as Appendix A. The University receipts and expenditures and emergency budget are attached as Appendices B and C.

US\$5,000 FROM PROMOTIONAL WORK

It was noted that the field had included US\$5,000 of anticipated income from the United States to be derived from promotional work to be conducted by the Founders of the University. As this had not been included in the underwritings of the Board of Founders, it was felt that a word of caution should be expressed. It was therefore

F-970 VOTED to advise the Executive Committee that the Finance Committee views with concern the impropriety of including \$5,000 as anticipated income from the Board of Founders as the result of promotional work by Mr. Wheeler.

EMERGENCY DEFICIT

A further study of the schedule on deficits was made, and it was recognized that all items clearly representing emergency expenditures should be cared for from the emergency funds raised in the United States. It was therefore

F-971 VOTED to recommend to the Executive Committee that the following emergency items be covered by receipts from the Associated Boards and designated gifts received through the University, amounting to \$30,725., and that authorization be given to the field to draw the amount stipulated:-

Anticipated from promotional work by Founders.....		US\$5,000.00
Anticipated current field deficit.....	LC\$2,016.04	
Emergency field budget.....	<u>39,883.78</u>	
	@ 27¢	LC\$41,899.82-
		11,312.95
Purchase of Hospital supplies.....	US\$ 4,815.65	
Emergency Hospital appropriation.....	<u>4,500.00</u>	9,315.65
		US\$25,628.60

It was noted that the above authorizations left a balance of \$5,096.40 in emergency funds, and it was

F-972 VOTED to recommend to the Executive Committee that US\$5,096.40 balance of emergency receipts would be held against further emergency needs.

UNIVERSITY HOSPITAL

The condition of the Hospital, as represented by the field budget, showed a deficit of LC\$54,725.84, aside from appropriation voted in motion F-971. This matter was considered at length, and as the emergency receipts from the Associated Boards represented gifts for the University, aside from designated gifts for the Hospital, it was felt that further relief funds from this source should not be voted. The most logical course seemed to be to comply with the request of the field and refer same to the cooperating Mission Boards. It was

F-973 VOTED to call attention of the cooperating Mission Boards to the deficit amounting to LC\$54,725.84, urgently requesting that special appropriations be made from emergency funds to help rescue the Hospital from its serious plight.

BOARD OF FOUNDERS DEFICIT

It was noted that the Board of Founders is carrying a deficit of \$903.10, and that it is anticipated that there will be a deficit of \$6,765. for the current year, making a total of approximately \$7,668.10. The committee felt that the back dividends on Aluminum could be used to cover this pending deficit, and it was

F-974 VOTED to recommend to the Executive Committee that so much of accumulated back dividends of Aluminum Company preferred as may be necessary to clear accumulated deficits to June 30th be so applied.

ANTICIPATED INCOME FOR 1938-39

The Assistant Treasurer presented a schedule of anticipated income for 1938-39, but as many factors would enter into the setting up of the coming year's budget which were not available to the committee, it was suggested that a schedule of anticipated income be submitted to the Executive Committee for its study in connection with the Founders budget.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

3/15/38

SUMMARY OF NANKING DEFICITS1937-38

	<u>L.C.\$</u>	<u>U.S.\$</u> <u>@ 27¢ LC</u>
Anticipated deficits on current field budget.....	2,016.04	
Emergency budget from field.....	39,883.78	
Hospital Deficit 12/31/37.....	985.84	
" " 1/1/38 to 6/30/38.....	<u>53740.00</u>	
Emergency Supplies.....		4,815.65
" Appropriation.....		1,500.00
Estimated Loss on Property.....	<u>62,905.00</u>	
	159,530.66	
Less L.C. available in China for Hospital.....	<u>7,235.63</u>	
@ 27¢	152,295.03 -	<u>41,119.66</u>
		47,435.31
Emergency funds allocated 1/28/38.....	14,725.	
" " " later.....	<u>16,000</u>	
		<u>30,725.00</u>
		16,710.31
Field Deficit 6/30/37.....	27,435.16 -	7,404.50
Board of Founders Deficit 1937-38 (estimated).....		6,785.00
" " " Old Deficit.....		<u>903.10</u>
		31,802.91
		<hr/> <hr/>
Funds available: Back dividends on Aluminum Preferred.....		9,450.00
" " " " " anticipated...		<u>3,150.00</u>
		<hr/> <hr/> 12,500.00

ROC

UNIVERSITY OF NANKING
SUMMARY OF REVISED BUDGET 1937-38
Compared with original budget

(All figures in local currency)

RECEIPTS

	<u>Revised</u>	<u>Original</u>
Student Fees: Arts.....	4,725.00	26,320.00
Science.....	5,480.00	35,620.00
Agriculture.....	10,292.00	29,080.00
Non-Instructional Fees.....	3,200.00	30,136.00
From Board of Founders.....	154,876.50	156,616.50
Staff Rents,.....	4,500.00	-
Grants: Ministry of Education.....	26,350.00	30,000.00
British Boxer.....	20,000.00	20,000.00
Movies.....	22,000.00	26,400.00
Electrical Engineering Project.....	20,000.00	-
Rockefeller Foundation.....	60,000.00	106,225.00
Harvard-Yenching Institute.....	41,600.00	41,600.00
Science Shop etc.	1,200.00	-
Administration Charges.....	14,635.00	19,000.00
Cultural Studies Account.....	1,666.66	1,666.66
Famine Funds for Instruction.....	10,500.00	10,500.00
Interest on Library Bonds.....	3,600.00	3,600.00
Ginling College for Treasurer.....	500.00	500.00
National Christian Council.....	3,000.00	3,000.00
Local Government Project.....	1,650.00	3,500.00
Farms and Experiment Stations (Nanking).....	28,650.00	64,888.00
Famine Funds.....	180,851.00	216,241.00
Deficit.....	<u>2,016.04</u>	<u>28,704.85</u>
	<u>621,292.20</u>	<u>853,598.01</u>

EXPENDITURES

Administration.....	31,656.30	46,348.00
Operation and Maintenance.....	16,066.34	40,653.35
Instruction: College of Arts.....	69,889.93	94,782.00
" " Science.....	95,922.03	101,100.00
" " Agriculture.....	47,465.84	78,846.00
Chinese Cultural Studies.....	13,343.16	19,406.66
Library.....	14,991.10	24,404.00
Non-Instructional Items.....	2,200.00	5,300.00
Student Activities.....	1,100.00	12,560.00
Dormitories for Men.....	11,074.00	15,700.00
" " Women.....	1,073.00	1,940.00
Construction Department.....	2,009.50	2,730.00
Experiment Stations: Gardens.....	13,000.00	33,860.00
Farms.....	9,650.00	14,976.00
Sericulture.....	6,000.00	16,052.00
Projects: Electrical Engineering.....	20,000.00	-
Movies.....	22,000.00	19,474.00
National Christian Council.....	3,000.00	3,000.00
Rockefeller Foundation.....	60,000.00	106,225.00
Famine Funds Budget.....	<u>180,851.00</u>	<u>216,241.00</u>
ROC	<u>621,292.20</u>	<u>853,598.01</u>

UNIVERSITY OF NANKINGEMERGENCY BUDGET1937-38Estimated Expenses to March, 1938

Dugouts, painting roofs, flags, etc.	\$ 2,409.08
Travel and survey in Kuling.....	120.00
Expenses, boxes, local expenses Nanking-Chengtu.....	3,646.04
Freight on boxes, Nanking-Chungking.....	10,856.66
Estimated cost from Chungking to Chengtu.....	2,500.00
Furniture & Furnishings in Chengtu (in process of construction)	10,000.00
Travel Allowance for Staff Nanking-Chengtu..... (Allowed at rate of \$65. per person)	9,552.00
Other expenses - estimated.....	<u>800.00</u>
	\$39,883.78

Anticipated Income

Board of Founders US\$4,409.35.....	\$14,550.84
Deficit.....	<u>25,332.94</u>
	\$39,883.78

ROC

MINUTES OF MEETING
EXECUTIVE COMMITTEE
UNIVERSITY OF NANKING

12:30 P.M. Friday, April 22, 1938
Parkside Hotel, New York, N.Y.

List of Members

*J. W. Decker, Chairman	Theodore Cuyler Speers
*Mrs. F. J. McConnell	*E. C. Lobenstine
Robert C. Morris	Frank T. Cartwright
*George B. Huntington	

Those whose names are starred were present, also B. A. Garside and C. A. Evans, and Dr. George F. Sutherland substituting for Dr. Cartwright.

The meeting was opened with prayer led by Mrs. McConnell.

APPROVAL OF MINUTES

Minutes of the following meetings were approved as distributed:- Executive Committee, March 16; Finance Committee, March 31st.

MINUTES OF FINANCE COMMITTEE MEETING APRIL 20TH

Communication Regarding Current Budgets. The summary of a letter from the Field Treasurer, dated March 21, 1938, was read for the information of the committee.

US\$5,000 from Promotional Work. The committee reviewed action F-970, which called attention to \$5,000 included by the field in estimates for 1937-38 budget as coming from the Board of Founders. It was

E-975 VOTED to adopt action F-970 as recommended by the Finance Committee, with the added suggestion that the field be advised to include only such amounts in anticipated income from the Board as are authorized by the Board of Founders.

Emergency Deficit. The action as outlined under F-971 was studied carefully, each item included in the emergency authorizations being studied individually.

It was also noted that F-972 recommended that the balance of emergency receipts be held against further emergency needs. It was

E-976 VOTED to approve actions F-971 and F-972, with the understanding that action F-971 covers all previous emergency commitments and appropriations voted by the Board of Founders and Finance Committee, and that a careful analysis covering emergency grants be prepared and submitted to the field.

University Hospital. The committee considered at length action F-973, noting that LC\$54,725.84 represented the anticipated deficit as of June 30, 1938, and suggested the motion be corrected accordingly.

The question was raised as to the method to be used in presenting the situation to cooperating Mission Boards, and it was

E-977 VOTED to appoint a special committee of Messrs. E. C. Lobenstine, F. T. Cartwright, Alexander Paul, Clarence H. Hamilton, and C. A. Evans to study the financial situation of the Hospital and to present its needs to the cooperating Boards and other sources of financial aid.

Board of Founders Deficit. In studying action F-974, it was suggested that the total amount of Aluminum dividends now held for allocation, amounting to \$9,450., be recorded, and that the accumulated deficits to June 30th referred to in the motion be stated as deficits on the books of the Board of Founders. It was

E-978 VOTED to approve action F-974, with the understanding that the deficits referred to are those on the Board of Founders' books, but not to include any possible additional costs arising from promotional charges of the Associated Boards, such allocations to be taken up when they are known.

REPORT OF SPECIAL COMMITTEE ON PROMOTIONAL WORK

The Chairman of the committee, Dr. E. C. Lobenstine, presented the report of the committee. He stated that several meetings had been held, some in conference with Mr. Wheeler, and that the whole situation had been thoroughly canvassed.

The committee gave careful thought to each proposed step in the report, special consideration being given to the anticipated cost of participation with the Associated Boards program, and whether or not a staff adequate to carry Nanking's promotional activities would be employed. It was finally

E-979 VOTED to recommend to the Board of Founders that the University of Nanking continue with the Associated Boards in promotional and administrative work, and refer to the Board of Founders the amounts to be contributed to the Associated Boards, such contributions to be based upon the promotional plans of the Associated Boards for the coming year, and whether these will adequately meet the needs of Nanking.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

9:30 A.M. Friday, May 6, 1938
The Solarium, Parkside Hotel, New York, N. Y.

List of Members

<u>Board</u>	1938 1940	1939 1938	1940 1939	<u>Alternates</u>
Baptist		John W. Decker	*R. L. Howard	
Disciples	Alexander Paul	Stephen J. Corey	C. M. Yocum	C. T. Paul
Methodist	*R. E. Diffendorfer	Robert C. Morris	(vacancy)	F.T. Cartwright
Presbyterian	*E. C. Lobenstine	W.A. Eldridge	*R. C. Wells	
Coopted	Robert E. Speer	Russell Carter	T. C. Speers	
	J. H. Banton	*Mrs. F. J. McConnell		
	*Margaret E. Hodge	Miss F. G. Tyler		
		*W. R. Wheeler		

Those whose names are starred were present, also Mrs. T. D. Macmillan, George B. Huntington (substituting for Dr. Decker), E. H. Cressy, Clarence Hamilton (substituting for Alexander Paul), B. A. Garside, and C. A. Evans.

The meeting was opened with prayer led by Dr. Lobenstine.

In the absence of the Chairman, Mrs. McConnell, Vice Chairman, presided until called away late in the meeting, when Dr. Howard took the chair.

Apologies for absence were presented from Dr. R. E. Speer, Mr. J. H. Banton, Dr. J. W. Decker, and Dr. Frank T. Cartwright.

It was noted that Dr. Decker's absence was due to death in his immediate family, and it was

BF-980 VOTED that the Secretary be instructed to convey to Dr. Decker the sympathy of the Board in his bereavement.

APPROVAL OF MINUTES

It was

BF-981 VOTED to approve the following minutes as circulated:- Board of Founders, May 13, 1937; Executive-Promotion Committees, September 21, 1937; Executive-Finance Committees, October 15, 1937; Executive-Finance Committees, November 5, 1937; Finance Committee, November 9, 1937; Executive-Finance Committees, January 21, 1938; Finance Committee, January 28, 1938; Committee on Promotion, February 4, 1938; Executive Committee, March 16, 1938; Finance Committee, March 31, 1938; Finance Committee, April 20, 1938; Executive Committee, April 22, 1938.

FINANCIAL REPORT

The financial forecast and statement was presented by the Assistant Treasurer, and is attached to these minutes as Appendix A. It was

BF-982 VOTED to accept and place on file the financial forecast and statement attached as Appendix A.

REPORT OF PROMOTIONAL COMMITTEE

At the request of the Chairman of the Promotional Committee, Dr. E. C. Lobenstine, Mr. W. R. Wheeler presented the report covering the past ten months' work. Same is attached as Appendix B.

In the discussion which followed attention was called to the changes which are to be consummated within the Associated Boards during the coming fiscal year, same being closely related to the question as to Nanking's own promotional work, and whether or not this could be accomplished in conjunction with the promotional work of the Associated Boards.

Mr. Wheeler called attention to the spiritual emphasis needed in carrying on the promotional work, and Mr. Garside paid tribute to the fine spirit manifested by Mr. Wheeler in working in conjunction with the Associated Boards promotional work during the past year.

It was stated that of the proposed China Colleges emergency fund of \$300,000., about \$175,000 had been raised, Nanking being represented with requests for the largest amount for emergency expenditures of any of the institutions.

Mr. Wheeler withdrew from the meeting during the discussion regarding his personal relationship with the Board. Every phase of promotional endeavor was then considered, especially the part played by Mr. Wheeler during the past year, and his possible value to the Board over the next twelve months. With warmest appreciation for what Mr. Wheeler has accomplished during the past year, and with a hope of larger success during the coming year, it was

BF-983 VOTED (a) To enter into the arrangement with Mr. Wheeler as proposed in the attached report, with great appreciation for the financial concessions that he has proposed, and to approve a maximum of \$13,000 to June 30, 1939, delegating to the Executive Committee the working out of details.

(b) That the Executive Committee be instructed to enter into an agreement with Mr. Wheeler to continue his service for one year from September 1, 1938 at the revised rate.

PARTICIPATION IN THE ASSOCIATED BOARDS

The Board recognized that the foregoing action included an item covering participation in the Associated Boards program, and it was

BF-984 VOTED to continue relationships with the Associated Boards on the basis of total contributions for the year 1938-39 of \$8,750. to include administrative and promotional costs of the Associated Boards program.

REPORT BY PROFESSOR ELISSEEFF

The Board received with deep appreciation the report of Dr. Serge Elisseeff on his visit to Christian Colleges in China while there on a recent visit. It was

BF-985 VOTED to accept Dr. Elisseeff's report and letter with sincere appreciation, instructing the Secretary to make such acknowledgment as seemed expedient.

REPORT ON CONDITIONS IN CHINA

Mr. E. H. Cressy was called upon to report on conditions in China, and while paying high tribute to those who carried on doing the emergency work on the Nanking campus, also pointed out the tremendous problems involved in the close relationships of the University work in West China, - how remarkably well the situation is being handled. He called attention to the growing sympathetic attitude of the Chinese Government toward the Christian institutions, where in some cases rural reconstruction work has been delegated to Christian colleges. He called attention to the fact that while the foreigners were risking all in giving their services to the cause of China, yet the Chinese were in even greater danger of their lives, but ever so many had carried on with a most remarkable devotion, loyalty and courage. There was unanimous approbation for the manner in which the relief work at Nanking had been handled, and it was

BF-986 VOTED that the Board of Founders extend its deepest gratitude to all those who so nobly risked their lives for the cause of China in staying on the University campus during the horrible chaotic conditions, with special appreciation and recognition being given to the Chinese who so willingly and sacrificially stayed on to take their share in the relief work.

MINUTES OF EMERGENCY EXECUTIVE COMMITTEE MARCH 5th

The Board listened to a survey of the minutes of the Emergency Executive Committee meeting of March 15, 1938. As Mr. Cressy attended that meeting in China, as well as being Acting Secretary for the January 13th and February 14th emergency meetings of the Shanghai members of the Board of Directors held in Shanghai, he was able to explain more fully some of the actions taken. After some discussion, action was taken on the following items:-

Return of Staff to China. As these actions dealt with the return of Mission Board staff to China, it was felt that an early meeting of the Executive Committee should be held to deal with the situation, and it was

BF-987 VOTED to refer actions EE-11 and EE-12 to the Executive Committee with power..

Field Budget. In this connection actions EE-14 and EE-15 were discussed, there being presented a summary of the current revised budget to June 30, 1938, not including the Middle School and Hospital.

Actions EE-16 and EE-17 dealing with the budget for 1938-39 called for explanation from Mr. Cressy, who paid tribute to the remarkable manner in which the University staff faced the ordeal of moving to Szechwan, and the willingness of the entire faculty body to sacrifice salary. It was noted that the coming year's budget would be presented at a later date.

University Hospital. Actions EE-18 and EE-19 approved of the revised budget for the balance of the current year, and requested Mr. Cressy and other members of the Board of Directors and Founders to present the work of the hospital wherever possible for the purpose of securing adequate funds to carry on the work. It was

BF-988 VOTED that the Board notes with gratification actions EE-18 and EE-19 of the Emergency Executive Committee, and F-973 and E-977 of the Founders regarding support of the University Hospital, heartily endorsing these actions, urging cooperating Mission Boards to assist in meeting the financial emergency growing out of war conditions.

ELECTION OF OFFICERS AND APPOINTMENT OF COMMITTEES

Attention was given to the election of officers and appointment of committees for the ensuing year. The Board was informed that Dr. R. L. Howard had been elected by the Baptist Board to succeed Dr. G. B. Huntington, retired. After reviewing the roster of officers, it was

BF-989 VOTED to instruct the Secretary to cast an unanimous ballott for the following officers for the ensuing year:-

Honorary President	Robert E. Speer
President	John W. Decker
Vice Presidents	Mrs. F. J. McConnell
	Theodore Cuyler Speers
	W. Reginald Wheeler
Treasurer	Robert C. Morris
Secretary and Assistant Treasurer	B. A. Garside
Assistant Secretary and Assistant Treasurer	C. A. Evans

BF-990 VOTED to appoint the following members of the Executive Committee for the ensuing year, the committee being authorized to fill one vacancy caused by the resignation of Dr. R. E. Speer from the committee:-

J. W. Decker, Chairman	T. C. Speers
Mrs. F. J. McConnell	E. C. Lobenstine
Robert C. Morris	Frank T. Cartwright
R. L. Howard	

BF-991 VOTED to refer to the Executive Committee, with power, the appointment of other standing committees of the Nanking Board of Founders, together with representatives of the Nanking Founders on the various standing committees of the Associated Boards.

Attention was directed to vacancies in the coopted section of the Board of Founders, and it was

BF-992 VOTED to coopt the following:-

John T. Ogden	(Class of 1940)
Kenneth W. Moore	(" " 1941)
G. B. Huntington	(" " 1941)

It was noted that three coopted members term of office expired, and it was

BF-993 VOTED to reelect the following in the class of 1941:- R. E. Speer, J. H. Banton, and Miss Margaret E. Hodge.

Mr. Cressy was asked to speak upon the work being accomplished by the University in China and of the problems and opportunities in connection with the moving to Chengtu. He stated that without question Nanking would be able to make a major contribution to educational work in Szechwan Province, it being especially well equipped to help in the reorganization of the rural problem, and even under war-time conditions, great help was being rendered in the reorganization of civilian population. He also spoke of the need of training engineers, who would take a major part in the development of modern China, and dwelt upon the strengthening of the Department of Religion, with the hope that a stronger Christian influence would be exerted. He stated that all through the present crisis

everyone had retained the hope of returning to Nanking and taking up the work on the campus as soon as possible. If the University remains in Chengtu for the coming year, relief work and adult education will be the major projects carried on at the campus at Nanking.

In view of the splendid spirit manifested by West China Union University and the wholehearted welcome given to the University of Nanking, it was

BE- 234 VOTED that the Board of Founders recognize with gratification and sincere thanksgiving the warm-hearted welcome extended to the students and faculty of Nanking University, and for all that has been done to bring comfort to those of the University who have gone to Szechwan Province.

On motion adjourned.

C. A. EVANS

Assistant Secretary

ROC

FINANCIAL STATEMENT AND FORECAST
UNIVERSITY OF NANKING
STATEMENT TO APRIL 30; FORECAST TO JUNE 30, 1938

	<u>Budget</u>	<u>Received to 4/30</u>	<u>Estimated Additional to 6/30</u>	<u>Total to 6/30</u>	<u>Increase or *Decrease</u>
<u>RECEIPTS</u>					
<u>Mission Boards</u>					
U.C.M.S.	1,500.00	1,500.00	-	1,500.00	-
Methodist.....	1,055.00	791.25	263.75	1,055.00	-
Presbyterian Board.....	2,920.00	2,920.00	-	2,920.00	-
Baptist.....	800.00	800.00	-	800.00	-
Special Gifts, Curr.Bud.	-	20.00	-	20.00	20.00
	<u>6,275.00</u>	<u>6,031.25</u>	<u>263.75</u>	<u>6,295.00</u>	<u>20.00</u>
<u>Endowment Income</u>					
U.C.M.S.	402.00	380.22	26.46	406.68	4.68
General.....	40.00	38.10	2.65	40.75	.75
Hall Estate.....	14,188.00	13,310.46	924.33	14,234.79	46.79
Swasey Fund.....	2,000.00	1,973.60	-	1,973.60	26.40*
M.E. Bd.-Agr. & For.	<u>3,000.00</u>	<u>2,250.00</u>	<u>750.00</u>	<u>3,000.00</u>	<u>-</u>
	<u>19,630.00</u>	<u>17,952.38</u>	<u>1,703.44</u>	<u>19,655.82</u>	<u>25.82</u>
<u>Other Income</u>					
Back dividends-Aluminum			7,000.00	7,000.00	-
<u>Hospital</u>					
Methodist Board.....	340.00	255.00	85.00	340.00	-
U.C.M.S.	375.00	375.00	-	375.00	-
Presbyterian Board.....	<u>580.00</u>	<u>580.00</u>	<u>-</u>	<u>580.00</u>	<u>-</u>
	<u>1,295.00</u>	<u>1,210.00</u>	<u>85.00</u>	<u>1,295.00</u>	<u>-</u>
Totals.....	27,200.00	25,193.65	9,052.19	34,245.82	45.82
Net total increased income					45.82
<u>EXPENDITURES</u>					
Current Field Budget.....	20,804.00	20,934.16	-	20,934.16	130.16
Hospital.....	1,295.00	786.04	508.96	1,295.00	-
Home Adm.-Exec.Office....	3,540.00	3,676.87	-	3,676.87	136.87
Incidentals....	450.00	219.87	230.63	450.00	-
Trustees.....		316.81	-	316.81	316.81
Promotional.....	1,111.00	3,333.00	-	3,333.00	2,222.00
Spec.Pro.-W.R.Wheeler....	<u>7,000.00</u>	<u>5,750.05</u>	<u>1,249.95</u>	<u>7,000.00</u>	<u>-</u>
	<u>34,200.00</u>	<u>35,016.80</u>	<u>1,989.54</u>	<u>37,005.84</u>	<u>2,805.84</u>
Net total increase in expenditures less cash increase					2,760.02
<u>SPECIAL FUNDS</u>					
Harvard-Yenching Inst. .	14,210.52	10,657.89	10,647.89	-	
Hoover Gift.....	500.00	-	-	-	
U.C.M.S. Vacancy.....	1,300.00	600.00	600.00	-	
Famine Funds 1936-37.....	54,311.00	57,967.97	53,290.75	4,677.22	
" " 1937-38.....	53,560.91	32,503.56	20,000.00	12,503.56	
<u>EMERGENCY FUNDS</u>					
Undesignated Assoc. Bds.				11,992.01	
Designated through Assoc. Bds.				832.74	
Through Nanking University.....				<u>5,661.15</u>	18,485.90
Available for Field Use.....			7,409.35		
Hospital Supplies & Appropriation.....			<u>6,315.65</u>		<u>13,725.00</u>
					4,760.90

REPORT ON PROMOTION, 1937-38

In this statement, I will summarize briefly the work of the present year and make certain recommendations for the coming year.

Reports on certain aspects of the work have already been made; on February 4, 1938, to the Founders, on the objectives of the campaign and the methods used in attempting to reach those objectives, and the results attained; on April 6, 1938, to a Special Committee on Promotion, following a meeting of that Committee, March 28, 1938, giving additional information and a detailed list of gifts received through April 6, 1938.

Copies of these reports are available herewith, I will not duplicate now their contents.

Since February 4, 1938, I have cooperated in campaigning in Philadelphia, with Dr. Young and Mr. Hall, in Rochester, with Mrs. Macmillan; and in New York, with other members of the staff. Addresses were made in Rochester; at the Central Presbyterian Church, in the Third Presbyterian Church, in the First Baptist Church, at a meeting of the Presbytery of Rochester, and at a parlor meeting at the home of Mr. and Mrs. J. Allen Farley.

A printed letter dated April 20 was sent out to our constituency.

Articles have been written for the "Missionary Review of the World," (May number) and for three issues of "Pageant," for March, April and May.

After this week I expect to go to Washington to work with Mr. Aydelott there.

The financial results of the campaign from July 1, 1937, to May 4, 1938, are as follows:

Received as a result of a personal call or letter from a representative of the University (This total represents gifts from 138 donors, ranging from \$1.00 to \$1,500.00)	\$8,921.24
Received through the Associated Boards	11,992.01
Allocated from undesignated gifts in hand and to include future designated gifts	10,331.75
	\$31,245.00

The individuals who are giving to the University are making contributions in comparatively small amounts. They are capable of much more generous gifts. It is hoped that later, after the recession has receded and the war has ceased, that they will give more substantially; meanwhile their interest and good will should be maintained, and the list should be increased.

RECOMMENDATIONS FOR THE COMING YEAR

The budget adopted by the Associated Boards, May 3, 1938, for administration and promotional expenses for the coming year was \$75,095.00. Of this total, 12% or \$8,750.00 was allocated to the University of Nanking.

May 5, 1938

The question inevitably arises as to the continuation of the University's own promotional efforts. This year, in addition to the University share in the cost of promotion of the Associated Boards, the Founders approved of an expenditure of \$5,000.00 for salary and moving expenses, and of \$2,000.00 for travel expenses and promotional literature for its own representative.

Recommendation I

There are three reasons why I believe the continuation of the promotional work of the University would be advisable:

(1) The experience of the University during the past four years, during two of these years cooperating with the Associated Boards Campaign without its own representatives to assist in the campaign, and for two years, having its own representatives in the campaign, would appear to indicate the value of such specific representation. In 1934-35, and 1935-36, when the University had no representatives in the campaign, its expenses were \$2,630.45 and \$2,194.00. The receipts were \$25.00 and \$115.00.

In the Fall of 1936 the University placed its own representatives in the field, Dr. Chen and Mr. Wheeler, in addition to the Associated Boards promotional staff. The deficit carried forward from the previous year was removed. The travelling expenses of Dr. Chen were covered, campaign expenses met, and a credit of \$3,434.89 was established. This year with the combined efforts of the Associated Boards and of the University of Nanking representatives, a total of \$31,245. has been secured, and the University advanced in its receipts from a position at the bottom of the list of the colleges to second, being exceeded only by Yenching.

(2) Other colleges which have secured substantial amounts have had their own promotional representatives. This has been true especially of Yenching. In 1919 Dr. Luce and I began work for Yenching when it had practically no liquid assets. Since then it has had a succession of individual representatives, including Dr. Luce, Mr. Caskey, Dr. Gee and Mr. Wannamaker, and in later years since 1930, the special services of Pierce and Hedrick. Nanking, which has been out of the promotional field, since 1927, needs similar individual help.

(3) Other colleges in the joint campaign with budgets and obligations comparable to Nanking will continue their individual representatives; i.e., Yenching, Hua Chung, Lingnan, and Ginling. The Associated Boards helps those who help themselves.

The University of Nanking is in special need of help, and I think the Founders and its own representatives should continue to shoulder responsibility for securing gifts and should not rely wholly upon the Associated Boards. When the present war began in China, General Chiang Kai-shek affirmed that China could not stop in the middle of the war. The University of Nanking is just beginning to make progress in the battle, and I do not think now is the time to retreat.

It is obvious that the University cannot afford its share of the Associated Boards campaign expense and the continuance of its present expense for individual representation. I would propose the following modifications:

- (1) Reduction of salary from \$4800.00 to \$3,600.00 plus pension premium \$270.00
\$3,870.00
- (2) Request to the Associated Boards for an assignment of \$500.00 for literature and mail appeals from the items of \$4,000.00 for promotional literature and \$5,000.00 for mail appeals in the Associated Boards budget. This year the University spent \$501.50 for literature and appeals.

- (3) Request the assignment of \$1,000.00 for travel of the University representatives from the Associated Boards budget item of \$6,500.00 for travel of executive staff.
- (4) Request of clerical service from the budget item of \$18,700.00 for clerical staff of the Associated Boards. If these recommendations should be carried out, the expense to the University would be \$12,620.00.

Recommendation II

Experience has shown that campaigning is most effective, when a Chinese representative accompanies an American solicitor. The sum of \$4,500 is included in the Associated Boards budget for the coming year for travel from China of staff members. It is suggested that request be made for the coming of Djang Fang, Head of the University of Nanking Middle School, who is available this year, provided his expenses can be met. Djang Fang is a strong speaker, an earnest Christian, and would be a real help. A tentative figure of \$1,500.00 is suggested for his expenses, with the understanding he would be available for promotional work both for the Associated Boards and for the University of Nanking.

Recommendation III

That each member of the Board of Founders be asked for an individual gift and that each member attempt to secure at least five other gifts during the coming year.

Recommendation IV

That special efforts be made to complete the membership of the Board of Founders. At present, there are seven vacancies.

I do not wish to close this report without expressing my appreciation for the cooperation of the present members of the Board of Founders and of representatives of the Associated Boards. Nearly all the members of the Nanking Board have contributed to the financial needs of the University; those who are in New York have added to their already heavy schedules by giving freely of their time and thought to meetings of the University committees; and the representatives of the Associated Boards have been most generous and courteous in their cooperation in presenting the needs of the University. Finally, there is cause for gratitude in that the property of the University, aside from certain minor damages, has come through the war thus far unscathed; and that there have been no casualties among the members of the staff. The angels of the Lord have in truth been round about the members of the faculty, Chinese and Western, during these dangerous days; remembering these blessings and the manifold manifestations of Divine power and protection during the year that is past, we should thank God and take courage for the work of the year that lies ahead.

Respectfully submitted,

W. REGINALD WHEELER
Vice-President

MINUTES OF MEETING
EXECUTIVE COMMITTEE
UNIVERSITY OF NANKING

12:30 P.M. Friday, May 20, 1938
West Parlor, Parkside Hotel, New York, N.Y.

List of Members

*J. W. Decker	Theodore Cuyler Speers
Mrs. F. J. McConnell	E. C. Lobenstine
*Robert C. Morris	F. T. Cartwright
*R. L. Howard	R. C. Wells

Those whose names are starred were present, with Dr. Morris W. Ehnes substituting for Dr. Cartwright, also Dr. W. P. Fenn for a portion of the meeting, B. A. Garside and C. A. Evans.

The attention of the committee was called to the minutes of the annual meeting of the Board of Founders held May 6th, wherein a number of items were referred to the Executive Committee for final disposition. It was agreed to take them up in order as they appeared on the docket.

ARRANGEMENTS WITH MR. WHEELER

The committee reviewed action BF-983, which delegated arrangements with Mr. Wheeler in the working out of details to the Executive Committee. A further study was also made of the report on promotional work dated May 5, which included the offer made by Mr. Wheeler to accept a reduction in salary from \$4,800 to \$3,600 plus pension premium of \$270. After discussion, it was

E-995 VOTED (a) To approve entering into an agreement with Mr. W. R. Wheeler for a period of ten months from September 1, 1938, at a salary of \$3,600 ^{per year} plus ten-twelfths of the annuity premium of \$270., with the understanding that provision be made in the budget for 1939-40 for two months' salary on the same basis as above, plus one-sixth of the annuity allowance.

(b) To approve a budget of \$1,000 for promotional travel for twelve months from July 1, 1938.

In order to conclude the arrangements with Mr. Wheeler, it was

E-996 VOTED to request the Chairman to arrange a personal conference with Mr. Wheeler with the understanding that due record be made of the agreement.

It was recognized that the foregoing represented the expenditures for Nanking promotional work, and that there were possibilities whereby the Associated Boards could use some of Mr. Wheeler's time, and it was

E-997 VOTED that the University of Nanking Board would welcome the use by the Associated Boards of Mr. Wheeler's time for special services, for which payment might be made, thereby decreasing the expenditure of the Nanking Board.

5/20/38

RETURN OF STAFF TO CHINA

The committee gave consideration to actions EE-11 and EE-12 of the Emergency Executive Committee meeting of March 15th held in China, listing requests for the return of various Mission Board supported staff members.

The committee discussed with Dr. William P. Fenn the problem created by the fact that although his services are urgently needed by the University conditions will probably not permit his family to accompany him to China this summer. Dr. Fenn stated that he and his family were ready to return for either a regular or a special term, and that he himself would be willing to go out alone with the understanding that the separation from his family would not exceed one year. This would mean that if the family could not rejoin him by the end of the year, he would wish to return to America in the summer of 1939. The Presbyterian Board ^{may} had agree~~d~~ to send Dr. Fenn to China this summer with the understanding that if necessary it would pay his home-coming travel at the end of two years. Should he wish to return at the end of one year his home-coming travel would have to be met from some other source. Since Dr. Fenn would be unable to meet such an expense from personal funds, it had been suggested that he consult with the Nanking Board of Founders as to some possible means of providing for such travel expenses if the necessity for incurring it should arise.

The committee had in hand correspondence dealing with Dr. J. H. Daniels, Dr. A. N. Steward, Dr. J. T. Illick, and Mr. B. A. Slocum. The question was raised as to the advisability of returning staff members to China, and especially to Chengtu, which would involve larger costs, the separation of families, and the possible decrease in student enrollment. In view of the unanimous call from the field for the return of staff members and the moral effect upon the institutions as well as the Chinese constituency, it was

E-998 VOTED to approve in principle the return of foreign staff members to the University campus. Each case, however, is to be subject to individual study and investigation.

After further review of the various individuals and families, it was

E-999 VOTED (a) To approve the return of Dr. J. Horton Daniels as soon as convenient and desirable.

(b) To defer action on the return of Dr. J. T. Illick as he is accepting another position and resigning from the M. E. Board.

(c) That the Board of Foreign Missions of the Methodist Episcopal Church be urged to return Dr. A. N. Steward to China as soon as feasible.

(d) That action on the return of Mr. B. A. Slocum be deferred, pending the result of correspondence between the Baptist Board and Dr. Y. G. Chen.

(e) That recognition be given to the special need for return to the campus of Dr. William P. Fenn, with an expression of hope that an understanding will be reached with the Presbyterian Board which will make possible his return to the field.

It was noted that a request for the extension of the term of service for Mr. Charles H. Riggs for one year involved an expenditure of a portion of Famine Funds usually upon authorization from the field, and in view of the request from China, it was

E-1000 VOTED that in view of the agreement of the American Board to extend its appropriation for one year for the services of Mr. Charles H. Riggs and that his family is to remain in America during this additional time, approval be given to the extension of Mr. Riggs' service for one year, the financial arrangements continuing as previously.

APPOINTMENT OF COMMITTEES

It was noted that BF-990 instructed the Executive Committee to fill a vacancy on the committee caused by the resignation of Dr. R. E. Speer, and it was

E-1001 VOTED that Dr. Ralph C. Wells, or his successor, be elected as a member of the Executive Committee.

As the committee was instructed to appoint standing committees and representatives on the Associated Boards, it was

E-1002 VOTED that the following standing committees and representatives be appointed for the ensuing year:-

Finance Committee

Morris W. Ehnes, Chairman
G. B. Huntington
Robert C. Morris
J. H. Banton
K. W. Moore
W. A. Eldridge
J. W. Decker, ex officio

Committee on Instruction

R. L. Howard, Chairman
Ralph C. Wells
Mrs. F. J. McConnell
J. W. Decker, ex officio

Committee on Promotion

E. C. Lobenstine, Chairman
Theodore Cuyler Speers
Mrs. F. J. McConnell
K. W. Moore
J. W. Decker, ex officio

(with the understanding that other members may be added later)

5/20/38

Nanking Representatives on the Associated Boards Committees

Executive - J. W. Decker, R. E. Diffendorfer, R. C. Wells, alternate

Promotion - E. C. Lobenstine, Mrs. F. J. McConnell, F. T. Cartwright

Finance - R. C. Morris, M. W. Ehnes, alt.

Staff and Curriculum - F. T. Cartwright, R. L. Howard, Stephen Corey, alt.

Christian Character and Relation to Christian Movement - F. T. Cartwright,
R. L. Howard, Stephen Corey, alt.

On motion adjourned.

C. A. EVANS

Assistant Secretary

R0C

MINUTES OF JOINT MEETING
EXECUTIVE COMMITTEE
and
FINANCE COMMITTEE
UNIVERSITY OF NANKING

3:30 P. M. Wednesday, June 15, 1938
Room 900 - 150 Fifth Avenue, New York, N.Y.

LIST OF MEMBERS:

EXECUTIVE COMMITTEE

*J. W. Decker, Chairman
*Mrs. F. J. McConnell
Robert C. Morris
*R. L. Howard
*R. C. Wells
T. C. Speers
*E. C. Lobenstine
F. T. Cartwright

FINANCE COMMITTEE

Morris W. Ehnes, Chairman
*G. B. Huntington
Robert C. Morris
J. H. Banton
*K. W. Moore
*J. W. Decker ex officio

Those whose names are starred were present, also B. A. Garside, W. R. Wheeler, and C. A. Evans.

The meeting was opened with prayer led by Dr. R. L. Howard.

APPROVAL OF MINUTES

Minutes of the Executive Committee of May 20, 1938 were approved as distributed.

ARRANGEMENTS WITH MR. WHEELER

Dr. Decker reported that the final consultation would be held with Mr. Wheeler within a very few days, and a full report would be made at the next meeting of the committee.

REPORT ON 2348 SEVENTH AVENUE

It was stated that the Finance Committee has approved cancelling the lease which the government made covering this property, as of February 1, 1938 for one year, the Works Progress Administration feeling it necessary to protect their budget in case Congress did not vote appropriations for the ensuing year. It was the understanding that the contract would be reinstated immediately in case the appropriations were voted. As the lease contains a clause permitting cancellation of the contract by either party upon thirty days notice, there was no other recourse.

It was

EF-1003 VOTED to approve the action of the Finance Committee, concurring with the W. P. A. in cancelling the lease on 2348 Seventh Avenue with a provision for reinstatement of same.

6/15/38

REPORT OF SPECIAL HOSPITAL COMMITTEE

The Chairman, Dr. E. C. Lobenstine, reported that a personal call had been made upon Dr. Co Tui presenting the needs of the hospital, but learned that only drugs and equipment, and no money would be furnished. As a consequence, Dr. Daniels has made application for a list of supplies.

The Chairman also reported that the Methodist Board had been visited by the committee and that the appeal for funds would be transmitted to the committee in China which had been sent US\$38,000.00 for relief - it being the hope that some portion could be allocated to the University Hospital.

The result of the conference with the Presbyterian Board showed that \$600.00 had been sent to the hospital through special gifts - it being the hope that others might follow.

Through correspondence and personal solicitation, the U. C. M. S. has been approached but no definite results reported.

The Chairman stated that apparently the most logical attempt to secure emergency gifts would be by those attached to the Hospital or the Board of Managers in Shanghai, as the greater portion of funds sent from America are being allocated in China. It was

EF-1004 VOTED that the report of the committee be accepted, and it be asked to continue its work.

REPORT ON PROMOTION

Mr. Wheeler reported for the Promotional Committee on activities in Washington, and elsewhere where he has been working, expressing the belief that personal solicitation of individuals must continue, as well as cultivation of foundations and other charitable organizations. He referred to the allocation of \$26,000.00 for Nanking Emergency Relief by the Rockefeller Foundation, and paid tribute to all concerned in the effort to secure the emergency funds. In the discussion, reference was made to the change of attitude on the part of different organizations toward education in China, and of the deeper interest as the result of the emergency.

At this point, the committee was led in a prayer of thanksgiving by Dr. Decker.

CHANGES IN ANNUITY CONTRACT

It was reported that we have been notified by the Sun Life Assurance Company of Canada that the annuity policy under which we are now operating will be discontinued December 1, 1938. The company is perfectly within its rights, as Provision I of the contract permits a cancellation by either party upon six months' notice. The company has elected to exercise this option because of decreased interest rates, with the anticipation that these rates will continue for a considerable period. A new policy is offered with revised rates to take effect December 1, 1938 - all old participants and any others desiring to enter before December 1st being provided for under the old contract.

Nanking Executive & Finance Committees

The new contract will contain a provision that rates may be changed after a stipulated period (probably ten years) which is a right all insurance companies are reserving in all group policies at the present time. The verbal assurance, however, is given that in view of the rather drastic increase of rates over a recent period, and in view of the actuarial experience over the past several years, very likely rates will be decreased rather than increased. The new contract will contain a revision of the guaranteed rate from $3\frac{1}{2}\%$ to 3% . It was

EF-1005 VOTED to enter into a contract with the Sun Life Assurance Company of Canada continuing the coverage on all present and future participants up to December 1, 1938 at the old rate, all new participants to enter at an agreed lower rate after December 1st.

BALANCES AND DEFICITS

A schedule was presented showing the amount of emergency funds allocated to Nanking plus the \$26,000.00 from the Rockefeller Foundation, together with actual payments and allocations against the fund. As old field deficits and current hospital overdrafts appeared to be involved, and as any balance seemed to affect the current closing and next year's budget, it was

EF-1006 VOTED (a) That a Special Committee of three be appointed to study the whole financial situation, involving all the various factors including the financial standing of 1937-38 and emergency gifts.

(b) That the Committee consist of Dr. Decker, Dr. Lobenstine, and Dr. Ehnos.

(c) That the Committee be given final power in connection with the study of the current financial situation, if, in its judgment, the exercise of such power seems necessary.

UNIVERSITY BUDGET 1938-39

A study of the field estimates for the coming year was presented with a comparative list of New York revised estimates. It was felt that the study of the Special Committee appointed in the foregoing action would be closely involved, and it was

EF-1007 VOTED to refer the 1938-39 budget to the Special Committee of three to report findings back to the Executive Committee.

EMERGENCY APPLICATION FOR 1938-39

As this also involved the financial study of the budget for the coming year, it was

EF-1008 VOTED to refer to the Special Committee appointed above, the study of the emergency application for 1938-39 and report back to the Executive Committee.

6/15/38

RATE OF EXCHANGE

During the discussion, the question as to the rate of exchange to be used in computing budgets was questioned, and it was

EF-1009 MOVED that the Associated Boards be asked to study the exchange situation and endeavor to set a fixed basis for considering the budgets of all the Colleges. The rate preferably to be four to one.

REPORT ON STAFF RETURNING TO CHINA

It was reported that Dr. and Mrs. A. N. Steward because of health reasons cannot return to China until January, 1939, or possibly later.

Dr. and Mrs. William P. Fenn have concluded arrangements with the Presbyterian Board whereby it will be possible for Dr. Fenn to return to China, and at the end of a year, under special conditions, if circumstances so warrant, his travel back to America will be paid.

No final action has been taken regarding Mr. and Mrs. B. A. Slocum, as the Baptist Board is awaiting a reply from the field.

On motion adjourned.

C. A. EVANS,
Assistant Secretary.

(ii) Hospital Budget. It was noted that by Action BF-904, the Founders appropriated toward the Hospital Budget of the Board of Directors the sum of US \$1,295, to be derived from cash grants of the participating mission boards.

(b) Budget of the Board of Founders. By action BF-904 the Founders deducted from the general sources of income the sum of \$5,101 (as shown above) to meet the following items of home administration and promotion:-

Administrative service of Associated Boards to Nanking Founders	\$3,540
Minimum share in Associated Boards Promotion	1,111
Administrative incidental expenses, Nanking Founders	450
	<u>\$5,101</u>

To meet the expenses of approximately \$7,000 to be incurred by the Nanking Founders for their own promotional personnel and program, action was taken by the Finance Committee and the Executive Committee (F-974 and E-978) appropriating US \$6,765, from the sum of \$9,450 received on back dividends of Aluminum Preferred Stock, to apply against these expenses.

The emergency conditions under which the University of Nanking has operated this year have increased its needs far beyond what was anticipated a year ago, and as a result Nanking has received a much larger amount of emergency funds through the Associated Boards than was estimated when its promotional budget was set up last year. Also, the Associated Boards has not sought this year any undesignated gifts which might be applied against promotional costs, thus reducing charges to the individual boards of trustees. As a result of these two factors, the appropriation of \$1,111 made to the Associated Boards under BF-904 will be inadequate. The exact amount which will be required cannot be computed until the year closes on June 30th, but it is estimated that \$5,210 should be held available for this purpose.

At the present time it is estimated that the total cost of home administration and promotion for 1937-38 will be \$16,244, itemized as follows:-

Activities of Nanking Founders direct:-		
Promotional Program	\$7,000	
Administration, incidentals	494	\$7,494
		<u> </u>
Services rendered to Nanking by Associated Boards:-		
Administrative services	\$3,540	
Promotional services	5,210	8,750
		<u>\$16,244</u>

The situation with reference to meeting these costs is as follows:-

Already appropriated:-		
From general sources of income	5,101	
From back dividends	6,765	\$11,866
		<u> </u>
Balance still needed, to be taken from general sources of income		4,378
		<u>\$16,244</u>

(2) Emergency Budget. Through the combined efforts of the Nanking Founders and of the Associated Boards, the amount of emergency funds secured for the University of Nanking is US \$56,725.00. Correspondence from the field indicates that these emergency funds are needed as follows:-

(a) General Budget

(i) Additional appropriations already made by F-971 and E-976:-			
Toward regular budget	\$ 5,000.00		
To meet anticipated deficit on regular budget (LC\$2,016.04 @ 27¢)	544.32		
Toward emergency expenses as itemized (LC\$39,883.74 @ 27¢)	10,768.61	\$16,312.93	
(ii) To meet field deficit, 1936-37 (LC\$27,435.16 @ 25¢)		6,858.79	
(iii) To meet emergency expenses not yet specified		10,492.20	
		<u>\$33,663.92</u>	
	Net increase		
(iv) Plus increase to replace regular income transferred to meet increased costs of home administration and promotion		4,378.00	\$38,041.92

(b) Hospital Budget

(i) Additional appropriations already made (F-944, 945, 971; E-976)			
Supplies, Oct. - Dec.	\$4,815.65		
Operating expenses, Oct. - Dec.	4,500.00	\$9,315.65	
(ii) Emergency expenses, Jan. - June (2/3 of anticipated needs, LC\$54,725.84 @ 25¢)		9,120.97	
(iii) Hospital deficit, 1936-37 (LC\$985.84 @ 25¢)		246.46	18,683.08
			<u>\$56,725.00</u>

On the basis of the above figures, the Special Committee

RESOLVED to recommend to the Executive Committee the adoption of the following resolutions:-

"E-1010 VOTED that the Executive Committee of the Board of Founders of the University of Nanking hereby re-define, as set forth below, appropriations toward the general budget and the hospital budget of the University for the fiscal year 1937-38, this action amending and, where necessary, superseding the following previous actions - Sections (a) and (b) of BF-904, F-944, F-945, F-971, F-974, E-976, and E-978:-

(a) That the Board of Founders inform the Board of Directors that, in addition to the members of staff supported by the cooperating mission boards, the Board of Founders will contribute toward the general budget, 1937-38, the sum of US \$70,711.92, as follows:-

(1) Budget of the Board of Directors

(i) Original budget appropriation As defined in BF-904	\$20,804.00		
Less adjustment for increased expenses, Bd. of Founders	4,378.00	\$16,426.00	
(ii) Increases in original appropriation For the regular budget:-			
To cover item included by field	5,000.00		
To replace reduction in original appropriation	4,378.00		
To meet anticipated deficit	544.32	9,922.32	

For emergency expenses:-			
For emergency budget as itemized by field	10,768.61		
To meet emergency expenses not yet specified	<u>10,492.20</u>	21,260.81	
To meet field deficit, 1936-37		<u>6,858.79</u>	<u>\$38,041.92</u>
Total appropriation, Bd. of Directors			\$54,467.92

(2) Budget of the Board of Founders

(i) Activities of Nanking Founders			
Promotional program	\$7,000.00		
Administration, incidentals	<u>494.00</u>	\$7,494.00	

(ii) Services rendered to Nanking by the Associated Boards			
Administrative services	3,540.00		
Promotional services	<u>5,210.00</u>	<u>8,750.00</u>	

Total appropriation, Bd. of Founders 16,244.00

Grand Total \$70,711.92

It is anticipated that these funds will be received from the following sources:-

Mission board cash grants	\$ 6,275.00
Income from general endowment funds	19,630.00
Back dividends, Aluminum, Pfd.	6,765.00
Emergency gifts	<u>38,041.92</u>
	\$70,711.92

(b) That the Board of Founders further inform the Board of Directors that, in addition to the members of the hospital staff supported by the cooperating mission boards, the Board of Founders will contribute toward the hospital budget, 1937-38, the sum of US \$19,978.08, as follows:-

Original budget needs		\$ 1,295.00
Emergency needs		
Supplies, Oct. - Dec.	\$4,815.65	
Operating Exp. Oct. - Dec.	4,500.00	
2/3 Anticipated needs, Jan. - June	<u>9,120.97</u>	18,436.62
Hospital deficit, 1936-37		<u>246.46</u>
		\$19,978.08

It is anticipated that these funds will be received from the following sources:-

Mission board cash grants	\$ 1,295.00
Emergency gifts	<u>18,683.08</u>
	\$19,978.08"

"E-1011 VOTED that the Executive Committee request the field authorities, immediately upon the closing of the 1937-38 accounts, to send a detailed report to the Board of Founders showing what expenditures of the above appropriations have been made for

- (1) The 1937-38 budget, including emergency expenses incurred during the current fiscal year.
- (2) Clearance of past deficits.
- (3) Advance appropriation for 1938-39."

BUDGET 1938-39

As per action of the Executive Committee EF-1007 reading as follows:-

"EF-1007 VOTED to refer the 1938-39 budget to the Special Committee of three to report findings back to the Executive Committee."

The committee was presented with a summary of the field Budget figures and a comparison of New York estimates. Same is attached as an Appendix herewith. Very careful study was made, several suggestions being offered as to change of form to be used. It was, however, deemed prudent to retain the general form previously used. The best procedure seemed to be to study the field figures very carefully for information but to set up the Founders' Budget in detail for action by the Executive Committee. After further study it was

RESOLVED to recommend to the Executive Committee that it take the following action:-

"E-1012 VOTED that the Executive Committee of the Nanking Board of Founders inform the Board of Directors that, in addition to the personnel supplied by the co-operating Mission Boards, the Board of Founders will contribute toward the budget of the University of Nanking during the fiscal year 1938-39 the following amounts:

(a) Toward the general budget the sum of US\$40,905.00 as follows:

General Budget of the Board of Directors			\$27,458.00	
Budget of the Board of Founders:				
Administration and Promotion	\$4,700.00			
Share in ABCCC Administration and Promotion	8,750.00	13,450.00		
				\$40,905.00

It is anticipated that these funds will be received from the following sources:

<u>Mission Board Grants</u>				
Methodist Board		\$1,055.00		
Presbyterian Board		2,920.00		
U.C.M.S.		1,500.00		
Baptist Board (A & F)		800.00		\$ 6,275.00
<u>Income from Endowment</u>				
General Funds	\$14,228.00			
Swasey Fund	2,000.00			
Methodist Fund (A & F)	3,000.00			
U.C.M.S.	402.00			19,630.00

Funds to be secured by Founders	<u>15,000.00</u>
	\$40,905.00

(b) Toward the Budget of the University Hospital, the sum of \$6,295.00 to be secured from the following sources:

<u>Mission Board Cash Grants</u>		
Methodist Board	\$340.00	
Presbyterian Board	580.00	
U.C.M.S.	<u>375.00</u>	\$1,295.00

Funds to be secured by the Founders	<u>5,000.00</u>
	\$6,295.00

(c) For specially designated items, the following amounts which will be transmitted when and as received:

Harvard-Yenching Institute	US\$11,842.10
Vacancies:	
U.C.M.S.	600.00
Methodist	1,300.00
Presbyterian	900.00
Riggs	1,645.86

(d) Toward the Famine Prevention Program, the sum of LC\$165,428.20, to be secured from the interest and principal of the Famine Fund held by the Board of Founders, with the understanding, however, that this is to be drawn only to the extent that it is actually required.

(e) That in addition to the foregoing, the Founders will endeavor to secure through its own efforts and that of the ABCCC, a special additional sum of US\$38,507.00, which, in accordance with the budget estimates submitted by the field will be required to carry on the work of the University during the coming year; it being understood, however, that these special funds cannot be guaranteed in whole or in part at this time, that the Founders will transmit them only when and if they become available, and that the field will send to the Founders at frequent intervals revised estimates as to their special needs for 1938-39."

RESOLVED to recommend to the Executive Committee that in order to facilitate handling Famine Funds expeditiously, the following motion be adopted:-

"E-1013 VOTED that the Executive Committee of the Board of Founders hereby authorizes the treasurers of the Board of Founders to make such sales of securities during the year 1938-39 from the Famine Fund account as may be required, in addition to the income received in this account, to provide a total of LC\$165,428.20 toward the Famine Prevention program of the University for the fiscal year 1938-39."

SPECIAL FUNDS NEEDED FOR 1938-39

The Committee, upon the basis of the budget estimates discussed in the preceding section of these Minutes, recognized that for the coming year the probable special needs of the University of Nanking will amount to US\$58,507. After discussion it was

RESOLVED to recommend to the Executive Committee that it take the following Action:-

"E-1014 VOTED that the Executive Committee of the Board of Founders of the University of Nanking inform the Associated Boards that the special funds which will probably be needed by the University of Nanking for 1938-39, in addition to regular sources of income, will probably be \$58,507, as set forth below, and that the Associated Boards be requested to include this amount in its list of askings for next year:

For the general budgetary needs of the University, to replace losses in tuition and income from Chinese sources	US \$15,140
For work in Agriculture and Forestry, to replace losses in income from Chinese sources and to provide special service	11,180
For the University Hospital, to replace losses in fees and to permit the hospital to continue its special war-time service	24,687
For special assistance for students left without funds for travel, tuition, and living expenses	<u>7,500</u>
	\$58,507

The meeting adjourned.

C. A. EVANS,
Assistant Secretary

The foregoing minutes have been approved by the Executive Committee.

UNIVERSITY OF NANKING

BUDGET 1938-39

RECEIPTS

	<u>Estimated by the Field</u>		<u>Estimated by New York</u>	
	<u>LC\$</u> (Basis 3.30 to 1)	<u>US\$</u>	<u>LC\$</u> (Basis 4.00 to 1)	<u>US\$</u>
Student Fees.....	67,010.00		67,010.00	
<u>Mission Board Grants</u>				
Presbyterian.....	9,636.00	2,920.00	11,680.00	2,920.00
U.C.M.S.	4,950.00	1,500.00	6,000.00	1,500.00
Baptist (A & F).....	2,640.00	800.00	3,200.00	800.00
Methodist.....	3,481.50	1,055.00	4,220.00	1,055.00
<u>Income from Endowment</u>				
Swasey Fund.....	6,600.00	2,000.00	8,000.00	2,000.00
General.....	48,279.00	14,630.00	56,912.00	14,228.00
Methodist (A & F).....	9,900.00	3,000.00	12,000.00	3,000.00
U.C.M.S.			1,608.00	402.00
<u>Mission Board Personnel</u>	45,800.00		45,800.00	
<u>Special through New York</u>				
Harvard-Yenching Institute.....	46,894.72	14,210.52	47,368.40	11,842.10
Hoover Gift.....	1,650.00	500.00	-	-
ABCCC United Campaign.....	9,900.00	3,000.00	-	-
Vacancy - U.C.M.S.	4,290.00	1,300.00	2,400.00	600.00
- Methodist.....	4,290.00	1,300.00	5,200.00	1,300.00
- Presbyterian.....	2,970.00	900.00	3,600.00	900.00
<u>Income on the Field</u>				
Staff Rents.....	864.00		864.00	
Government Grant.....	35,000.00		17,500.00	
British Boxer Grant.....	20,000.00		20,000.00	
From Science Project.....	40,000.00		20,000.00	
Administrative Charges.....	14,000.00		14,000.00	
Institute Chinese Cultural St. .	1,666.66		1,666.66	
Famine Fund - College of Agri. .	10,500.00		10,500.00	
Arts - local government.....	3,000.00		3,000.00	
Library Endowment Interest.....	3,600.00		3,600.00	
Interest and Exchange.....	3,060.18		3,060.18	
<u>Agricultural Projects</u>	89,429.90		44,714.95	

Budget - University of Nanking
1938-39

RECEIPTS

	<u>Estimated by the Field</u>		<u>Estimated in New York</u>	
	<u>LC\$</u> (Basis 3.30 to 1)	<u>US\$</u>	<u>LC\$</u> (Basis 4.00 to 1)	<u>US\$</u>
<u>College of Agriculture</u>				
Experiment Station.....	13,860.00		13,860.00	
Famine Prevention Work.....	165,428.20	50,130.00	165,428.20	41,357.05
<u>University Hospital</u>				
Mission Board Grants.....	4,324.00	1,295.00	5,180.00	1,295.00
" " Personnel.....	20,192.00		20,192.00	
Estimated Professional Receipts...	24,000.00		12,000.00	
To be secured.....	128,976.00			
	<u>846,192.16</u>	<u>98,540.52</u>	<u>630,564.39</u>	<u>83,199.15</u>
Additional anticipated emergency gifts.....			47,400.00	11,850.00
			<u>677,964.39</u>	<u>95,049.15</u>
DEFICIT.....			<u>238,627.77</u>	
			<u>916,592.16</u>	

UNIVERSITY OF NANKING

BUDGET 1938-39

		<u>EXPENDITURES</u>			
		<u>1937-38</u>	<u>Totals</u>	<u>1938-39</u>	<u>Totals</u>
I.	<u>Administration</u>				
	Office of the President.....	11,288.00		6,534.00	
	" " " Treasurer.....	8,400.00		6,647.00	
	" " " Registrar.....	9,160.00		5,662.00	
	Board of Founders Administrtn.	10,000.00		16,600.00	
	Office of Business Department..	2,276.00		3,359.20	
	General.....	<u>5,724.00</u>	46,848.00	<u>3,012.00</u>	42,014.20
II.	<u>Operation & Maintenance</u>				
	Salaries of Staff.....	2,640.00		1,504.20	
	College Compound.....	14,066.00		7,241.60	
	Middle School Compound.....	11,927.35		4,780.00	
	Keen Hall, Nanking-caretaker....	-		211.20	
	Faculty Residences.....	5,340.00		500.00	
	" Dormitories.....	4,530.00		1,294.00	
	Student Dormitories-Nanking....	-		1,104.00	
	Library Building.....	<u>4,450.00</u>	42,953.35	<u>120.00</u>	16,755.00
III.	<u>College of Arts</u>				
	Office of the Dean.....	4,530.00		3,118.00	
	Salaries of Instructors.....	94,112.00		61,891.20	
	Supplies and Expense.....	3,100.00		1,050.00	
	Research & Books-Special Grant.	-		7,352.00	
	Local Government Project.....	<u>3,500.00</u>		<u>3,000.00</u>	
		105,242.00		76,411.20	
	Less Adjustments.....	<u>10,800.00</u>	94,442.00	<u>7,390.00</u>	69,021.20
IV.	<u>Institute of Chinese Cultural Studies</u>		19,406.00		16,316.66
V.	<u>College of Science</u>				
	Office of the Dean.....	4,620.00		5,085.20	
	Salaries of Instructors.....	78,942.00		64,502.40	
	Supplies and Expenses.....	43,658.00		10,152.40	
	Departmental Equipment.....	-		16,000.00	
	Science Special.....	8,264.00		5,000.00	
		135,484.00		100,740.00	
	Less Adjustments.....	<u>10,800.00</u>	124,684.00	<u>7,970.00</u>	92,770.00
VI.	<u>College of Agriculture</u>				
	Office of the Dean.....	5,432.00		4,215.80	
	Salaries of Instructors.....	33,240.00		29,978.00	
	Supplies and Expense.....	5,330.00		3,600.00	
	Horticulture - Res. & Ext. ...	1,700.00		1,700.00	
	Equipment.....	<u>12,000.00</u>		<u>10,500.00</u>	
		57,702.00		49,993.80	
	Plus Adjustments.....	<u>21,600.00</u>	79,302.00	<u>15,360.00</u>	65,353.80

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University of Nanking - Budget 1938-39
Expenditures - page 2

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	<u>1937-38</u>	<u>Totals</u>	<u>1938-39</u>	<u>Totals</u>
VII. <u>Middle School</u>				
Administration.....	15,084.00		4,801.00	
Salaries of Instructors.....	63,348.00		17,115.00	
Supplies and Expense.....	7,600.00		3,000.00	
Contingent.....	<u>1,854.65</u>	87,886.65	<u>6,704.00</u>	31,620.00
VIII. <u>Agricultural Projects</u>				
Administration.....	32,753.00			
Agricultural Prices.....	24,100.00			
Farm Business Organization.....	23,152.00			
Farmers' Diet.....	8,740.00			
Rural Cooperation.....	11,480.00			
Rural Organization.....	6,000.00			
Rural Cooperative Project.....	3,000.00		3,000.00	
Rice Disease Control (China Fdn.)			4,000.00	
Nat'l. Agri. Research Bureau Proj.			11,209.90	
Prov. Bureau Waterworks-Shensi...			1,320.00	
Rockefeller Fdn. Project.....		109,225.00	<u>69,900.00</u>	89,429.90
IX. <u>Library</u>		28,194.00		13,675.80
X. <u>Non-Instructional Items</u>		5,800.00		3,700.00
XI. <u>College of Science-Spec. Project</u>				
Manufacture of Movies.....		18,350.00		20,000.00
XII. <u>Nat'l. Resources Com. Elec. Project</u>		-		20,000.00
XIII. <u>Special for Student Activities</u>		12,560.00		2,060.00
XIV. <u>Dormitory for College Men</u>		15,700.00		4,076.00
XV. <u>Dormitory for College Women</u>		1,940.00		708.00
XVI. <u>Construction Department</u>		2,730.00		1,911.40
XVII. <u>Agricultural Experiment Stations</u>				
Gardens.....	33,860.00		2,960.00	
Farms.....	14,976.00		7,350.00	
Sericulture.....	<u>16,052.00</u>	64,888.00	<u>3,550.00</u>	13,860.00
XVIII. <u>Famine Prevention Work</u>				
Administration & Publicity.....	5,794.00		4,278.40	
Agricultural Education.....	28,776.00		21,618.60	
Agricultural Extension.....	18,116.00		8,452.40	
Horticulture Research.....	2,880.00		2,088.00	
Cooperative Extension.....	21,585.00		19,149.60	
Agricultural Economics.....	17,102.00		16,744.80	
Farm Crops and Seed Farms.....	58,298.00		47,358.40	
Forestry.....	11,992.00		9,598.00	

	<u>1937-38</u>	<u>Totals</u>	<u>1938-39</u>	<u>Totals</u>
XVIII. Famine Prevention Work (contd.)				
Plant Pathology.....	13,416.00		9,590.00	
Research Library.....			1,050.00	
Scholarships.....			500.00	
Printing.....			2,000.00	
Adm. & Inst.			10,500.00	
Sericulture Bldg.-Nanking.....			500.00	
Miscellaneous.....	15,590.00			
Crop Improvement Sta.-Yenching..	<u>21,592.00</u>	215,141.00	<u>12,000.00</u>	165,428.20
XIX. Hospital				
Administration.....	25,000.00		4,200.00	
Operation & Maintenance.....	48,000.00		26,292.00	
Housekeeping.....	38,500.00		33,600.00	
Evangelistic & Social Service...	3,700.00		-	
Salaries of Staff.....			56,200.00	
Prof. Supp.: -Med. & Surg.			21,000.00	
Drugs.....			30,000.00	
Laboratory.....			3,000.00	
X-ray.....			3,000.00	
Professional Expenses.....	22,000.00			
Technical Services.....	43,000.00			
Laboratory.....	11,000.00			
Nursing Service.....	35,700.00			
Medical Service.....	42,339.00			
Contingent.....	<u>1,461.00</u>	280,700.00	<u>1,200.00</u>	177,492.00
		1,250,750.00		846,192.16
Estimated for return to Nanking				35,000.00
Additional necessary amount to cover participation in ABCCC Campaign and Founders expenses				<u>35,400.00</u>
				916,592.16

MINUTES OF JOINT MEETING
EXECUTIVE COMMITTEE
FINANCE COMMITTEE
-and-
COMMITTEE ON INSTRUCTION
UNIVERSITY OF NANKING

10:00 A. M. Friday, September 23, 1938
Room 900 - 150 Fifth Avenue, New York, N. Y.

LIST OF MEMBERS:

<u>Executive Committee</u>	<u>Finance Committee</u>	<u>Committee on Instruction</u>
*J. W. Decker, Chairman	Morris W. Ehnes, Chairman	*R. L. Howard, Chairman
Mrs. F. J. McConnell	*G. B. Huntington	Lloyd S. Ruland
Robert C. Morris	Robert C. Morris	Mrs. F. J. McConnell
*R. L. Howard	*J. H. Banton	*J. W. Decker, ex officio
Lloyd S. Ruland	*K. W. Moore	
T. C. Speers	*J. W. Decker, ex officio	
*E. C. Lobenstine		
F. T. Cartwright		

Rev. E. E. Walline substituted for Rev. Lloyd S. Ruland.

Dr. Howard was elected chairman pro tem.

Those whose names are starred were present, also Miss Imogene Ward, W. R. Wheeler and C. A. Evans.

The meeting was opened with prayer led by Mr. Wheeler.

APPROVAL OF MINUTES

The following minutes were approved as distributed:-

Joint meeting of the Executive and Finance Committees on June 15, 1938.

Minutes of the Executive Committee approving the minutes of the Special Committee to study emergency needs of the budgets on June 20.

EXTENSION OF RHEEM'S MORTGAGE

It was reported that in a letter under date of September 16th, the National Savings and Trust Company of Washington, D. C. recommended an extension on the \$85,000 Rheem's loan, of which \$30,000 is held in the Famine Funds Custodian Account. It was

BFI-1015 VOTED to approve the extension proposed by the National Savings and Trust Company of Washington, D. C. to renew the Rheem's loan for three years at 5% with monthly curtailments of \$250.00 on entire loan.

ARRANGEMENTS WITH MR. WHEELER

It was reported that correspondence between Dr. Decker and Mr. Wheeler had been furnished the secretary's office indicating that arrangements have been completed with Mr. Wheeler to continue his services for one year from September 1938 under the revised budget set forth in BF-983.

REPORT OF SPECIAL HOSPITAL COMMITTEE

Attention was directed to action EF-104 which requested the Special Hospital Committee, appointed under E-977, to continue its work.

Dr. Lobenstine, Chairman of this Committee, reported that there had been no occasion for a meeting of the committee during the summer, but that it was the purpose of the committee in cooperation with the office of the trustees to keep in touch with the Church Committee for China Relief and any other agency which might possibly contribute to the support of the University.

RETURN TO CHINA OF MRS. WILSON

The committees were informed that the cable dated September 23rd from the Hospital Directors had requested the return of Mrs. Wilson to take up nursing work at the hospital. It was understood the field had approved only the expenses of the return trip, unless emergency funds could be secured to assist in the travel expenditure.

The value of the services of Mrs. Wilson, and the remarkably fine contribution made by Dr. Wilson toward relief work in China was recognized by all, and very sympathetic attention was given to her request for permission to return to the field. It was

EFI-1016 VOTED (a) in view of the cable received and subsequent correspondence, the committees assent to the return of Mrs. Robert Wilson and child to Nanking, - the treasurer being authorized to render such financial assistance as is necessary for the return trip, on the strength of the statement contained in the letter from the field treasurer dated November 3, and such charges to be considered as against emergency funds, and adjustments to be made with the hospital treasurer upon arrival in China.

(b) That the secretary be authorized to communicate with the State Department with the hope of securing covering papers and a new passport for Mrs. Wilson's return.

TREASURER'S REPORT 1937-38

The Treasurer's Annual Report as of June 30 was presented for consideration, and is attached herewith to these minutes.

The committee gave careful consideration and study to the recommendations; and it was

EFI-1017 VOTED to approve Recommendation #1 by authorizing the application of \$92.91 surplus together with \$1,781.90 from Aluminum Preferred Dividends toward the \$2,637.03 overdraft carried forward to 1938-39.

It was

EFI-1018 VOTED to approve Recommendation #2 that all the balance of \$402.17 carried in the Retirement Reserve Income Account \$309.65 be transferred to the Retirement Reserve Fund to bring the total of the fund to \$6,300.

After further study of the report, it was

EFI-1019 VOTED on the basis of the Auditors' Report for 1938 which has been considered in connection with the Treasurer's Report, that the latter be approved and placed on file.

AUDITORS' REPORT

In connection with financial matters, the Auditors' Report was presented and studied by the committees. It was

EFI-1020 VOTED to receive the report of the Auditors', Messrs. Chambellan, Berger and Welti, and place same on file.

FAMINE FUND BALANCE

The committees noted the local currency balance of \$85,739.87 and questioned if the field would require this large balance.

It was stated that information had been received, indicating a probable adjustment of the budget, with the hope of saving something on this year's appropriation. The thought was expressed that possibly some of the Famine Relief Funds might be issued for direct relief, as well as for the type of work being carried on by Nanking. It was

EFI-1021 VOTED that the secretary communicate with the field treasurer giving a summary of the discussion regarding the possible use of Famine Relief Funds for direct relief or the other natural alternative of applying balances for 1937-38 to the 1938-39 budget.

LISTING OF EMERGENCY NEEDS

The committee gave consideration to a change in the listing of emergency needs for 1938-39 as submitted in a letter, dated August 22nd, and signed by President Y. G. Chen. This included current emergency needs for 1938-39, as well as a separate group covering needs for rehabilitation after the war. It was felt that consideration of the latter should be deferred pending development of circumstances, and a study was made of the individual items covering the current request.

It was noted that the list contained an item of LC\$40,000 to cover transportation cost for return to Nanking. As this seemed to be inconsistent with other items on the list, and, as circumstances at the present time do not warrant consideration of return expenses, it was

EFI-1022 VOTED (a) to substitute for the list contained in action E-1014 the following list received under date of August 22nd:

Amount needed to balance our current budget.....	Ch\$20,000.00
Subsidy for the University Hospital.....	60,000.00
Special administration and travel to Nanking (preparation)	5,000.00
Relief and aid for faculty and staff.....	25,000.00
Aid to units:	
College of Arts to help with wool weaving etc.....	5,000.00
College of Science,	
Shortage in Chemistry.....	4,000.00
Balance needed for building.....	10,000.00
Necessary equipment that has to be duplicated.....	4,000.00
College of Agriculture - animals and seeds for farmers..	2,500.00
Middle School	10,000.00
Transportation of equipment to Chengtu.....	10,000.00
Laboratories, classroom and other facilities in Chengtu....	12,000.00
Housing in Chengtu including rent.....	20,000.00

Student aid.....	5,000.00
Local service and cooperative enterprises in Szechwan.....	10,000.00
Minimum upkeep for buildings in Nanking.....	18,000.00
Contingent for unforeseen needs in West China.....	25,000.00
This is the equivalent of 49,100 at 5 to 1.....	LC\$245,500.00

(b) To request the Associated Boards to give consideration to reserve LC\$40,000 or US\$8,000 for return transportation charges to Nanking when or as this fund is needed.

APPOINTMENT OF MISS IMOGENE WARD

The application of Miss Imogene Ward was presented to the committees. It was stated that the field had requested the appointment of Miss Ward as a permanent member of the University Staff for the purpose of teaching English. The application was found in good order and approved by members of the Committee on Instruction; and it was

EFI-1023 VOTED at the request of the field, approval be given that Miss Imogene Ward be appointed a regular member of the University Staff with salary and other financial obligations to be covered by the field budget.

EDUCATIONAL ALLOWANCE FOR MISS IMOGENE WARD

A letter from the field treasurer was presented stating that it would be in order for Miss Ward to make application to the Board of Founders for an educational allowance. It was pointed out that the Board of Founders has no direct financial responsibility for members of the teaching staff, and that all financial obligations are included in the field budget, but in view of the need of educational allowance for immediate class enrollment, it was

EFI-1024 VOTED that, in view of the letter written by the field treasurer under date of July 7, 1938 to Miss Ward, and in view of the existing emergency situation, the treasurer be authorized to pay Miss Ward \$250.00 educational allowance, and charge same to the field budget, giving the field treasurer full explanation covering the action.

RESIGNATION OF MISS OLIVE BOWEN

The committees gave consideration to word from the field that Miss Bowen had returned to America and would not be able to again take up her work in China, unless the Middle School reopened at Nanking, as activities are being carried on in West China. Miss Bowen has resigned and the committees were requested to approve the final financial settlement which includes the payment of return travel and a limited salary of \$64.00 per month to August 31st. It was

EFI-1025 VOTED to approve the settlement with Miss Olive Bowen made by the treasurer's office as set forth above.

SALE OF 6157 TYNDALL AVENUE PROPERTY

An offer to purchase the property located at 6157 Tyndall Avenue for \$10,000 was presented to the committees. The mortgage terms were for five years, \$5,000 cash, and a purchase-money mortgage for \$5,000, rate of interest being 5% with quarterly amortization payments of \$37.50.

Recognizing the fact that there would be considerable loss in the transaction due to the necessity of paying back-taxes and payment of commissions, yet it was felt

more advisable to accept the loss and reestablish the investment on a paying basis.
It was

EFI-1026 VOTED to approve the sale of 6157 Tyndall Avenue on the basis of terms as set forth above.

REPORT ON PROMOTION

Mr. Wheeler, for the Committee of Report on Promotion, reported on problems facing the committee during the coming year, referring to the necessity of building up the list of interested constituency and the further need of help from the trustees in making approaches to individuals. Reference was made to the tentative plan of the Associated Boards wherein Mr. Wheeler would work in the Pittsburgh area and some time would be consumed in preparing literature. The chairman of the committee further emphasized the report presented and urged the fullest cooperation with Mr. Wheeler and the Associated Boards.

DR. DECKER'S TRIP TO THE ORIENT

Attention was directed to the trip which Dr. Decker is to make to the Orient in connection with attending the Madras Conference. It was

EFI-1027 VOTED that this committee expresses gratification that Dr. Decker is to visit China on his way to India and sincerely hopes that he will be able to visit the university units at Nanking and Chongtu.

On motion adjourned.

C. A. EVANS,
Assistant Secretary

THE ROCKEFELLER FOUNDATION
49 West 49th Street, New York

Office of the Secretary

June 13, 1938

My dear Mr. Garside:

At a meeting of the Executive Committee of the Rockefeller Foundation held June 10, 1938, the emergency situation which confronts private foreign universities and colleges in China was reported and fully considered, together with the effort being made to raise special funds at this time. I have the honor to inform you that an appropriation was made to the Associated Boards for Christian Colleges in China, providing up to a total of \$85,000 for distribution in full to Cheeloo, Hua Chung (Central Chinese College), Lingnan, Nanking, Shanghai, West China College, Yenching, and Fukien, in quotas agreed to by the officers of the Foundation toward general expenses during the academic year 1937-1938, with the understanding that any balance remaining unallocated as of October 1, 1938, shall be available for allocation in connection with expenses of the year 1938-1939.

It was the understanding of the meeting that the following is the expected division of this fund:

Cheeloo.....	\$15,000
Ginling.....	\$12,000
Hua Chung (Central Chinese College).....	\$ 3,000
Lingnan.....	\$ 4,000
Nanking.....	\$26,000
Shanghai.....	\$ 4,000
West China College.....	\$ 7,500
Yenching.....	\$ 7,000
Fukien.....	\$ 6,000

A check for the amount of this appropriation, \$85,000, will be sent to you shortly, with the understanding that a summary report will be received from you indicating what payments have been made in accordance with the schedule. Under the terms of this grant, any balance remaining unallocated at the close of the fiscal year 1938-1939 reverts to the Foundation.

Very truly yours

NORMA S. THOMPSON

Secretary

MINUTES OF MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

2:00 P.M. Monday, October 31, 1938
Room 606, 150 Fifth Avenue, New York, N.Y.

List of Members

<u>Board</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>Alternates</u>
Baptist	John W. Decker	*R.L. Howard		
Disciples	Stephen J. Corey	C.M. Yocum	Alexander Paul	C. T. Paul
Methodist	Robert C. Morris	(vacancy)	R.E. Diffendorfer	F.T. Cartwright
Presbyterian		L. C. Ruland	*E.C. Lobenstine	
Coopted	Russell Carter	T. C. Speers	Robert E. Speer	
	*Mrs. F. J. McConnell	*W. R. Wheeler	J. H. Banton	
	Kenneth W. Moore		Margaret E. Hodge	
	*G.B. Huntington		John T. Ogden	
Ex Officio	Miss F.G. Tyler			

Those whose names are starred were present, also Mr. C. A. Evans, Mr. B. A. Garside, and the Secretary.

Mrs. F. J. McConnell presided.

The meeting was opened with prayer by Mr. Wheeler.

APPROVAL OF MINUTES

Minutes of the Executive and Finance Committee meeting of September 23, 1938 were approved as distributed.

APPOINTMENT OF MR. JOSEPH I. PARKER

Mr. Joseph I. Parker was introduced to the Board, and Mr. Garside called attention to his recent appointment as one of the secretaries of the Associated Boards for Christian Colleges in China. It was

BF-1028 VOTED to elect Mr. Joseph I. Parker as Assistant Secretary and Assistant Treasurer of the Board of Founders of the University of Nanking.

RESIGNATION OF MR. W. R. WHEELER

The letter of resignation from Mr. Wheeler was read. Mr. Wheeler is accepting an invitation from the Board of Foreign Missions of the Presbyterian Church, U.S.A. to carry on work in connection with their Home Department. Appreciation of Mr. Wheeler's work was expressed by several members of the Board of Founders. It was

BF-1029 VOTED that we accept the resignation of Mr. W. R. Wheeler as Vice President of the Board of Founders with real regret and deep appreciation for what he has been able to do for the Board, as well as for his fine spirit of cooperation and interest in the work of the University, official and financial obligations to cease as of November 7, 1938.

VACANCIES IN MEMBERSHIP ON BOARD OF FOUNDERS

After discussion of the vacancies in the various classes of the Board of Founders, the following actions were taken:-

BF-1030 VOTED to request the Presbyterian Board to elect as promptly as possible a member to fill the vacancy in the Class of 1938.

BF-1031 VOTED to elect Mr. W. R. Wheeler as a coopted member of the Board, and to ask the secretaries to assign him to the proper class.

BF-1032 VOTED to refer to the Boards concerned information regarding vacancies occurring in their list of representatives.

PROMOTIONAL PLANS

Promotional plans were discussed, and Mr. Wheeler reported concerning correspondence with members of Congress regarding the continuance of sending promotional material to them. It was stated that at least seventy of these Congressmen had definitely asked to be continued on the mailing list.

It was further suggested that the continuance of the development of this particular project might be placed in the hands of Mr. Caldwell.

Mr. Garside reported on plans for necessary adjustments brought about by the resignation of Mr. Wheeler. In this connection it was mentioned that Mr. Caldwell, having recently returned from Nanking, could well handle the follow up of the work that had already been started, and that members of the promotional staff of the Associated Boards were planning to carry on the work and keep up the contacts already made for the University of Nanking. It was

BF-1033 VOTED that Mr. Wheeler be placed on the Promotional Committee of the Board of Founders.

SPECIAL HOSPITAL COMMITTEE

Mr. Lobenstine reported that the Special Hospital Committee had been active in consideration of the needs of the hospital, and it was agreed that this report of progress be accepted and the committee continued.

FAMINE FUND CLOSING FOR 1937-1938

It was reported that under date of September 21st the Field Treasurer had written, suggesting that LC\$50,000 be cancelled from the 1937-38 Famine Funds appropriation of \$176,751, as conditions in China made it impossible to continue various projects. It was

BF-1034 VOTED that the Famine Fund appropriation for 1937-38 be reduced to \$126,751, thereby reducing the budget by LC\$50,000., and that the employment of cash on hand in the Famine Fund account be referred to the Finance Committee with power.

It was suggested that information be secured from the field on the expected expenses chargeable against the Famine Funds, so that the Finance Committee would have this information at hand for their consideration.

The meeting adjourned.

JOSEPH I. PARKER
Assistant Secretary

REPORT OF THE TREASURER

BOARD OF TRUSTEES, UNIVERSITY OF NANKING

JUNE 30, 1938

The tremendous difficulties under which the University operated in China during the past year elicited grave concern among its friends in America. However, when stupendous difficulties were surmounted and operations continued in Chengtu, feelings turned to admiration and pride. The magnificent work done by the hospital in remedial service likewise contributed to engendering a sympathetic interest, which carried over in a material way into the Emergency Campaign. Nanking's share in this fund, secured through the united efforts of all the China Colleges group, was \$56,725.00. Through action of the Executive Committee, this entire amount was made available for the field in one form or another.

The following papers accompany this report:-

- (a) Trial Balance
- (b) Budget Analysis
- (c) Consolidated Balance Sheet
- (d) List of Securities

All figures applying to the 1937-38 closing have been audited by Messrs. Chambellan, Berger & Welti.

ENDOWMENT SECTION

(a) General Funds. These funds, not including the Swasey Fund and the Methodist Board Agricultural Fund, increased \$123.29 during the year to a total of \$381,810.20. This increase came from interest on the Endowment Income Stabilization Fund.

Investments changed during the year only insofar as added costs of operating 2348 Seventh Avenue and foreclosure expenses on 6157 Tyndall Avenue were added to the principal of the mortgages, increasing the investments \$4,730.35 to a total of \$384,434.29. This increase is shown as follows:-

Insurance on 2348 Seventh Avenue.....	49.40	
Taxes " " " "	1,408.27	
Fire escapes " " " "	562.77	
Repairs " " " "	71.52	
	<u>2,091.96</u>	
Less Rent received from W.P.A.	600.00	1,491.96
Foreclosure costs on 6157 Tyndall Avenue.....	238.10	
Back taxes due " " " "	2,925.29	
Referee's fee " " " "	75.00	<u>3,238.39</u>
		4,730.35
Less Income on Stabilization Fund.....		<u>123.29</u>
Cash borrowed from Famine Funds.....		4,607.06

The list of securities shows the market value of General Fund investments to be \$293,739.00 as against \$338,990.54 a year ago. The depressed rail bond market and shrinkage of real estate values account for the loss.

(b) Famine Funds. These funds decreased the past year by \$33,184.04 to a net of \$508,537.73, as follows:-

Cash transferred to Famine Income account.....	33,216.02	
Less interest received on Savings Bank account.....	<u>31.98</u>	
		33,184.04

Investments in this account changed as follows:

Paid on real estate notes: Steuart Brothers.....	63,773.12	
Oscar Baum.....	1,597.38	
Shannon & Luchs.....	1,221.37	
J. J. Moebs.....	<u>7,187.50</u>	73,779.37

Less Purchases: 5M Westchester Lt. 3 $\frac{1}{2}$ /67....	4,912.50	
5M Atchison, Top. & S.F. 4/95	5,175.00	
5M Virginian Railway 3 $\frac{3}{4}$ /66....	5,175.00	
5M Ohio Edison 4/67.....	<u>4,987.50</u>	20,250.00

Cash on Hand.....	15,706.29	
Cash loaned to General Endowment.....	<u>4,607.06</u>	40,563.35
Cash transferred to Income account.....		33,216.02
Less Savings Bank Interest.....		<u>31.98</u>
		33,184.04

The market value of Famine Fund Investments on June 30, 1938 was \$527,849.42 as over against \$542,985.27 a year ago in the face of a greatly depreciated security market.

(c) Retirement Reserve. There were no changes in this fund or investments during the year. The market value decreased to \$4595.00 as over against \$6,052.50 a year ago. This is traceable to default on the 5% Atchison, Topeka & Santa Fe Preferred Stock, and reduction in market value of Cleveland Union Terminal bonds.

(d) Income. The following schedule shows the income received in the several accounts after deducting custodian fees:-

Name	Fund	Income	Per cent
General Funds.....	374,764.85	14,719.01	.0393
M.E. Board College of Agriculture.....	100,000.00	3,000.00	.03
Swasey Fund.....	48,750.00	1,973.60	.0405
Retirement Fund.....	5,990.35	300.00	.05
Scholarships.....	7,000.00	285.95	.0408
Famine Funds.....	525,129.75*	<u>20,003.46</u>	<u>.0381</u>
	<u>1,061,634.95</u>	40,282.02	.0380

* average for the year

The total per cent on June 30, 1937 was .0466.

PLANT SECTION

Plant funds increased \$1,000. during the year to a new total of \$760,986.92. This represented a gift for the Freshman Dormitory and the fund is held in the cash account.

CURRENT GENERAL

Transactions within the current budget for the past two years are shown in the following tables of income and expenditures:-

<u>INCOME</u>	<u>Amount of income received</u>	
	<u>1937-38</u>	<u>1936-37</u>
<u>From Mission Boards</u>		
United Christian Missionary Society.....	1,500.00	1,500.00
Methodist Board.....	1,055.00	1,055.00
Presbyterian Board.....	2,920.00	2,920.00
Baptist Board.....	800.00	800.00
<u>Endowment Income</u>		
General.....	14,719.01	14,468.63
Swasey Fund.....	1,973.60	2,065.40
Methodist Board - Agriculture & Forestry.....	3,000.00	3,000.00
<u>Other Income</u>		
Special Gifts for Current Budget.....	30.30	1,305.90
Emergency Funds (see note below).....	9,922.32	-
Used from back dividends on Aluminum Preferred.	6,765.00	-
	<u>42,685.23</u>	<u>27,114.93</u>
<u>Designated Funds</u>		
Harvard-Yenching Institute.....	14,210.53	14,210.53
Support of C. H. Riggs (Special Gifts).....	1,167.86	797.00
United Christian Missionary Soc. - vacancy.....	600.00	-
	<u>58,663.62</u>	<u>42,122.46</u>

<u>EXPENDITURES</u>	<u>Amount of Expenditures</u>	
	<u>1937-38</u>	<u>1936-37</u>
<u>Field Budget</u>		
Current Expense.....	18,761.97	4,271.89
Salaries.....	6,658.20	14,254.76
Library.....	<u>928.15</u>	<u>1,805.85</u>
	26,348.32	20,332.50
<u>Home Administration</u>		
Administrative Service	3,540.00	2,568.36
Audit, Bond, Postage.	494.00	381.64
Promotional.....	5,210.00	3,100.00
" Special...	<u>7,000.00</u>	<u>-</u>
	16,244.00	6,050.00
Inst. Chinese Studies..	14,210.53	14,210.53
U.C.M.S. Vacancy.....	600.00	-
Salary - C. H. Riggs...	<u>1,167.86</u>	<u>797.00</u>
	58,570.71	41,390.03
SURPLUS.....	<u>92.91</u>	<u>732.43</u>
	<u>58,663.62</u>	<u>42,122.46</u>

The above table shows all Boards paying their appropriations.

Action E-1010 revised the Founders' budget by authorizing the use of \$9,922.33 from emergency funds.

Total emergency funds allocated to the University by the Associated Boards for Christian Colleges in China were US\$56,725., of which \$38,041.92 was reserved for the use of the University, and \$18,683.08 was appropriated for the Hospital. Allocation of the University's share June 30th was as follows:

Used on current budget.....	9,922.32
Deposited to field bank account.....	4,409.35
Held in Accts. Payable and available for the field.....	<u>23,710.25</u>
	38,041.92

Aside from the Home Administration and Promotional charges shown above, the following were carried forward as a first charge against 1938-39:-

Promotional costs advanced from 1936-37.....	722.03
Promotional costs in excess of the \$5,210. appropriated for participation with the A.B.C.C.C.	<u>1,915.00</u>
	2,637.03

The \$722.03 actually represents charges for promotion before the \$7,000. for Mr. Wheeler and expenses was voted, and which became operative on September 1, 1937.

The total charges by the A.B.C.C.C. for Nanking's share in promotion was \$7,125., whereas \$5,210. was budgeted by the Board of Founders, leaving a balance of \$1,915. to be accounted for.

FAMINE FUNDS

Famine Funds are appropriated upon recommendation from the field, it being the understanding that the entire fund and income may be used over the next fifteen or sixteen years. The amount appropriated for 1937-38 was LC\$176,751. Payments in New York and to the field against the appropriation totalled LC\$91,011.13, leaving a balance due the field of LC\$85,739.87.

As all remittances have been for invoices in the United States or bank deposits in the field account, the rate of exchange has been on the basis of 3.30 to one, as adopted in the budget. The actual U.S. dollar equivalents are shown in the budget analysis.

In addition to the above balance due the field on the current budget, there is a balance of LC\$1,711.72 due the field on the 1936-37 budget. This has not been claimed as yet by the field treasurer to balance the account.

Income on invested funds.....	20,406.48		
Less custodian charge.....	181.65		
foreclosure expense on Shannon & Luchs property, Washington, D.C.	221.37	<u>403.02</u>	20,003.46
Transferred from Principal account.....			<u>33,216.02</u> 53,219.48

U.S. dollar payments of this fund follow:

Bank deposits.....	15,000.00		
Draft.....	5,000.00		
Special payments.....	4,866.67		
Support of C. H. Riggs.....	<u>2,371.03</u>		<u>27,237.70</u>
Balance due on 1937-38 budget.....			25,981.78

HOSPITAL

The budget of the Hospital was likewise revised by action E-1010 to include \$18,683.08 of emergency funds. The transactions are shown as follows:-

RECEIPTS:

Methodist Board.....	340.00		
United Christian Missionary Society.....	375.00		
Presbyterian Board.....	580.00		
Special Gifts.....	1,859.00		
Emergency Funds.....	<u>18,683.08</u>		21,837.08

EXPENDITURES:

Current Expenses.....	467.22		
Salaries.....	827.78		
For emergency needs (special).....	1,859.00		
Supplies (medical emergency).....	4,815.65		
Hospital appropriation (special 3 months)....	4,500.00		
Emergency funds remitted to the field.....	1,100.00		
" " held in Accts. Payable for the field.....	<u>8,267.43</u>		21,837.08

The special medical supplies and appropriation of \$4,500. covering hospital needs for three months were originally approved by the Finance and Executive Committees. The \$1,100. represented funds sent directly to China and were therefore charged against the field budget. The balance of the appropriation was transferred to Accounts Payable, where it is available for draft from China.

CURRENT SPECIAL

The following represents an analysis of important accounts in this section:-

171.2 Harvard-Yenching Institute. The balance of \$1,578.96 is actually a balance carried forward from previous years, the income for 1937-38 having been received and expended or credited to the field.

172. Suspense. Credit items in this account are as follows:-

Balance Aluminum Preferred back dividends....	1,781.90
Special Gift.....	198.00
Non-budget items awaiting field draft.....	<u>208.00</u>
	2,187.90

175.2 Endowment Restricted (non-budget). This is the income on the Scholarship Fund account, and the balance of \$143.21 was the income from January 1, 1938. On closing the books it was deposited to the credit of the field banking account here in the United States.

177. Retirement Reserve Income. Income received on securities through the year totalled \$300. One participant resigned, thereby crediting the Income account with \$108.14, making a total income of..... 408.14
An old balance carried forward added to the account..... 311.91
making a total of..... 720.05
Payments on annuities during the year totalled..... 317.88
leaving a balance of..... 402.17

179. Directors' Special Funds. The \$4,600. carried here is the result of spending local currency balances on the field and establishing a credit balance in U.S. for the Directors.

CASH SITUATION

The cash situation on June 30, 1938 was as follows:-

	<u>Overdrafts</u>	<u>Balances</u>
Endowment: (a) Awaiting Investment.....	2,669.44	
(b) Famine Fund Cash.....		21,921.42
(c) Retirement Fund Cash.....		45.35
Plant.....		3,035.91
Current General.....		38,095.07
Famine Funds.....		30,659.00
Current Special.....		<u>4,405.15</u>
	<u>2,669.44</u>	98,161.90
		<u>2,669.44</u>
		95,492.46

The above cash was carried as follows:

Irving Trust Company - Endowment.....	435.11
" " " - General.....	93,449.28
Famine Fund - Bowery Savings Bank, 130 Bowery.....	1,061.14
" " - " " " Fifth & 34th St.	10.95
" " - Greenwich Savings Bank, 1356 Broadway.	<u>535.98</u>
	95,492.46

RECOMMENDATIONS

(1) It is in order to consider the application of the small surplus of \$92.91 and the balance of \$1,781.90 from Aluminum preferred dividends, toward the \$2,657.03 carried forward to 1938-39.

of
(2) That/the balance of \$402.17 carried in the Retirement Reserve Income account (Acct. 177), \$309.65 be transferred to the Retirement Reserve Fund (Acct. 112d), so as to bring the total of the fund to \$6,300.

Respectfully submitted,
ROBERT C. MORRIS, Treasurer
B. A. GARSIDE, Assistant Treasurer
C. A. EVANS, Assistant Treasurer

BALANCE SHEET
UNIVERSITY OF NANKING
JUNE 30, 1938

ENDOWMENT

Consolidated Endowment Investments	384,434.29	Endowment Funds & Investments:	
China Famine Fund Investments	486,616.31	(b) General	1,024.14
(e) Methodist Bd.-College of Agriculture	100,000.00	(c) Hall	350,000.00
(f) Swasey	48,750.00	(d) United Christian Missionary Society	10,000.00
Retirement Reserve Investments	5,945.00	(e) M.E. Bd.- College of Agriculture	100,000.00
Cash Awaiting Investment	17,689.26	(f) Swasey	48,750.00
Savings Bank Accounts	1,608.07	(g) China Famine Fund	508,537.73
		(h) Endowment Income - Stabilization Fund	3,123.29
		Other Permanent Funds:	
		(a) H. M. Williams Scholarship Fund	1,000.00
		(b) Mr. and Mrs. Wood Scholarship Fund	1,000.00
		(c) Sherwin Scholarship Fund	5,000.00
		(d) Retirement Reserve Fund	5,990.35
		(e) Hoover Trust Fund	3,162.50
		Profit on Sale of Securities	7,454.92
	<u>1,045,042.93</u>		<u>1,045,042.93</u>

PLANT

Land	88,171.41	General Plant Funds: (a) Baptist Board	31,764.00
Buildings: (a) University	277,307.64	(b) U.C.M.S.	66,675.00
(b) Hospital	109,554.03	(c) Methodist Board	109,432.00
(c) Science	55,691.95	(d) Presbyterian Board	226,277.00
(d) 1927 Dormitory	5,000.00	Special Plant Funds: (a) James Normal School	20,000.00
(e) Language School	4,060.00	(b) Sericulture Bldg.	21,000.00
(f) Undesignated	13,600.00	(c) Science Bldg.	55,691.95
Residences: (a) University	90,064.18	(d) Science Equipment	13,550.66
(b) Hospital	24,000.00	(e) Language School	4,060.00
Equipment: (a) University	16,596.94	(f) Gas Plant	2,762.50
(b) Hospital	54,503.95	(g) Land - Mulberry Orchard	4,000.00
(c) Science	15,537.49	(h) Freshman Dormitory	3,129.29
(d) Gas Plant	228.44	(x) Miscellaneous	5,215.00
Misc. Plant Assets: Rural Normal Sch. & Equip.	3,634.98	Hospital Funds	111,203.26
Plant Cash	3,035.91	Plant Funds transferred from Current	18,332.24

Balance Sheet - University of Nanking

-2-

		<u>PLANT</u>		
Amount carried forward	760,986.92		Plant Funds trans. fr. Famine Trust Funds	52,871.27
			Famine Funds for Land	<u>15,022.75</u>
	<u>760,986.92</u>			<u>760,986.92</u>
<u>CURRENT GENERAL (before closing)</u>				
Directors' Current Expense	18,761.97	Receipts - Rent - Directors' Account		.30
" " Salaries	6,658.20	" - United Christian Missionary Soc.		1,500.00
" " Library	928.15	" - Methodist Board		1,055.00
Home Administration-Executive Office	3,676.87	" - Presbyterian Board		2,920.00
" " -Incidentals	292.71	" - Baptist Board		800.00
" " -Trustees	323.56	Special Gifts - Current Budget		630.00
Promotional Loan	7,125.00	Endowment Income - General		448.50
" Expense	7,722.03	" " - Hall		14,270.46
Current General Cash	21,500.66	" " - Swasey		1,973.60
Disbursed to Field-Spec.Gifts Current Budget	600.00	" " - Methodist Board		3,000.00
		Accounts Payable		<u>40,991.24</u>
	<u>67,589.15</u>			<u>67,589.15</u>
<u>CURRENT GENERAL (after closing)</u>				
Home Administration-Executive Office	136.87	Accounts Payable		40,991.24
" " -Trustees	122.27			
Promotional Loan	1,916.00			
" Expense	722.03			
Current General Cash	<u>38,095.07</u>			
	<u>40,991.24</u>			<u>40,991.24</u>
<u>FAMINE FUND</u>				
Famine Fund Expense 1936-37	53,290.75	Famine Fund Receipts 1936-37		57,967.97
" " " 1937-38	27,237.70	" " " 1937-38		53,219.48
" " Cash	<u>30,659.00</u>			
	<u>111,187.45</u>			<u>111,187.45</u>

Balance Sheet - University of Nanking

-3-

	<u>HOSPITAL</u>		
Current Expense	467.22	Receipts - Methodist Board	340.00
" " Salaries	827.78	" - U.C.M.S.	375.00
Emergency Needs Hospital - Disbursed	1,859.00	" - Presbyterian Board	580.00
		Emergency Needs Hospital	<u>1,859.00</u>
	<u>3,154.00</u>		<u>3,154.00</u>

<u>CURRENT SPECIAL (before closing)</u>			
Current Special Cash	20,999.56	Harvard-Yenching Institute - Restricted a/c	15,789.49
Savings Fund Account	4,600.00	Suspense	8,952.90
Disbursed to Field- H.-Y. I	14,210.53	Endowment Income Restricted (non-budget)	143.21
Emergency Relief Fund Disbursed	44,943.68	Emergency Relief Fund	54,866.00
		Retirement Reserve Income	402.17
		Directors' Special Funds	<u>4,600.00</u>
	<u>84,753.77</u>		<u>84,753.77</u>

<u>CURRENT SPECIAL (after closing)</u>			
Current Special Cash	4,405.15	Harvard-Yenching Inst. - Restricted Income	1,578.96
Savings Fund Account	4,600.00	Suspense	2,187.90
		Endowment Income Restricted (non-budget)	143.21
		Surplus 1937-38	92.91
		Retirement Reserve Income	402.17
		Directors' Special Funds	<u>4,600.00</u>
	<u>9,005.15</u>		<u>9,005.15</u>

ROC

BUDGET ANALYSIS 1937-38

UNIVERSITY OF NANKING

JUNE 30, 1938

I. G E N E R A L U N I V E R S I T Y

DISBURSEMENTS

RECEIPTS

Class A. General Funds

Acct. No.	Item	Appropriation US\$	Disbursed to June 30 US\$	Acct. No.	Item	Estimated Income US\$	Rec'd. to June 30 US\$
	General Purposes -				<u>Mission Board Cash Grants</u>		
	Directors' Budget			131	United Christian Miss.Soc.	1,500.00	1,500.00
31	Current Expense)		18,761.97	132	Methodist Board.....	1,055.00	1,055.00
31.1	Salaries Account).....	26,348.32	6,658.20	133	Presbyterian Board.....	2,920.00	2,920.00
32	Library)		928.15	133.1	Baptist Board.....	800.00	800.00
				136	Special Gifts-Current Bud.		30.00
				130	Bd.of Directors-Rent a/c..		.30
					<u>Endowment Income</u>		
175.5	Emergency Expenses	28,119.60	28,119.60	137.1	United Christian Miss.Soc.	402.00	407.70
				137.1	General.....	40.00	40.85
				137.2	Hall Estate.....	14,188.00	14,270.46
				137.3	Swasey Fund.....	2,000.00	1,973.60
				137.4	M.E. Fund-Agri. & Forestry	3,000.00	3,000.00
				172	Back dividends-Aluminum Pfd	6,765.00	6,765.00
				175.5	Emergency Gifts.....	38,041.92	38,041.92
						70,711.92	70,804.83
					Less Home Adm. & Pro. ...	16,244.00	16,244.00
		<u>54,467.92</u>	<u>54,467.92</u>			<u>54,467.92</u>	<u>54,560.83</u>

Budget Analysis - University of Nanking

-2-

Class B. Special Funds

<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Disbursements</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income US\$</u>	<u>Rec'd. to June 30 US\$</u>
171.2	Harvard-Yenching Institute..	14,210.53	14,210.53	171.2	Harvard-Yenching Institute	14,210.53	14,210.53
136	Hoover Gifts.....	500.00	-	136	Hoover Gifts.....	500.00	-
136	U.C.M.S. Vacancy.....	1,300.00	600.00	136	U.C.M.S. Vacancy.....	1,300.00	600.00
		<u>16,010.53</u>	<u>14,810.53</u>			<u>16,010.53</u>	<u>14,810.53</u>

II. FAMINE FUND
(Estimated rate 3.30 to 1.00)

	<u>Appropriation LC\$</u>	<u>Paid to 6/30 LC\$</u>	<u>Paid to 6/30 US\$</u>			<u>Estimated Income US\$</u>	<u>Rec'd. to June 30 US\$</u>
51	General Purposes (36-7)			151	China Famine Rec. 1936-37.	54,311.00	57,967.97
	Disbursed in N.Y.)	179,226.00	53,759.48				
	Trans. to field)		123,754.80				
		<u>179,226.00</u>	<u>177,514.28</u>			<u>54,311.00</u>	<u>57,967.97</u>

IIA. FAMINE FUND

51	Famine Fd. Exp. 1937-8	176,751.00	91,011.13	27,237.70	151	Famine Fd. Receipts 1937-38	53,560.91	53,219.48
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III. HOSPITAL

	<u>Apprptn. US\$</u>	<u>Paid to 6/30 US\$</u>			<u>Estimated Income US\$</u>	<u>Rec'd. to June 30 US\$</u>	
61	General Purposes)		467.22	162.1	Methodist Board.....	340.00	340.00
61.1	Salaries Account).....	1,295.00	827.78	163	U.C.M.S.	375.00	375.00
	<u>Emergency Needs:</u>			164	Presbyterian Board.....	580.00	580.00
61.2	Supplies.....	4,815.65	4,815.65	166	Emergency Gifts)		1,859.00
175.5	Expense & Deficit.....	<u>13,867.43</u>	<u>13,867.43</u>	175.5	" ").....	<u>18,683.08</u>	<u>16,824.08</u>
		<u>19,978.08</u>	<u>19,978.08</u>			<u>19,978.08</u>	<u>19,978.08</u>

IV. BOARD OF FOUNDERS

Acct. No.	Item	Appropriation US\$	Paid to June 30 US\$		Estimated Income US\$	Rec'd. to June 30 US\$
36.1	Home Adm.-Executive Office.....	3,540.00	3,540.00	Assignment fr. General Funds		
36.2	" " -Incidentals.....	494.00	292.71	Home Administration.....	4,034.00	4,034.00
36.3	" " -Trustees.....		201.29	Promotional.....	12,210.00	12,210.00
36.4	Promotional Services.....	5,210.00	5,210.00			
36.4a	" Program.....	7,000.00	7,000.00			
		<u>16,244.00</u>	<u>16,244.00</u>		<u>16,244.00</u>	<u>16,244.00</u>

SUMMARY

	Cash Situation, June 30, 1938		Budget Situation, June 30, 1938		
	Balance US\$	Overdraft US\$	Unexpended US\$	Overexpended US\$	Unexpended LC\$
I. General University, Class A.....	92.91	-	-	-	-
Class B.....	-	-	1,200.00	-	-
II. Famine Fund 1936-37.....	4,677.22	-	-	-	1,711.72
IIA. Famine Fund 1937-38.....	25,981.78	-	-	-	85,739.87
III. Hospital.....	-	-	-	-	-
IV. Board of Founders.....	-	-	-	-	-
	<u>30,751.91</u>	-	<u>1,200.00</u>	-	<u>87,451.59</u>

UNIVERSITY OF NANKING

CONDENSED BALANCE SHEET

JUNE 30, 1938

ASSETS

<u>Endowment</u>			
University Investments	384,434.29		
Famine Fund Investments	486,616.31		
Restricted Reserve "	5,945.00		
Investments held by others	148,750.00		
Cash	19,297.33		
		1,045,042.93	
<u>Plant</u>			
Land, Bldgs., & Equipment	757,951.01		
Cash	3,035.91	760,986.92	
<u>Current Assets</u>			
Cash: Curr. General	38,095.07		
Famine Funds	30,659.00		
Curr. Special	4,405.15	73,159.22	
Exp. Advanced to 1938-39			
Trustees	259.14		
Promotional	2,637.03		
Less Surplus	92.91	2,544.12	2,803.26
Savings Fund Account	4,600.00	80,562.48	
			1,886,592.33

LIABILITIES

<u>Endowment</u>			
University Funds	509,774.14		
Famine Funds	508,537.73		
Restricted Fds.-Scholarships	7,000.00		
" " -Stabilization Fd.	3,123.29		
" " -Hoover Fund	3,162.50		
Retirement Reserve Fund	5,990.35		
Profit on Sale of Securities	7,454.92	1,045,042.93	
<u>Plant</u>			
Funds for Land, Bldgs. & Equip.			760,986.92
<u>Current Funds</u>			
Restricted a/c: H.-Y. I	1,578.96		
Endowmt.	143.21		
Res. Resve.	402.17	2,124.34	
Suspense		2,187.90	
Directors' Special Funds		4,600.00	
<u>Famine Funds</u>			
Receipts carried fwd.	111,187.45		
Less Expenses fwd.	80,528.45	30,659.00	
Accounts Payable		40,991.24	80,562.48
			1,886,592.33

UNIVERSITY OF NANKING

LIST OF SECURITIES

JUNE 30, 1938

<u>Face Value</u>	<u>Security</u>	<u>Legal Trust Inv.</u>	<u>Rat- ing</u>	<u>Cost Price</u>	<u>6/30/38 Market Price</u>	<u>Cost</u>	<u>6/30/38 Market Value</u>	<u>Nominal Income</u>
<u>(a) Consolidated Endowment Investments, General Funds</u>								
<u>Mortgages, Real Estate</u>								
4,000	1515 Overing Street 5 $\frac{1}{2}$ /34.....	Open mtge.		100	85	4,000.00	3,400.00	220.00
5,500	40 Lincoln Road, Brooklyn 4/40.....	" "		100	70	5,500.00	3,850.00	220.00
10,000	136 East 237th St., Bronx 5/36.....	" "		100	85	10,000.00	8,500.00	500.00
12,238.39	6157 Tyndall Avenue, Bronx 5 $\frac{1}{2}$ /33.....	" "		100	80	12,238.39	7,200.00	-
8,000	414 Brook Avenue, Bronx 5 $\frac{1}{2}$ /33.....	" "		100	85	8,000.00	6,800.00	440.00
<u>78,157.71</u>	2348 Seventh Avenue 5 $\frac{1}{2}$ /33.....	Foreclosed		100	50	<u>78,157.71</u>	<u>38,669.03</u>	<u>-</u>
<u>117,896.10</u>						<u>117,896.10</u>	<u>68,419.03</u>	<u>1,380.00</u>
<u>Railroad Bonds</u>								
10,000	Baltimore & Ohio RR 5/2000 "D".....	N.Y.	BBB	101-1/2	24-1/2	10,150.00	2,450.00	500.00
10,000	Central of Georgia Rwy. 5 $\frac{1}{2}$ /59 "B".....		DDD	100.76	5	10,076.25	500.00	-
1,000	Interborough Rapid Transit 5/66.....		BBB	95-5/8	50	966.25	500.00	50.00
10,000	Missouri, Kansas & Texas 5/62 "A".....	N.Y.	B	96-1/2	42-1/2	9,652.50	4,250.00	500.00
5,000	N.Y. Central RR 5/2013 "C".....	N.Y.	BB	99-7/8	61-1/2	4,993.75	3,075.00	250.00
5,000	Northern Pacific Rwy. 5/2047 "D".....	N.Y.	A	95-3/8	58	4,781.25	2,900.00	250.00
2,000	St. Louis, San Francisco 4 $\frac{1}{2}$ /78 "A".....		DD	90	11-1/2	1,805.00	230.00	-
<u>5,000</u>	Virginian Railway "A" 3 $\frac{3}{4}$ /66.....		AAA	105-1/2	103	<u>5,277.50</u>	<u>5,150.00</u>	<u>187.50</u>
<u>48,000</u>						<u>47,702.50</u>	<u>19,055.00</u>	<u>1,737.50</u>
<u>Public Utility Bonds</u>								
10,000	American Power & Light Deb. 6/2016.....		BB	105-2/5	86	10,540.00	8,600.00	600.00
5,000	American Tel. & Tel. Deb. 5 $\frac{1}{2}$ /43.....		AAA	104	112-5/8	5,087.50	5,631.25	275.00
3,000	Federal Light & Traction 6/42.....		BBB	102-1/5	97	3,066.00	2,910.00	180.00
5,000	Milwaukee El. Rwy. & Lt. 5/71.....		BB	101-3/8	103	5,081.25	5,150.00	250.00
10,000	North American Edison 5/69 "C".....		A	106-1/4	101-3/4	10,576.25	10,175.00	500.00
<u>10,000</u>	Public Service No. Illinois 4 $\frac{1}{2}$ /81.....		BBB	103-3/4	104-3/4	<u>10,400.00</u>	<u>10,475.00</u>	<u>450.00</u>

Ranking List of Securities -2

<u>Face Value</u>	<u>Security</u>	<u>Legal Trust Inv.</u>	<u>Rating</u>	<u>Cost Price</u>	<u>6/30/38 Market Price</u>	<u>Cost</u>	<u>6/30/38 Market Value</u>	<u>Nominal Income</u>
<u>Public Utility Bonds</u>								
3,000	Toledo Edison 5/62.....	N.Y.	AA	92-1/4	107	2,767.50	3,210.00	150.00
<u>46,000</u>						<u>47,518.50</u>	<u>46,151.25</u>	<u>2,405.00</u>
<u>Industrial Bonds</u>								
10,000	U.S. Rubber Company 5/47.....		BBB	90.15	105	9,016.25	10,500.00	500.00
<u>Foreign Bonds</u>								
7,000	Commonwealth of Australia 4 1/8/56.....		A	87	100-3/4	6,087.50	7,052.50	315.00
<u>U.S. Government Bonds</u>								
5,000	Home Owners Loan "B" 2 3/4/1939-49.....			100.7	102.29	5,010.94	5,145.31	137.50
<u>Preferred Stocks</u>								
1,400 sh.	Aluminum Co. of America 6%.....		CCC	100	97	140,000.00	135,800.00	8,400.00
80 "	Atchison, Topeka & Santa Fe 5%.....			100-1/4	53	8,040.00	4,240.00	400.00
						<u>148,040.00</u>	<u>162,737.81</u>	<u>8,800.00</u>
						381,271.79	296,363.09	15,275.00
						<u>82,624.09</u>	<u>82,624.09</u>	-
						378,647.70	293,739.00	15,275.00
<u>(b) Hoover Trust Funds</u>								
10,000	Georgia, Carolina & Northern 6/34.....		G	31-5/8	18	3,162.50	1,800.00	-
<u>5,000</u>	Bolton Square Improvement Co. 7/32....			-	-	-	-	-
<u>15,000</u>						<u>3,162.50</u>	<u>1,800.00</u>	<u>-0-</u>

Ranking List of Securities -3

Face Value	Security	Legal Trust Inv.	Rating	Cost Price	6/30/38 Market Price	Cost	6/30/38 Market Value	Nominal Income
<u>(c) Famine Fund Investments</u>								
2,302.62	Oscar Baum - 1737 - 39 L St. N.W. & 1108 Connecticut Ave., N.W. 5 $\frac{1}{2}$ /33.....	Slow		100	70	2,302.62	1,703.94	133.88
10,000	Brentwood Development Corp. 4%.....			100	100	10,000.00	10,000.00	400.00
42,812.50	J.J. Moebis, 1025 Vermont Ave. N.W. & 19th St. & Conn. Ave., N.W. 5/33.....	"		100	60	42,812.50	25,687.50	2,140.63
30,000	E.D. Rheem, 3039 Q Street, N.W. 5/33.....	"		100	70	30,000.00	21,000.00	1,500.00
6,100	Joseph Rizik, 1108 Conn. Ave. N.W., 1737 L Street, N.W. 4 $\frac{1}{2}$ /47.....			100	100	6,100.00	6,100.00	274.50
6,000	Shannon & Luchs Const. Co., R.I. Avenue N.E. at 15th Street 6/33.....	Default		100	25	6,000.00	1,575.00	-
<u>97,215.12</u>						<u>97,215.12</u>	<u>66,066.44</u>	<u>4,449.01</u>
<u>Railroad Bonds</u>								
5,000	Atchison, Topeka & Santa Fe 4/95.....		AAA	103-1/2	89	5,175.00	4,450.00	200.00
10,000	Pennsylvania RR 3 $\frac{3}{4}$ /70 "C".....		AA	102-1/8	87	10,237.50	8,700.00	375.00
5,000	Virginian Railway 3 $\frac{3}{4}$ /66 "A".....		AAA	103-1/4	103	5,175.00	5,150.00	187.50
<u>20,000</u>						<u>20,587.50</u>	<u>18,300.00</u>	<u>762.50</u>
<u>Industrial & Utility Bonds</u>								
10,000	Bethlehem Steel Corp. 3 $\frac{3}{4}$ /66.....		AA	98-3/8	98-3/8	9,862.50	9,837.50	375.00
5,000	General Motors Acceptance 3 $\frac{1}{2}$ /51.....		AAA	102-3/4	104-3/8	5,150.00	5,218.75	162.50
5,000	Ohio Edison Company 4/67.....		A	99-1/2	101-3/4	4,987.50	5,087.50	200.00
5,000	Westchester Lighting Company 3 $\frac{1}{2}$ /67.....		AA	98-1/4	102-1/2	4,912.50	5,125.00	175.00
<u>25,000</u>						<u>24,912.50</u>	<u>25,268.75</u>	<u>912.50</u>
<u>U.S. Government Bonds & Notes</u>								
268,000	U.S. Treasury Bonds 4 $\frac{1}{2}$ /52.....			100	118.16	268,000.00	317,580.00	11,390.00
65,000	U.S. Treasury Bonds 3/1951-54.....			100.13	106.9	65,304.69	69,082.81	1,950.00
<u>333,000</u>						<u>333,304.69</u>	<u>386,662.81</u>	<u>13,340.00</u>

Nanking Security List -4

<u>Face Value</u>	<u>Security</u>	<u>Legal Trust Inv.</u>	<u>Rating</u>	<u>Cost Price</u>	<u>6/30/38 Market Price</u>	<u>Cost</u>	<u>6/30/38 Market Value</u>	<u>Nominal Income</u>
<u>Preferred Stock</u>								
40 sh.	Consolidated Edison 5%.....		A	107-7/8	99	4,328.60	3,960.00	200.00
60 "	North American Edison 6%.....		BB	104-1/8	94-1/2	6,267.90	5,670.00	360.00
						<u>10,596.50</u>	<u>9,630.00</u>	<u>560.00</u>
						486,616.31	505,928.00	20,024.01
	Plus Cash: (1) Awaiting transfer to Famine Fund Expense.....					20,313.35	20,313.35	1,412.96
	(2) On deposit in Savings Bank.....					<u>1,608.07</u>	<u>1,608.07</u>	<u>31.52</u>
	Total of Famine Fund.....					508,537.73	527,849.42	21,467.49
<u>(d) Retirement Reserve Fund Investments</u>								
20 sh.	Atchison, Topeka & Santa Fe 5% Pfd.....			100-1/4	53	2,010.00	1,060.00	100.00
2,000	Cleveland Union Terminal 5/73 "B"..... N.Y.		BBB	90	75	1,805.00	1,500.00	100.00
2,000	North American Edison 5/69 "C".....		A	106-1/4	101-3/4	<u>2,130.00</u>	<u>2,035.00</u>	<u>100.00</u>
	Total of Retirement Reserve Fund Investments.....					5,945.00	4,595.00	300.00
						<u>916,720.08</u>	<u>827,983.42</u>	<u>37,042.49</u>

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

3:15 P. M. Tuesday, December 6, 1938
Room 900 - 150 Fifth Avenue, New York, N.Y.

List of Members:

*Morris W. Ehnes, Chairman
*G. B. Huntington
*Robert C. Morris

J. H. Banton
*Kenneth W. Moore
J. W. Decker, ex officio

Those whose names are starred were present, also Joseph I. Parker and C. A. Evans. Regrets were presented from Mr. Banton.

The meeting was opened with prayer led by Dr. Huntington.

SALE OF 6157 TYNDALL AVENUE, NEW YORK CITY

A report was made covering the sale of 6157 Tyndall Avenue for \$9,300.00 cash, less fees which actually entails a loss of approximately \$4,000.00. Data had been mailed to members of the Finance Committee and a mail vote taken unanimously approving the sale. It was brought before the committee for confirmation;

F-1035 VOTED to approve the sale of 6157 Tyndall Avenue at \$9,300.00 cash as approved by the circulation vote mailed November 15th, and to authorize the Secretary-Treasurer of the Nanking Realty Corporation to execute any necessary papers.

INVESTMENTS

Attention was called to the revised list of investments mailed to members of the committee as of November 14th. There was not sufficient time to study the list in detail, and it was suggested that the Assistant Secretary submit the list to several investment houses for study and recommendation.

INVESTMENT OF FAMINE FUNDS

The Committee was reminded that on Monday, those members available, had been interviewed by telephone regarding the subscription to the U. S. 2 3/4% bonds open to the public on December 5th, and that approval had been given to subscribe to \$250,000 worth, on the assumption that we would secure 10%. As this would absorb \$25,000. of Famine Funds available for investment, a balance of approximately \$22,500. would be available for other investment. After due discussion, it was

F-1036 VOTED to approve the action of subscribing toward U. S. Government 2 3/4% bonds. The balance of funds available to be given consideration at a later date.

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

3:15 P. M. Tuesday, December 6, 1938
Room 900 - 150 Fifth Avenue, New York, N.Y.

List of Members:

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*G. B. Huntington
*Robert C. Morris

J. H. Banton
*Kenneth W. Moore
J. W. Decker, ex officio

Those whose names are starred were present, also Joseph I. Parker and C. A. Evans. Regrets were presented from Mr. Banton.

The meeting was opened with prayer led by Dr. Huntington.

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F-1036 VOTED to approve the action of subscribing toward U. S. Government 2 3/4% bonds. The balance of funds available to be given consideration at a later date.

INVESTMENT OF ENDOWMENT FUNDS

It was stated that a total of \$15,000 in cash was available for investment, but until the exact amount of the allocation from the Government subscriptions has been made, a definite knowledge as to the amount required to absorb such subscription will not be known. Without taking definite action, it was suggested that the matter be held in abeyance and, as soon as possible, recommendations be received from various sources to absorb any available funds for investment.

SALE OF 2348 SEVENTH AVENUE

Prior to the meeting, several communications had been addressed to the Committee covering the offer made for the purchase of 2348 Seventh Avenue. The offer came from the Omega Si Phi Fraternity, of which Mr. Mifflin Gibbs of the City Welfare Department is President and Mr. Clifford Alexander of the Harlem Y. M. C. A. is Chairman of the Housing Committee. The offer is for \$30,000, of which \$4,000 will be paid in cash, the balance to be covered by a purchase money mortgage to run for a period of ten years at the rate of 4% for two years, 4 $\frac{1}{2}$ % for four years and 5% for four years with suitable amortizations.

A schedule was presented to the Committee showing the anticipated income from the renting of rooms for residence, and meetings to a total of \$12,208.00 with the expenditures approximating \$8,520.00, leaving an anticipated balance of \$3,688.00 toward amortizations and other expenses.

While the purchaser had indicated that the figures were conservative, the Committee felt that experience might prove otherwise, but as there seemed to be sufficient balance to cover such fluctuations, with good management the proposition might succeed.

It was stated that the original investment of \$61,000 had been increased to \$78,400.88 through the payment of back taxes, repairs, insurance and foreclosure costs. Also that the building is now being occupied by the W. P. A. as a music center at a rental of \$1800.00 per year which pays for taxes and incidental repairs. While the W. P. A. desires to continue the lease, yet no promise is given for the future.

The Committee had previously voted to place a price of \$40,000.00 on the property, but, in view of the prevailing conditions and uncertainty of the future, it was felt advisable to proceed with the sale, provided the purchaser would accept a contract for a period until at least one-third of the total price had been paid, It was

F-1037 VOTED to authorize the Secretary-Treasurer of the Nanking Realty Corporation to negotiate regarding the sale of 2348 Seventh Avenue to the Omega Si Phi Fraternity for the price of \$30,000, with a cash payment of \$4,000, interest to be paid as previously outlined, on condition that a contract is acceptable until amortizations reduce the principal by at least one-third, after which time the property will be decided to the purchaser provided all other obligations have been properly met and that the commissions do not exceed \$750.00 on the total sale.

On motion adjourned.

C. A. EVANS,
Assistant Secretary.

MINUTES OF MEETING
COMMITTEE ON PROMOTION
UNIVERSITY OF NANKING

2:00 P.M. Thursday, December 15, 1938
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

*Dr. E. C. Lobenstine, Chairman	Mr. Kenneth W. Moore
*Dr. Theodore Cuyler Speers	*Dr. W. Reginald Wheeler
*Mrs. F. J. McConnell	Dr. J. W. Decker, ex-officio

Those whose names are starred were present, as were also Mr. Garside, Dr. H. W. Luce, and the Secretary.

The meeting was opened with prayer by Dr. Lobenstine.

ASSIGNMENT OF PERSONNEL FOR PROMOTION WORK

It has been suggested that Mr. Oliver J. Caldwell, because of his connection with the University of Nanking in both Nanking and Chengtu, should be asked to be particularly responsible for the promotional work of the University of Nanking. It was

P-1038 VOTED to approve the assignment of Mr. Oliver J. Caldwell to be in charge of special promotional work for the University of Nanking.

PROMOTION PLANS FOR THIS YEAR

Steps which had already been taken in connection with promotional work were reviewed and future possible plans discussed. It was agreed that the Nanking list should be analyzed and broken down into groups after taking out such names as should receive personal attention, as well as those who have already subscribed for this year. The remainder of the list should receive appeals by mail. It was felt that this appeal should be sent out with a uniform letter accompanied by a small folder, probably of about four pages, including some illustrations, and large enough type to make the folder attractive. This letter should go out in late January or February, and should be signed by Mrs. McConnell as Vice-President of the Board, and Dr. Lobenstine as Chairman of the Promotional Committee.

The necessity of making personal calls on the specially picked names from the list was emphasized. It was also thought that key persons could be selected to arrange small group meetings in places where the Secretary plans visits.

The possibility of having a meeting with Dr. John Ferguson was considered, and it was felt that it was important that Dr. Ferguson have the opportunity to meet the Board of Founders before making any other plans. It was, therefore, suggested that immediate steps be taken to arrange a meeting of the Board when Dr. Ferguson could be present.

The meeting adjourned.

JOSEPH I. PARKER,

Secretary

MINUTES OF MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

12:45 P.M. Monday, January 9, 1939
Hotel Roosevelt, New York City

List of Members

	<u>Class of 1939</u>	<u>Class of 1940</u>	<u>Class of 1941</u>
Baptists	*R. L. Howard		J. W. Decker
Methodists	(vacancy)	R.E.Diffendorfer	R. C. Morris
		*F.T. Cartwright, alt.	
Presbyterians	*Lloyd S. Ruland	*E. C. Lobenstine	*T. C. Speers
Disciples	C. M. Yocum	Alexander Paul	S. J. Corey
		*Virgil Sly, alt.	C. T. Paul, alt.
Ginling		*Margaret E. Hodge	Mrs. F. J. McConnell
Coopted	*W. R. Wheeler	R. E. Speer	K. W. Moore
	(vacancy)	J. H. Banton	G. B. Huntington
	(vacancy)	*John T. Ogden	(vacancy)
		(vacancy)	
Ex-Officio	Florence G. Tyler		

Those whose names are starred were present, as were also Dr. John C. Ferguson, Mrs. Lawrence Thurston, Mr. C. A. Evans, Mr. B. A. Garside, Mrs. T. D. Macmillan and the Secretary.

Dr. T. C. Speers presided.

The meeting began with luncheon. Prayer was offered by Dr. Cartwright.

INTRODUCTION OF DR. FERGUSON

Following the luncheon, Dr. Speers opened the meeting by calling on Dr. Lobenstine to introduce Dr. Ferguson. Dr. Lobenstine gave a brief review of the history of Dr. Ferguson's connection with the University and his subsequent activities in China in the interests of Christian and educational work.

Dr. Ferguson then talked informally to the Board, giving the background of his own experience in China and leading up to a presentation of his viewpoint on the emergency situation as it now affects the University of Nanking. He spoke at length regarding his own position as a member of the Board of Directors, and also in regard to his personal viewpoint on the problems faced by the University.

General discussion was entered into by all the members of the Board present, and a number of questions were answered by Dr. Ferguson.

VOTE OF THANKS TO DR. FERGUSON

BF-1039 VOTED that the Board express to Dr. Ferguson their great appreciation for his presence at the meeting, and of the clear summary and interpretation of the present situation.

DR. AND MRS. W. E. MACKLIN

Attention was called to the fact that on January 14th Dr. and Mrs. W. E. Macklin would celebrate their fiftieth wedding anniversary. Dr. Macklin was the founder

of the University of Nanking Hospital, and he and Mrs. Macklin have been actively related to the work at Nanking for nearly half a century. It was

BF-1040 VOTED that the Board extend their felicitations and most cordial greetings to Dr. and Mrs. Macklin on this occasion.

REPRESENTATIVES TO JOINT MEETING OF COLLEGES IN CHENGTU

Attention was called to the plan for a meeting of representatives of the Boards of the Colleges working together in Chengtu, and it was

BF-1041 VOTED that the Chairman appoint three representatives to attend the meeting on January 18. The Chairman appointed Dr. Cartwright, Dr. Lobenstine and Dr. Howard, and also appointed Mrs. F. J. McConnell as an alternate.

The meeting adjourned.

JOSEPH I. PARKER

Secretary

MINUTES OF JOINT MEETING
REPRESENTATIVES OF THE BOARDS OF COLLEGES WORKING IN CHENGTU

3:30 P.M. Wednesday, January 18, 1939
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

Cheeloo University	*Mrs. Frank C. Hughson	*Dr. S.M. Milliken	Mrs. C. K. Roys
Ginling College	*Miss Ruth M. Chester	*Miss M. E. Hodge	*Mrs. C. H. Sears
University of Nanking	*Dr. F. T. Cartwright	*Dr. R. L. Howard	*Dr. E. C. Lobenstine
West China Union Univ.	*Dr. Frank Anderson	*Dr. James Endicott	Mr. Dean Sage, Jr.
		*Dr. F. T. Cartwright,	*Dr. R. L. Howard,
		alternate	alternate

Those whose names are starred were present, as were also Dr. Joseph Beech, Chancellor of West China Union University, Mr. B. A. Garside, and the Secretary.

Dr. E. C. Lobenstine was elected Chairman of the meeting. The meeting was opened with prayer by Dr. Lobenstine.

GENERAL CONSIDERATION OF THE SITUATION IN CHENGTU

The Chairman called upon Dr. Beech to make a statement regarding the situation in Chengtu. Dr. Beech reviewed briefly the general background of the West China Union University and its history. He mentioned the slow growth which the University had had up until the present emergency, since when the student body has tripled within a few months. He mentioned the various problems arising due to the influx of students and from the accommodating of the other universities on the campus. The most crucial problem arising from the congested situation is in relationship to the facilities for carrying on science work. Dr. Beech answered a number of questions and discussion followed in regard to the problems raised.

SCIENCE BUILDING EQUIPMENT

A letter from President Dsang and Mr. Robertson of West China Union University, dated December 30, 1938, was read. (See Appendix A).

The present condition of the Emergency Fund was reviewed, as was also the previous allocation of funds as planned for the emergency needs of 1938-39.

An action was taken at the meeting of the Executive Committee of West China Union University, on January 18. (See Appendix B).

These various items were thoroughly discussed.

RECOMMENDATIONS

It was

VOTED to recommend to the Finance Committee of the Associated Boards approval of the project as presented in the letter from West China (Appendix A), and to request a grant of \$4,000 from the Reserve Fund of the Emergency Fund of 1938-39.

It was also

VOTED to recommend to the four colleges on the West China campus that the division of the required balance of \$11,000 for the Science Building be made

Minutes of Joint Meeting
Representatives of Boards of Colleges
Working in Chengtu

-2-

January 18, 1939

up from their shares of the regular allotment for the 1938-39 Emergency Fund, with the suggestion that the following division be made for the four colleges: West China, \$4,000; Nanking, \$3,000; Cheeloo, \$2,000; Ginling, \$2,000.

It was also

VOTED that it is understood that all buildings erected upon the property of West China Union University shall belong to the West China Union University upon the withdrawal from the campus of the visiting colleges.

The meeting adjourned.

JOSEPH I. PARKER

Secretary

VW

Administration Office

Chengtou, Szechwan
December 30th, 1938,

Dear Dr. Beech and Dr. Garside,

Acknowledging Dr. Garside's letter of November 17th and Dr. Beech's letter of December 1st - we very much appreciate your sympathetic consideration of our appeal for a second Science Building.

Acting on the suggestion of Dr. Beech the Cabinet decided to put the matter before the Universities' Joint Council, and yesterday the three following resolutions were passed by the Council:

RESOLVED that this Council gives its unanimous support to the appeal of the W.C.U.U. to the Associated Boards that funds be provided for the erection of a Chemistry building to meet the immediate pressing needs of the science departments of the co-operating institutions.

RESOLVED to request each institution represented on the Joint Council to urge their respective Boards to support this appeal to the Associated Boards.

RESOLVED that we estimate the amount necessary for the erection of the building as NC\$70,000 and the amount necessary to be used in the current year for furnishings, equipment, etc. as \$20,000.

(President Liu, Cheelo; President Ch'en, Nanking; Dr. Cheer, National Central; and Miss Priest, Ginling, were among those present.)

As intimated in my previous letter all the cooperating institutions strongly support this appeal, and the departments chiefly concerned in all the universities have united in urging the necessity for securing this building. We gather from your letters that there is no question in your minds as to the urgency of this appeal, and we hope very much that you can make the necessary funds available for use at the earliest possible moment. Dr. Cheer has promised to write personal letters to Mr. Roger Greene and Dr. Gunn supporting our appeal.

Plans for the building have been prepared by the College of Science. In size it is similar to that of the Atherton Biology and Preventive Medicine building and will be erected on the site immediately opposite. The front elevation will be prepared by Mr. Canning Young who has been engaged as a local architect for the University, and there need be no hesitancy on your part in respect to the external or internal plans for this building.

Our hope is that at the January meeting of the Executive Committee of the Board of Governors favourable action will be taken and that very soon after the Executive Committee of the Associated Boards will consider our request. If favourable action is decided upon, please let us have word by cable. I suggest this because all concerned are anxious to have this building available in September, if possible. This means rushing the erection of the building, and there is a good chance that if we can get the foundations down in February we may have the roof on the building before the heavy rains of August. We would stress again the fact that this building will relieve an impossible situation already existing and likely to be exaggerated at the beginning of the new academic year in September.

We are omitting extended comment in order to keep within the "Clipper" allowance, and because we feel that you thoroughly understand the situation. A cable indicating the action taken by the Universities' Joint Council and our desire with reference to the Librarian is being sent.

Yours sincerely,
(Signed) Lincoln Dsang
Lincoln Dsang, President
(Signed) H. D. Robertson
H. D. Robertson, Vice-Chancellor

HDR/MR

VW

ACTION REGARDING CHEMISTRY BUILDING AT WEST CHINA UNION UNIVERSITY
EXECUTIVE COMMITTEE
WEST CHINA UNION UNIVERSITY

9:30 A.M. Wednesday, January 18, 1939
Room 900, 150 Fifth Avenue, New York, N.Y.

E-1384 VOTED that this Committee look with favor upon the proposal for a new Chemistry Building at Chengtu, and commend it to the joint meeting of representatives of the Universities now operating upon the West China campus for the consideration and recommendation to their respective Boards. The Committee expresses the conviction that, of the G\$15,000 estimated as basic cost, G\$3,000 be requested from the Associated Boards Reserve Fund and that the balance be found within the assignment of Emergency Funds now made by the Emergency Committee of the Associated Boards to the four Universities.

MINUTES OF MEETING
COMMITTEE ON INSTRUCTION
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

2:00 P.M. Tuesday, March 28, 1939
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

Dr. R. L. Howard, Chairman
Mrs. F. J. McConnell
Dr. L. S. Ruland

All members of the Committee were present, as were also Mr. C. A. Evans, Mr. Allen Spitzer, and the Secretary.

The meeting was opened with prayer by Dr. Ruland.

APPOINTMENT TO FILL VACANCY IN DEPARTMENT OF FOREIGN LANGUAGES

The necessity for the appointment of a teacher of English at the University of Nanking was stated, and the Committee considered the candidate papers of Mr. Allen Spitzer. The information concerning Mr. Spitzer had been sent to Dr. Fenn at Chengtu, and he has cabled approval of the appointment of Mr. Spitzer to this vacancy.

Mr. Spitzer was introduced to the Committee. The appointment was discussed with him, and he answered questions brought up by the various members of the Committee. It was

CI-1042 VOTED to approve Mr. Allen Spitzer's papers, and in accordance with the request of the field, to recommend to the Board of Founders his appointment to a position of teaching English.

The details of the contract were left to the Secretaries to work out.

RESIGNATION OF MISS IMOGENE WARD

The resignation of Miss Imogene Ward was presented to the Committee, and explanations were made by the Secretaries regarding the situation. It was

CI-1043 VOTED to express to Miss Ward the appreciation of the Committee for her four years of service at the University of Nanking, and also the hope that at some later date she may be able to rejoin the staff.

It was also

CI-1044 VOTED that in view of the advance of salary and educational allowances, the following adjustment should be made:

<u>Amounts Advanced:</u>	
Three months' salary	\$192
Educational allowance	250
	Total <u>\$442</u>
<u>Less Credits Based upon 4/5 of the Full Term:</u>	
4/5 of outfit allowance	\$200
4/5 for rental allowance for three months	60
Balance to be repaid by Miss Ward	<u>260</u>
	<u>\$182</u>

The meeting was adjourned with prayer by Dr. Howard.

JOSEPH I. PARKER

Secretary

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:15 P. M. Friday, May 5, 1939
Parkside Hotel - Twentieth Street & Irving Place, New York City

List of Members:

*Morris W. Ehnes, Chairman
*Robert C. Morris
J. H. Banton

*Kenneth W. Moore
J. W. Decker, ex officio

Those whose names are starred were present, also B. A. Garside, Joseph I. Parker and C. A. Evans.

The Meeting was opened with prayer led by Dr. Ehnes.

DEATH OF MR. RUSSELL CARTER

The Committee noted with regret that Mr. Carter, former member of the Finance Committee, passed away in Pittsburgh on Saturday, April 29th, and it was

F-1045 VOTED that the secretary of the meeting be instructed to send Mrs. Carter a copy of the following Resolution, and that same be spread upon the minutes:-

WHEREAS the Finance Committee of the University of Nanking, at a duly called meeting, having learned with sincere regret of the death of Mr. Russell Carter, a former member of the Committee and treasurer of the University of Nanking, records its deep sense of sorrow, recognizing the valuable service rendered the University through the many years that he was connected with the Board, and of his constant loyal attendance at the meetings where his counsel and good judgment were always sought and freely given. Mr. Carter also rendered valuable service in the investment field and was always willing to give of his time and energy in the consideration of problems constantly arising.

In recording our sorrow as a Committee, as well as individual members, be it

RESOLVED that we express to Mrs. Carter and the bereaved family the sincerest sympathy of this Committee, and that these Resolutions be spread upon the minutes of the meeting.

BUDGET 1939-40

A review of the field budget was presented to the Committee and it was studied with deep interest. Accompanying it was a list of emergency needs for the University for 1939-40 which was likewise given careful attention. After considerable discussion of all the factors involved, it was

F-1046 VOTED to recommend to the Board of Founders that the Board of Directors be informed that in addition to the personnel supplied by the cooperating mission boards, the Board of Founders will contribute toward the budget of the University of Nanking during the fiscal year of 1939-40 the following amounts:-

- | | |
|---|--------------------|
| a. Toward the general budget..... | \$29,025.00 |
| Toward the budget of the Board of Founders, including
administration and promotion in America..... | 11,000.00 |
| | <u>\$40,025.00</u> |

This is to be received from the following sources:-

Mission Board Cash Grants

United Christian Missionary Society.....	\$ 1,500.00	
Methodist Board.....	1,055.00	
Presbyterian Board.....	2,920.00	
Baptist Board.....	800.00	6,275.00

Income from Endowment

General.....	13,800.00	
Swasey Income.....	1,950.00	
Methodist Board (Agri. & Forestry).....	3,000.00	18,750.00

Special Gifts

15,000.00
40,025.00

- | | |
|--|----------|
| b. Toward the budget of the University Hospital..... | 1,295.00 |
|--|----------|
- to be secured from the following sources:-

Methodist Board.....	340.00
United Christian Missionary Society.....	375.00
Presbyterian Board.....	580.00

- c. From specially designated items, the following amounts, which will be transmitted when and as received:-

Harvard-Yenching Institute.....	15,000.00
Vacancies: U. C. M. S.	600.00
Methodist Board.....	1,300.00
Presbyterian Board.....	960.00
	<u>2,860.00</u>

- d. Toward the Famine Prevention program the sum of LC\$190,468.20 - to be derived from interest and principal of the Famine Funds held by the Board of Founders, to be drawn when and as required.

- e. In addition to the foregoing, the Founders will endeavor to secure through its own Board and other agencies involved such portion of the US\$43,556.92 of emergency requests from the field as may be agreed upon with the Associated Boards, it being understood that these funds will be remitted when and as received.

In order to expedite the handling of Famine Funds, it is recommended that the following motion be recommended to the Board:-

F-1047 VOTED that the Board of Founders authorizes the Finance Committee to make such sales of securities during the year 1939-40 from Famine Fund Investments as may be required in addition to income received on securities, to provide a total of LC\$190,468.20, as representing the income included in the Famine Funds Budget for 1939-40.

AUTHORITY TO DISBURSE EMERGENCY FUNDS

The question was raised as to the desirability of voting authorization to the treasurer to disburse Emergency Funds, and it was

F-1048 VOTED to instruct the treasurer to transmit to the field, emergency funds when and as received after reserving a sufficient amount to complete the Board of Founders' contribution to the current budget as defined in F-1046-a.

INVESTMENTS

It was reported that since the last meeting of the Committee on December 8th, and in accordance with the recommendation made at that time the following bonds were purchased:-

\$10,000 Central Illinois Public Service 3 5/4/68.....	100-1/2	10,050.00
10,000 Ohio Power 3 1/4/68.....	103-1/2	10,350.00
10,000 Public Service of Northern Illinois 3 1/2/68.....	104-3/4	10,500.00
25,000 U. S. Treasury 2 3/4/60-65.....	102-8/32	25,168.75
10,000 Virginia Electric & Power 3 1/2/68.....	107-1/2	10,775.00
5,000 Wisconsin Electric 3 1/2/68.....	104-3/4	5,237.50

It was also stated that on January 30th the Committee gave approval by telephone to the following changes in investment:-

Accepting 120 shares of \$50.00 par value 5 3/4% preferred stock of the North American Company in lieu of 60 shares of 6%; \$100.00 par value preferred stock of the same company. The securities being held in the Famine Funds Account.

Accepting the twenty year 4% bonds of the North American Company in lieu of the 5% bonds called recently, carried in the General Account.

After due study, it was

F-1049 VOTED that the Committee approve the purchase of bonds and stocks as listed in the foregoing report and the acceptance of the change of bonds.

CONSIDERATION OF INVESTMENT PORTFOLIO

A study was presented covering several recommendations to sell and buy securities, and the Committee gave thought and consideration to each item. It was

F-1050 VOTED (a) Annuity Fund - To buy \$400.00 worth of U. S. Treasury 2 3/4 of 1960-65.

(b) Hoover Trust Fund - To sell \$10,000 Georgia Carolina and Northern 6% bonds due in 1934 at approximately 13 and invest the proceeds in North American common stock.

(c) General Fund - To sell the following:-

\$10,000 Central of Georgia 5% 1959	3 1/2
2,000 St. Louis San Francisco 4 1/2%/78	9 1/2
3,000 Fed. Lt. & Traction 6%, 1942	102 1/2
7,000 Australia 4 1/2%, 1956	91 1/2
5,000 Home Owners Loan Corporation 2 3/4%, 1939-49	101 3/4

With the proceeds, buy \$5,000 U. S. Treasury 2 3/4%, 1960-65 at approximately 105. Balance of proceeds in American Tel. & Tel. common stock at the approximate prevailing price of 158.

REPORT ON 2348 SEVENTH AVENUE

The following report was presented to the Committee covering this property:-

A new contract for lease of the property was signed with the Works Progress Administration of the United States Government continuing the \$1,800.00 annual lease price for another year from February 1, 1938. Expenses on the building for the past year have been as follows:-

Repairs.....	\$ 495.00
Taxes.....	1,450.74
Insurance Premiums.....	53.20
New York State Taxes.....	62.06
Total.....	<u>\$2,061.00</u>

As the foregoing figures included a new roof costing \$230.00, it will be seen that barring this item receipts and expenditures about balance.

The College Fraternity which was so enthusiastic about purchasing the property is still working on a plan with the hope that the building may be secured at a later date.

Considerable delay has been experienced in getting the Nanking Realty Corporation in operation, but under the guidance of Mr. St. John of the firm Hays, St. John, Abramson & Schulman, the corporation should be actively functioning before the 15th of May.

STATEMENT COVERING THE USE OF PROPERTY IN CHINA

The secretary presented a communication from President Y. G. Chen setting forth offers for the use of the property in China. It was requested that the trustees take action by correspondence or otherwise, strengthening the position of the vice president in China. An outline of a letter was presented, but it was felt that the situation demanded a more lengthy study, and it was referred to the assistant secretary to confer with such members of the committee as are deemed expedient in formulating the proper document to be transmitted to the field.

On motion adjourned.

C. A. EVANS,
Assistant Secretary.

KGB

STATEMENT COVERING THE USE OF PROPERTY IN CHINA

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On motion adjourned.

C. A. EVANS,
Assistant Secretary.

KGB

MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

9:30 A.M., Wednesday, June 7, 1939
Room 300, 150 Fifth Avenue, New York, N.Y.

List of Members

<u>Board</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
Amer. Board Methodist	*D.M. Albaugh (vacancy)	R.E. Diffendorfer *F.T. Cartwright, alt.	*J. W. Decker R. C. Morris	
Presby. No. Disciples	C. M. Yocum	*E. C. Lobenstine Alexander Paul C. T. Paul, alt.	T. C. Speers S. J. Corey	L.S. Ruland
Ginling Col. Coopted	*W. R. Wheeler (vacancy) (vacancy)	*Margaret E. Hodge R. E. Speer *J. H. Banton John T. Ogden (vacancy)	*Mrs. F. J. McConnell K. W. Moore G. B. Huntington (vacancy)	
Ex-Officio	Florence Tyler			

Those whose names are starred were present, as were also Mr. Earl H. Cressy of the China Christian Educational Association, Bishop Ralph A. Ward of the Emergency Administration Committee in Chengtu, Mr. Charles H. Riggs of the staff of the University; and Mr. Oliver J. Caldwell, Mr. C. A. Evans, and Mr. J. I. Parker, Secretaries of the Board of Founders.

Dr. Decker presided as President of the Board.

The meeting was opened with a period of silent prayer, after which Bishop Ward led in prayer.

HOURS OF SESSIONS

It was

BF-1051 VOTED that the morning session should adjourn at 12:00 o'clock, and the afternoon session begin at 2:00 P.M.

APOLOGIES FOR ABSENCE

Regrets for absence were presented on the part of Dr. R. E. Diffendorfer and Dr. L. S. Ruland.

APPROVAL OF MINUTES

The following minutes for the year were approved as circulated:-

Founders Meeting	- May 6, 1938, November 2, 1938, January 9, 1939
Executive Committee	- May 20, 1938, June 15, 1938
Finance Committee	- December 6, 1938, May 5, 1939
Promotion Committee	- December 15, 1938
Instruction Committee	- March 28, 1939
Special Emergency Needs Committee	- June 20, 1938

MEMORIAL RESOLUTION

The death of Mr. Russell Carter, for many years an active member of this Board, was noted.

It was

BF-1052 RESOLVED that the Board of Founders record their sincere regret and deep sorrow at the death of Mr. Russell Carter, at the same time expressing their great appreciation for the years of faithful and loyal work which he gave in the interests of the University of Nanking.

REPORT ON THE SITUATION ON THE FIELD

Bishop Ralph A. Ward was introduced to the Board by Dr. Decker. He spoke to the Board, giving his impressions of the situation, and mentioned his feeling that the members of the Board of Founders were unusually keen in understanding the situation as it now is on the field. He also told of present travel conditions in West China and pointed out the spirit and courage of the members of the staff and the students at the University in making their change from Nanking to Chengtu. He mentioned, too, the very strong position which Dr. Chen holds in Chengtu, and the great regard in which he is held by all the officials, faculty members, and students of the various universities.

Mr. Earl H. Cressy was also introduced, and told of the conditions in West China, mentioning the difficulties and the strong points of the work of the University in its new location. At the close of his remarks, he suggested that there was need of strengthening the securing of scholarships for faculty members, and getting those members of the faculty who come to America in better contact with the members of the Board. He further suggested that special funds might be made available for travel in America and for entertainment to make such contacts possible.

Dr. Decker reported on his visit to West China and the situation as he saw it. He mentioned in particular the strong position which Dr. Chen holds, and the cooperation of the staff with the other universities located in Chengtu. The difficulties which the students and faculty have overcome, and the strong religious spirit which is apparent on the campus, were also mentioned.

Mr. Charles H. Riggs reported on the situation in Nanking, and reviewed some of the things that had happened. He told of the condition of the property, and of the activities that are being conducted on the campus.

FUTURE OF THE UNIVERSITY

Letters from Dr. Chen dated March 16, 1939, and from Miss Priest dated April 26, 1939, were presented and considered.

Dr. Decker also reported on the conditions affecting the future of the University, pointing out that it would be at least two or three years, and perhaps longer, before a return to Nanking could be considered. He mentioned the steps that had been taken to create better cooperation among the Colleges working together on the West China campus. He reported his meeting with members of the Board of Managers who were available in Shanghai, and told of their feeling regarding the necessity of the college work being conducted at Chengtu.

Dr. Decker pointed out, in concluding his remarks at this step, that more cooperation and coordination should be carried out in the joint work at Chengtu, and that the return to Nanking could not be considered at the present time.

Thorough discussion was given to the entire subject of the future work of the University, and it was the consensus of opinion that the Board of Founders should give constant attention to the changing situation, and to specific problems as they arise for the decision of the Board. It was

BF-1053 VOTED that the Board of Founders express their appreciation of the clear, cogent and full reports of the situation on the field as presented by the President of the Board, Bishop Ward, Mr. Cressy, and Professor Riggs.

It was

BF-1054 VOTED to express the appreciation of the Board of Founders to the President and the governing Board of West China Union University for their continued generosity and gracious help.

The Board especially noted the fine guest courtesies which had been observed by the administration of the University toward West China Union University.

It was

BF-1055 VOTED that the Board of Founders record their gratification at the courtesies and services which President Chen and his staff have extended to the West China Union University as the host institution, noting especially the assistance given by Miss Priest to the office of the Bursar of West China Union University.

It was also

- BF-1056 VOTED (a) That the Board express its confidence in President Chen and his colleagues, and its cordial approval of the plans and policies which the administration has been following;
- (b) That the Board express its gratification at the cooperation which has been developed on the campus at Chengtu, and to further express its desire to see such cooperation continued and extended, while safeguarding the interests of the host institution and the administrative integrity of the University of Nanking.

PROPERTY AT NANKING

Protection of the property at Nanking was discussed, and it was felt that there was need of having more than one American on the campus to care for this property.

LETTER TO DR. BATES

The request from Dr. Bates for a letter from the Board of Founders was considered and the suggested replies to him were discussed. It was

June 7, 1939

BF-1057 VOTED to approve sending such a letter, as has been requested, to Dr. Bates, and that the preparation of the final form be committed to a committee of three.

The Committee appointed was Dr. Lobenstine, Chairman, Mr. Banton, and Mr. Garside.

At the close of the morning session, Mr. Samson Ding, Secretary of the Educational Work for the Methodist Church in China, was introduced.

FINANCIAL STATEMENT

Presentation of financial statement and forecast to June 30 was discussed, and it was noted that a probable deficit would occur. After thorough discussion of the underlying causes of the deficit, during which it was pointed out that the reduction of a promotional expense due to Mrs. Wheeler's resignation had also reduced the amount of emergency receipts applicable in the budget, it was

BF-1058 VOTED that the expected deficit should be met by the application of emergency funds up to the amount of \$1,500, if required.

BUDGET FOR 1939-40

The actions of the Finance Committee in the meeting of May 5, 1939 were reviewed, and it was

BF-1059 VOTED to specifically approve action F-1046 outlining the amounts available from America for the 1939-40 budget. In the presentation of these figures, it was asked that the amount of \$11,000 for administration and promotion in America be itemized as follows:-

For the Associated Boards Budget	\$9,320
For the Board of Founders Expense	680
For Promotional Activities of the University	1,000
	<u>\$11,000</u>

It was also noted that the item of Special Gifts of \$15,000 is included in the amount of money needed for emergency purposes, and that Section (e) of Vote F-1046 should read, "In addition to the foregoing, but including the \$15,000 Special Gifts, the Founders will endeavor....."

EMERGENCY ASKINGS

The emergency askings, as proposed in the field budget, were reviewed, and it was

BF-1060 VOTED to receive the emergency requests and transmit them to the Associated Boards for consideration; and to transmit them to the Finance Committee of the Board of Founders for studying and making suggestions which should also be forwarded to the Associated Boards.

Note: The Finance Committee was asked to give special consideration to the item concerning the Hospital in the emergency askings.

It was also

BF-1061 VOTED to call the attention of the Associated Boards to the need of coordinating the askings from the Colleges working together on the campus at Chengtu, as well as similar circumstances in other sections of China.

It was suggested that a joint committee representing the Boards of the Colleges in Chengtu might be appointed to study the unifying of their emergency askings.

DORMITORY NEEDS

During the various discussions mention was made of the need of additional dormitory accommodations in Chengtu. It was felt that this matter needed clarifying, and it was suggested that the Secretaries correspond with the field with a view of getting more information on this subject.

LIBRARY SITUATION AT CHENGTU

The request for joint action to provide better library facilities on the West China Union University campus was given consideration, and it was

BF-1062 VOTED that the Board commend the library matter to the careful study of the Associated Boards, or its sub-committee working on the question of emergency askings.

SECURITIES HELD FOR GINLING COLLEGE

It was reported that the Board of Founders of the University of Nanking is still holding for Ginling College certain certificates concerning which the University of Nanking acted as Trustee for the invested funds of Ginling College. Since Ginling College is now incorporated, it was felt that these should be transferred to the Ginling College Board. It was, therefore,

BF-1063 VOTED to transfer any securities held for Ginling College to the Ginling Board.

HARVARD-YENCHING INSTITUTE REQUEST REGARDING RESTRICTED FUND

The request from Harvard-Yenching Institute for suggestion as to the use of available balances was discussed, and it was

BF-1064 VOTED that the Chairman appoint two members to confer with representatives of the other Universities concerned, and to report to the Executive Committee.

It was suggested that if the other Colleges were in agreement, the University of Nanking would prefer to have such funds available for use.

The members appointed were Mr. Morris and Dr. Cartwright.

APPOINTMENT OF MR. ALLEN SPITZER

The recommendation of the Instruction Committee that Mr. Allen Spitzer be appointed to a position in the Department of Foreign Languages was considered, and it was

BF-1065 VOTED that the recommendation of the Instruction Committee be approved.

PROMOTIONAL PLANS

Dr. Lobenstine and Mr. Caldwell reported on the promotional work that had been carried out, and on plans for the coming year. It was

BF-1066 VOTED that the Board express its appreciation for the work Mr. Caldwell has done for the University this year, with the hope that he can find it possible to give an increasing amount of time to the promotion of the interests of the University during this coming year.

It was also

BF-1067 VOTED to approve in general the suggestions which had been made for the program for 1939-40, as follows:-

1. That the Board take steps to approach certain important former givers with an official request for continued support.
2. That members of the Board help the New York office in forming contacts with new prospects.
3. That funds be made available for two mail appeals, with publicity, one about November 1, and the other about April 1.
4. That publicity be made brief, clear, and attractive, with emphasis on what is being done by the University for the people of China in wartime.

MATTERS REFERRED FROM THE ASSOCIATED BOARDS

1. Investments in companies dealing with war materials. It was

BF-1068 VOTED to refer this matter to the Finance Committee for consideration and report.

2. Appointments to the Associated Boards Standing Committees. This matter was referred to the Nominating Committee for their consideration and their report.

3. Associated Boards Budget. This matter was covered by the action adopting the proposed budget for the year, BF-1059.

ELECTION OF OFFICERS AND APPOINTMENT OF COMMITTEES

Dr. Decker requested the Nominating Committee to secure some one to succeed him as President of the Board of Founders because of the heavy duties with which he will be involved as President of the Associated Boards. It was

BF-1068⁹ VOTED that in accepting the resignation of Dr. Decker as President of the Board of Founders, the members of the Board desire to place on record their grateful appreciation of the courage, energy, fidelity, and insight of his leadership as President for two years, and extend their best wishes to him in assuming his new and enlarged duties as President of the Associated Boards.

The Nominating Committee reported, and the following actions were taken:

BF-1069²⁰ VOTED to ask the Secretary to cast a unanimous ballot for the following officers:-

Honorary President	- Robert E. Speer
President	- T. C. Speers
Vice-President	- Mrs. F. J. McConnell
" "	- John T. Ogden
" "	- C. M. Yocum
Treasurer	- Robert C. Morris
Secretary & Asst. Treasurer	- B. A. Garside
Asst. Secretary & Asst. Treasurer	- C. A. Evans
" " " " "	- J. I. Parker

BF-1070¹ VOTED to appoint the following members on the Executive Committee:-

Chairman, T. C. Speers (ex-officio)
D. M. Albaugh
F. T. Cartwright
J. W. Decker
E. C. Lobenstine
Mrs. F. J. McConnell
J. T. Ogden
C. M. Yocum

BF-1071² VOTED to elect as Chairmen for the following Committees:-

Finance Committee	- M. W. Ehnes
Promotion Committee	- K. W. Moore
Instruction Committee	- Mrs. F. J. McConnell

BF-1072³ VOTED that the appointment of the members of the standing committees be referred to the Executive Committee, with power.

BF-1073⁴ VOTED that W. R. Wheeler be re-elected as a coopted member of the Board in the class of 1942, and that M. W. Ehnes be appointed a coopted member of the Board in the class of 1942.

BF-1074⁵ VOTED that all of the vacancies in the list of coopted members be referred to the Executive Committee, with power.

BF-1075⁶ VOTED that the appointments to the Associated Boards' Committees be continued as at present, subject to review and revision by the Executive Committee.

HONORS RECEIVED BY THE STAFF MEMBERS IN NANKING

The Board of Founders noted with gratification the honors and decorations which had been received by staff members in Nanking. The following resolution was adopted:-

BF-1076⁷ RESOLVED that the Board of Founders express their appreciation for the honors bestowed upon the members of the staff of the University for their courageous work in Nanking, and extend congratulations to these persons upon this well-deserved recognition of their efforts.

June 7, 1939

MEMBER OF THE BOARD VISITING CHINA

The Board was pleased to learn that Dr. Lobenstine planned to visit China during the coming fall, and it was

BF-107⁸ VOTED to request him, as a member of the Board of Founders and as having been a member of the committees on the field, to interest himself in the University of Nanking matters insofar as he has time available to give them attention during his visit.

The meeting adjourned with prayer by Dr. Wheeler.

JOSEPH I. PARKER

Secretary

JD

MINUTES OF MEETING
NANKING EXECUTIVE COMMITTEE

12:30 P.M. Friday, July 14, 1939
Luncheon, Martha Washington Hotel

List of Members

D. M. Albaugh
F. T. Cartwright
*J. W. Decker
*E. C. Lobenstine

*Mrs. F. J. McConnell
*J. T. Ogden
T. C. Speers
C. M. Yocum

Those whose names are starred were present, as were also Mr. Garside and the Secretary.

Dr. Decker presided.

LETTER FOR DR. BATES

The request from Dr. Chen for a letter to go to Dr. Bates in Nanking stating the position of the Board of Founders was given further consideration and the following resolution was voted:-

E-1079 RESOLVED that M. Searle Bates, and he is hereby appointed special representative of the Board of Founders of the University of Nanking, to take such action on behalf of the Board as may seem to him necessary or advisable to protect the property of the University of Nanking and the rights of the owners therein in connection with any question which may arise in relation to the property of the University of Nanking, if such question arises under circumstances which in the opinion of Dr. Bates make it difficult or impossible to obtain timely instructions from the Board in regard thereto.

It was also felt that an additional letter should be prepared for Dr. Bates in which the position of the Board of Governors regarding use of the property should be stated. It was

E-1080 VOTED that a letter explaining in full the position of the Board of Governors regarding the use of the property should be sent to Dr. Bates together with photostatic or certified copies of the Provisional and Absolute Charters.

Note:- Copy of this letter is attached to the official minutes.

The meeting adjourned.

J. I. PARKER
Secretary

C
O
P
Y

June 1, 1939

Dr. M. Searle Bates
University of Nanking
Nanking, China

Dear Dr. Bates:

Under instructions of the Board of Founders of the University of Nanking, which owns the property of the University, this letter is written to place on record the Board's general policy with regard to the physical property of the University.

The University of Nanking exists to serve the people of China without distinction of class, religion, or political affiliation. During the thirty years of operation under its present organization the University has carried on its work under a wide variety of civil authority. The University has not participated in partisan political activities, nor has it willingly permitted any of its physical plant to be utilized for political activities, or for military purposes. To do so would obviously be contrary to the purpose for which it is operated, and inimical to the work it wishes to engage in.

The Founders propose to maintain this wise and historic policy of the University during the troubled period through which China is now passing and count on the support of your and your colleagues to this end.

Very truly yours,

Acting President

Secretary

CIRCULATION VOTE OF EXECUTIVE COMMITTEE
UNIVERSITY OF NANKING
July 18, 1939

CONTRACT WITH THE REV. CHARLES H. RIGGS

A form of agreement regarding payments on account of Mr. and Mrs. Riggs was received from the American Board of Commissioners. This agreement provided for the University paying for the travel of Mr. and Mrs. Riggs and one child and a stated sum of \$1200. per year for eight years (with such adjustments as may be necessary because of changes in childrens' allowances and basic salaries). The American Board would be responsible for all other items concerning Mr. and Mrs. Riggs' contract.

The formal contract has been circulated to the Executive Committee, and the votes have been received approving the contract. It was, therefore

E-1081 VOTED to approve the arrangements with the American Board regarding the contract with Mr. and Mrs. Charles Riggs.

Note:- Copy of the formal contract is filed in the office at 150 Fifth Avenue, New York.

CIRCULATION VOTE
EXECUTIVE COMMITTEE
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

October 19, 1939

A communication was sent to the members of the Executive Committee under the above date, requesting action on two items. The results of the circulation vote are as follows:-

APPOINTMENT OF DR. A. J. BOWEN AS PRESIDENT EMERITUS

E-1082 VOTED to elect Dr. A. J. Bowen President Emeritus of the University.

This was done in accordance with a request from the field sent in by President Chen.

HARVARD-YENCHING RESTRICTED FUNDS

E-1083 VOTED to adopt the action as taken by the special representatives of the universities concerned in the Harvard-Yenching Restricted Fund on September 28, 1939. This action is worded as follows:-

"VOTED that, in the opinion of the joint committee representing the six institutions participating in the restricted fund of the Harvard-Yenching Institute, no part of the undistributed income of approximately \$60,000 should for the present be requested from the Institute for expenditure within the current fiscal year, but that this total amount should continue to be held for later development of the Division of Chinese Cultural Studies unless emergency needs should arise which the participating colleges could not possibly meet in any other way than by drawing upon this undistributed income."

REPORT OF THE TREASURER
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

Fiscal Year Ending June 30, 1939

The University of Nanking in its stay at Chengtu is making an especially valuable contribution to educational work on the campus of West China Union University, and its president is taking his place among the foremost educational administrators in China. The University with its faculty and research staff has found ample opportunity for service, and still the educational work is carried on. The Treasurer, previously carrying the financial load of Ginling College, has been given the kindred task in two additional Christian Colleges. The University Staff has been carrying on with remarkable fortitude and courage with depleted resources in spite of favorable exchange as commodities have soared to record heights. Help from Emergency Funds raised through the Associated Boards amounted to \$33,528.22 to June 30, 1939. Later receipts raised this total to \$41,735.00.

This report is accompanied by the following:

- (1) Trial Balance Sheet.
- (2) Budget Analysis.
- (3) Consolidated Balance Sheet.
- (4) List of Securities.

Essential figures in this Annual Report have been checked by the Auditors, Messrs. Chambellan, Berger & Welti.

ENDOWMENT SECTION

General Funds. Considerable change was wrought in this section through the actual setting up of the Nanking Realty Corporation books which absorbed the handling of the 2348 Seventh Avenue property, and the 6157 Tyndall Avenue transaction. The sale of the latter during the year, coupled with the loss on sale of some rail bonds, caused a decrease of \$7,330.02 illustrated as follows:

Profit on Sale of Securities used to offset losses on sales.....	\$7,454.92
Less: Income on Stabilization Fund.....	124.90
	\$7,330.02

Changes in investments present a lengthy schedule, but it seems necessary to include same as a matter of record. It will be noted that more than \$90,000.00 in real estate was transferred to the Nanking Realty Corporation. Against that, the University is carrying stock costing \$5,000.00, and notes totaling \$78,389.48. The balance represents the cash received from the sale of the Tyndall Avenue property with adjustments for rent and costs.

BONDS CALLED

	<u>LOSS</u>	<u>GAIN</u>
10M U. S. Rubber	9,016.25	1,483.75
3M Toledo Edison	2,767.50	382.50
5M Milwaukee El. Ry. & Lt.	5,081.25	125.00
10M Public Service of Northern Ill.	10,250.00	150.00
North American Edison 5's/69	10,550.00	26.25

Treasurer's Report
University of Nanking

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6/30/39

Bonds Sold -

		<u>Loss</u>	<u>Gain</u>
7M Commonwealth of Australia	6,087.50		492.36
3M Federal Light and Traction	3,066.00		18.98
5M Home Owners Loan	5,010.94		68.75
2M St. Louis & San Francisco 4½'s	159.19	1,645.81	
10M Central of Georgia	314.73	9,761.52	
	<u>52,303.36</u>	<u>11,583.58</u>	<u>2,571.34</u>
		<u>2,571.34</u>	
Losses on Sales	11,583.58	<u>9,012.24</u>	
Loss on Tyndall Avenue Property		4,151.44	
Total Net Losses		<u>13,163.68</u>	

Additional Receipts -

Rent on 2348 Seventh Ave. Property	1,200.00
" " Tyndall Ave. Property	395.20
Payment on Solomon Mortgage	79.80
Seventh Ave. & Tyndall Ave. Properties Transferred to Nanking Realty Corp.	91,483.60

Purchases -

10M Central Ill. Pub. Service	10,050.00
10M Pub. Service No. Ill.	10,500.00
5M Wisconsin Electric Co.	5,250.00
10M No. American Edison 4's/59	10,125.00
100 shs. Stock Nanking Realty Corporation	5,000.00
5M U. S. Treasury 2 3/4's	5,351.56
60 shs. Amer. Tel. & Tel. Stk.	9,930.30

Other Charges -

Foreclosure fees, Tyndall Ave.	398.62
Insurance on Property owned	51.14
Taxes on " "	1,777.39
Repairs on " "	439.00
Servicing fees " "	16.55
	<u>58,889.56</u>

Nanking Realty Notes	78,389.48
Balance in Nanking Realty Corporation	457.11
Cash Brought Forward	6,270.61
Overdraft on Security Sales	5,708.76
	<u>149,715.52</u>
To Reconcile -	7,330.02
	<u>157,045.54</u>

157,045.54

Famine Funds. These funds increased \$10,963.02 this year through transferring from the current account to the principal fund, balances not used last year (1937-38). The transactions are as follows:

Transferred from Current Famine Funds Receipts		24,526.31	
Profit on Sale 60 shs North Amer. Edison Pfd.		32.10	
Gain on Note with Nat'l Savings & Trust		.01	
Interest on Savings Fund		32.30	24,590.72
Cash Transferred to Current Famine Funds a/c			<u>13,627.70</u>
			10,963.02
Cash Carried Forward		20,313.35	
Received on Moebs Note	3,750.00		
" " Baum's "	2,302.62		
" " Rheoms "	278.54		
" " Shannon & Luchs Note	2,600.00		
" " Joseph Rizik's "	6,100.00		
Gain on Sale North Amer Ed. Pfd.	27.90	15,059.06	35,372.41

Loss: Purchases

17,500. U. S. Treasury 2 3/4s	17,500.00		
10,000. Ohio Power 3 1/4s	10,350.00		
7,500. U. S. Treasury 2 3/4s	7,678.13		
10,000. Virginia El. Pr.	10,775.00		
Int. on Savings Fund	32.30		
	<u>46,335.43</u>		
To Balance	10,963.02		
	<u>35,372.41</u>		

Retirement Reserve. Enough funds were received from income on Retirement Reserve to build up the total to \$6,280.00. The transactions were as follows:

Cash Carried Forward		45.35	
Transferred from Income	309.65		
Less Loss on Sale No. Amer. Ed. 5s	20.00	289.65	
			335.00
Investments -			
Bought 400 U. S. Treasury 2 3/4	423.50		
Loss: Sale No. Am. Ed. 5s	2,130.00		
Purchased " " " 4s	2,025.00	105.00	
Cash on Hand		16.50	
			335.00

INCOME

Nominal Income on General Endowment for the year totaled \$14,291.21 or 4.99%. For Famine Funds \$20,313.40 or 3.93%.

PLANT SECTION

Presumably there will be no capitalization of building projects for Nanking on the West China campus, which were erected specifically for Nanking, as obviously they serve Nanking only as long as it is at Chengtu. This past year, however, the University participated to the extent of \$3,000.00 toward a new Chemistry building at Chengtu, which becomes the sole property of West China when normalcy returns.

The Plant Section otherwise was inactive, there being an increase of \$93.38 in interest on savings bank accounts.

CURRENT GENERAL

Total Income for the year as applicable to the Current Budget was \$74,001.35, which included \$33,528.22 Emergency Funds received from the Associated Boards to June 30. Since that date other remittances have been received bringing the total from the Associated Boards to \$41,735.00.

Compared with 1937-38 there has been a slight falling off in Endowment Income, as well as H. Y. I. appropriation and Emergency Funds.

Details of income and expenditures are shown herewith, together with comparison with 1937-38.

<u>Source</u>	<u>1938-39</u>	<u>1937-38</u>	Increase * or Decrease
<u>Mission Boards:</u>			
United Christian Missionary Society	1,500.00	1,500.00	---
" " Mis. Soc. (Staff Vac.)	600.00	600.00	---
Methodist Board	1,055.00	1,055.00	---
Presbyterian Board	2,920.00	2,920.00	---
Baptist Board	800.00	800.00	---
<u>Endowment Income:</u>			
General	14,207.49	14,719.01	511.52
Swasey Fund	1,988.28	1,973.60	14.68 *
Methodist Board Agriculture & Forestry	3,000.00	3,000.00	
<u>Other Income:</u>			
Special Toward Current Budget	.30	30.30	30.00
Emergency Funds *	33,528.22	38,041.92	4,513.70 *
	59,599.29	64,639.83	5,040.54 *
<u>Designated Funds:</u>			
Harvard-Yenching Institute	13,421.06	14,210.53	789.47
Support of C. H. Riggs	981.00	1,167.86	186.86
	74,001.35	80,018.22	6,016.87

EXPENDITURES

		<u>1938-39</u>	<u>1937-38</u>	Increase * or <u>Decrease</u>
<u>Field Budget:</u>				
Current Appropriations	23,701.11		18,761.97	
Salaries	950.51		6,658.20	
Library	<u>2,803.38</u>	27,455.00	<u>928.15</u>	26,348.32
<u>Home Administration:</u>				
Administration and Promotional	8,886.87		8,750.00	
Audit, Bond, Postage etc.	626.60		494.00	
Promotional	<u>2,365.31</u>	11,878.78	<u>7,000.00</u>	16,244.00
Institute of Chinese Studies		13,421.06		14,210.53
U.C.M.S. Vacancy		600.00		600.00
Salary C. H. Riggs		981.00		1,167.86
Emergency Funds available for -				
Hospital		3,770.84		
University		<u>15,894.67</u>		<u>21,540.42</u>
		<u>74,001.35</u>		<u>80,111.13</u>
Surplus				92.91
				<u>80,018.22</u>

HOSPITAL

Three Boards cooperate in the financial support of the Hospital, and their appropriations are shown below. It will be seen that \$5,000.00 from Emergency Funds was used, but of this amount \$1,229.16 was specially designated for the Hospital, leaving \$3,770.84 to be taken from regular Emergency Funds.

Receipts:

Methodist Board	340.00
United Christian Missionary Society	375.00
Presbyterian Board	580.00
Emergency Funds	5,000.00
	<u>6,295.00</u>

Expenditures:

Current Expenses	5,991.52
Salaries	303.48
	<u>6,295.00</u>

CURRENT SPECIAL

Director's Special Fund. This represents funds sent from the field to be held in safe keeping here in America, and the total of \$4,669.60 is deposited in a savings bank.

Endowment Restricted (non-budget). The \$276.12 received in this account represented income on Scholarship Funds, and the entire income was sent to the field.

Retirement Reserve. Agreeable to action of the Board of Trustees, a portion of the income held as a balance last year was transferred to Principal Account. This left a balance of \$92.52 in the account. Income and expenditures were as follows:

Balance on Hand July 1, 1938	92.52
Income from Investments	204.18
	<u>296.70</u>
Payments to Sun Life Assurance Co.	269.88
Balance on Hand June 30, 1939	<u>26.82</u>

CASH SITUATION

Total cash on hand and in savings banks June 30, 1939 was \$25,114.22 as follows:

	<u>Balance</u>
Endowment	5,258.04
Plant	3,035.91
Current General	---
Famine Funds	10,544.89
Hospital	---
Current Special	1,605.78
	<u>20,444.62</u>
Director's Special Fund	4,669.60
	<u>25,114.22</u>

Carried in the following banks:

Irving Trust Co., Twenty-First St. Branch, Endowment,	\$ 3,617.67
" " " " " " General	12,057.29
Famine Funds, Bowery Savings Bank, 130 Bowery	4,211.80
" " " " " Fifth Ave., & 34th St.	4,680.70
" " Greenwich Savings Bank, 1356 Broadway	546.76
	<u>\$25,114.22</u>

RECOMMENDATIONS

- (a) It is recommended that the University accept the loss of \$4,151.44 on the sale of the Tyndall Avenue property carried in the Nanking Realty Corporation, thus relieving the corporation of the necessity of carrying this as a loss on its books.
- (b) Thus, subject to the approval of the field treasurer, the balance of \$1,578.96 in the H. Y. I. Account be credited to the field treasurer's banking account.

Respectfully submitted,

ROBERT C. MORRIS, Treasurer
B. A. GARSIDE, Assistant Treasurer
C. A. EVANS, Assistant Treasurer
J. I. PARKER, Assistant Treasurer

UNIVERSITY OF NANKING

BALANCE SHEET

JUNE 30, 1939

A S S E T S

Endowment Funds & Investments:	
Consolidated Endowment Investments	286,278.31
China Famine Fund Investments	517,860.38
Methodist Bd.-College of Agriculture Swasey	100,000.00
Retirement Reserve Investments	48,750.00
Loss on Sale of Securities	6,263.50
Nanking Realty Corporation	5,708.76
Cash Awaiting Investment: Retirement	16.50
Endow.	<u>3,601.17</u>
Savings Bank Accounts	3,617.67
Notes Receivable	1,640.37
	78,389.48
	<u>1,048,965.58</u>

L I A B I L I T I E S

ENDOWMENT

Endowment Funds & Investments:	
General	1,024.14
Hall	350,000.00
United Christian Missionary Society	10,000.00
Methodist Bd.-College of Agriculture Swasey	100,000.00
China Famine Fund	48,750.00
Endowment Income-Stabilization Fund	519,500.75
H.M. Williams Scholarship Fund	3,248.19
Mr. and Mrs. Wood Scholarship Fund	1,000.00
Sherwin Scholarship Fund	1,000.00
Retirement Reserve Fund	5,000.00
Hoover Trust Fund	6,280.00
	<u>3,162.50</u>
	<u>1,048,965.58</u>

PLANT

Land	88,171.41
Buildings: University	277,397.64
Hospital	109,554.03
Science	55,691.95
1927 Dormitory	5,000.00
Language School	4,060.00
Undesignated	13,600.00
Residences: University	90,064.18
Hospital	24,000.00
Equipment: University	16,596.94
Hospital	54,503.95
Science	15,537.49
Gas Plant	228.44
Misc. Plant Assets: Normal School & Equip.	3,634.98
Savings Bank Account	3,129.29
	<u>761,080.30</u>

General Plant Funds: Baptist Board	31,764.00
U.C.M.S.	66,675.00
Methodist Board	109,432.00
Presbyterian	226,277.00
Special Plant Funds: James Normal School	20,000.00
Sericulture Building	21,000.00
Science Building	55,691.95
Science Equipment	13,550.66
Language School	4,060.00
Gas Plant	2,762.50
Land-Mulberry Orchard	4,000.00
Freshman Dormitory	3,129.29
Miscellaneous	5,215.00
Hospital Funds	111,203.26
Plant Funds trans. fr. Current	18,332.24
Plant Funds trans. fr. Famine Trust	52,871.27
Famine Funds for Land	15,022.75
Plant Cash - Overdraft	93.38
	<u>761,080.30</u>

University of Nanking - Balance Sheet

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CURRENT GENERAL

Directors' Current Expense	23,701.11	Current General Cash - Overdraft	13,862.71
" " Salaries	950.51	Receipts-Board of Directors-Rent Account	.30
" " Library	2,803.38	" -United Christian Missionary Soc.	1,500.00
Home Administration-Executive Office	8,886.87	" -Methodist Board	1,055.00
" " -Incidentals	274.95	" -Presbyterian Board	2,920.00
" " -Trustees	351.65	" -Baptist Board	800.00
Promotional Loan	762.22	Special Gifts for Current Budget	600.00
" Expense	1,603.09	Endowment Income-General	432.42
Disbursed to Field-Special Gifts for Cur.Budget	600.00	" " -Hall	13,775.07
		" " -Swasey	1,988.28
		" " -Methodist Board	3,000.00
			<u>39,923.78</u>

FAMINE FUND

Famine Fund Expense	22,668.69	Famine Fund Receipts	33,213.58
" " Cash	10,544.89		<u>33,213.58</u>
	<u>33,213.58</u>		

HOSPITAL

Current Expense Hospital	5,991.52	Cash - Hospital (Overdraft)	3,770.84
" " Salaries	303.48	Receipts-Methodist Board	340.00
		" -United Christian Missionary Soc.	375.00
		" -Presbyterian Board	580.00
		Emergency Needs - Hospital	1,229.16
	<u>6,295.00</u>		<u>6,295.00</u>

CURRENT SPECIAL (before closing)

Current Special Cash	19,239.33	Harvard-Yenching Institute-Restricted Income	15,000.02
Savings Fund Account	4,669.60	Endowment Income - Restricted (non budget)	276.12
Disbursed-Harvard-Yenching Institute	13,421.06	Emergency Funds	33,528.22
" -Endowment Income (Restricted)	276.12	Retirement Reserve-Income	26.82
" -Emergency Funds	15,894.67	Special Fund - Charles H. Riggs	1,649.69
" -Special Fund (Charles H. Riggs)	1,649.69	Directors' Special Funds	4,669.60
	<u>55,150.47</u>		<u>55,150.47</u>

University of Nanking - Balance Sheet

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CURRENT SPECIAL (after closing)

Current Special Cash
Savings Fund Account

1,605.78
4,669.60

6,275.38

Harvard-Yenching Institute - Restricted
Balance for 1936-37
Retirement Reserve Fund - Income
Directors' Special Funds

1,578.96
26.82
4,669.60
6,275.38

ROC



University of Nanjing - Budget Analysis

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II F A M I N E F U N D
(estimated rate 4.00 to 1.00)

	Appropriation LC\$	Paid to June 30 LC\$	Paid to June 30 US\$		Estimated Income US\$	Rec'd. to June 30 US\$
General Purposes 1938-39) Disbursed in New York) Transmitted to Field)	165,428.20	90,674.76	22,668.69	Famine Fund Receipts 1938-39	41,357.05	33,243.58

III H O S P I T A L

	Appropriation US\$	Paid to June 30 US\$			Estimated Income US\$	Rec'd. to June 30 US\$
General Purposes) Salaries Account).....	6,295.00	5,991.52 303.48	Methodist Board..... U.C.M.S. Presbyterian Board..... Emergency Gifts..... " "	340.00 375.00 580.00 5,000.00	340.00 375.00 580.00 1,229.18 3,770.84 6,295.00	
	<u>6,295.00</u>	<u>6,295.00</u>		<u>6,295.00</u>	<u>6,295.00</u>	

IV B O A R D O F F O U N D E R S

Administrative & Promotional.....	8,750.00	8,886.87	Adm. & Prom. (Assoc. Boards)	9,225.00	9,225.00
Incidentals.....	475.00)	274.95	" " " (Services).....	4,225.00	2,653.78
Trustees.....)	351.65			
Promotional Services.....	4,225.00	2,365.31			
	<u>13,450.00</u>	<u>11,878.78</u>		<u>13,450.00</u>	<u>11,878.78</u>

S U M M A R Y

	Cash Situation, June 30, 1939		Budget Situation, June 30, 1939		
	Balance US\$	Overdraft US\$	Unexpended US\$	Overexpended US\$	Unexpended LC\$
I General University, Class A.....	-	-	-	-	-
Class B.....	-	-	1,300.00	-	-
II Famine Fund 1938-39.....	10,544.89	-	=	=	74,753.44
III Hospital.....	-	-	1,571.22	-	-
IV Board of Founders.....	10,544.89	-0-	2,871.22	-0-	74,753.44

CONSOLIDATED BALANCE SHEET
UNIVERSITY OF NANKING
JUNE 30, 1939

A S S E T S

Endowment

University Investments	286,278.31		
" Cash	<u>3,601.17</u>	289,879.48	
Nanking Realty Corp.		78,846.59	
Famine Fd. Investments	517,860.38		
" " Cash	<u>1,640.37</u>	519,500.75	
Retirement Res. Invest.	6,263.50		
" " Cash	<u>16.50</u>	6,280.00	
Investments held in trust		<u>148,750.00</u>	1,043,256.82

Plant

Land, Bldgs. & Equipment		757,951.01	
Cash in Savings Bank	3,129.29		
Less Overdraft	<u>93.38</u>	<u>3,035.91</u>	760,986.92

Current Assets

Famine Funds Exp. advanced to 1939-40	22,668.69		
Cash	<u>10,544.89</u>	33,213.58	
Current Cash		1,605.78	
Savings Fd. a/c (field)		<u>4,669.60</u>	39,488.96
			<u>1,843,732.70</u>

L I A B I L I T I E S

Endowment

University Funds	509,774.14		
Famine Funds	519,500.75		
Scholarship Funds	7,000.00		
Stabilization "	3,248.19		
Hoover Funds	3,162.50		
Retirement Res. Fd.	<u>6,280.00</u>	1,048,965.58	
Less Loss Sale Sec.		<u>5,708.76</u>	1,043,256.82

Plant

Funds for Land, Bldgs. & Equip.	760,986.92
---------------------------------	------------

Current Liabilities

<u>Famine Funds:</u>			
Receipts carried fwd.		33,213.58	
<u>Restricted Accounts:</u>			
Harvard-Yenching Inst.	1,578.96		
Retirement Res.	<u>26.82</u>	1,605.78	
Directors' Spec. Funds		<u>4,669.60</u>	39,488.96
			<u>1,843,732.70</u>

UNIVERSITY OF NANKING

LIST OF SECURITIES

JUNE 30, 1939

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>6/30/39 Market Price</u>	<u>Cost</u>	<u>6/30/39 Market Value</u>	<u>Nominal Income</u>
<u>(a) Consolidated Endowment Investments, General Funds</u>						
<u>Mortgages - Real Estate</u>						
4,000.	1515 Overing Street, Bronx 5 $\frac{1}{2}$ /34.....	100	85	4,000.00	3,400.00	220.00
5,500.	40 Lincoln Rd., Brooklyn 3 $\frac{3}{4}$ /40.....	100	70	5,500.00	3,850.00	208.53
10,000.	136 East 237th St., Bronx 5/36.....	100	85	10,000.00	8,500.00	500.00
<u>7,920.20</u>	414 Brock Ave., Bronx 4 $\frac{1}{2}$ /36.....	100	85	<u>7,920.20</u>	<u>6,732.17</u>	<u>359.38</u>
27,420.20				27,420.20	22,482.17	1,287.91
<u>Railroad Bonds</u>						
10,000	Baltimore & Ohio R.R. "D" 5/2000.....	101-1/2	17-1/4	10,150.00	1,725.00	433.30
1,000	Interborough Rapid Transit 5/66.....	95-5/8	55	966.25	550.00	50.00
10,000	Missouri, Kansas & Texas 5/62.....	96-1/2	20-1/2	9,652.50	2,050.00	500.00
5,000	New York Central 5/2013.....	99-7/8	50-5/8	4,993.75	2,531.25	250.00
5,000	Northern Pacific Rwy. 5/2047.....	95-3/8	46	4,781.25	2,300.00	250.00
<u>5,000</u>	Virginian Railway Co. 3 $\frac{1}{2}$ /66.....	105-1/2	108	<u>5,277.50</u>	<u>5,400.00</u>	<u>187.50</u>
36,000				35,821.25	14,556.25	1,670.80
<u>Public Utility Bonds</u>						
10,000	American Power & Light Deb. 6/2016.....	105-2/5	92-3/4	10,540.00	9,275.00	600.00
5,000	American Tel. & Tel. 5 $\frac{1}{2}$ /43.....	104	110	5,087.50	5,500.00	275.00
10,000	Central Illinois Public Service 3 $\frac{3}{8}$ /68.....	100-1/2	102-1/4	10,050.00	10,225.00	375.00
10,000	North American Co. Deb. 4/59.....	101-1/4	105	10,125.00	10,500.00	400.00
10,000	Public Service Northern Illinois 3 $\frac{1}{2}$ /68.....	104-3/4	108-1/2	10,500.00	10,850.00	350.00
<u>5,000</u>	Wisconsin Electric & Power 3 $\frac{1}{2}$ /68.....	104-3/4	107-3/4	<u>5,250.00</u>	<u>5,387.50</u>	<u>175.00</u>
50,000				51,552.50	51,737.50	2,175.00
<u>U. S. Government Bonds</u>						
5,000	U. S. Treasury Bonds 2 $\frac{3}{4}$ % 1965-60.....	106.29	106.28	5,351.56	5,343.75	137.50
<u>Preferred Stock</u>						
1,400 sh	Aluminum Co. of America 6% Pfd.	100	113-1/2	140,000.00	158,900.00	8,400.00
80 "	Atchison, Topeka & Santa Fe 5% Pfd.	100-1/4	52-3/4	<u>8,040.00</u>	<u>4,220.00</u>	<u>80.00</u>
				148,040.00	163,120.00	8,480.00

University of Wanking List of Securities

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Amount	Security	Cost Price	6/30/39 Market Price	Cost	6/30/39 Market Value	Nominal Income
<u>Common Stock</u>						
100 sh	Nanking Realty Corporation.....	50	50	5,000.00	5,000.00	-
60 "	American Telephone & Telegraph.....	165-1/8	158	9,930.30	9,480.00	540.00
				<u>14,930.30</u>	<u>14,480.00</u>	<u>540.00</u>
				283,115.81	271,719.67	14,291.21
<u>(b) Hoover Trust Funds</u>						
10,000	Georgia, Carolina & Northern 6/34.....	31-5/8	13-1/2	3,162.50	1,350.00	-
5,000	Bolton Square Improvement Co. 7/32.....	-	-	-	-	-
				<u>3,162.50</u>	<u>1,350.00</u>	<u>-0-</u>
<u>(c) Famine Fund Investments</u>						
10,000	Brentwood Development Corp., Rhoda Isl. Ave. NE 4/40	100	100	10,000.00	10,000.00	400.00
39,062.50	J.J. Moebs, 1025 Vermont Ave. 4 1/2/33.....	100	60	39,062.50	23,437.50	1,605.90
29,721.46	E.D. Rheem, 3039 "Q" St. 5/41.....	100	70	29,721.46	20,805.02	1,500.00
3,400.00	Shannon & Luchs, R.I. Ave. N.E. at 15 St. 6/33.....	100	25	3,400.00	850.00	-
<u>82,183.96</u>				<u>82,183.96</u>	<u>55,092.52</u>	<u>3,505.90</u>
<u>Railroad Bonds</u>						
5,000	Atchison, Topeka & Santa Fe 4/95.....	103-1/2	93-1/4	5,175.00	4,662.50	200.00
10,000	Pennsylvania Railroad Co. "C" 3 1/2/70.....	102-1/8	87-1/4	10,237.50	8,725.00	375.00
5,000	Virginian Railway Co. "A" 3 3/4/66.....	103-1/4	108	5,175.00	5,400.00	187.50
<u>20,000</u>				<u>20,587.50</u>	<u>18,787.50</u>	<u>762.50</u>
<u>Industrial & Utility Bonds</u>						
10,000	Bethlehem Steel Corp. 3 1/2/66.....	98-3/8	103-1/2	9,862.50	10,350.00	375.00
5,000	General Motors Acceptance Corp. 3 1/4/51.....	102-3/4	105	5,150.00	5,250.00	162.50
5,000	Ohio Edison Co. 4/67.....	99-1/2	109	4,987.50	5,450.00	200.00
10,000	Ohio Power Co. 3 1/4/68.....	103-1/2	108-3/4	10,350.00	10,875.00	325.00
10,000	Virginian Electric & Power 3 1/2/68.....	107-1/2	109	10,775.00	10,900.00	350.00
5,000	Westchester Lighting Co. 3 1/2/67.....	98-1/4	108-3/8	4,912.50	5,418.75	175.00
<u>45,000</u>				<u>46,037.50</u>	<u>48,243.75</u>	<u>1,587.50</u>
<u>U. S. Government Bonds</u>						
268,000	U. S. Treasury 4 1/4/52.....	100	121.8	268,000.00	324,950.00	11,390.00
65,000	U. S. Treasury 3% 1951-55.....	100.13	111.1	65,304.69	72,170.32	1,950.00
25,000	U. S. Treasury 2 3/4% 1960-65.....	100	106.28	25,178.13	26,718.75	687.50
<u>358,000</u>				<u>358,482.82</u>	<u>423,839.07</u>	<u>14,027.50</u>

University of Nanking - Security List

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>6/30/39 Market Price</u>	<u>Cost</u>	<u>6/30/39 Market Value</u>	<u>Nominal Income</u>
	<u>Preferred Stock</u>					
40 sh	Consolidated Edison 5%.....	107-7/8	106-1/4	4,328.60	4,250.00	200.00
120 "	North American Company 5 3/4%.....	52	55	6,240.00	6,600.00	230.00
				<u>10,568.60</u>	<u>10,850.00</u>	<u>430.00</u>
	<u>Total Famine Funds...</u>			<u>517,860.38</u>	<u>516,812.84</u>	<u>20,313.40</u>
	<u>(d) Retirement Reserve Investments</u>					
20 sh	Atchison, Topeka & Santa Fe 5% Pfd.	100-1/4	52-3/4	2,010.00	1,055.00	20.00
2,000	Cleveland Union Terminal "B" 5/73.....	90	82	1,805.00	1,640.00	100.00
2,000	North American Company Debenture 4/59.....	101-1/4	105	2,025.00	2,100.00	80.00
400	U. S. Treasury Bonds 2 3/4% 1960-65.....	105.20	106.28	423.50	427.50	11.00
	<u>Total Retirement Reserve Investments.....</u>			<u>6,263.50</u>	<u>5,222.50</u>	<u>211.00</u>

ROC

MINUTES OF MEETING
COMMITTEE ON FINANCE
UNIVERSITY OF NANKING

9:45 A. M. Thursday, January 25, 1940
Room 900 - 150 Fifth Avenue, New York City

List of Members:

*Morris W. Ehnes, Chairman
*Kenneth W. Moore
Robert C. Morris

*J. H. Banton
Theodore C. Speers

Those whose names are starred were present, also Joseph I. Parker and C. A. Evans. Regrets were presented from Robert C. Morris and Theodore C. Speers.

The meeting was opened with prayer led by Mr. Parker.

INVESTMENTS

A schedule was presented reviewing particularly the mortgages and, in general, the entire investment list. The Committee carefully studied each item in the portfolio, but there seemed no necessity for taking any action on present holdings.

It was noted that the Committee, by telephone action on July 5th, sold 10,000 Georgia, Carolina and Northern 6% Bonds due in 1934 held in the Hoover Trust Fund. The situation of the road and the possibility of further recession of price seemed to warrant the sale, establishing a loss of \$2,095.50 with proceeds netting \$1067.

Upon recommendation, it was

F-1084 VOTED that the balance from the above sale be used to purchase common stock of the W. T. Grant Company.

It was noted that there was Endowment cash available for investments to the amount of \$3,702.35.

Upon recommendation, it was

F-1085 VOTED to purchase three bonds of the Pennsylvania Water & Power Company 3 1/4's of '64 or '70 @ approximately 105 3/8 - 3/4.

REPORT ON 2348 SEVENTH AVENUE

For the information of the Committee the following report was presented on the property located at 2348 Seventh Avenue:

"Last October the W. P. A., upon thirty days notice, vacated the lease of the property, but continued to supply personnel for the carrying on of the Central Manhattan Music Center, which had been occupying the building. A Committee of Sponsors was formed and requested us to grant two months concession of rent with the hope of establishing an organization which would be able to secure sufficient funds to handle the property and pay the rent. The concession was granted to January 1, 1940. On January 8th the W. P. A. withdrew all support of the teaching staff. They have also taken all of the equipment which had been solicited through Harlem for use in the Music Center. However, the Sponsoring Committee and other residents of Harlem have responded remarkably well, and it is hoped that the project can continue under the management of the Committee."

1/25/40

A proposition was presented from a real estate broker, offering \$25,000.00 for the property, \$1,000.00 cash, balance on mortgage.

The Committee decided that it would not be warranted in accepting such a small cash payment, the purchaser not having a sufficient amount involved. It was felt, therefore, that the present method of handling the property should be continued.

EXCHANGE FOR 1938-39

The Field Treasurer, under date of September 21, 1939, presented a request that the one-quarter portion of gain on exchange accruing to the credit of the Founders for 1938-39 be retained by the field.

While it was felt that the information presented should have been more adequate, yet in view of the general statement, it was

F-1086 VOTED to approve the request that gain on exchange for 1938-39, normally belonging to the Board of Founders, be granted to the field.

DORMITORY FUND HELD IN AMERICA

The Assistant Treasurer requested the judgment of the Committee concerning Dormitory Funds amounting to \$3,129.29 held in the United States but which might be transmitted to the field at a very advantageous rate of exchange. This question was raised because of a similar request from China.

The unanimous opinion was expressed that such funds should be held in America, pending more settled conditions in China. It was

F-1087 VOTED that action regarding Dormitory Funds or any capital funds being transferred to China be deferred until a later date.

REPORT OF THE TREASURER FOR 1938-39

The Treasurer's Report for the year ending June 30, 1939 was presented and carefully studied. It was noted that there were two recommendations, and it was

F-1088 VOTED to approve the following recommendations contained in the Treasurer's Annual Report:

- (a) That the University accept the loss of \$4,151.44 on the sale of the Tyndall Avenue property carried in the Nanking Realty Corporation, thus relieving the corporation of the necessity of carrying this as a loss on its books.
- (b) That, subject to the approval of the field treasurer, the balance of \$1,578.96 in the H. Y. I. Account be credited to the field treasurer's banking account.

It was further

F-1089 VOTED to recommend to the Board of Founders the acceptance of the Treasurer's Report for 1938-39 as attached to these minutes.

AUDITORS' REPORT FOR 1938-39

The findings of the Auditors, Messrs. Chambellan, Berger and Welti for 1938-39 were read, and it was

F-1090 VOTED to recommend to the Board of Founders the acceptance of the Auditors' Report for the past fiscal year.

REPORT ON FAMINE FUNDS FOR 1938-39

The Field Treasurer submitted a statement dated September 21, 1939 reporting that US\$23,529.26 represented the entire amount of expenditure in the Famine Fund budget for 1938-39. The budget estimate called for \$41,357.05, resulting in considerable savings under the estimates. The actual receipts, including \$13,627.70 transferred from principal, totaled \$33,213.58. The field requested that the balance of \$9,684.32 be returned to the Capital Account, but subsequent to the closing \$860.57 was charged to the field account, and \$1,681.27 was paid to the American Board for the expenses of the Riggs family. As a consequence \$8,003.05 was returned to the principal account. It was

F-1091 VOTED the Committee notes with pleasure the savings effected on the field in the use of Famine Funds and that a sizable amount has been returned to the principal account.

ANTICIPATED INCOME FOR 1940-41

A study of Anticipated Income for 1940-41 was presented to the Committee and it was carefully reviewed. It was noted that the Methodist Board appropriation from permanent funds had been increased from \$3,000.00 to \$3,500.00, and that the basis for Harvard-Yenching Institute appropriation had been based upon income totalling \$85,000.00, and that Special Gifts, amounting to \$11,000.00, were included within the budget, with a like amount deducted for Home Administration. It was

F-1092 VOTED to authorize the Treasurer's office to transmit the following figures to the field, with the understanding that they are subject to modification in the light of changing circumstances before final approval is voted.

CLASS A

ESTIMATED
1940-41

Mission Boards Cash Grants:

U. C. M. S.	\$ 1,500.00	
M. E. Board	1,055.00	
Presbyterian Board	2,920.00	
Baptist Board	800.00	\$ 6,275.00

Endowment Income:

U. C. M. S.	381.70	
General	38.17	
Hall Estate	13,378.33	
Swasey Fund	1,988.00	
M. E. Board (Agri. & For.)	3,500.00	
Special Gifts	11,000.00	
	<u>\$30,286.20</u>	
Less: Home Administration	11,000.00	19,286.20

Minutes
Nanking Finance Committee

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1/25/40

CLASS B

ESTIMATED
1940-41

\$25,561.20

Special Funds:

Harvard-Yenching Institute
U. C. M. S. Vacancy

\$15,000.00
600.00

15,600.00

Famine Funds:

Estimated Income on Endowment Funds

19,322.50

19,322.50

Hospital:

Methodist Board
U. C. M. S.
Presbyterian Board

340.00
375.00
580.00

1,295.00
\$61,778.70

On motion adjourned.

C. A. EVANS,
Assistant Secretary.

B/

MINUTES OF MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

2:30 P.M. Friday, February 16, 1940
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

<u>Board</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
Amer. Bapt. Methodist	F.T. Cartwright, alt. R.E. Diffendorfer	*John W. Decker Robert C. Morris	*D. M. Albaugh
Presby., North Disciples	E.C. Lobenstine Alexander Paul C. T. Paul, alt.	Theodore C. Speers S. J. Corey	Paul R. Abbott C. M. Yocum
Ginling Coll. Coopted	*Margaret E. Hodge *J. H. Banton *John T. Ogden Robert E. Speer	*Mrs. F.J. McConnell George B. Huntington Kenneth W. Moore	Morris W. Ehnes W. Reginald Wheeler

Those whose names are starred were present, as were also Mr. Caldwell, Dr. Cressy, Mr. Evans, Mr. Garside, and the Secretary.

The meeting was opened with prayer by Dr. Decker.

A report was received from Dr. Theodore C. Speers that he had been unavoidably detained by an emergency call which would not enable him to be present. In his absence Mr. John T. Ogden, the Vice-President, presided.

APPROVAL OF MINUTES

It was

BF-1093 VOTED to approve as circulated the minutes of the Executive Committee of July 14, 1939.

It was also

BF-1094 VOTED to approve as circulated the minutes of the Committee on Finance of January 25, 1940, together with the adoption of the recommendations, F-1089 and F-1090, accepting the Treasurer's Report and the Auditors' Report dated June 30, 1939.

CIRCULATION VOTES

Circulation votes since the last meeting were reviewed, and the following votes were recorded:-

BF-1095 VOTED to approve the action taken regarding the contract with Rev. Charles H. Riggs, E-1081, July 18, 1939.

BF-1096 VOTED to approve the appointment of Dr. A. J. Bowen as President Emeritus, in accordance with circulation vote E-1082, October 19, 1939.

BF-1097 VOTED to approve the action regarding the Harvard-Yenching Restricted Fund, as recorded in E-1083, October 19, 1939.

REPORT ON PROMOTIONAL ACTIVITIES

Mr. Caldwell reported on the activities of the current year in comparison to those of last year. It was pointed out that, aside from one special gift of last year which would not be repeated this year, money received to date represents considerable increase over that of last year. Plans for the remainder of the year, and methods of conducting the promotional work, were explained. The need of securing publicity material from the field was brought out and discussed at length. It was

BF-1098 VOTED to request the Secretaries to bring to the attention of the University officials in Chengtu the need of fresh and constant supply of publicity material, and at the same time, to call to their attention the imperative need for this material at once.

It was also pointed out that the University was equipped to produce movie films, and that in the making up of the next budget funds should be made available for the securing of pertinent publicity moving pictures.

Mr. Garside reported on the progress of the Sustaining Fund, and pointed out the need of concerted effort to secure the amounts yet to be raised to complete the Fund. The various phases of promotional plans in connection with the campaign were discussed, and ways and means of cooperating in its completion were discussed.

VACANCIES ON THE BOARD

It was noted that there are several vacancies on the Board and plans for the filling of these vacancies were discussed. A number of names were mentioned, and it was

BF-1099 VOTED to refer these suggestions to the Vice-President, Mr. Ogden, in consultation with Mr. Caldwell and the Secretaries, as to suitability of these and others as members of the Board. Report is to be made to the next meeting of the Executive Committee, or at the latest, to the Annual Meeting.

RESIGNATION OF MISS HILDA ANDERSON

The resignation of Miss Hilda Anderson, as addressed to the Board of Founders, was reviewed, together with the communication from President Chen. The very effective work which Miss Anderson has done for the University was mentioned, and after discussion of the background of the situation, it was

BF-1100 VOTED that the resignation of Miss Hilda Anderson be received with regret, and that a letter be written to her expressing appreciation for her service and regret for her resignation; also that the Secretaries be instructed to make the necessary arrangements for adjustment of Miss Anderson's retirement plan.

REQUEST TO THE COOPERATING BOARDS FROM THE UNIVERSITY HOSPITAL

A letter dated November 1, 1939 from Dr. Daniels to President Chen making an appeal for the reinstatement of cuts in appropriations by the Cooperating Boards, was considered and discussed. Dr. Daniels' material was presented in chart form to show the fluctuations that had been caused by the emergency and its effect upon the income and expense of the Hospital. The seriousness of the situation was noted, and after further discussion, it was

BF-1101 VOTED to ask the Secretaries to transmit this request to the earnest attention of the Cooperating Boards, with the hope that some relief can be secured for this needy situation.

ILLNESS OF MEMBERS OF THE BOARD

Report was made regarding the serious illness of Dr. Ehnes and Dr. Huntington. It was

BF-1102 VOTED to request the Secretaries to write to both Dr. Ehnes and Dr. Huntington expressing the concern of the Board, and the hope for speedy recovery.

DR. CRESSY'S REPORT ON EDUCATION IN CHINA

At the Annual Meeting of the Associated Boards, Dr. Cressy was requested to prepare a general and detailed report on the condition of education in the universities. Dr. Cressy reported informally to the Board of Founders the general content of the material he expected to include in the section regarding the University of Nanking. His report was received with great interest, and it was

BF-1103 VOTED to refer the section regarding the University of Nanking, when completed, to the Executive Committee for consideration and report to the next meeting of the Board.

DATES OF THE ANNUAL MEETING

Attention was called to the dates set for the Annual Meeting of the Associated Boards for May 13 and the morning of May 14. It was suggested that it might be possible and advisable to have the Annual Meeting of the Board of Founders of the University of Nanking immediately following the Associated Boards meeting, on the afternoon of May 14. It was

BF-1104 VOTED that the Secretaries should make the necessary investigation and arrange for the Annual Meeting of the Board on that date, if possible.

The meeting adjourned.

JOSEPH I. PARKER

Secretary

MINUTES OF MEETING
COMMITTEE ON PROMOTION
UNIVERSITY OF NANKING

3:00 P.M. Monday, April 29, 1940
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

*Mr. Kenneth W. Moore, Chairman
*Dr. E. C. Lobenstine
Mrs. Francis J. McConnell
Dr. Theodore C. Speers, Ex Officio
Dr. W. Reginald Wheeler

Those whose names are starred were present, as were also Mr. Caldwell, Mr. Garside, and the Secretary.

Mr. Moore, Chairman of the Committee, presided and opened the meeting with prayer.

PROMOTIONAL PLANS FOR REMAINDER OF YEAR

Mr. Caldwell made a report on what had been done so far this year, and made a statement regarding general plans for the remaining weeks. He pointed out that because of the lack of material from the University, most of the promotional budget had not been used to date. He also reported on the amount of designated gifts received. This report was discussed by the Committee, and the cost of raising promotional funds was considered.

TYPES OF PUBLICITY NEEDED

The need of additional new material from the field was discussed at length. It was pointed out that we were particularly short of good pictures, both in photographs and moving pictures. It was mentioned that there had been quite a demand for up-to-date moving pictures. Plans were presented for the securing of material needed by using money from the promotional funds in the budget of the current year for providing the materials and sending them to the field for the making of the required moving pictures and photographs. After discussion, it was

P-1105 VOTED that \$200 be set aside for materials and transportation in securing pictures.

It was also proposed that some person on the campus of the University who has the publicity ability for handling photography, be appointed to take charge of securing the material, and that a small amount of money be set aside for his expense. It was

P-1106 VOTED to allocate \$100 from the promotional funds of the current year for expense of publicity representative on the Nanking campus.

Mr. Caldwell presented a plan for the issuing of a brochure within the remaining weeks of this year to be sent to the Nanking mailing list. This piece of printed material would be accompanied by a letter from Bishop Ward. It was

P-1107 VOTED to approve the plan as suggested.

The meeting adjourned.

JOSEPH I. PARKER

Secretary

MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

2:00 P.M. Tuesday, May 14, 1940
Room 300, 150 Fifth Avenue, New York, N.Y.

List of Members

<u>Board</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
Amer. Bapt.		*John W. Decker	*D. M. Albaugh
Methodist, No.	R.E. Diffendorfer	Robert C. Morris	*F. T. Cartwright, alt.
Presby., No.	*E. C. Lobenstine	*Theodore C. Speers	*L. S. Ruland
Disciples	Alexander Paul	Stephen J. Corey	*C. M. Yocum
	C. T. Paul, alt.		
Ginling Coll.	*Margaret E. Hodge	*Mrs. F. J. McConnell	
Coopted	J. H. Banton	*Geo. B. Huntington	Morris W. Ehnes
	John T. Ogden	Kenneth W. Moore	*W. Reginald Wheeler
	Robert E. Speer		

Those whose names are starred were present. Others present were Dr. E. H. Cressy, Dr. R. Y. Lo (member of the Board of Directors), Mr. E. K. Higdon (substitute for Dr. Alexander Paul), Bishop Ralph Ward, Mr. Oliver Caldwell, Mr. C. A. Evans and the Secretary.

Dr. Yocum, as vice president, presided during the early part of the meeting and Dr. T. C. Speers, president, during the remainder of the session.

The meeting was opened with prayer led by Mrs. McConnell.

APOLOGIES FOR ABSENCE

Regrets for absence were presented on the part of Dr. Robert E. Speer, Dr. M. W. Ehnes, Dr. Ralph Diffendorfer and Mr. J. T. Ogden.

AGENDA

BF-1108 VOTED to adopt the agenda as presented.

APPROVAL OF MINUTES

The following minutes were approved as circulated:

Annual Meeting - June 7, 1939
Executive Committee - July 14, 1939
Circulation Vote of Executive Committee - July 18, 1939
Circulation Vote of Executive Committee - October 19, 1939
Committee on Finance - January 25, 1940
Founders - February 16, 1940
Committee on Promotion - April 29, 1940

REPORTS FROM THE FIELD

Dr. E. C. Lobenstine, having recently returned from a trip of several months in China reported on his visit to the University at Chengtu and Nanking. He summarized his impressions of varied conditions at the University, giving information of great interest in regard to problems faced by the administration.

Dr. L. S. Ruland, also recently returned from an extended visit in China, reported on the situation at the University. He told of his impressions of the progress of work in the various departments mentioning in particular the College of Arts and its problems and the Department of Religion and its work on the campus.

Following these reports questions were asked and problems were discussed at length.

Dr. R. Y. Lo, a member of the field Board of Directors was introduced. He brought greetings to the Founders from the field and spoke of the desire and concerted effort of all connected with the University to prove worthy of the interest and support given through the Board of Founders.

Dr. E. H. Cressy spoke of the relationship to West China University in agricultural studies and projects, mentioning the great need of rural reconstruction and the working out of permanent plans for integrating the work of the two Universities.

It was

BF-1109 VOTED to appoint a committee of three to study the question of integration of plans for rural reconstruction and to report to the Executive Committee. Those appointed were Dr. Cartwright, Dr. Decker, and Dr. Lobenstine.

CURRENT FINANCIAL REPORT

The Assistant Treasurer presented a financial statement and forecast to June 30, 1940 showing an estimated balance of \$126.00. It was noted that very little had been drawn on the promotional budget and while allowing for anticipated expenditures a considerable portion would still be unspent. After discussion it was

BF-1110 VOTED to authorize the treasurer to close the accounts on June 30, 1940 as disbursed up to that date including the promotional budget.

VACANCIES ON STAFF

The question was raised regarding the payment by various cooperating boards for vacancies on staff, and it was brought out that two boards were continuing their payments, whereas a third board had discontinued payment. The Founders gave careful thought to the situation having in mind the agreement signed on March 3, 1914 where the following boards agreed to supply a subsidy in lieu of a staff member:

Board of Foreign Missions of the Presbyterian Church U. S. A.
Board of Foreign Missions of the Methodist Episcopal Church
American Baptist Foreign Mission Society
United Christian Missionary Society.

It was

BF-1111 VOTED that, in view of the special difficulties and stress of the work in China under present war conditions, and the need of the administration to know what resources it can count upon during the time of emergency, the Board of Founders of the University of Nanking make an earnest request to the constituent Foreign Missions Boards to continue to make substitute grants to the University for each vacancy in the approved quota of missionary teachers of the University.

BUDGET 1940-41

The proposed budget for 1940-41 was reviewed and after careful consideration it was

BF-1112 VOTED that the Board of Directors be informed that in addition to the personnel supplied by the cooperating mission boards, the Board of Founders will contribute toward the budget of the University of Nanking during the fiscal year 1940-41 the following amounts:-

Toward the general budget.....\$28,000.00
Toward the budget of the University Hospital..... 1,295.00
to be secured from the following sources:-

Methodist Board..... 340.00
United Christian Missionary Society..... 375.00
Presbyterian Board..... 580.00

From specially designated items, the following amounts, which will be transmitted when and as received:-

Harvard-Yenching Institute..... 15,000.00
Vacancies: U. C. M. S. 600.00
Methodist Board..... 1,300.00
Presbyterian Board (Pd. in China) 960.00 2,860.00

BF-1113 VOTED in addition to the foregoing, the Founders will endeavor to secure through its own Board and other agencies involved such portion of the Sustaining Fund requests from the field as may be agreed upon with the Associated Boards, it being understood that these funds will be remitted when and as received.

In order to expedite the handling of Famine Funds, it was

BF-1114 VOTED that the Board of Founders authorize the Finance Committee to make such sales of securities during the year 1940-41 from Famine Fund investments as may be required in addition to income received on securities, to provide a total of LC\$257,827, as representing the income included in the Famine Funds Budget for 1940-41.

It was noted that certain details of the budget required further study and it was therefore

BF-1115 VOTED to commit the completion of the 1940-41 budget to the Executive Committee with power.

The special item in the budget for the Associated Boards costs for 1940-41 was given special consideration and it was

BF-1116 VOTED that the amount for the Associated Boards of \$10,501 be referred to the Executive Committee with power.

Treasurer	Robert C. Morris
Secretary and Asst. Treasurer	B. A. Garside
Asst. Secretary and Asst. Treasurer	C. A. Evans
" " " " " "	Joseph I. Parker

Executive Committee

Chairman, T. C. Speers (ex-officio)	E. C. Lobenstine
C. M. Albaugh	Mrs. F. J. McConnell
F. T. Cartwright	John T. Ogden
J. W. Decker	C. M. Yocum

Finance Committee

Chairman, M. W. Ehnes	J. H. Banton
K. W. Moore	D. M. Albaugh
Robert C. Morris	T. C. Speers (ex-officio)

Committee on Promotion

Chairman, K. W. Moore	J. T. Ogden
E. C. Lobenstine	W. R. Wheeler
Mrs. F. J. McConnell	T. C. Speers (ex-officio)

Committee on Instruction

Chairman, Mrs. F. J. McConnell	L. S. Ruland
D. M. Albaugh	

A.B.C.C.C. Committees

Executive Committee - John W. Decker, R. E. Diffendorfer,
L. S. Ruland
Committee on Finance - Robert C. Morris, M. W. Ehnes
Committee on Promotion - Mrs. F. J. McConnell, F. T. Cartwright
Committee on Christian Character,
Staff and Curriculum - F. T. Cartwright, D. M. Albaugh

It was

BF-1123 VOTED to refer appointments on the Ginling Board to the Executive Committee with power.

SPECIAL MESSAGES

BF-1124 VOTED to send special messages of greeting to the University in Chengtu and Nanking;

BF-1125 VOTED to send special greetings to Dr. A. J. Bowen.

On motion the meeting adjourned.

JOSEPH I. PARKER
Secretary

CIRCULATION VOTE
EXECUTIVE COMMITTEE
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

June 19, 1940

SHARE IN 1940-41 BUDGET OF THE ASSOCIATED BOARDS

The share in the Associated Boards budget for 1940-41 of the Board of Founders of the University of Nanking was indicated to be \$10,501. It was

E-1126 VOTED that \$10,501 be approved as the University of
^A Nanking's share in the Associated Boards budget for
1940-41.

Approval of the vote was received from the following members:-

Mr. D. M. Albaugh
Dr. Frank T. Cartwright
Dr. J. W. Decker
Dr. E. C. Lobenstine
Mrs. F. J. McConnell
Mr. John T. Ogden
Dr. Theodore Cuyler Speers
Dr. C. M. Yocum

JOSEPH I. PARKER

Secretary

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

11:00-A. M. Wednesday, October 30, 1940
Room 606 - 150 Fifth Avenue, New York, N. Y.

List of Members:

*Morris W. Ehnes, Chairman
D. M. Albaugh
*J. H. Banton

*Kenneth W. Moore
Robert C. Morris
Theodore C. Speers

Those whose names are starred were present, also B. A. Garside and C. A. Evans.

The meeting was opened with prayer led by Dr. Ehnes.

REPORT ON FAMINE FUNDS

It was recalled that at a previous meeting of the Finance Committee the question was raised as to the advisability of restudying the Famine Funds with the hope of establishing endowment. No action was taken but the Assistant Treasurer was instructed to discuss the matter with the field. The following is a report on this situation:-

"The minutes of the Finance Committee held January 25th, 1940 in New York arrived a few hours before our meeting and it seemed important enough to bring the matter to the attention of the committee. If you will take time to review the original documents and the agreements at the time the trust funds were given to the University of Nanking, we feel sure you will find that the policy of the donors - or the trustees representing them - was to use both principal and interest whenever necessary to carry out the program in agricultural work. At no time have we attempted to change our original policy and if you will review the reports for the past ten years, you will know that the field authorities have been most careful to maintain the purpose of the original grant.

It seems to us impossible to fix any endowment figure at this time. We are working under abnormal conditions. Exchange is causing difficulties in making any plans, and it would seem short-sighted to fix any amount as the endowment figure when the value of the Chinese dollar is at its present level. The work of the College of Agriculture continues as usual. We are encouraged to find that nearly every station scattered through North China is able to continue their work. We have not lost any of our experiments and mass production is aiding thousands of farmers. It is not the time to curtail this work. Instead we are opening new stations particularly throughout the west and northwest - we must send you more adequate reports of this work.

Please do not take any action fixing an amount that remains endowment for these funds. You may be assured that the field authorities will be careful in using the money. This year we are asking to have C\$214,427 from the trust funds, either interest or principal. Most likely this will come only from the interest and no part of the principal need be taken. We cannot tell at this date for we shall not know the average of exchange for next year, but following our usual policy any left over funds will be returned to you."

The Committee noted this report without action.

INVESTMENTS

It was recalled that the Committee agreed by circulation vote on June 14th to purchase the following for the General Endowment Fund:-

40 shares Common Stock, Parke, Davis & Company @ 34;

and the following for the Famine Fund account:-

10,000 U. S. Government 2 3/4's/60-65 @ 105
5,000 Westchester Lighting 3 1/2's/67 @ 108 3/4
10,000 Purity Bakeries 5's/48 @ approximately 101
60 shares Consolidated Edison 5% Preferred @ approximately 102
300 " Parke, Davis Common @ approximately 34
200 " Montgomery Ward @ 35

It was reported that the 340 shares of Parke, Davis & Company common had been purchased, also

5,000 Westchester Lighting Bonds.

It was

F-1126 VOTED to formally approve the foregoing action.

The Committee studied previous and other recommendations for employing Famine Funds and, after due deliberation of political and economic factors involved,

F-1127 VOTED provided purchases of securities are deferred until after November 5th, the treasurers be authorized to -

- (a) Raise the price on Purity Bakeries Bonds to 102 $\frac{1}{2}$.
- (b) Purchase 10M U. S. Governments 2 3/4's/60-65 at market.
- (c) Purchase 200 shares Montgomery Ward Common @ 39.
- (d) Study California Edison 3's/65 still further and, if felt agreeable, to purchase @ 104, or better.

Further study was given to Utility Preferred Stocks as a medium of investment and, without restrictions, it was

F-1128 VOTED that at the discretion of the treasurers the following Utility Preferreds be authorized for purchase:

Ohio Public Service 6's or 7's.
Pennsylvania Power & Light 6's or 7's.

FIELD ACCOUNTS

A communication from the field was presented requesting the Board of Governors to hold the following funds in trust for the Board of Managers in China:

Harvard-Yenching Institute Balance \$ 7,000.
Special Reserve Fund 28,000.

After careful thought, and in the light of the desire of the field, it was

F-1129 VOTED to authorize the treasurers to invest the foregoing field funds in U. S. Government 2's/50-55.

FURLOUGH ALLOWANCE - DR. R. O. WILSON

It was reported that Dr. R. O. Wilson and family had arrived in the United States on furlough and that he is under medical care. As the furlough salary, as reported by the field, is not in accordance with the schedule of Salaries and Allowances voted November 27, 1931, it was

F-1130 VOTED that the salary during furlough of Dr. R. O. Wilson and family be \$150.00 per month, plus children's allowance and rent as required.

WESTERN STAFF

After discussing various factors affecting Western staff members, it was

F-1131 VOTED to recommend to the Board of Founders that a committee of three be appointed to study the principles and conditions existing in the dealing with Western staff members.

TREASURER'S REPORT FOR 1939-40

This report had been distributed in advance to members of the Committee, and it was

F-1132 VOTED to recommend to the Board of Founders that the Treasurer's Report for 1939-40 be received and placed on file, and that the recommendations be approved.

ANNUAL REPORT OF THE AUDITORS

Copies of the Report by Messrs. Chambellan, Birger & Welti were available for the Committee, and it was

F-1133 VOTED to recommend to the Board of Founders the acceptance of the Auditors' Report and that same be placed on file.

NEXT MEETING OF THE COMMITTEE

It was agreed that the Committee meet immediately after November 5th and it was left to the Secretary to arrange for such a meeting.

On motion adjourned.

C. A. EVANS,
Assistant Treasurer.

REPORT OF THE TREASURER

BOARD OF FOUNDERS, UNIVERSITY OF NANKING

JUNE 30, 1940

Another year has passed with the University of Nanking occupying emergency quarters on the campus of West China Union University at Chengtu. Crowded though it is and lacking adequate equipment, yet the work goes on and the constituency of the University is well served. It also finds opportunity to dig still deeper into the problem of Szechwan's agricultural and rural life, repeatedly coming forward with new contributions to the progress in developing a new era in West China.

It is reported that commodities and labor have reached new highs during the year and that frequent adjustments in budgets are necessary to meet the rising tide resulting from a depreciated currency. To help absorb these needs the participation in the Associated Boards program has helped greatly, along with promotional activities within the organization of the Trustees. Total funds received through these channels and known as Sustaining Funds amounted to \$27,796.92. This was somewhat less than the preceding year, but the lower currency rate and a relatively decreased budget did not permit of a large allocation by the Associated Boards with a smaller program of total askings.

The following papers, all dated June 30, 1940, also form a part of this report and are recommended for study and comparison:

- (a) Trial Balance Sheet
- (b) Budget Analysis
- (c) Consolidated Balance Sheet
- (d) List of Securities

Figures bearing upon the 1939-40 report have all been checked by the auditors, Messrs. Chambellan, Berger & Welti.

ENDOWMENT SECTION

The gross total in endowment funds increased through twelve months by \$6,703.19 to \$1,055,668.77. This was entirely within the Famine Funds account, lessened considerably by losses sustained through changing securities in the Hoover Trust Fund. The increase is accounted for as follows:-

Famine Funds transferred from Current (unused)	8,003.05
" " gain in Bethlehem Steel bonds called	637.50
" " income on Savings Bank accounts	33.03
Income, Stabilization Funds	125.11
	<u>8,798.69</u>
Less loss on sale of bonds in Hoover Trust Fund	<u>2,095.50</u>
	INCREASE..... 6,703.19

Changes in investments and handling of cash are reviewed as follows:-

General

Purchased \$3,000 Penn Water		3,172.50	
Less: Cash received on Solomon mortgage.....	79.00		
Sale of I.R.T. bonds.....	778.33		
Income on Stabilization Fund.....	125.11		
Cash advanced from 1938-39.....	2064.95		3,047.39
			<u>125.11</u>
	INCREASE.....		125.11

In the sale of the Interborough Rapid Transit bonds, there was a loss of \$187.92 net carried into the foregoing schedule.

Famine Funds

Purchases - 100 sh. Consumers Power 4 $\frac{1}{2}$ % Pfd. .	10,300.00	
\$5,000 Public Service of Indiana..	5,187.50	
Interest in savings banks.....	33.03	
Cash on Hand.....	52,478.05	
		<u>67,998.58</u>

Less Payments on Mortgage Loans:

Brentwood, Washington, D.C.	10,000.00	
Shannon Luchs, " "	400.00	
J.J. Moebs, " "	39,062.50	
Bethlehem Steel bonds called.....	9,862.50	59,325.00
		<u>8,673.58</u>
	INCREASE.....	

This increase agrees with the Famine Fund cash as shown in the preceding schedule, of which \$8,003.05 was the unused portion of the 1938-39 appropriation.

Receipts on mortgage loans is agreeable to previous instructions of the Nanking Board, requesting the National Savings and Trust Company in Washington, D.C. to make collections on all loans and remit the proceeds to the Treasurer.

Hoover Trust Fund

Proceeds from sale of Georgia, Carolina & Northern bonds..	1,067.00	
Loss on sale of foregoing.....		2,095.50
Total investment.....		<u>3,162.50</u>
Less: Cost of 30 sh. W.T. Grant common.....	977.40	
Cash on hand.....	89.60	1,067.00
		<u>2,095.50</u>
	DECREASE.....	

The consolidation of gains and losses:

General increase.....	125.11	
Famine Funds increase.....	8,673.58	
Hoover Trust Fund (loss).....	2,095.50	6,703.19

The poor character of the Georgia, Carolina & Northern bonds prompted the Finance Committee to dispose of them and invest the proceeds in W.T. Grant common stock, paying a regular dividend of \$1.40.

Income for the year in endowment funds totaled \$17,364.18, which includes \$3,150. back dividend payment on Aluminum Company of America. The net available for 1939-40 amounts to \$14,214.18. The percentage was .050.

Value of securities as shown totals \$272,897.27, as against \$271,719.67 last year. Deducting the cash increases the difference shows a gain of \$1,177.60.

PLANT SECTION

There was a slight increase of \$49.60 in this section during the year to a grand total of \$761,129.90. This increase came from the savings bank accounts interest covering the fund for the Freshman Dormitory.

Nanking is not capitalizing any contributions toward buildings on the Chengtu campus as under normal conditions such improvements become the property of West China Union University.

CURRENT GENERAL SECTION

The total receipts in the Current General section for 1939-40 amounted to \$64,611.59. This included \$25,304.25 in Sustaining Funds secured by the Nanking Founders and the Associated Boards up to June 30. Shortly after the books were closed, additional Sustaining Funds amounting to \$1,118.33, applicable to 1939-40, were received, bringing the total of these funds up to \$26,422.58.

As compared with the previous year, there was a further falling off in endowment income and in Sustaining Funds. Other sources remained fairly constant.

On the expenditure side, appropriations to the field budget increased, and the cost of home administration and promotion declined. The year closed with a small surplus, \$838.44. The details of income and expenditure follow:-

Source	<u>INCOME</u>	<u>1939-40</u>	<u>1938-39</u>	<u>Increase* or Decrease</u>
<u>Mission Boards</u>				
United Christian Missionary Society		1,500.00	1,500.00	--
" " "	(vacancy)	600.00	600.00	--
Methodist Board		1,055.00	1,055.00	--
Presbyterian Board		2,920.00	2,920.00	--
Baptist Board		800.00	800.00	--
<u>Endowment Income</u>				
General		13,820.42	14,207.49	387.07
Swasey Fund		1,940.56	1,988.28	47.72
M.E. Board-Agriculture & Forestry		3,250.00	3,000.00	250.00*
<u>Other Income</u>				
Special		.30	.30	--
Sustaining Funds		25,304.25	33,528.22	8,223.97

Report of the Treasurer
University of Nanking

-4-

June 30, 1940

Source	INCOME (contd.)		Increase * or Decrease	
	1939-40	1938-39	1939-40	1938-39
<u>Designated Funds</u>				
Harvard-Yenching Institute	13,421.06	13,421.06	--	--
Special Support	--	981.00	--	981.00
	<u>64,611.59</u>	<u>74,001.35</u>		<u>9,389.76</u>
<u>EXPENDITURES</u>				
	<u>1939-40</u>	<u>1939-40</u>	<u>1938-39</u>	<u>1938-39</u>
<u>Field Budget</u>				
Current appropriation	24,765.98		23,701.11	
Salaries	1,039.44		950.51	
Library	<u>1,719.58</u>	27,525.00	<u>2,803.38</u>	27,455.00
<u>Home Administration</u>				
Admin. & Promotion	9,320.00		8,886.87	
Audit, Bond, Postage, etc.	355.59		626.60	
Special Promotion	<u>747.25</u>	10,422.84	<u>2,365.31</u>	11,878.78
Inst. of Chinese Studies		13,421.06		13,421.06
U.C.M.S. Vacancy		600.00		600.00
Special		--		981.00
Sustaining Funds available for				
Hospital		1,500.00		3,770.84
University		<u>10,304.25</u>		<u>15,894.67</u>
		<u>63,773.15</u>		<u>74,001.35</u>
		SURPLUS		
		838.44		
		<u>64,611.59</u>		

FAMINE FUNDS

The Endowment Section shows transactions in the Famine Funds principal account. The following shows the income and expenditures in the current budget account:-

<u>Income:</u>			
Receipts from invested funds		20,087.18	
Less custodian fees		<u>211.50</u>	
Net Income			19,875.68
<u>Expenditures:</u>			
Support C.H.Riggs	1,200.00		
Yenching Project	1,500.00		
Special	100.00		
Current Budget	<u>13,000.00</u>	15,800.00	
		<u>4,075.68</u>	19,875.68

The budget called for an expenditure of LC\$186,486.00, of which \$94,800 has been drawn, based on 6 to 1 ratios. However, adjustments will undoubtedly be made by the field which will considerably increase the rate. During 1938-39 the entire budget was not drawn by \$8,003.05, this being transferred to principal account.

HOSPITAL

Income for the Hospital was the same as a year ago from the cooperating Boards, but less from designated gifts. The receipts and expenditures are shown as follows:

<u>RECEIPTS</u>	<u>1939-40</u>	<u>1938-39</u>
Methodist Board.....	340.00	340.00
United Christian Missionary Society.....	375.00	375.00
Presbyterian Board.....	580.00	580.00
Designated Gifts.....	750.50	1,229.16
Sustaining Funds.....	749.50	3,770.84
	<u>2,795.00</u>	<u>6,295.00</u>
 <u>EXPENDITURES</u>		
General Purposes.....	2,491.52	5,991.52
Salary Accounts.....	303.48	303.48
	<u>2,795.00</u>	<u>6,295.00</u>

Emergency and designated funds as shown above are duplicated in the current section to show the total received from Sustaining Fund efforts.

CURRENT SPECIAL

Accounts carried in this section include Harvard-Yenching Restricted and Sustaining Funds which have been reported under the current budget. However, there are several other accounts, as follows:

Directors' Special Funds. This account represents funds received from China for safe keeping and carried in the Bowery Savings Bank. The principal of \$4,600. has earned \$163.68, of which \$94.08 came in during 1939-40.

Endowment Restricted (Non-budget). Income on scholarship funds in this account totaled \$268.65, and it was all sent to the field. Receipts were as follows:

Williams Scholarship	38.38	
Wood Scholarship	38.38	
Sherwin Scholarship	<u>191.89</u>	268.65

Aluminum Company Back Dividend. During the year the balance of back dividends in the Aluminum Company preferred stock was paid, the amount received by Nanking being \$3,150. Recommendations will be made later.

Retirement Reserve Account. The income in this account was far above requirements as shown by the following:

Receipts: Balance July 1, 1939.....	26.82	
Income on securities.....	291.00	
Adjustment Edith Turner's policy.....	272.14	
" Allowance.....	<u>28.00</u>	617.96
 Paid: to Sun Life Assurance Co. for premiums.....		<u>295.12</u>
Balance, June 30, 1940.....		322.84

CASH SITUATION

Total cash carried on hand June 30, 1940 was \$62,615.47, as follows:

	<u>Balance</u>	<u>Overdraft</u>
Endowment Section.....	53,995.26	
Plant.....		93.38
Famine Funds.....	4,075.68	
Current Special.....	4,637.91	
	<u>62,708.85</u>	<u>93.38</u>
	93.38	
	<u>62,615.47</u>	

This was carried in the following banks:

Irving Trust Company, 21st Street Branch - Endowment.....	1,517.21
" " " " " " - General.....	61,098.26
	<u>62,615.47</u>

The savings accounts for: Endowment.....	1,673.40
Plant.....	3,178.89
Current Special,.....	4,763.68
	<u>9,615.97</u>

are carried in Bowery Savings Bank, 130 Broadway.....	4,283.21
" " " " Fifth Ave. at 34th Street.....	4,775.00
Greenwich Savings Bank, 1356 Broadway.....	557.76
	<u>9,615.97</u>

RECOMMENDATIONS

1. That the Famine Funds, and the investments thereof, now carried in the Endowment Section, be transferred to the Famine Funds section; that a special bank account be opened with the Irving Trust Company, 21st Street branch; and that the proper officers of the Board of Founders be authorized to sign such documents as are required by the bank in connection with the opening of this account.
2. That the current surplus of \$838.44 be disposed of as follows:-
 - (a) That \$93.38 be used to clear the deficit of that amount which has stood in the Plant account since November, 1928. This deficit was created when the purchase and shipment of certain equipment slightly exceeded the plant funds available for that purpose.
 - (b) That the remaining \$745.06 plus \$274.94 of the cash balance in the Retirement Reserve Income account be added to the principal of the Retirement Reserve Fund, thus increasing the principal to \$7,300.00.
3. That the \$3,150 received from the Aluminum Company of America as back dividends be placed in an Endowment Income Stabilization Fund, the income thereof to be applied each year as follows: (1) Any or all of this income shall be used, if necessary, to meet any decrease in endowment income below the amounts estimated in the budget; (2) Any income not thus required shall be added to the principal. Deductions from the principal to meet decreases in endowment income shall be made only on the basis of special action by the Finance or Executive Committees or by the Board of Founders.

Respectfully submitted,
 ROBERT C. MORRIS, Treasurer
 C.A. EVANS, Assistant Treasurer
 B.A. GARSIDE, " "
 J.I. PARKER, " "

BALANCE SHEET
UNIVERSITY OF NANKING
JUNE 30, 1940

A S S E T S

Consolidated Endowment Investments	286,220.46
China Famine Fund Investments	474,022.88
Methodist Bd.-College of Agriculture	100,000.00
Swasey	48,750.00
Retirement Reserve Investments	6,263.50
Loss on Sale of Securities	5,896.68
Nanking Realty Corporation	457.11
Cash Awaiting Investment:	
Retirement Cash	16.50
Endowment Cash	1,500.71
Famine Fund Cash	52,478.05
Savings Bank Accounts	1,673.40
Notes Receivable	78,389.48
	<u>1,055,668.77</u>

ENDOWMENT

General Fund	1,024.14
Hall Fund	350,000.00
United Christian Missionary Soc.	10,000.00
Methodist Bd.-College of Agri.	100,000.00
Swasey	48,750.00
China Famine Fund	528,174.33
Endowment Income-Stabilization Fd.	3,373.30
Harriet M. Williams Scholarship Fd.	1,000.00
Mr. & Mrs. Wood Scholarship Fd.	1,000.00
Sherwin Scholarship Fd.	5,000.00
Retirement Reserve Fund	6,280.00
Hoover Trust Funds	1,067.00
	<u>1,055,668.77</u>

L I A B I L I T I E S

PLANT

Land	88,171.41
Buildings: University	277,307.64
Hospital	109,554.03
Science	55,691.95
1927 Dormitory	5,000.00
Language School	4,060.00
Undesignated	13,600.00
Residences: University	90,064.18
Hospital	24,000.00
Equipment: University	16,596.94
Hospital	54,503.95
Science	15,537.49
Gas Plant	228.44
Miscel. Plant Assets: Rural Normal School & Eq.	3,634.98
Savings Bnk. Account	3,178.89

Generals Fds.: Baptist Board	31,764.00
U.C.M.S.	66,675.00
Methodist Board	109,432.00
Presbyterian Bd.	226,277.00
Special Fds.: James Normal School	20,000.00
Sericulture Bldg.	21,000.00
Science Bldg.	55,691.95
Science Equipment	13,550.66
Language School	4,060.00
Gas Plant	2,762.50
Land-Mulberry Orchard	4,000.00
Freshman Dormitory	3,178.89
Miscellaneous	5,215.00
Hospital Funds	111,203.26
Plant Funds trans. from Current	18,332.24
" " " " Famine Funds	52,871.27
Famine Funds for Land	15,022.75

Nanking Balance Sheet - 2

PLANT (contd.)

Amount carried forward	761,129.90	Amount carried forward	761,036.52
		Plant Cash - Overdraft	93.38
	<u>761,129.90</u>		<u>761,129.90</u>

CURRENT GENERAL (before closing)

Directors Current Expense	24,765.98	Current General Cash - Overdraft	12,661.56
" " Salaries	1,039.44	Receipts: Bd. of Directors - Rent a/c	.30
" " Library	1,719.58	" : United Christian Miss. Soc.	1,500.00
Home Administration: Executive Office	9,320.00	" : Methodist Board	1,055.00
" " : Incidentals	158.46	" : Presbyterian Board	2,920.00
" " : Trustees	197.13	" : Baptist Board	800.00
Promotional Expense	747.25	Spec. Gifts for Current Budget	600.00
Disbursed - Spec. Gifts for Current Budget	600.00	Endowment Income - General	421.46
		" " - Hall	13,398.96
		" " - Swasey	1,940.56
		" " - Methodist Board	3,250.00
	<u>38,547.84</u>		<u>38,547.84</u>

FAMINE FUNDS

Famine Fund Expense	15,800.00	Famine Fund Receipts	19,875.68
" " Cash	4,075.68		
	<u>19,875.68</u>		<u>19,875.68</u>

HOSPITAL (before closing)

Current Expense Hospital	2,491.52	Current Cash - Hospital (Overdraft)	749.50
" " Salaries	303.48	Receipts - Methodist Board	340.00
		" - United Christian Miss. Soc.	375.00
		" - Presbyterian Board	580.00
		Sustaining Funds	750.50
	<u>2,795.00</u>		<u>2,795.00</u>

Banking Balance Sheet - 3

CURRENT SPECIAL (before closing)

Current Special Cash	18,048.97	Harvard-Yenching Inst.-Restricted Income	13,421.06
Savings Fund Account	4,763.68	Suspense	3,200.00
Disbursed-Harvard-Yenching Inst.Restricted	13,421.06	" -Seed Account (A.N.Steward)	7.98
" -Sustaining Funds	10,304.25	Endowment Income-Restricted (Non budget)	268.65
		Sustaining Funds	24,553.75
		Retirement Reserve Income	322.84
		Directors Special Funds	4,763.68
	<u>46,537.96</u>		<u>46,537.96</u>

CURRENT SPECIAL (after closing)

Current Special Cash	4,637.91	Suspense	3,200.00
Savings Fund Account	4,763.68	" -Seed Account (A.N.Steward)	7.98
		Endowment Income Restricted	268.65
		Surplus	838.44
		Retirement Reserve Income	322.84
		Directors Special Funds	4,763.68
	<u>9,401.59</u>		<u>9,401.59</u>

ROC



UNIVERSITY OF NANKING
BUDGET ANALYSIS
JUNE 30, 1940

DISBURSEMENTS

RECEIPTS

I. GENERAL UNIVERSITY

<u>Item</u>	<u>Appropriation</u>	<u>Disbursed to June 30</u>	<u>Class A - General Funds</u>	
			<u>Item</u>	<u>Estimated Income</u>
				<u>Rec'd. to June 30</u>
			<u>Mission Board Cash Grants</u>	
			United Christian Miss. Soc. ..	1,500.00 1,500.00
			Methodist Board.....	1,055.00 1,055.00
			Presbyterian Board.....	2,920.00 2,920.00
			Baptist Board.....	800.00 800.00
			Bd. of Trustees-Rent a/c.....	.30
			<u>Endowment Income</u>	
			United Christian Miss. Soc. ..	382.27 382.36
			General.....	38.23 39.10
			Hall Estate.....	13,379.50 13,398.96
			Swasey Fund.....	1,950.00 1,940.56
			Methodist Fd.-Agri. & Forestry	3,000.00 3,250.00
			Sustaining Funds.....	13,500.00 13,500.00
				<u>38,525.00 38,786.28</u>
			Less Home Adm. & Promotion....	11,000.00 11,000.00
				<u>27,525.00 27,786.28</u>
			<u>Class B - Special Funds</u>	
	<u>Estimated Disbursements</u>	<u>Disbursed to June 30</u>		
General Purposes - Directors' Budget		24,765.98	Harvard-Yenching Inst.	13,421.06 13,421.06
Current Expense)		1,039.44	U.C.M.S. Vacancy.....	600.00 600.00
Salaries Account).....	27,525.00	1,719.58	Methodist Bd. Vacancy.....	1,300.00 --
Library)			Sustaining Fund.....	12,796.92 10,304.25
				<u>28,117.98 24,325.31</u>

Nanking Budget Analysis -2

II F A M I N E F U N D
(Estimated rate 6 to 1)

Item	Appropri- ation LC\$	Paid to June 30 LC\$	Paid to June 30 US\$	Item	Estimated Income US\$	Rec'd. to June 30 US\$
General Purposes) Disbursed in New York)	186,486.00	94,800.00	15,800.00	Famine Fund Receipts.....	31,081.00	19,875.68

III H O S P I T A L

	Appropri- ation US\$	Paid to June 30 US\$	Item	Estimated Income US\$	Rec'd. to June 30 US\$
General Purposes) Salaries Account).....	2,795.00	2,491.52 303.48	Methodist Board..... United Christian Miss.Soc. Presbyterian Board..... Sustaining Fund.....	340.00 375.00 580.00 1,500.00	340.00 375.00 580.00 1,500.00
	<u>2,795.00</u>	<u>2,795.00</u>		<u>2,795.00</u>	<u>2,795.00</u>

IV. B O A R D O F F O U N D E R S

	Appropri- ation US\$	Paid to June 30 US\$	Item	Estimated Income US\$	Rec'd. to June 30 US\$
Administration & Promotion.....	9,320.00	9,320.00	Appropriation.....	11,000.00	11,000.00
Incidentals.....)		158.46			
Trustees.....) 680.00		197.13			
Promo. Activities of University....	1,000.00	747.25			
	<u>11,000.00</u>	<u>10,422.84</u>		<u>11,000.00</u>	<u>11,000.00</u>

S U M M A R Y

	Cash Situation, June 30, 1940		Budget Situation, June 30, 1940		
	Balance US\$	Overdraft US\$	Unexpended US\$	Overexpended US\$	Unexpended LC\$
I General University Class A..	261.28	-	-	-	-
Class B..	-	-	1,300.00	-	-
II Famine Fund.....	4,075.68	-	-	-	91,686.00
III Hospital.....	-	-	-	-	-
IV Board of Founders.....	577.16	-	577.16	-	-
	<u>4,914.12</u>	<u>-0-</u>	<u>1,877.16</u>	<u>-0-</u>	<u>91,686.00</u>

ROC

CONSOLIDATED BALANCE SHEET
UNIVERSITY OF NANKING
JUNE 30, 1940

<u>ASSETS</u>		<u>LIABILITIES</u>	
<u>Endowment</u>		<u>Endowment</u>	
University Investment	286,220.46	University Funds	509,774.14
" Cash	1,500.71	Famine Funds	528,174.33
Nanking Realty Corp.	78,389.48	Scholarship Funds	7,000.00
Famine Fund Investment	474,022.88	Stabilization "	3,373.30
" Cash	54,151.45	Hoover Trust "	1,067.00
Retirement Reserve Inv.	6,263.50	Retirement Res."	6,280.00
" Cash	16.50		1,055,668.77
		Less:	
Investments held in trust	148,750.00	Loss Sale Secur.	5,896.68
	<u>1,049,314.98</u>	Overdraft Nanking Realty Corp.	457.11
			<u>6,353.79</u>
			<u>1,049,314.98</u>
 <u>Plant</u>		 <u>Plant</u>	
Land	88,171.41	General Funds	505,351.51
Buildings	582,912.78	Special Funds	129,459.00
Equipment	86,866.82	Hospital Funds	111,203.26
	757,951.01	Famine Funds for Plant	15,022.75
Cash in Savings Banks	3,178.89		<u>761,036.52</u>
Less Cash Overdraft	93.38		
	<u>3,085.51</u>		
	761,036.52		
 <u>Current Assets</u>		 <u>Current Liabilities</u>	
Famine Fund Expense adv. to 1940-41	15,800.00	Famine Fund Receipts car. forward 1940-41	19,875.68
Famine Fund Cash	4,075.68	Suspense (Trustees)	3,200.00
Current Cash	4,637.91	" (Field)	7.98
Savings Fund a/c (field)	4,763.68		3,207.98
	<u>29,277.27</u>	 <u>Restricted Accounts</u>	
		Scholarships	268.65
		Retirement Reserve	322.84
		Surplus 1939-40	591.49
		Directors' Spec. Fds.	838.44
			<u>4,763.68</u>
			<u>29,277.27</u>
	<u>1,839,628.77</u>		<u>1,839,628.77</u>

ROC

UNIVERSITY OF NANKING
LIST OF SECURITIES
JUNE 30, 1940

<u>Amount</u>	<u>Security</u>	<u>Cost</u> <u>Price</u>	<u>6/30/40</u> <u>Market</u> <u>Price</u>	<u>Cost</u>	<u>6/30/40</u> <u>Market</u> <u>Value</u>	<u>Nominal</u> <u>Income</u>
<u>(a) Consolidated Endowment Investments, General Funds</u>						
<u>Mortgages, Real Estate</u>						
4,000.00	1515 Overing Street 5 $\frac{1}{2}$ /34.....	100	85	4,000.00	3,400.00	220.00
5,500.00	40 Lincoln Road, Brooklyn 3-3/4% 1940....	100	70	5,500.00	3,850.00	220.00
10,000.00	136 East 237th Street, Bronx 5% open.....	100	85	10,000.00	8,500.00	500.00
7,841.20	414 Brook Avenue, Bronx 5% open.....	100	85	7,841.20	6,665.02	355.52
<u>27,341.20</u>				<u>27,341.20</u>	<u>22,415.02</u>	<u>1,295.52</u>
<u>Railroad Bonds</u>						
10,000	Baltimore & Ohio R.R. "D" 5/2000.....	101-1/2	24-1/2	10,150.00	2,450.00	100.00
10,000	Missouri-Kansas-Texas "A" 5/62.....	96-1/2	11-1/2	9,652.50	1,150.00	500.00
5,000	New York Central "C" 5/2013.....	99-7/8	51-5/8	4,993.75	2,581.25	250.00
5,000	Northern Pacific Railway "D" 5/2047.....	95-3/8	47-1/2	4,781.25	2,375.00	250.00
5,000	Virginian Railway Co. "A" 3-3/4% 1966....	105-1/2	106-5/8	5,277.50	5,331.25	187.50
<u>35,000</u>				<u>34,855.00</u>	<u>13,887.50</u>	<u>1,287.50</u>
<u>Public Utility Bonds</u>						
10,000	American Power & Light Deb. 6/2016.....	105-2/5	95	10,540.00	9,500.00	600.00
5,000	American Telephone & Telegraph 5 $\frac{1}{2}$ /43.....	101-3/4	106-5/8	5,087.50	5,331.25	275.00
10,000	Central Illinois Public Service "A" 3-3/4 due 1968.....	100-1/2	102	10,050.00	10,200.00	375.00
10,000	North American Company Deb. 4/59.....	101-1/4	105-1/4	10,125.00	10,525.00	400.00
3,000	Penn Water & Power Ref. 3 $\frac{1}{4}$ /70.....	105-3/4	105-1/4	3,172.50	3,157.50	97.50
10,000	Public Service Northern Illinois 3 $\frac{1}{2}$ /68....	104-3/4	107-1/2	10,500.00	10,750.00	350.00
5,000	Wisconsin Electric Power 3 $\frac{1}{2}$ /68.....	104-3/4	107-1/8	5,250.00	5,356.25	175.00
<u>53,000</u>				<u>54,725.00</u>	<u>54,820.00</u>	<u>2,272.50</u>
<u>U. S. Government Bond</u>						
5,000	U. S. Treasury Bonds 2-3/4% due 1965-60..	106.29	105.21	5,351.56	5,282.81	137.50

Nanking List of Securities - 2

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>6/30/40 Market Price</u>	<u>Cost</u>	<u>6/30/40 Market Value</u>	<u>Nominal Income</u>
<u>Preferred Stock</u>						
1,400 sh.	Aluminum Company of America 6% Cum.	100	112	140,000.00	156,800.00	8,400.00
80	Atchison, Topeka & Santa Fe 5%.....	100-1/4	47	8,040.00	3,760.00	400.00
				<u>148,040.00</u>	<u>160,560.00</u>	<u>8,800.00</u>
<u>Common Stock</u>						
60 sh.	American Telephone & Telegraph Co.	165-1/8	157-1/4	9,930.30	9,435.00	540.00
100	Nanking Realty Corporation.....	50	50	5,000.00	5,000.00	--
				<u>14,930.30</u>	<u>14,435.00</u>	<u>540.00</u>
				285,243.06	271,400.33	14,333.02
	Cash Awaiting Investment June 30.....			1,500.71	1,500.71	--
	<u>Total of General Funds.....</u>			<u>286,743.77</u>	<u>272,901.04</u>	<u>14,333.02</u>
<u>(b) Hoover Trust Funds</u>						
5,000	Bolton Square Improvement Co. 7% 1932.....	-	-	-	-	-
30 sh.	W. T. Grant Co. common stock.....	32-3/8	31-1/2	977.40	945.00	42.00
	<u>Total of Hoover Trust Funds.....</u>			<u>977.40</u>	<u>945.00</u>	<u>42.00</u>
<u>(c) Famine Fund Investments</u>						
<u>Real Estate Notes, Nat'l. Savings & Trust</u>						
29,721.46	E.D. Rheem, 3039 "Q" St., N.W. 5/41.....	100	70	29,721.46	20,805.02	1,486.07
3,000.00	Shannon & Luchs, R.I. Ave. N.E. at 15 St. 6/33	100	25	3,000.00	750.00	--
<u>32,721.46</u>				<u>32,721.46</u>	<u>21,555.02</u>	<u>1,486.07</u>
<u>Railroad Bonds</u>						
5,000	Atchison, Topeka & Santa Fe Rwy. 4/95.....	103-1/2	79	5,175.00	3,950.00	200.00
10,000	Pennsylvania Railroad Co. "C" 3-3/4% 1970.	102-1/8	85	10,237.50	8,500.00	375.00
5,000	Virginian Railway Co. "A" 3-3/4% 1966.....	103-1/4	106-5/8	5,175.00	5,331.25	187.50
<u>20,000</u>				<u>20,587.50</u>	<u>17,781.25</u>	<u>762.50</u>

Ranking List of Securities - 3

Amount	Security	Cost Price	6/30/40 Market Price	Cost	6/30/40 Market Value	Nominal Income
<u>Industrial & Utility Bonds</u>						
5,000	General Motors Acceptance 3 $\frac{1}{2}$ /51.....	102-3/4	103-3/8	5,150.00	5,168.75	162.50
5,000	Ohio Edison Company 4/67.....	99-1/2	105-7/8	4,987.50	5,293.75	200.00
10,000	Ohio Power Company 3 $\frac{1}{4}$ /68.....	103-1/2	107-1/2	10,350.00	10,750.00	325.00
5,000	Public Service of Indiana "A" 4/69.....	103-1/2	100-1/4	5,187.50	5,012.50	200.00
10,000	Virginia Electric & Power "B" 3 $\frac{1}{2}$ /68.....	107-1/2	107-3/4	10,775.00	10,775.00	350.00
5,000	Westchester Lighting Co. 3 $\frac{1}{2}$ /67.....	98-1/4	107-3/4	4,912.50	5,387.50	175.00
40,000				41,362.50	42,387.50	1,412.50
<u>U. S. Government Bonds</u>						
268,000	U. S. Treasury Bonds 4 $\frac{1}{4}$ /1952.....	100	118.11	268,000.00	317,161.25	11,390.00
65,000	U. S. Treasury Bonds 3% 1951-55.....	100.13	109.2	65,304.69	70,890.63	1,950.00
25,000	U. S. Treasury Bonds 2-3/4% 1960-65.....	100.23	105.21	25,178.13	26,414.06	687.50
358,000				358,482.82	414,465.94	14,027.50
<u>Preferred Stock</u>						
40 sh.	Consolidated Edison 5%.....	107-7/8	102-3/8	4,328.60	4,095.00	200.00
100	Consumers Power Co. 4 $\frac{1}{2}$ %.....	103	94-3/8	10,300.00	9,437.50	450.00
120	North American Company 5-3/4%.....	52	50-1/2	6,240.00	6,060.00	345.00
				20,868.60	19,592.50	995.00
				478,022.88	515,782.21	18,683.57
	Plus Cash Awaiting Investment 6/30/40.....			52,478.05	52,478.05	--
	On Deposit in Savings Banks.....			1,673.40	1,673.40	33.03
	Total of Famine Funds.....			528,174.33	569,933.66	18,716.60
<u>(d) Retirement Reserve Fund</u>						
20 sh.	Atchison, Topeka & Santa Fe 5% Pfd.	100-1/4	47	2,010.00	1,940.00	100.00
2,000	Cleveland Union Terminal Co. "B" 5/73.....	90	71	1,805.00	1,420.00	100.00
2,000	North American Co. Deb. 4/59.....	101-1/4	105-1/4	2,025.00	2,105.00	80.00
400	U. S. Treasury Bonds 2-3/4% due 1960-65.....	105.20	105.21	423.50	422.63	11.00
				6,263.50	4,887.63	291.00
	Plus Cash Awaiting Investment 6/30/40.....			16.50	16.50	--
	Total of Retirement Reserve Funds.....			6,280.00	4,904.13	291.00
	GRAND TOTAL.....			822,175.50	848,683.83	33,382.62

ROC



MINUTES OF MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

3:30 P.M. Friday, November 1, 1940
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

Amer. Baptist	J. W. Decker	*D. M. Albaugh	
Methodist, No.	*R. E. Diffendorfer	Robert C. Morris	*F. T. Cartwright
Presby., No.	*Theodore C. Speers	Lloyd S. Ruland	*E. C. Lobenstine
Disciples	Alexander Paul	Stephen J. Corey	C. M. Yocum
	C. T. Paul		
Ginling Coll.	*Margaret E. Hodge	Mrs. F. J. McConnell	J. H. Banton
Coopted	Geo. B. Huntington	Morris W. Ehnes	*John T. Ogden
	Kenneth W. Moore	W. Reginald Wheeler	Robert E. Speer

Those whose names are starred were present, as were also Dr. J. Claude Thomson of the faculty of the University, Mr. C. A. Evans, Mr. B. A. Garside, and the Secretary.

The meeting was opened with prayer by Dr. Speers, President of the Board.

APPROVAL OF MINUTES

It was

BF-1134 VOTED to approve the circulation vote of the Executive Committee of June 19, 1940, as recorded and sent out by the Secretary.

BUSINESS ARISING FROM PREVIOUS MINUTES

The Secretary reported on the progress of carrying out the provisions of actions taken by the Board as follows:-

The Finding of a Religious Leader to Go to China.

A committee of the Associated Boards is actively working on this matter.

Return of Dr. and Mrs. Thomson to China.

It was reported that word had been received from the Presbyterian Board that the appropriate actions had been taken, and that Dr. and Mrs. Thomson would be expected to return to the University upon completion of their furlough.

Request for Budget Restoration for the University Hospital.

It was reported that the Presbyterian Board had taken action expressing regret that they were unable to increase the present appropriations to the Hospital, but at the same time referring the request to the China Council.

The Methodist Board reported having the matter under consideration at their Annual Meeting, which is being held within a few days.

Request for Payments on Staff Vacancies.

It was reported that the United Christian Missionary Society would continue their payments on their present basis, that the Methodist Board had recommended in the budget proposed to their annual meeting the payment of the vacancy allowances, and that the Presbyterian Board reported that the usual payments being made in China were being continued as at present.

Securing of Photographic Material from the Field.

It was reported that the President of the University had appointed a committee to deal with the matter of publicity, and that there is hope that photographic material and additional publicity matter will be received before very long.

REPORT OF THE FINANCE COMMITTEE

The minutes of the meeting of the Finance Committee held on October 30, 1940 were presented and reviewed. The minutes included a report on famine funds, investments and field accounts, as well as making certain recommendations on other items. The entire report was given careful consideration and the actions taken under minutes F-1130 through F-1133 were carefully discussed, after which it was

BF-1135 VOTED to approve the minutes of the Finance Committee meeting of October 30, 1940, and particularly approve and adopt the following actions and recommendations:-

(1) "That the salary during furlough of Dr. R. O. Wilson and family be \$150.00 per month, plus children's allowance and rent as required. (F-1130)"

(2) "That a committee of three be appointed to study the principles and conditions existing in the dealing with Western staff members. (F-1131)"

The following committee was appointed: Dr. Cartwright, Dr. Decker, Miss Hodge.

(3) "That the Treasurer's Report for 1939-40 be received and placed on file, and that the recommendations be approved. (F-1132)"

(4) "That the Auditors' Report be accepted and that same be placed on file. (F-1133)"

DR. J. CLAUDE THOMSON

Dr. J. Claude Thomson being present at the meeting was welcomed by the President and the members of the Board, and was asked to speak from the background of his recent experiences in China. Dr. Thomson first presented the greetings of the officers and faculty of the University to the Board. He then reviewed briefly some of the activities that were being conducted in West China and spoke of the lines of cooperation of the four Colleges in Chengtu. He felt that the spirit was very fine, and the attitude of the University towards settling down to a piece of thorough-going work was apparent.

Since he had considerable experience with the handling of freight, he gave several intimate details of the problems involved. In connection with his report on transportation, the Secretary read a quotation from a letter from Mr. H. D. Robertson, Vice-Chancellor of West China Union University, in which he expressed for his group the great appreciation that they had for the work done by two particular staff members of the University of Nanking, Dr. Smythe and Dr. Thomson, in the efficient handling of the transportation of supplies for the Universities.

MINUTES OF THE EMERGENCY EXECUTIVE COMMITTEE IN CHENG TU

The minutes of the meeting of the Emergency Executive Committee in Chengtu held on June 10, 1940 were carefully reviewed and several items were particularly noted as being important for the attention of the members of the Board of Founders. The action of the Emergency Executive Committee regarding insurance of the buildings was given some particular attention. After discussion, it was

BF-1136 VOTED to send a note of appreciation to the Emergency Executive Committee in Chengtu for the action taken in insuring the buildings, and also to request the Committee to send to the Board of Founders details as to the companies in which the insurance is held, the conditions and requirements of the policies, and whether or not the companies have definitely accepted as a basis of payment of claims the valuations as given by the University.

It was also

BF-1137 VOTED to ask the Associated Boards to make a study of the insurance of college properties, and to report to the Board of Founders their findings.

The Emergency Executive Committee in vote EE-123 requested the Board of Founders to invite Dr. and Mrs. Robert O. Wilson to return to the University Hospital after furlough. The very effective and satisfactory work which Dr. Wilson has done was noted by the Founders and it was

BF-1138 VOTED to approve the return of Dr. and Mrs. Wilson to the field, subject to regular and satisfactory health examinations.

PROPOSED VISIT OF MISS PRIEST TO NANKING

The Executive Committee of the Ginling Board of Founders had recently recommended that Miss Priest be asked to visit Nanking for a period of a month to six weeks, and to return to Chengtu before going on furlough. This recommendation was made because of a feeling that there was need for a fresh understanding of the ways of coordinating the work in Nanking and in Chengtu. After discussion, it was

BF-1139 VOTED that the Nanking Board of Founders recognize the desirability of Miss Priest making a visit to Nanking, and therefore recommend that arrangements be made for such a visit.

MEMORANDUM OF THE HARVARD-YENCHING INSTITUTE

The printed memorandum giving the details of the methods and policies of the Harvard-Yenching Institute had been circulated with the agenda. Mr. Garside

presented the memorandum with some further explanation, after which it was

BF-1140 VOTED to ask the Secretary to express to the Harvard-Yenching Institute the appreciation of the Board of Founders for this very careful statement regarding the plans, policies, and operations of the Institute.

It was felt that the document was not only of importance, but that the members of the Board would take the opportunity to study the matter carefully as outlined in the memorandum.

Dr. Lobenstine suggested that a problem such as this one of the Harvard-Yenching Institute was the sort of subject which should come to the attention of the Annual Meeting for careful presentation, so that the members of the Board might become more aware and conversant with the branches of cultural development which are being carried on by the University. It was suggested that various subjects of this kind could be presented from time to time to the Board, particularly at the Annual Meeting.

RECOMMENDATIONS FROM ASSOCIATED BOARDS EXECUTIVE COMMITTEE

The Executive Committee of the Associated Boards had recommended to the Board of Founders that certain items from the report of the Committee on Christian Character, Staff and Curriculum be referred to the authorities on the field. It was

BF-1141 VOTED that the recommendations so made be referred to the authorities on the field as follows:-

"To refer to the authorities on the field, through their Boards of Trustees or Founders in America, (a) the recommendations on Page 4 of the report, Section VII, Paragraphs 1 and 2, as follows:- (E-1125)

'1. The individual colleges and universities are asked to make a study of their budgets, taking into account the original Christian purpose of the founders of these colleges, with a view to determining what portion of the funds which are provided by the founders directly or indirectly, and also what funds which they themselves secure, should be used for the maintenance of the curriculum departments of religion.

'2. It is the conviction of this sub-committee that each college and university should take the primary responsibility for the maintenance of its department of religion and should devote a proper portion of its income to this purpose. Nothing in these proposals should be interpreted as lessening that responsibility.'

"(b) The recommendations on Page 5, Section, 1, Paragraphs 1, 2, and 3, as follows:-

'1. That our primary responsibility here in America is to cooperate in securing missionary faculty appointees from this country, for every department, who have the idea very definitely in mind that these colleges be made 'more efficient, more Chinese, and particularly more Christian'; and are the kind of people who will accomplish this end.

'2. That the college boards in China exercise great care in selecting

Chinese faculty members with these same objectives in view.

'3. That we endeavor to bring outstanding leaders of the China colleges to visit America.'

"(c) The recommendation on Page 5, Section II, Paragraph 1, as follows:-

'1. That we would emphasize the necessity of having in the entering classes each year a large proportion of students who are Christian or graduates of Christian middle schools. We note with approval the emergency assistance which the Associated Boards is giving to Christian middle schools through the China Christian Educational Association, and believe that the colleges must take an increased responsibility for the welfare of the Christian middle schools in order to safeguard their own Christian character.'

"In connection with the reference of these items to the field, the officers of the Associated Boards are instructed to send as strong letters as possible to the individual Boards, and to the authorities on the field, asking for careful and thorough consideration and action."

"To refer to the Council of Higher Education, and to the authorities of the individual Colleges, the request on Page 6 of the report, Section II, Paragraph 2, as follows:-

'2. That we request the colleges in cooperation with the Council of Higher Education to make a study of scholarships available for students in the Christian colleges and trends over a ten or fifteen year period, especially with reference to their effect in relating the colleges to the church, and bringing in students from Christian homes."

NOMINATION OF TWO REPRESENTATIVES TO THE GINLING BOARD

The Board of Founders is expected each year to nominate two of its members to the Ginling Board, subject to election by the Ginling Board. It was pointed out that the present representatives are Dr. Lobenstine and Dr. Decker. Dr. Decker had requested that he be released from this responsibility because of his heavy duties as President of the Associated Boards. After discussion, it was

BF-1142 VOTED that the following persons be nominated and their names be sent to the Ginling Board of Founders:- Dr. Lobenstine and Mr. Ogden.

The meeting adjourned.

JOSEPH I. PARKER
Secretary

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:00 noon Wednesday, November 6, 1940
Room 606 - 150 Fifth Avenue, New York, N. Y.

List of Members:

*Morris W. Ehnes, Chairman
D. M. Albaugh
*J. H. Banton

*Kenneth W. Moore
Robert C. Morris
Theodore C. Speers

Those whose names are starred were present, also C. A. Evans. Regrets were presented from Mr. Albaugh and Mr. Morris.

INVESTMENTS

The Committee gave thought to the conditions developing out of the prevailing political situation and noted the financial reaction to the Presidential Election. It was the feeling that purchases in the Nanking account be delayed no further; and it was

F-1143 VOTED to authorize the Treasurer to make purchases as outlined in the minutes of the meeting of October 30th.

2348 SEVENTH AVENUE

The question was raised as to the condition of the hospital property located at 2348 Seventh Avenue. The Assistant Treasurer reported that the building is still occupied by the Harlem Music Center, although no taxes or rental are being paid thereon by the tenant. It was suggested that further steps be made toward disposing of the property, and that at the earliest possible moment an investigation of the property and prospects be made and reported back to the Committee.

On motion adjourned.

C. A. EVANS,
Assistant Treasurer

B/

MINUTES OF MEETING
COMMITTEE ON WESTERN STAFF
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

11:00 A.M. Thursday, January 9, 1941
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

Dr. Frank T. Cartwright, Chairman
Dr. J. W. Decker
Miss Margaret E. Hodge

All members of the Committee were present, as were also Mr. Evans and the Secretary.

The meeting was opened with prayer by Dr. Cartwright.

The appointment of this Committee by the Executive Committee of the Board of Founders was reviewed and the problem defined. The general background of the situation was considered and various aspects of the problem discussed. It was apparent that a number of considerations would have to be studied, and that additional meetings of the Committee would have to be arranged. The discussion brought out certain points on which definite action could be taken and as a result, the following matters were voted upon:-

VOTED to recommend to the Board of Founders that it is the sense of this meeting that direct payment of salaries and allowances of University appointed staff be resumed by the New York office as early as possible, and to ask the Secretaries to consider and recommend ways and means of carrying out this arrangement.

VOTED that it was the judgment of the Committee that a schedule of salaries and allowances should be carefully worked out, including provision for the contingency of marriage in cases where the contract concerns a single person.

The Secretaries were asked to prepare for the consideration of the Committee at its next meeting details of the present schedule of salaries, a list of the present staff, and a record of their requirements if the present schedule is followed.

The Secretaries were asked to also have available for the members of the Committee copies of all correspondence relating to the question of Western personnel. It was also suggested that the Chairman of the Committee should seek the information from other sources than that in correspondence and in the files in the office.

The next meeting was planned for Wednesday, January 29, at 2:30 P.M., or in case this date proves inconvenient, the meeting will be held on Friday, February 7, at 2:00 P.M.

JOSEPH I. PARKER
Secretary

CIRCULATION VOTE
EXECUTIVE COMMITTEE
BOARD OF FOUNDERS, UNIVERSITY OF NANKING

January 23, 1941

DR. BATES' FURLOUGH

A letter was received from the United Christian Missionary Society, asking if the Board of Founders would give support to the proposal of Dr. M. Searle Bates coming immediately to America on furlough. The matter was placed before the board members by mail, and it was

E-1144 VOTED that a cable should be sent to President Chen, supporting the request of the United Christian Missionary Society.

The following cable was sent:

"FOUNDERS HEARTILY SUPPORT DISCIPLES' SUG-
GESTION BATES FURLOUGH."

JOSEPH I. PARKER

Secretary

MINUTES OF MEETING
COMMITTEE ON WESTERN STAFF
UNIVERSITY OF NANKING

11:00 A.M. Wednesday, March 5, 1941
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

Dr. Frank T. Cartwright, Chairman
Dr. J. W. Decker
Miss Margaret E. Hodge

All members of the Committee were present, as were also Mr. Evans and the Secretary.

Dr. Cartwright opened the meeting with prayer.

Correspondence with the officers in Chengtu was reviewed. The Chairman reported on having talked with a number of people who were closely in touch with the situation of Western staff members on the field. Growing out of this report the following actions were taken.

PAYMENT OF SALARIES

At the last meeting of this Committee, action was taken recommending the payment of salaries by check through the New York office. It was

VOTED to reiterate the action of payment of salaries, and to express the opinion that this should be done very promptly and not later than the first of the next fiscal year.

It was also

VOTED to recommend to the Board of Founders that Miss Priest be requested to take her furlough at the regular time. In the interest of a better coordination of the continuing program in Nanking and Chengtu, and to help interpret the situation to the Board in America, she be requested to visit Nanking on her way to America, if travelling conditions permit.

In connection with this vote, it was noted that Miss Priest had raised the question about a return passport being available. While it is not possible, at the present time, to forecast the situation regarding passports, it is hoped, when the time comes, that proper presentation to the State Department will secure agreement to the request.

APPOINTMENT OF STAFF

At the present time there are three sources of appointment of staff:-

1. By Founders
2. On the field by Board of Managers
3. By Mission Boards and assigned by authority on the field.

March 5, 1941

The possibility of appointing all staff members through the mission boards or affiliated with mission boards was discussed, and it was

VOTED to ask the secretarial staff to study and suggest to the Founders a recommendation which might be made to the Associated Boards to give fresh consideration to this problem.

REPORT AND RECOMMENDATIONS TO THE BOARD

It was

VOTED that the Chairman of this Committee should prepare the report to the Board of Founders to be considered at the Annual Meeting, with the understanding that the recommendation regarding Miss Priest's furlough should receive earlier consideration, if possible, by the Board of Founders.

DEATH OF MISS MARGARET KEES

Report was made to the Committee of the death of Miss Margaret Kees, who was killed in an automobile accident on the Burma Road on her way home. The Secretaries were requested to see that a memorial resolution be prepared for action of the Board of Founders.

The meeting adjourned.

JOSEPH I. PARKER
Secretary

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:30 P. M. Monday, February 17, 1941.
Aldine Club, 200 Fifth Avenue, New York, N. Y.

List of Members:

*Morris W. Ehnes, Chairman	Kenneth W. Moore
*D. M. Albaugh	*Robert C. Morris
J. H. Banton	Theodore C. Speers, ex officio

Those whose names are starred were present, also C. A. Evans.

Regrets were presented from Mr. Kenneth W. Moore and Mr. J. H. Banton.

2348 SEVENTH AVENUE PROPERTY

The meeting was called primarily to consider two offers received by the Nanking Realty Corporation for 2348 Seventh Avenue as follows:-

(a) \$16,000 from the Hon. Hubert T. Delany, Tax Commissioner of New York City, for an office building -- interest rate of 3 1/4% for five years and 3 3/4% for five years, amortizations of 1% for two years and 2% for eight years, or a substitute offer of \$7,500 cash.

(b) \$15,000 from Abraham Levingson for a hospital -- \$2,000 cash, 3% interest on a ten-year mortgage with 2 1/2% amortizations per year.

The Committee gave very careful consideration to both offers, taking into consideration the probable success of both ventures. It was also noted that a certificate of occupancy could not be secured from the City for any other purpose than embodied in these offers -- the bid by Mr. Jacob Goodman having failed for this reason.

It was noted that the cash payment was somewhat less than annual taxes plus possible cost of foreclosure, and it was felt advisable that a larger down payment should be secured. It was

F-1145 VOTED to authorize the Nanking Realty Corporation to negotiate a sale of 2348 Seventh Avenue with Hon. Hubert T. Delany, provided cash of not less than \$2,000.00 be paid with the hope of securing from twenty-four to twenty-five hundred dollars. Other terms to be as outlined above.

INVESTMENTS

The list of securities held in the Nanking portfolio was reviewed and as the Treasurers are constantly watching same and as there are frequent reviews made by Spencer Trask & Company, it was felt that no further action need be taken. Reference was made to cash on hand, and it was agreed that for the next thirty days it might be advisable to maintain this position.

METHODIST VACANCY AND PAYMENT OF STAFF

The Committee noted with appreciation that under date of January 16th, a letter from Dr. Frank T. Cartwright of the Methodist Board stated that \$1,200. had been included in the budget for a vacancy on the staff at the University. The Treasurer was instructed to report same to the Field Treasurer.

FIELD BANK ACCOUNT FOR UNIVERSITY OF NANKING

It was stated that the Central Hanover Bank & Trust Company had called attention to the fact that the field account for the University carries signature authorization only for officers on the field. As the account was authorized by the Board of Founders, and as conditions in China may require funds to be drawn from the account here in America through the Board of Founders, it was suggested that the resolution be revised to include the treasurers of the Board of Founders.

After a careful review of the reasons for carrying such an account in the United States, it was

F-1146 VOTED that the field account of the University of Nanking carried at the Central Hanover Bank and Trust Company be revised to include the signatures of the Treasurer and Assistant Treasurers of the Board of Founders, any two being required to draw funds.

FIRE INSURANCE ON BOARD PROPERTY IN NANKING

A letter from the Field Treasurer was presented listing the valuation of Nanking property including a statement covering the procedure of handling fire insurance in China. It was suggested that a study of this situation be presented to the Board of Founders.

On motion adjourned.

C. A. EVANS,
Assistant Treasurer.

B/

MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

Tuesday, May 6, 1941
Room 725, 156 Fifth Avenue, New York, N. Y.

List of Members

Amer. Baptist Methodist Presby., No. Disciples	*J. W. Decker R. E. Diffendorfer *Theodore C. Speers Alexander Paul E. K. Higdon	D. M. Albaugh Robert C. Morris *Lloyd S. Ruland C. M. Yocum	*F. T. Cartwright *Phillips P. Elliott R. M. Hopkins
Ginling Coll. Coopted	*Margaret E. Hodge *Geo. B. Huntington Kenneth W. Moore Robert E. Speer	R. W. Griest Morris W. Eames W. Reginald Wheeler	J. H. Banton John T. Ogden

Those whose names are starred were present as were also Dr. E. C. Lobenstine, Dr. E. M. North, Dr. J. Claude Thomson, Dr. Robert O. Wilson, Mr. O. J. Caldwell, Mr. C. A. Evans, Mr. Vernon Ramseur and the Assistant Secretary.

The meeting was opened with prayer by the President of the Board.

APPROVAL OF MINUTES

It was

BF-1147 VOTED to approve, as circulated, the following minutes of Board and committee meetings held since the last annual meeting:

Finance Committee, October 30, 1940, November 6, 1940, January 3, 1941,
February 17, 1941.
Board of Founders, November 1, 1940.
Circulation Vote, Executive Committee, January 23, 1941.

EMERGENCY EXECUTIVE COMMITTEE

Items of particular interest to the Board of Founders in the minutes of the Emergency Executive Committee of December 13, 1940 were discussed.

The report of President Chen to the Emergency Executive Committee in Chengtu was reviewed with interest and appreciation was expressed for the information contained in the report.

Other items particularly noted were, the arrangements for caring for the work in Nanking, changes in Western staff and need of filling vacancies, requests to Mission Boards regarding transfers of missionaries from East China.

STAFF VACANCIES

It was reported that, in accordance with the original agreement, the constituent Mission Boards are making cash appropriations whenever vacancies occur in their staff appointments to the University. The Methodist Board and the United Christian Missionary Society are making such appropriations at the present time.

Attention was called to the serious situation now faced by the English Department at the University which has been caused by a number of resignations of members of the staff. Minute EE-152, of the Executive Committee in Chengtu, was noted, and it was

BF-1148 VOTED to communicate with the Mission Boards concerned, the request that serious consideration be given to the English Department at the University in planning any transfer of missionaries from occupied to Free China.

Dr. Cartwright pointed out that, in addition to the securing of satisfactory candidates, the obtaining of passports at the present time places additional barriers on the carrying out of appointments. Nevertheless, it was agreed that every effort should be made to find qualified candidates for appointment whose names could be proposed to the authorities on the field.

COMMITTEE ON WESTERN STAFF

Dr. Cartwright reported on the deliberations of this Committee, outlining the problems discovered and discussed. Recommendations were presented to the Board and the following actions were taken:

BF-1149 VOTED that any request made to the Board of Founders for the filling of vacancies on the staff be referred to the Committee on Western Staff, and to recommend to the constituent Mission Boards that vacancies be filled as soon as possible.

Payment of Salaries by the Board of Founders

BF-1150 VOTED to authorize the Treasurer of the Board of Founders to make arrangements to pay directly from New York the salaries of staff members appointed by the Founders. This arrangement should become effective not later than the first of the next fiscal year.

Miss Priest's Work and Furlough

BF-1151 VOTED to express the Founders' great appreciation for the very effective work of Miss Priest for her ability and her profound loyalty to the University of Nanking.

Consideration was given to the question of Miss Priest's furlough which is now overdue. It was noted that the Emergency Executive Committee had requested that this furlough be postponed until 1942. It was reported that West China Union University has just appointed the Bursar and expected him to proceed to the field very soon. After considerable discussion, it was

BF-1152 VOTED that Miss Priest be requested to proceed on furlough not later than October 1, 1941. In the interest of a better coordination of the continuing program in Nanking and Chengtu and to help interpret the situation to the Board of Founders in America, Miss Priest is requested to visit Nanking on her way to America if traveling conditions permit.

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DR. BATES' FURLOUGH

It was reported that Dr. Bates had left Nanking and was due in America soon. Dr.

May 6, 1941

Ruland suggested that it would be well to have a meeting of the Board at which Dr. Bates could present and discuss the conditions in Nanking. It was agreed that a luncheon should be arranged for such a meeting, the date and place to be decided upon as soon as Dr. Bates' plans are known.

DR. ROBERT O. WILSON'S FURLOUGH

Dr. Wilson expressed appreciation for the consideration and help which the Founders and the Associated Boards had given him. He stated that he hoped to return to Nanking as soon as conditions would permit, but at the present time he did not feel that he could again leave his family for an indefinite period. He had recently offered his services to the Army Medical Corps and will probably be accepted. After consideration of the situation facing Dr. Wilson, it was

BF-1153 VOTED that Dr. Robert O. Wilson be placed on the inactive list of appointees and that his furlough allowance be continued until some employment is secured, but, in any case, not longer than June 30, 1941.

It was also

BF-1154 VOTED that the Founders express to Dr. Wilson their great appreciation for his services in Nanking with the hope that conditions may soon permit his return to China.

MISS MARGARET KEES

Miss Margaret Kees, a member of the English Department of the University of Nanking, was killed in an automobile accident on her journey from China to America. It was

BF-1155 VOTED to adopt the following memorial resolution and to forward copies to her family:

The Board of Founders of Nanking University has learned with deep regret of the death of Margaret Kees while traveling over the Burma Road on her return from West China to America.

Miss Kees has been associated with the English Department of Nanking University for the last two years at their new location at Chengtu in Free China. During these two years, life in West China has been very strenuous for everyone connected with the University, but Miss Kees' cheery personality has inspired optimism, and she has made welcome contributions to the general community life as well as her contribution in the classroom as teacher of English.

The Board wishes to record its appreciation of the fine services of Miss Kees toward the program of Christian education of Chinese students with whom she has been associated, and desires to express its deep sympathy with the members of her family in their loss.

In letters from the University, it was reported that after the accident all of Miss Kees' property and possessions were looted. Before leaving Nanking, Miss Kees had agreed to certain financial refunds in adjustment of travel and outfit allowances. Because of the circumstances of her death and the probable loss of considerable

money which she carried with her, as well as her property, the University has suggested to the Board of Founders that the adjustments agreed to be waived so that her family will have the full benefit of anything recovered from the losses sustained. It was, therefore

BF-1156 VOTED to note the suggestion of the authorities in Chengtu and that, in view of the circumstances, the refund of any money to the University be canceled and that any money saved should be sent to her family.

PROPOSAL FOR A UNITED BOARD

Dr. Eric M. North, Chairman of the Associated Boards' Committee on Greater Unity, was present and answered questions concerning the plan for a United Board. It was pointed out that all four of the constituent Mission Boards connected with the University of Nanking had studied the plan and have given general approval, in principle, and appointed representatives to a committee to perfect the plan. After careful discussion, it was

BF-1157 VOTED to approve the plan in principle and to ask the President of the Board to represent the University of Nanking at the meetings of the group working on the final arrangements for a United Board, and that the Chairman appoint an alternate in case he finds it impossible to attend the meetings.

BUDGET FOR 1941-42

Budget figures received from the field were presented and discussed. Since these figures had been received shortly before the meeting, sufficient time had not been available for giving them careful study. After considerable discussion of various items in the budget, it was

BF-1158 VOTED to refer the budget and the askings for 1941-42 from the Associated Boards for further study and early action to the Finance Committee with power.

MIDDLE SCHOOL

In the report of President Chen the question of aid for the Middle School was mentioned. It was also noted that through the China Christian Educational Association efforts were being made to secure emergency relief funds for middle schools in China. It was, therefore

BF-1159 VOTED that the Board of Founders express gratitude to the administrators and faculty of the University of Nanking Middle School for their splendid record of service and that, recognizing the emergency needs of the School, a request be made to the Associated Boards to consider an allocation to the University Middle School if funds are available for this purpose through the efforts of the United China Relief campaign.

INSURANCE ON BUILDINGS

In response to the request of the Executive Committee of the Board of Founders for information regarding the insurance on buildings, a letter from Miss Priest was read, and it was noted that the property had been re-valued and insurance placed with the

Home Insurance Company of New York City. A complete schedule of the insurance had been sent to the office by Miss Priest. It was suggested that Dr. Bates, upon his arrival in America, would probably be able to give some information regarding the insurance arrangements. It was

BF-1160 VOTED to refer the letter and insurance schedule to the Finance Committee for study and such action as may be needed.

DATES OF ANNUAL MEETING

Dr. Cartwright raised a question about the time of the Annual Meeting. He pointed out that proper preparation for the meeting was very difficult when it followed immediately after the Annual Meeting of the Associated Boards. It was, therefore

BF-1161 VOTED to request the Executive Committee to study the question of the date of the Annual Meetings and to make whatever change seems feasible and desirable.

ELECTION OF OFFICERS

The Nominating Committee, Dr. Cartwright and Dr. Ruland, made the following report:-

Coopted Members in the Class of 1944:

Mr. Kenneth W. Moore
Dr. George B. Huntington

Officers:

Honorary President	- Dr. Robert E. Speer
President	- Dr. Theodore C. Speers
Vice Presidents	- Mr. J.T. Ogden; Dr. C.M. Yocum
Treasurer	- Mr. Robert C. Morris
Secretary and Asst. Treasurer	- Dr. B. A. Garside
Asst. Secretary and Asst. Treasurer	- Mr. C. A. Evans
Asst. Secretary and Asst. Treasurer	- Mr. J. I. Parker

Executive Committee:

Dr. Theodore C. Speers, Chairman	Dr. Lloyd S. Ruland
Mr. D. M. Albaugh	Miss Margaret E. Hodge
Dr. Frank T. Cartwright	Mr. John T. Ogden
Dr. J. W. Decker	Dr. C. M. Yocum

Finance Committee:

Dr. M. W. Eames, Chairman	Mr. J. H. Banton
Mr. Kenneth W. Moore	Mr. D. M. Albaugh
Mr. Robert C. Morris	Dr. Theodore C. Speers, Ex-Off.

Committee on Promotion:

Mr. John T. Ogden, Chairman	Dr. W. Reginald Wheeler
Dr. Phillips P. Elliott	Dr. Theodore C. Speers, Ex-Off.
Miss Rebecca W. Griest	

May 6, 1941

Committee on Instruction:

Dr. Lloyd S. Ruland, Chairman
Mr. D. M. Albaugh

Miss Rebecca W. Griest

Associated Boards Committees:

Executive Committee: Dr. J. W. Decker, Dr. R. E. Diffendorfer, Dr. Lloyd S. Ruland

Committee on Finance: Mr. Robert C. Morris, Dr. M. W. Ehnes

Committee on Promotion: Miss Rebecca W. Griest, Dr. Frank T. Cartwright

Committee on Christian Character, Staff and Curriculum: Dr. Frank T. Cartwright,
Mr. D. M. Albaugh

It was

BF-1162 VOTED to instruct the Secretary to cast a unanimous ballot for the persons named by the Nominating Committee.

MEMBER ON THE GINLING BOARD

It was noted that due to the resignation of Dr. E. C. Lobenstine a vacancy had occurred in the nominations to the Ginling Board. It was

BF-1163 VOTED to nominate Mr. D. M. Albaugh and to present his name to the Ginling Board for consideration.

NOMINATIONS FROM THE GINLING BOARD

Nominations from the Ginling Board to the Nanking Board of Founders were reported. The nominations were Miss Rebecca W. Griest and Miss Sallie Lou MacKinnon. It was

BF-1164 VOTED to elect Miss Griest and Miss MacKinnon to membership on the Nanking Board, the expiration of their terms to be in accordance with their terms on the Ginling Board.

The meeting adjourned.

JOSEPH I. PARKER
Assistant Secretary

MINUTES OF MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

2:30 P.M., Wednesday, June 25, 1941

Hotel Parkside, 18 Gramercy Park, So., N.Y., N.Y.

List of Members

Amer. Baptist	*J. W. Decker	D. M. Albaugh	
Methodist	R. E. Diffendorfer	Robert C. Morris	F. T. Cartwright
Presby., No.	Theodore C. Speers	*Lloyd S. Ruland	*P. P. Elliott
Disciples	Alexander Paul	C. M. Yocum	R. M. Hopkins
	E. K. Higdon		
Ginling Coll.	Sallie MacKinnon	*R. W. Griest	
Coopted	Geo. B. Huntington	Morris W. Ehnes	J. H. Banton
	Kenneth W. Moore	*W. Reginald Wheeler	*John T. Ogden
	Robert E. Spear		

Those whose names are starred were present as were also Dr. M. Searle Bates, Dr. J. Claude Thomson, Mr. Evans and the Secretary.

Prior to the meeting the members of the Nanking Board attended a luncheon given in Dr. Bates' honor by the Foreign Missions Conference. At this luncheon, Dr. Bates presented a confidential report on the situation in Nanking and in the occupied territory in Central China. The subjects dealt with were of more general nature than just of the University, but were of great interest to all those who were concerned with missionary work in Nanking. When the luncheon was over, the University of Nanking Board of Founders held their meeting with Mr. John T. Ogden, Vice-President, presiding.

Mr. Ogden introduced Dr. Bates and requested him to speak on whatever problems he felt were important enough to bring before the Board.

REMARKS OF DR. BATES

Dr. Bates reviewed the situation facing the University in Nanking. He stated that the most important problem with which they were concerned was the conservation of the property. This includes the hospital, middle school, the main college buildings and the Rural Institute. He told of the re-forestation project outside the City which had been completely destroyed by large numbers of people seeking wood for the purpose of selling, and thereby having funds with which to purchase food. He stated that the hospital was working full time on a full program. The staff of American doctors is approximately the same as before the war. Miss Hynes has retired this summer. One of the most difficult problems in connection with hospital operations has been the Chinese personnel. It has been hard to secure and keep satisfactory staff members in Nanking. Mention was made of the work on the farms, and it was indicated that the work was being carried on in a very fine way. Agricultural experimentation is not being done however. In the main buildings of the University, a small boys' middle school is being conducted and in the Rural Leaders' Training School there is a large primary school. A farmers' institute has conducted a one-year course for farm boys, specializing in practical and field work. In the hospital, the Nurses' and Technicians' Training School have been continued. The laboratories and library at the University have required considerable attention in keeping them in proper condition. At the present time, there is no great amount of use to be made of the two departments.

The University has been used as a center for relief, Sage Chapel being used as a storage house for grain. The buildings have been kept up without any major

deterioration, and the grounds have been kept in better shape than could be expected under the severe circumstances of the last few years. Some buildings, which have not been otherwise used, are being occupied by families of teachers, particularly those of teachers who have gone to West China. It has been the policy not to rent the buildings except to fellow missionary organizations.

In response to a question about the staff in Chengtu, Dr. Bates mentioned the great need of support to the American staff of the University in two particular ways. The first was that great care should be taken in selecting anyone to be sent to the field in order to make sure that satisfactory work could be done under the extraordinary conditions prevailing at the present time. In this connection the difficulties concerning certain recent appointments were mentioned.

The second point was the need of supporting the morale of the staff by correspondence and such other means as the Board may have at its disposal. In view of these two suggestions, it was felt that a special note should be made in these minutes of the two particular items and to request the members of the Board of Founders to do all in its power to assist in these important factors.

After Dr. Bates' talk, numbers of questions were asked and answered. The question was raised regarding women on the University staff, and it was pointed out that Miss Bauer in the hospital was the only woman missionary remaining on the staff in Nanking.

Upon motion by Dr. Wheeler, it was

BF-1165 VOTED that the Founders express their great satisfaction in welcoming Dr. Bates to America and to express their gratitude for his and his colleagues', both Chinese and missionary, services to the University and to the Christian community, and that Dr. Bates be requested to transmit this action to his colleagues in Nanking.

BUDGET FOR 1941-42

The budget for 1941-42 had been referred to the Finance Committee, but that Committee had not had an opportunity to hold a meeting. It was, therefore, thought best to have the Board give consideration to the budget and, after reviewing it, it was

BF-1166 VOTED to look with favor on the budget as presented and to refer it to the Finance Committee with the request for their final approval, subject to such revisions as they might find necessary.

The meeting adjourned.

JOSEPH I. PARKER
Secretary

MINUTES OF MEETING-
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:30 P.M. Friday, June 27, 1941
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

*Dr. M. W. Elmes, Chairman	Mr. J. H. Banton
Mr. Kenneth W. Moore	Mr. D. M. Albaugh
*Mr. Robert C. Morris	Dr. Theodore C. Speers, Ex-officio

Those whose names are starred were present, also Mr. C. A. Evans. Regrets were presented from Mr. Kenneth Moore and Mr. J. H. Banton. Mr. Albaugh and Dr. Speers were absent from the City.

BUDGET FOR 1941-42

It was stated that action BF-1158 of the Annual Meeting referred the 1941-42 budget to the Finance Committee for final action. Attention was also called to the action of the Board of Founders (BF-1166) approving the budget after study by the Finance Committee.

After studying the various items in proposed income, it was

F-1167 VOTED that the Board of Directors be notified that subject to adjustment of charges for the operation of the Associated Boards program and in addition to the personnel supplied by the cooperating Mission Boards, the Board of Founders will contribute toward the budget of the University of Nanking during the fiscal year of 1941-42 the following amounts:-

A. Toward the General Budget

US\$24,965.00

To be secured from the following sources:

Missions Board Cash Grants:

United Christian Missionary Society	US\$1,500.00
Methodist Episcopal Board	1,055.00
Presbyterian Board	2,920.00
Baptist Board	800.00
	<u>6,275.00</u>

Endowment Income:

United Christian Missionary Society	400.00
General	40.00
Hall Estate	13,800.00
Swasey Fund	1,950.00
M. E. Bd. (Agr. & Forestry)	3,500.00
Special Gifts	11,000.00
	<u>30,690.00</u>
Less: Home Administration	<u>12,000.00</u>
	18,690.00

B. Toward the Budget of the University Hospital

1,295.00

To be secured from the following sources:

June 27, 1941

Methodist Board	340.00
United Christian Missionary Society	375.00
Presbyterian Board	580.00
	<u>1,295.00</u>

C. From Specially Designated Items the following amounts, which will be transmitted to the field when and as received:

15,221.06

To be secured from the following sources:

Harvard-Yenching Institute	13,421.06
United Christian Missionary Soc. Vacancy	600.00
Methodist Board Vacancy	1,200.00
	<u>15,221.06</u>

It was also

F-1168 VOTED that in addition to the foregoing the Board of Founders endeavor to secure through its own Board, the Associated Boards and the United China Relief sufficient funds to cover the request from the field, including the \$11,000 listed as Special Gifts under "A", and that such funds will be re-mitted to the field when and as received.

In the handling of the Famine Funds, it was

F-1169 VOTED that the Board of Founders authorize the Finance Committee to make sale of any securities during the year 1941-42 from the Famine Fund security list as may be necessary to fill budget requirements in addition to income received on Famine Fund securities, the amount to yield not in excess of LC\$486,605., as set forth in the 1941-42 budget.

ASKINGS FROM ASSOCIATED BOARDS

The Committee noted that the total deficit for the 1941-42 budget appeared to be US\$47,352.21 which includes \$11,000 as listed in the budget under Section A. It was

F-1170 VOTED that the Finance Committee approve the askings from the Associated Boards -- the total being \$47,352.21 as representing actual needs for balancing the 1941-42 budget.

INSURANCE ON PROPERTY

Action BF-1160 referred the matter of insurance on field property to the Finance Committee, and it was reported that Dr. Bates had discussed the matter with the Treasurer's Office and that the information contained in the letter of January 10, 1941 from the field covered the situation. This letter stated that the insurance is being carried with the Home Insurance Company of 59 Maiden Lane, New York City, and that the policies are carried for one year and renewed annually. An itemized schedule showing the properties included in the policy was attached to the letter of January 10, and it was

F-1171 VOTED to thank the field for the information contained in the letter of January 10, 1941 covering insurance on property in China.

INVESTMENTS

A study of the investment portfolio was presented to the Committee -- same having been compiled by Spencer Trask & Company. Recommendations were made to sell the Cleveland Union Terminal 5s as not of proper grade, American Telephone 5 $\frac{1}{2}$ s which may be re-financed, and the U. S. Treasury Bonds selling at high premium. The Committee felt it inadvisable to disturb these items at the present time -- the first two because of income and the latter because the University does not compute income to maturity. Recommendations were made to sell American Power and Light 6s of 2016 because of the recent appreciation and of their BB quality. It was

F-1172 VOTED to sell 10 American Power and Light 6s/2016 gold debenture bonds at 110 -- disposition of proceeds to be made at time of sale.

On motion adjourned.

C. A. EVANS
Assistant Treasurer

REPORT OF THE TREASURER
TRUSTEES OF UNIVERSITY OF NANKING

Year Ending June 30, 1941

The University of Nanking continued its work during the year on the Campus of West China Union University at Chengtu. The property at Nanking was in some degree used for lesser educational activities, supplying a much needed opportunity for Chinese in the former capital.

The work at Chengtu broadened still more during the year to take on additional responsibilities in that far flung area of Szechwan.

The University of Nanking must be grateful indeed for the fine hospitality extended by the West China Union University. It is to be hoped that the experience will be stimulating to both institutions.

The Hospital continued its mission of mercy at Nanking, many reports having been received of its fine work. Famine Funds benefited somewhat from favorable exchange, but the final accounting has not been made in this fund for 1940-41.

This report is accompanied by the following:-

- (a) Trial Balance Sheet
- (b) Budget Analysis
- (c) Consolidated Balance Sheet
- (d) List of Securities

Figures pertaining to the fiscal year of 1940-41 have been checked by the auditors, Messrs. Chambellan, Berger and Welti.

ENDOWMENT

Funds in this section increased during 1940-41 by \$9,537.51 to a new total of \$1,065,206.28. One large item in this increase was the establishing of the Endowment Income Stabilization Fund by the use of back dividends from Aluminum Preferred stock. Another large item was the crediting of unused income for 1939-40 to the principal of the fund. The details follow:

Income 1939-40 credited to Famine Fund.....	\$5133.04	
Income on Savings Deposit a/c " "	26.62	
Income on Harvard-Yenching Stabilization Fund...	137.60	
Principal set up in Stabilization - Income a/c..	3150.00	
Income on " " " "	70.25	
Increase in Retirement Reserve account	1020.00	\$9537.51

The increase of \$1020.00 in Retirement Reserve came from last year's surplus and \$274.94 from the income account.

Changes in securities and cash in the General Fund are shown as follows:

\$3,000 North American Bonds, 4s, 1959. Called ..	\$3105.00	
Distribution of Cash on Mortgage Bonds.....	78.21	
	<u>3183.21</u>	
Purchase of 40 shs. Parke, Davis & Co. Common....	1370.00	
Decrease in Investments	\$1813.21	\$1813.21

Changes in Famine Fund Investments:

Payments received on Rheems Mtg. Washington, D.C.		\$ 1587.19	
" " " Shannon & Luchs " "		200.00	
5M General Motors 3 $\frac{1}{4}$ s, '51. Called		5150.00	
Cash used from 1939-40.....		<u>32619.15</u>	
			\$39556.34
Purchased 300 shs. Parke Davis Common stock.....	\$10248.00		
" 5M Westchester Lighting Bonds, 3 $\frac{1}{2}$ s, '67..	5415.00		
" 10M South'n Calif. Edison Bonds, 3s, '65.	10412.50		
" 10M U.S. Treasury 2-3/4, 60/65	10881.88		
" 200 shs. Montgomery Ward Common	<u>7732.00</u>	44689.38	
			5133.04
Increase in Investments			
Increase in Cash Awaiting Investment			
Retirement Reserve.....	1020.00		
General Endowment.....	5171.06		
Income on Savings Accounts.....	26.62	<u>6217.68</u>	11350.72
Less decrease in General Investments			<u>1813.21</u>
			\$ 9537.51

The continued liquidation of Mortgage loans in Washington is an agreeable feature of the Famine Fund Securities. There are prospects now of very little if any loss from this type of investment.

Income for the year on Endowment Funds less custodian charges is shown as follows:

General Endowment.....	\$15121.08
Famine Funds.....	19270.42
Annuity Funds.....	291.00
	<u>\$32682.50</u>

The market value of the general fund securities is shown on the list attached to this report as being \$277,170.37 in June 30. A year ago the value was \$272,897.27.

PLANT SECTION

Plant funds increased during the past 12 months by \$47.91 to a total of \$761,177.81. This came from income in Freshman Dormitory Funds. It is held in a Savings Bank Account.

Transfers within the section consisted of closing out the old plant overdraft of \$93.38 by the use of 1939-40 Surplus.

No other changes were made in this section.

CURRENT

There was a distinct falling off from the previous year of income for current purposes. This was due entirely to the lower askings from and resulting in smaller allocations by the Associated Boards.

The Mission Boards maintained their appropriations and the Methodist Board made an additional payment of \$1,000.00 in lieu of one vacancy on the staff.

Endowment Income showed up much better than a year ago and the Methodist Board raised the rate on the endowment held for Agriculture and Forestry.

CURRENT (cont'd)

Home Administration and Promotion showed an increase over the previous year by \$1,181.00. Cost for the actual work performed as figured at the end of the year justified this charge.

The following schedule shows income and expenditures for the past two years with a column indicating increases or decreases.

<u>Income</u>	<u>1940-41</u>	<u>1939-40</u>	<u>Increase or Decrease*</u>
<u>Source</u>			
<u>Mission Boards</u>			
United Christian Missionary Society.....	\$ 1500.00	\$ 1500.00	--
" " " " (vacancy).....	600.00	600.00	--
Methodist Board.....	1055.00	1055.00	--
" " " " (vacancy).....	1000.00	--	1000.00
Presbyterian Board.....	2920.00	2920.00	--
Baptist Board.....	800.00	800.00	--
<u>Endowment Income</u>			
General.....	14631.45	13820.42	811.03
Swasey Fund.....	1853.22	1940.56	87.34*
M. E. Board of Agriculture & Forestry.....	3500.00	3250.00	250.00
<u>Other Income</u>			
Special.....	.30	.30	--
Sustaining Funds - University.....	16500.00	25304.25	8804.25*
<u>Source</u>			
<u>Designated Funds</u>			
Harvard-Yenching Institute.....	13421.06	13421.06	--
	<u>\$57781.03</u>	<u>\$64611.59</u>	<u>\$6830.56</u>
<u>Expenditures</u>			
<u>Field Budget</u>			
Current Appropriations.....	21205.36	24765.98	3560.62*
Salaries.....	558.40	1039.44	481.04*
Library.....	4736.24	1719.58	3016.66
	<u>\$26500.00</u>	<u>\$27525.00</u>	<u>\$1025.00*</u>
<u>Home Administration</u>			
Administration & Promotion.....	10501.00	9320.00	1181.00
Audit, Bond, Postage, etc.....	407.27	355.59	51.68
Special Promotion.....	274.44	747.25	472.81*
	<u>11182.71</u>	<u>10422.84</u>	<u>759.87</u>
Institute of Chinese Studies.....	13421.06	13421.06	--
Vacancy Funds sent to Field.....	1600.00	600.00	1000.00
Sustaining Funds.....	3561.20	11804.25	8243.05*
	<u>56264.97</u>	<u>63773.15</u>	<u>7508.18*</u>
Surplus.....	1516.06	838.44	
	<u>\$57781.03</u>	<u>\$64611.59</u>	

FAMINE FUNDS

Changes in Principal in this account are shown in the Endowment Section where the securities are held. The income and expenditures are shown as follows:

FAMINE FUNDS (cont'd)

Income

Balance carried forward July 1, 1940.....		\$19875.68	
Income on securities.....	\$19485.61		
Less Custodian Fees	215.19	19270.42	
			\$39146.10
Less			
Cash transferred to principal account.....		5133.04	
To Balance 1939-40 Appropriation.....		14742.64	19875.68
			19270.42

Expenditures

Support of C. H. Riggs.....		1320.12	
Yenching Project.....		500.00	
Current Budget.....		11057.36	12877.48
Balance on hand June 30, 1940			\$ 6392.94

Further adjustment in this account will decrease the above balance as \$LC201,204.98 of the total budget of \$257,827.00 is still undrawn.

HOSPITAL

Cooperating Units continued the same appropriation for the Hospital Budget as last year. The total of other funds was the same. The details follow:

Receipts	1940-41	1939-40
Methodist Board.....	\$340.00	\$340.00
United Christian Miss. Soc. .	375.00	375.00
Presbyterian Board.....	580.00	580.00
Designated Funds.....	308.00	750.50
Sustaining Funds.....	1192.00	749.50
	\$2795.00	\$2795.00

The above-mentioned Sustaining Funds are in addition to the fund listed in Current General.

CURRENT SPECIAL

There are a number of accounts in this Section worthy of reviewing. They are as follows:

Directors Special Funds. Last year we reported a total of principal and interest of \$4,763.68. During the year \$71.80, representing earned interest, was added, bringing the total to \$4,835.48.

Directors Special Reserve Fund. This Fund amounts to \$25,209.92 of which \$21,020.01 is invested in U. S. Treasury Bonds as follows:

\$10,275.63 in 2's of 55/53
10,744.38 in 2½'s of 50/52

Endowment Restricted. (Non Budget) The income for scholarships accruing in this account is shown as follows:

Williams Scholarship.....	\$ 39.99
Wood Scholarship.....	39.99
Sherwin Scholarship.....	201.80
	\$281.78

At the end of the year this amount was deposited to the credit of the field in the Central Hanover Bank and Trust Company.

Retirement Reserve. The transactions in this account showed a marked increase in balance held on hand after the year's work--the details being as follows:

Cash on hand July 1, 1940.....	\$322.84	
Income on securities.....	291.00	
Received from Sun Life for H. Anderson a/c	572.56	
" " " " " M. Kee a/c	72.00	
Total Receipts		\$1258.40
Paid: Sun Life Ins. Co. for Premiums.....	225.88	
Transferred to Retirement Reserve Fund	274.94	500.82
		<u>\$ 757.58</u>

Of the above amount a considerable portion should be reserved for the adjustment of the H. Anderson certificate and \$12.00 on the M. Kee certificate.

CASH SITUATION

The total of cash carried on hand June 30, 1941 was \$48,760.76 distributed in various sections as follows:

	Balance
Endowment Section. Cash.....	\$ 6671.77
Retirement Cash.....	1036.50
Famine Fund Cash.....	19858.90
Current General.....	100.00
Famine Fund (Income a/c).....	6392.94
Current Special.....	14700.65
	<u>\$48760.76</u>

The foregoing cash was carried in the following Bank Account:

Irving Trust Co. 21st Branch, Endowment..	7708.27
" " " " " General....	41052.49
	<u>\$48760.76</u>

In addition to the above the following Savings Accounts were carried for different sections:

Endowment.....	\$1700.02
Plant.....	3226.80
Field Savings Fund Account....	4835.48
	<u>\$9762.30</u>

Savings Banks used are:

Greenwich Savings 1356 Broadway.....	\$ 567.56
Bowery Savings 130 Broadway.....	4347.77
Bowery Savings 5th Avenue Branch.....	4846.97
	<u>\$9762.30</u>

RECOMMENDATIONS

In view of the high cost of commodities and the uncertainty of the cost of transporting supplies, it is

Recommended that the surplus of \$1,516.06 accruing in 1940-41 be appropriated to the field for any use it may desire.

Respectfully submitted,

ROBERT C. MORRIS, Treasurer
C. A. EVANS, Assistant Treasurer
B. A. GARSIDE " "
J. I. PARKER " "

EB

BALANCE SHEET
UNIVERSITY OF NANKING
JUNE 30, 1941

A S S E T S

Consolidated Endowment Investments	284,474.75
China Famine Fund Investments	511,775.07
Methodist Board - College of Agriculture	100,000.00
Swasey Trust Fund	48,750.00
Retirement Reserve Investments	6,263.50
Loss on Sale of Securities	5,829.18
Nanking Realty Corporation	457.11
Cash Awaiting Investment:	
Retirement Cash	1,036.50
Endowment "	6,671.77
Famine Fund "	19,858.90
Savings Bank Accounts	1,700.02
Notes Receivable	78,389.48
	1,065,206.28

ENDOWMENT

General Fund	1,024.14
Hall Fund	350,000.00
United Christian Missionary Society	10,000.00
Methodist Board - College of Agric.	100,000.00
Swasey Trust Fund	48,750.00
China Famine Fund	533,333.99
Harvard-Yenching Institute-Stabilization Fd.	3,510.90
Endowment Income Stabilization Fund	3,220.25
Harriet M. Williams Scholarship Fund	1,000.00
Mr. & Mrs. Wood Scholarship Fund	1,000.00
Sherwin Scholarship Fund	5,000.00
Retirement Reserve Fund	7,300.00
Hoover Trust Funds	1,067.00
	1,065,206.28

L I A B I L I T I E S

PLANT

Land	88,171.41
Buildings: University	277,307.64
Hospital	109,554.03
Science	55,691.95
1927 Dormitory	5,000.00
Language School	4,060.00
Undesignated	13,600.00
Residences: University	90,064.18
Hospital	24,000.00
Equipment: University	16,596.94
Hospital	54,503.95
Science	15,537.49
Gas Plant	228.44
Misc. Plant Assets: Rural Normal School & Equip.	3,634.98

General Funds: Baptist Board	31,764.00
United Christian Miss. Soc.	66,675.00
Methodist Board	109,432.00
Presbyterian Board	226,277.00
Special Funds: James Normal School	20,000.00
Sericulture Building	21,000.00
Science Building	55,691.95
Science Equipment	13,550.66
Language School	4,060.00
Gas Plant	2,762.50
Land-Mulberry Orchard	4,000.00
Freshman Dormitory	3,226.80
Miscellaneous	5,308.38
Hospital Funds	111,203.26

Banking Balance Sheet - 2

PLANT (contd.)

Savings Bank Accounts	3,226.80	Plant Funds transferred from Current	18,332.24
		Plant Funds transferred from Fam. Trust Fd.	52,871.27
		Famine Funds for Land	<u>15,022.75</u>
	<u>761,177.81</u>		<u>761,177.81</u>

CURRENT GENERAL (before closing)

Directors Current Expense	21,205.36	Current General Cash - Overdraft	11,322.74
" " Salaries	558.40	Receipts: Bd. of Directors - Rent Account	.30
" " Library	4,736.24	" : United Christian Miss. Soc.	1,500.00
Home Administration: Executive Office	10,501.00	" : Methodist Board	1,055.00
" " : Incidentals	210.14	" : Presbyterian Board	2,920.00
" " : Trustees	197.13	" : Baptist Board	800.00
Promotional Expense	274.44	Special Gifts for Current Budget	1,700.00
Disbursed - Special Gifts for Current Budget	1,600.00	Endowment Income: General	446.58
		" " : Hall	14,184.87
		" " : Swasey	1,853.22
		" " : Methodist Board	<u>3,500.00</u>
	<u>39,282.71</u>		<u>39,282.71</u>

FAMINE FUNDS (before closing)

Famine Fund Expenses	12,877.48	Famine Fund Receipts	19,270.42
" " Cash	<u>6,392.94</u>		
	19,270.42		<u>19,270.42</u>

HOSPITAL (before closing)

Current Expense Hospital	396.85	Current Cash - Hospital - Overdraft	1,192.00
" " Salaries	2,398.15	Receipts: Methodist Board	340.00
		" : United Christian Miss. Soc.	375.00
		" : Presbyterian Board	580.00

Nanking Balance Sheet 3

HOSPITAL (before closing) (contd.)

Amount carried forward	<u>2,795.00</u>	Sustaining Funds	<u>308.00</u>
	2,795.00		<u>2,795.00</u>

CURRENT SPECIAL (before closing)

Current Special Cash	27,315.39	Harvard-Yenching Inst. -- Restricted	13,421.06
Savings Fund Account	4,835.48	Suspense	104.01
Directors Special Reserve Fund Investments	21,020.01	" - Seed Account (A. N. Steward)	18.63
Disbursed - Harvard-Yenching Inst. Restricted	13,421.06	" - Motion picture Eq. & Supplies	1,008.94
-- Endowment Income -- Restricted	281.78	Endowment Income -- Restricted (Non Budget)	281.78
" - Sustaining Funds	3,561.20	Sustaining Funds	17,797.52
		Retirement Reserve Income	757.58
		Directors Special Funds	4,835.48
		" " " -Inst. of Ch. Cult.	
		Studies	7,000.00
		" " Reserve Fund	<u>25,209.92</u>
	<u>70,434.92</u>		<u>70,434.92</u>

CURRENT GENERAL (after closing)

Current General Cash	<u>100.00</u>	Special Gifts Current Budget	<u>100.00</u>
	100.00		<u>100.00</u>

FAMINE FUND (after closing)

Famine Fund Expenses	12,877.48	Famine Fund Receipts	19,270.42
" " Cash	<u>6,392.94</u>		
	19,270.42		<u>19,270.42</u>

Working Balance Sheet - 4

CURRENT SPECIAL (after closing)

Current Special Cash	14,700.65	Suspense	104.01
Savings Fund Account	4,835.48	" - Seed Account (A. N. Steward)	18.63
Directors Special Reserve Fund Investments	21,020.01	" " Motion Picture Eq. & Supplies	1,008.94
		Sustaining Fund	105.52
		Surplus	1,516.06
		Retirement Reserve Fund Income	757.58
		Directors Special Funds	4,835.48
		" " " Inst. of Chinese	7,000.00
		" " " Cult. Studies	25,209.92
		" " " Reserve Fund	
	<hr/>		<hr/>
	40,556.14		40,556.14
	<hr/>		<hr/>

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UNIVERSITY OF NANKING
BUDGET ANALYSIS
JUNE 30, 1941

DISBURSEMENTS

RECEIPTS

I. GENERAL UNIVERSITY

Class A - General Funds

<u>Item</u>	<u>Appropri- ation</u>	<u>Disbursed to June 30</u>
General Purposes - Directors Budget		
Current Expense)		21,205.36
Salaries Account)	26,500.00	558.40
Library)		4,736.24
	26,500.00	26,500.00

<u>Item</u>	<u>Estimated Income</u>	<u>Rec'd. to June 30.</u>
<u>Mission Cash Grants</u>		
United Christian Missionary Soc.	1,500.00	1,500.00
Methodist Board	1,055.00	1,055.00
Presbyterian Board	2,920.00	2,920.00
Baptist Board	800.00	800.00
Board of Trustees - Rent a/c		.30
<u>Endowment Income</u>		
United Christian Missionary Society	387.70	405.07
General	38.17	41.51
Hall Estate	13,378.33	14,184.87
Swasey Fund	1,988.00	1,853.22
Methodist Bd.-Agri. & Forestry	3,500.00	3,500.00
Sustaining Funds	<u>12,938.80</u>	<u>12,938.80</u>
	38,500.00	39,198.77
Less: Home Adm. & Promotion	<u>12,000.00</u>	<u>12,000.00</u>
	<u>26,500.00</u>	<u>27,198.77</u>

Class B - Special Funds

Harvard-Yenching Inst.	13,421.06	13,421.06
U. C. M. S. Vacancy	600.00	600.00
Methodist Board Vacancy	1,200.00	1,000.00
Sustaining Fund	<u>3,561.20</u>	<u>3,561.20</u>
	<u>18,782.26</u>	<u>18,582.26</u>

Harvard-Yenching Institute	13,421.06	13,421.06
U. C. M. S. Vacancy	600.00	600.00
Methodist Board Vacancy	1,200.00	1,000.00
Sustaining Fund	<u>3,561.20</u>	<u>3,561.20</u>
	<u>18,782.26</u>	<u>18,582.26</u>

Ranking Budget Analysis - 2

Item	Appropriation	Paid to	Paid to	Item	Estimated	Rec'd. to
	LC\$	LC\$	June 30 US\$		Income US\$	June 30 US\$
<u>II F A M I N E F U N D</u>						
General Purposes 40/41)						
Disbursed in New York)	257,827.00	39,006.40	11,820.12	Famine Fund Receipts 1940/41.....	19,322.50	19,270.42
Transmitted to Field)		17,615.62	1,057.36			
	<u>257,827.00</u>	<u>56,622.02</u>	<u>12,877.48</u>		<u>19,322.50</u>	<u>19,270.42</u>
<u>III H O S P I T A L</u>						
	Appropriation	Paid to				
	US\$	June 30 US\$				
General Purposes)	2,795.00	396.85	Methodist Board.....	340.00	340.00	
Salaries Account)		2,398.15	United Christian Missionary Society	375.00	375.00	
			Presbyterian Board.....	580.00	580.00	
			Sustaining Fund.....	1,500.00	1,500.00	
	<u>2,795.00</u>	<u>2,795.00</u>		<u>2,795.00</u>	<u>2,795.00</u>	
<u>IV B O A R D O F F O U N D E R S</u>						
Administration and Promotion.....	10,501.00	10,501.00	Appropriation.....	12,000.00	12,000.00	
Incidentals.....	499.00	210.14				
Trustees.....		197.13				
Promotional Activities of Univ.....	1,000.00	274.44				
	<u>12,000.00</u>	<u>11,182.71</u>		<u>12,000.00</u>	<u>12,000.00</u>	

S U M M A R Y

	Cash Situation, June 30, 1941		Budget Situation, June 30, 1941		
	Balance US\$	Overdraft US\$	Unexpended US\$	Overexpended US\$	Unexpended LC\$
I General University Class A...	698.77	-	-	-	-
Class B...	-	-	-	-	-
II Famine Fund 1940/41.....	6,392.94	-	-	-	201,204.98
III Hospital.....	-	-	-	-	-
IV Board of Founders.....	817.29	-	817.29	-	-
	<u>7,909.00</u>	<u>-0-</u>	<u>817.29</u>	<u>-0-</u>	<u>201,204.98</u>

UNIVERSITY OF NANKING
LIST OF SECURITIES
JUNE 30, 1941

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/41 Market Price</u>	<u>6/30/41 Market Value</u>	<u>Nominal Income</u>
	<u>Endowment</u>					
	<u>Bonds</u>					
5,000	The Bolton Square Imp. Co. 1st Mtg. 7%	-0-	-0-	-0-	-0-	-0-
10,000	American Power & Light 6/2016.....	105-2/5	10,540.00	108-1/2	10,850.00	600.00
5,000	American Telephone & Telegraph 5 $\frac{1}{2}$ /43..	101-3/4	5,087.50	101.19	5,079.66	275.00
10,000	Baltimore & Ohio 5/2000.....	101-1/2	10,150.00	35	3,500.00	500.00
10,000	Central Illinois Public Service 3-3/4. due 1968.....	100-1/2	10,050.00	108-3/4	10,875.00	375.00
10,000	Missouri-Kansas-Texas 5/62.....	96-1/2	9,652.50	28-7/8	2,887.50	500.00
5,000	New York Central 5/2013 Regular.....	99-7/8	4,993.75	61-1/2	3,075.00	250.00
7,000	North American Company 4/59.....	101-1/4	7,087.50	103-7/8	7,271.25	400.00
5,000	Northern Pacific 5/2047.....	95-3/8	4,781.25	57-1/4	2,862.50	250.00
3,000	Penn Water & Power 3 $\frac{1}{4}$ /70.....	105-3/4	3,172.50	106-1/2	3,195.00	97.50
10,000	Public Service Northern Illinois 3 $\frac{1}{2}$ /68	104-3/4	10,500.00	109-3/4	10,975.00	350.00
5,000	U. S. Treasury Bonds 2-3/4% 1965-60...	106.29	5,351.56	111.19	5,579.68	137.50
5,000	Virginia Railway Co. 3-3/4/66.....	105	5,277.50	108-3/8	5,418.75	187.50
5,000	Wisconsin Electric Power 3 $\frac{1}{2}$ /68.....	104-3/4	5,250.00	110	5,500.00	175.00
	Total Bonds		<u>91,894.06</u>		<u>77,069.34</u>	<u>4,097.50</u>
	<u>Preferred Stock</u>					
1,400	Aluminum Company 6%	100	140,000.00	110-7/8	155,225.00	8,400.00
80	Atchison, Topeka & Santa Fe 5%.....	100-1/4	8,040.00	66	5,280.00	400.00
	Total Preferred Stock		<u>148,040.00</u>		<u>160,505.00</u>	<u>8,800.00</u>
	<u>Common Stock</u>					
60	American Telephone & Telegraph Co.....	165-1/8	9,930.30	156	9,360.00	540.00
30	W. T. Grant.....	32-3/8	977.40	31-1/4	937.50	42.00
100	Nanking Realty Corp.....	50	5,000.00	50	5,000.00	-
40	Parke Davis.....	34	1,370.00	26-7/8	1,075.00	64.00
	Total Common Stock		<u>17,277.70</u>		<u>16,372.50</u>	<u>646.00</u>

Ranking List of Securities - 2

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/41 Market Price</u>	<u>6/30/41 Market Value</u>	<u>Nominal Income</u>
<u>Endowment (contd.)</u>						
<u>Mortgages</u>						
4,000	1515 Overing Street, Bronx.....	100	4,000.00	100	4,000.00	220.00
5,500	40 Lincoln Road, Brooklyn.....	100	5,500.00	75	4,125.00	220.00
10,000	136 East 237 Street, Bronx.....	100	10,000.00	85	8,500.00	500.00
7,762.99	414 Brook Avenue, Bronx.....	100	7,762.99	85	6,598.53	351.99
	Total Mortgages		27,262.99		23,223.53	1,291.99
	Total Endowment		284,474.75		277,170.37	14,835.49
<u>Famine Fund</u>						
<u>Bonds</u>						
5,000	Atchison, Topeka & Santa Fe Rwy. 4/95.	103-1/4	5,175.00	91	4,550.00	200.00
5,000	Ohio Edison Company 4/67.....	99-1/2	4,987.50	110	5,500.00	200.00
10,000	Ohio Power Company 3/4/68.....	103-1/2	10,350.00	108-1/2	10,850.00	325.00
10,000	Pennsylvania Railroad 3-3/4/70.....	102-1/8	10,237.50	95	9,500.00	375.00
5,000	Public Service Indiana 4/69.....	103-1/2	5,187.50	108	5,400.00	200.00
10,000	Southern California Edison 3/65.....	104-1/8	10,412.50	104-1/4	10,425.00	300.00
65,000	U. S. Treasury 3% 1951-5.....	100.13	65,304.69	113.6	73,571.88	1,950.00
268,000	U. S. Treasury 4 1/2% 1952.....	100	268,000.00	119.4	319,255.00	11,390.00
35,000	U. S. Treasury 2-3/4% 1960-5.....	105-1/2	36,060.01	111.19	39,057.81	964.50
10,000	Virginia Electric & Power 3 1/8/68.....	107-1/2	10,775.00	110-1/4	11,025.00	350.00
5,000	Virginian Railway 3-3/4/66.....	103-1/4	5,175.00	108-3/8	5,418.75	187.50
10,000	Westchester Lighting Co. 3 1/8/67.....	103	10,327.50	109-3/4	10,975.00	350.00
	Total Bonds		441,992.20		505,528.44	16,792.00
<u>Preferred Stock</u>						
40	Consolidated Edison 5%.....	107-7/8	4,328.60	97-1/8	3,885.00	200.00
100	Consumers Power Company 4 1/8%.....	103	10,300.00	100	10,000.00	450.00
120	North American Company 5-3/4%.....	52	6,240.00	53-3/4	6,450.00	345.00
	Total Preferred		20,868.60		20,335.00	995.00

Ranking List of Securities - 3

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/41 Market Price</u>	<u>6/30/41 Market Value</u>	<u>Nominal Income</u>
	<u>Famine Fund (contd.)</u>					
	<u>Common Stock</u>					
200	Montgomery Ward.....	38-1/2	7,732.00	33-7/8	6,775.00	400.00
300	Parke Davis.....	34	10,248.00	26-7/8	8,062.50	480.00
	Total Common		17,980.00		14,837.50	880.00
	<u>Mortgages</u>					
28,134.27	Edward D. Rheem.....	100	28,134.27	95	26,727.55	1,456.96
2,800	Shannon & Luchs.....	100	2,800.00	40	1,120.00	-
	Total Mortgages		30,934.27		27,847.55	1,456.96
	Total Famine Funds		511,775.07		568,548.49	20,123.96
	<u>Retirement Reserve</u>					
20	Atchison, Topeka & Santa Fe 5% Pfd..	100-1/4	2,010.00	66	1,320.00	100.00
2,000	Cleveland Union Terminal Co. 5/73	90	1,805.00	76-1/4	1,525.00	100.00
2,000	North American Co. 4/59	101-1/4	2,025.00	104-1/4	2,085.00	80.00
400	U. S. Treasury 2-3/4% 1960-5	105.20	423.50	111.19	446.38	11.00
	Total Retirement Reserve		6,263.50		5,376.38	291.00

EB

MINUTES OF MEETING
UNIVERSITY OF NANKING
FINANCE COMMITTEE

12:30 P. M. Monday, January 26, 1942
Irving Hotel, 26 Gramercy Park, New York, N. Y.

List of Members

*Morris W. Ehnes, Chairman	Robert C. Morris
*Dana M. Albaugh	Theodore C. Speers, ex officio
Joab H. Banton	

Those whose names are starred were present also C. A. Evans. Regrets were presented from Mr. Banton and Dr. Speers -- Mr. Morris being out of town.

INVESTMENTS

The January review of investments was studied and a letter from Spencer Trask & Company containing several recommendations was read. Due to the absence of the Treasurer, however, it was felt that no change should be made at the present, and it was

F-1173 VOTED to refer the study of investments to the Treasurers in consultation with the Chairman of the Committee, with full authority.

TREASURER'S REPORT FOR 1940-41

The Committee had not had opportunity to study the report and recommendations, and it was

F-1174 VOTED to circulate the 1940-41 Treasurer's Report to the membership of the Committee and if no objections are filed that the report and recommendations be forwarded to the Board of Founders with the approval of the Committee.

REQUEST FOR EDUCATIONAL GRANT

It was stated that the Presbyterian Board has requested the Trustees of the University to share in the extra cost for the educational work of Mrs. J. Claude Thomson. Mrs. Thomson is supported by the Presbyterian Board, and her husband is planning to sail as soon as possible. Mrs. Thomson desires to finish her work at Union and Columbia, which will enhance her efficiency for the work at Nanking when she is able to return to China. The portion which the University is asked to assume is \$110. The Committee deliberated at length desiring to cooperate in every way possible in the particular problem presented in this situation. As it represented a condition which quite readily could be duplicated in several instances and as the Board of Founders has no money available, it was felt that it would be inadvisable to approve this proposition without consultation with the field. It was, therefore,

F-1175 VOTED that as the University of Nanking has, in effect, followed the general procedure used by cooperating mission boards in each accepting responsibility for faculty members provided for the University that the Committee regrets it cannot see the way clear to cooperate in this particular instance.

FINANCES OF THE NANKING REALTY CORPORATION

A statement of the Nanking Realty Corporation was presented and is appended as a part of these minutes. It was stated that the property located at 2348 Seventh Avenue had been sold to Sarah L. Delany, and that now there is a balance on the mortgage of \$13,930.00. It was noted that the sale produced a loss of \$54,280.50 plus certain costs covering the maintenance of the property and foreclosure proceedings. Several courses of action were studied and finally it was

F-1176 VOTED that the losses in the Nanking Realty Corporation applicable to the handling of the 2348 Seventh Avenue property be charged against the fund in which the original investment occurred. /

PAYMENT OF SALARIES BY BOARD OF FOUNDERS

The Assistant Treasurer reported that action BF-1150 authorized the Treasurer to pay the field salaries from New York. In view of the rapidly-changing conditions in the Orient, this action has never been consummated, and now it is impossible to put it into execution. Accordingly it must wait until after the war to be implemented.

AUDITORS' REPORT FOR 1940-41

As the report of Messrs. Chambellan, Berger & Welti had not been distributed in advance of the meeting, it was

F-1177 VOTED that copies of the report be mailed to the Committee and if a majority of favorable votes are received, that it be recommended for acceptance to the Board of Founders.

On motion adjourned.

CAE:MM

C. A. EVANS
Assistant Secretary

NANKING REALTY CORPORATION

TRIAL BALANCE

December 31, 1941

	<u>Debit</u>	<u>Credit</u>
Cash	\$ 4,490.18	
Capital Stock		\$ 5,000.00
Deficit	11,145.91	
Notes Payable		78,389.48
Sarah L. Delany Mortgage	13,930.00	
2348 Seventh Avenue Property	54,280.50	
University of Nanking		457.11
	\$83,846.59	\$83,846.59

Notes Payable Dated May 12, 1939
To the order of the University of Nanking

Representing the net mortgage on 2348 Seventh Avenue		\$61,100.00
Covering Taxes & Insurance 1934/35	" "	3,926.44
" " " 1936	" "	1,579.32
" " " 1937	" "	2,174.76
" " " 1938 6157 Tyndall	" "	123.40
" " and foreclosure expenses on 2348 Seventh Avenue		8,617.73
" " & Insurance 1938	" "	305.06
" Cost of improvements on	" "	562.77
		\$78,389.48

Sarah L. Delany Mortgage

May 1st 1941		\$14,000.00
Less - quarterly installments due July & Oct. 15th		70.00
		\$13,930.00

2348 Seventh Avenue

Balance as shown on ledger		\$70,280.50
Less - Purchase money mortgage	14,000.00	
Cash received	2,000.00	16,000.00
		\$54,280.50

University of Nanking

Rents received on 2348 - Seventh Avenue in 1938 - \$457.11