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MINUTES OF ANNUAL MEETING
BOARD OF FOUNDERS
UNIVERSITY OF NANKING

1:45 P.M., Tuesday, May 12, 1942
Room B, 2nd Floor, 150 Fifth Avenue, New York, 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 College	*Sallie Lou MacKinnon	#R. W. Griest	
Coopted	Geo. B. Huntington	Morris W. Ehnes	J. H. Banton
	Robert E. Speer	*W. Reginald Wheeler	

* Present
Represented by Mrs. G. T. Scott
Represented by Dr. Guy Inman

Secretaries: Mr. Caldwell, Mrs. Mills, Mr. Evans and Mr. Parker.

The meeting was opened with prayer by Dr. Speers.

The Chairman introduced those present representing other members of the Board and also Mrs. W. Plumer Mills, recently appointed a secretary of the Associated Boards.

APPROVAL OF MINUTES

The minutes of the following meetings were approved as circulated:

Annual Meeting of the Board, May 6, 1941
Board of Founders, June 25, 1941
Finance Committee, June 27, 1941, January 26, 1942

REPORTS FROM THE FIELD

Mr. Evans gave a general report of the situation on the field mentioning in particular the encouraging enrollment of the University, the united work being done in Chengtu by all of the colleges, and such facts as are available concerning the property and staff in Nanking. It is not known whether any work is being conducted in the buildings at the University at Nanking. It is possible that the hospital may be still operating. Dr. Trimmer and Dr. Stewart are presumably in Nanking. The continued loan of Miss Shannon from work in India and Miss Grace Boynton from Yenching University to the work in Chengtu was noted.

A letter from Dr. Cressy, telling of the plans of the administrators of the several colleges on the Chengtu campus for procedure in the event of bombing, was read and carefully considered, after which it was

BF-1178 VOTED that the Board of Founders record its warm admiration for the spirit of courage and steadfastness expressed in the letter of Dr. Cressy, dated January 20, 1942, and, in line with the suggestions in that letter in case

of emergency needs in Chengtu, authorize the Executive Committee of the Board to be prepared for action without delay in making an appeal, through appropriate channels and in cooperation with the United China Relief, for aid in meeting such needs as may arise.

REPORT OF THE TREASURER, JUNE 30, 1941

The report of the treasurer was reviewed and discussed. The recommendation that the surplus of \$1,516.06 be appropriated to the field was reported as having been carried out by the Finance Committee. It was

BF-1179 VOTED to approve the recommendation as acted upon by the Finance Committee.

It was also

BF-1180 VOTED to receive the treasurer's report and place it on file.

REPORT OF THE AUDITORS, JUNE 30, 1941

The report of the auditors was presented and after discussion, it was

BF-1181 VOTED to receive the auditors' report and place same on file.

REPORT OF THE FINANCE COMMITTEE

The report of the Finance Committee was presented by Mr. Evans and after consideration and discussion, it was

BF-1182 VOTED to accept the report as presented and which is attached hereto as Appendix A.

BUDGET FOR 1942-43

Usually the detailed budget from the field is available for consideration at the Annual Meeting, but, owing to emergency conditions, this was not possible this year. The only information available was a cable from Chengtu indicating that the minimum amount needed over and above the usual and regular amounts received from the Board of Founders would be \$87,000. This amount represents the minimum sum needed from the Sustaining Fund during 1942-43. At the same time, it was indicated that for a more adequate conduct of the work of the University \$112,000 would be the amount required. After careful consideration of the situation, it was

BF-1183 VOTED to approve \$87,000 as the minimum request to the Associated Boards for the 1942-43 Sustaining Fund and that the adequate amount of \$112,000 be referred to the Finance Committee with power for study in the light of additional information to be received from the field.

The details of the regular funds available from endowment, etc., including the Founders' budget, were discussed, and it was

BF-1184 VOTED that the statement concerning these funds should be prepared in the same form as acted upon last year and that their consideration be referred to the Finance Committee for report and action by the Executive Committee.

REPORT ON PROMOTION

Mr. Caldwell presented a summary of the promotional activities, a copy of which is attached hereto as Appendix B. He pointed out the very great difficulty which has been caused by the lack of new material from the field for use in promotional work. In discussing the report and the problem raised, it was felt that the Board should take some action concerning the need of publicity material, and it was

BF-1185 VOTED that a cable be sent to the field regarding the need of publicity material and point out that nothing had been received during the past year.

RESIGNATION OF DR. B. A. GARSIDE

A letter from Dr. Garside, presenting his resignation as secretary and assistant treasurer, was read. The resignation is due to Dr. Garside's transfer to work at United China Relief. It was

BF-1186 VOTED to accept the resignation of Dr. Garside and to direct the officers to prepare a letter to him expressing the very deep regret of the Board for the necessity of the resignation and the very great appreciation for the valuable service which Dr. Garside has rendered to the University.

RESIGNATION OF MR. OGDEN

A letter from Mr. J. T. Ogden was read in which he presented his resignation on account of leaving America for work abroad with the British Ambulance Unit. The members of the Board expressed their feeling that Mr. Ogden should be continued as a member even though for the time being he could not take an active part in the work of the Board. It was, therefore,

BF-1187 VOTED not to accept Mr. Ogden's resignation but to notify him that the Board hopes that he will permit his name to remain on the roster of the Board of Founders with the earnest hope that he will resume active work on the Board upon his return.

RESIGNATION OF MR. K. W. MOORE

A letter from Mr. K. W. Moore was read in which he presented his resignation on account of the discontinuance of his relationship with the Board of Foreign Missions of the Presbyterian Church and his location outside of New York City. It was

BF-1188 VOTED to accept the resignation of Mr. Moore with an expression to him of appreciation for his service on the Board.

REPORT OF THE NOMINATING COMMITTEE AND ELECTION OF OFFICERS

The Nominating Committee presented the following names of officers, committee members and coopted members of the Board:

Officers:

Honorary President
President
Vice-Presidents

Treasurer
Asst. Secy. & Asst. Treasurer
" " " " "

- Dr. Robert E. Speer
- Dr. Theodore C. Speers
- Mr. D. M. Albaugh
- Dr. C. M. Yocum
- Mr. Robert C. Morris
- Mr. C. A. Evans
- Mr. J. I. Parker

Minutes of Annual Meeting
Nanking Board of Founders

-4-

May 12, 1942

Executive Committee:

Dr. Theodore C. Speers, Chairman
Mr. D. M. Albaugh
Dr. F. T. Cartwright
Dr. J. W. Decker

Dr. Lloyd S. Ruland
Dr. C. M. Yocum
Miss Rebecca W. Griest
Dr. W. R. Wheeler

Finance Committee:

Dr. M. W. Ehnes
Mr. Robert C. Morris
Mr. J. H. Banton

Mr. D. M. Albaugh
Mr. Wandell Mooney
Dr. T. C. Speers, Ex-officio

Committee on Promotion:

Dr. W. R. Wheeler, Chairman
Dr. F. T. Cartwright
Dr. J. W. Decker

Dr. Phillips P. Elliott
Miss Rebecca W. Griest
Dr. T. C. Speers, Ex-officio

Committee on Instruction:

Dr. L. S. Ruland, Chairman
Miss Rebecca W. Griest

Mr. D. M. Albaugh

Associated Boards' Committees:

Executive Committee: Dr. J. W. Decker, Dr. R. E. Diffendorfer, Dr. L. S. Ruland

Committee on Finance: Mr. Robert C. Morris, Dr. M. W. Ehnes

Committee on Promotion: Miss Rebecca W. Griest, Dr. F. T. Cartwright

Committee on Christian Character, Staff and Curriculum: Mr. D. M. Albaugh,
Dr. F. T. Cartwright

Ginling Board

Dr. W. R. Wheeler

Coopted Members in the Class of 1945: Dr. M. W. Ehnes, Dr. W. R. Wheeler

It was

May 12, 1942

BF-1189 VOTED to instruct the secretary to cast one ballot for the officers, committee members and coopted members as reported by the Nominating Committee.

The ballot was cast.

The Nominating Committee also reported four names as new coopted members of the Board. These are as follows:

Class of 1945: Mr. Wandell Mooney
Mr. Orrin R. Judd, Jr.

Class of 1944: Mr. T. E. Whiteman
Mr. B. Carter Milliken

The members of the Board expressed their satisfaction over the prospect of having these new members of the Board, and it was

BF-1190 VOTED to invite the four persons named to become members of the Board and to have the invitation presented in each case by some member of the Board of Founders.

Mr. Wheeler was asked to present the invitation to Mr. Whiteman and Mr. Milliken.

Mr. Albaugh was asked to call on Mr. Judd, and Dr. Ehnes was asked to call upon Mr. Mooney.

The meeting adjourned with prayer by Dr. Speers.

JOSEPH I. PARKER
Secretary

REPORT OF THE FINANCE COMMITTEE

Appendix A

UNIVERSITY OF NANKING

The major duties of the Finance Committee this past year have been frequent reviews of the security list as well as a study of the 1941-42 budget. The latter item was considered at length at the June meeting of the committee and the usual actions of approval are set forth in the minutes of that meeting. At the same time approval was given to the request from the Associated Boards for \$47,352.21 as the needs for askings in the Nanking 1941-42 budget.

The Committee gave considerable thought to the insurance of property in China which was formerly carried by the treasurer's office in Nanking. We are reporting that the treasurer's office has arranged to take care of the insurance from the New York office of the Home Insurance Company.

The reports of the treasurer and auditors were reviewed at the January 26th meeting of the Committee and recommendation was made to the Founders.

The Nanking Realty Corporation status has been before the Committee for adjustment and the minutes of the meeting held on January 26th set forth these considerations.

Such changes in the security list as have been made during the year were approved by the members of the Committee by telephone.

The sales for the year have been as follows:

ENDOWMENT FUND

Sales

100 sh.	Aluminum Preferred		@ 107
\$10,000	American Power & Light	6/2016	@ 90-3/8
5,000	American Tel. & Tel.	5-1/2/1943	@ 100 (called)
10,000	Central Illinois & Pub. Ser.	3-3/4/68	@ 105
7,000	North American	4/1959	@ 103

Purchases

\$22,500	U. S. Treasury Bonds	2-1/2% due 9/15/67-72
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FAMINE FUND

Sales

\$ 5,000	Public Ser. of Indiana	4/1969	@ 106-1/2
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RETIREMENT FUND

Sales

\$ 2,000	North American	4/1959	@ 103-1/2
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R E P O R T O N P R O M O T I O N

UNIVERSITY OF NANKING

Introduction

For a number of years there has been an attempt to build up a clientele for Nanking which would be a reliable source of income for the University. It is important that these efforts be maintained.

Procedure

During the year no news reports, or photographs, were received from the field. Old material had been rehashed so many times it was deemed inadvisable to repeat the process. Therefore promotional efforts were limited to a few informal reports, and a very effective letter of appeal written by the President of the Board of Founders.

Results

Receipts for the year 1941-42:

Sustaining Fund

Designated, allocated and received direct.....	\$1,949.90
" " (not paid over from Assoc. Bds.)	<u>51.00</u>
Total.....	\$2,000.90

Summary

It is vitally important that a limited individual program of fund raising be maintained on behalf of the University. However, the active cooperation of the field is a prime requirement for success. Until the administration takes an active interest in promotional matters in this country, there will probably be constantly diminishing returns.

REPORT OF THE TREASURER
TRUSTEES UNIVERSITY OF NANKING
Year Ending June 30, 1942

The University of Nanking carried on as usual at Chengtu on the campus of West China Union University. It is true that supplies were curtailed and finally cut off entirely but still the work goes on aided by native ingenuity and unceasing persistence. In spite of difficulties the high standards of Nanking are being approximated.

Aided by Associated Boards through United China Relief, sufficient funds were secured to permit the field to balance its budget.

A limited surplus accrued in local operations which is recommended for use in 1942-43.

This report is accompanied by the following papers:

- (a) Trial Balance sheets (Pages 5-7)
- (b) Budget Analysis (Pages 8-9)
- (c) Consolidated Balance sheet (Page 10)
- (d) List of securities (Pages 11-13)

This report has been checked by the auditors, Chambellan, Berger & Welti.

ENDOWMENT SECTION

Funds carried in this section decreased by \$62,091.82 to a new total of \$1,003,114.46. This was due to the loss of \$65,426.41 on the sale of the International Hospital property on Seventh Avenue, New York City. Against this there were credits in China Famine Fund account, the Stabilization income accounts, and Retirement Reserve fund.

Investments were changed somewhat during the year, chiefest being the sale of 600 shares of Aluminum Preferred. Reinvestments were made in U.S. Treasury "G" Bonds, while a considerable amount of cash remained on hand June 30, the total amount including Famine Fund cash being \$110,168.67. Steps are on foot to invest unneeded cash balances. In Famine Funds, real estate notes were amortized by \$3,857.92, while \$5,000 Public Service of Indiana Bonds costing \$5,187.50 were sold at a profit of \$124.88.

The List of Securities as of June 30 attached (Pages 11-13) herewith shows the market value to be \$731,929.41 against a book value of \$724,100.47. Income totaled \$34,327.52 during the year, allocated as follows:

General Endowment	\$14,385.03
Famine Funds	19,658.16
Annuity Funds	284.33
	<u>\$34,327.52</u>

PLANT SECTION

Plant funds increased \$52.14 during 1941-42, this being the amount of interest received on the Freshman Dormitory Fund carried in a Savings Bank. The total Plant funds and investments are shown clearly in the Consolidated Balance, Page 10.

CURRENT GENERAL

The total income for the Governors within the Budget amounted to \$90,084.67, a new all time high for current appropriations.

Gains were recorded in the Methodist appropriation as well as vacancy payments, the board paying for two during the entire year.

There were slight losses from income on securities both in General Endowment and the Swasey Fund.

The real increase was made in Sustaining funds which totaled \$47,902.71. These were all passed on to the field and the report comes back that the increase brought no greater relief because of the advance in cost of commodities.

The following schedule shows the income and disbursements for the past two years with extensions showing increase or decrease.

INCOME

<u>Source</u>	<u>1941-42</u>	<u>1940-41</u>	<u>Increase or Decrease*</u>
<u>Missions Boards</u>			
United Christian Missionary Society	1,500.00	1,500.00	--
" " " " Vacancy	600.00	600.00	--
Methodist Board	1,434.59	1,055.00	379.59
" " - two Vacancies	2,400.00	1,000.00	1,400.00
Presbyterian Board	2,920.00	2,920.00	--
Baptist Board	800.00	800.00	--
<u>Endowment Income</u>			
Endowment Income General	13,819.63	14,631.45	811.82*
Swasey Fund	1,786.68	1,853.22	66.54*
M.E. Board for Agriculture & Forestry	3,500.00	3,500.00	--
<u>Other Income</u>			
Special	--	.30	.30*
Sustaining Funds	47,902.71	20,605.52	27,297.19
Designated Funds:			
Harvard-Yenching Institute	13,421.06	13,421.06	--
	<u>90,084.67</u>	<u>61,886.55</u>	<u>28,198.12</u>

EXPENDITURES

<u>Field Budget</u>			
Current Appropriation	22,830.94	21,205.36	1,625.58
Salaries	1,798.00	558.40	1,239.60
Library	336.06	4,736.24	4,400.18*
<u>Home Administration:</u>			
Administration & Promotion	10,061.96	10,501.00	439.04*
Audit, Bond, Postage, etc.	505.97	407.27	98.70
Promotional	289.94	274.44	15.50
Institute of Chinese Studies	13,421.06	13,421.06	--
Vacancy Funds sent to Field	3,000.00	1,600.00	1,400.00
Sustaining funds to Field	36,902.71	7,666.72	29,235.99
	<u>89,146.64</u>	<u>60,370.49</u>	<u>28,776.15</u>
Surplus	938.03	1,516.06	
	<u>90,084.67</u>	<u>61,886.55</u>	

FAMINE FUNDS

The adjustment of the 1940-41 budget is still held in abeyance and naturally the 1941-42 figures could not be closed out June 30.

During the year the following changes appeared in the Current Famine Account:

Balance on hand July 1, 1941		\$6,392.94
Income on Investments		19,876.69
	Gross cash	<u>26,269.63</u>
Less Custodian Fees		218.53
		\$26,051.10
Paid Field on 1940/41 a/c	7,000.00	
" " " 1941/42 a/c	<u>18,991.00</u>	<u>25,991.00</u>
Cash on hand June 30, 1942	\$	60.10

HOSPITAL

Receipts in the Hospital account were the same as previous years from Board support with one exception, i.e., the Methodist Board, which shows an increase over the \$340.00 of last year. Income is shown herewith.

Methodist Board	\$	607.50
United Christian Missionary Society		375.00
Presbyterian Board		<u>580.00</u>
	\$	1,562.50

CURRENT SPECIAL

Directors' Fund. During the year there was a consolidation of various funds held for the field under the instructions of the field treasurer. The total of these funds on June 30, 1942 was \$36,375.26, practically all of which was invested. This fund is made up of restricted balances and Trust funds.

Endowment Restricted. A total of \$286.55 was received from endowment funds designated for scholarships. This was sent to the field as usual.

Retirement Reserve. There was another increase in the balance of this account at the close of the year. The transactions are shown herewith.

Cash on hand July 1, 1941	\$	757.58
Income on Securities		284.33
		<u>\$1,041.91</u>
Paid Sun Life Assurance Co.		
for Premiums		<u>173.88</u>
Balance June 30, 1942	\$	868.03

CASH SITUATION

Cash carried in the various sections is shown in the following table:

Endowment - Cash	\$ 78,377.08
Retirement Cash	106.50
Famine Fund Cash	31,685.09
Current General	51,544.50
Famine Funds (Current Income a/c)	60.10
Hospital	267.50
Current Special	2,637.46
	<hr/>
	\$164,678.23

The above balance was carried with the Irving Trust Co., 21st St. Branch, as follows:

Endowment Bank Account	\$ 78,479.60
General Bank Account	86,198.63
	<hr/>
	\$164,678.23

Savings Banks were used for the following amounts:

Famine Funds	\$2,929.99
Plant Funds	3,278.94
Field Savings Fund	4,710.34
	<hr/>
	\$9,919.27

RECOMMENDATION

It is recommended that the 1941-42 surplus be carried forward as a credit on Home Administration charges for 1942-43.

Respectfully submitted,

Robert C. Morris, Treasurer

C. A. Evans, Assistant Treasurer

Endowment Funds and Investments:		Debit	Credit
11a	Consolidated Endowment Investments.....	214,132.32	
11g	China Famine Fund Investments.....	502,729.65	
111 & 11			
	(b) General.....		1,024.14
	(c) Hall.....		284,573.59
	(d) United Christian Missionary Society.....		10,000.00
	(e) Methodist Board - College of Agriculture.....	100,000.00	100,000.00
	(f) Swasey Trust Fund.....	48,750.00	48,750.00
	(g) China Famine Fund.....		536,344.73
	(h) Harvard-Yenching Institute-Stabilization Fund.....		3,656.30
	(j) Endowment Income - Stabilization Fund.....		3,353.70
12	(a) Retirement Reserve Investments.....	7,238.50	
112	Other Permanent Funds:		
	(a) Harriet M. Williams Scholarship Fund.....		1,000.00
	(b) Mr. & Mrs. Wood Scholarship Fund.....		1,000.00
	(c) Sherwin Scholarship Fund.....		5,000.00
	(d) Retirement Reserve Fund.....		7,345.00
	(e) Hoover Trust Fund.....		1,067.00
113	Loss on Sale of Securities.....	5,202.26	
19	Cash Awaiting Investments: Retirement.....	106.50	
	Endowment.....	78,377.08	
	Famine Fund.....	31,685.09	
19.1	Savings Bank Accounts (Famine Fund).....	1,929.99	
119	Notes Receivable.....	12,963.07	
		<u>1,003,114.46</u>	<u>1,003,114.46</u>
PLANT:			
21a	Land.....	88,171.41	
121	General Funds: (a) Baptist Board.....		31,764.00
	(b) United Christian Missionary Soc..		66,675.00
	(c) Methodist Board.....		109,432.00
	(d) Presbyterian Board.....		226,277.00
22	Building: (a) University.....	277,307.64	
	(b) Hospital.....	109,554.03	
	(c) Sciences.....	55,691.95	
	(d) 1927 Dormitory.....	5,000.00	
	(e) Language School.....	4,060.00	
	(f) Undesignated.....	13,600.00	
122	Special Funds: (a) James Normal School.....		20,000.00
	(b) Sericulture Building.....		21,000.00
	(c) Science Building.....		55,691.95
	(d) Science Equipment.....		13,550.66
	(e) Language School.....		4,060.00
	(f) Gas Plant.....		2,762.50
	(g) Land-Mulberry Orchard.....		4,000.00
	(h) Freshman Dormitory.....		3,278.94
	(x) Miscellaneous.....		5,308.38
23	Residences: (a) University.....	90,064.18	
	(b) Hospital.....	24,000.00	
123	Hospital Funds.....		111,203.26
24	Equipment: (a) University.....	16,596.94	
	(b) Hospital.....	54,503.95	
	(c) Science.....	15,537.49	
	(d) Gas Plant.....	228.44	
124	Plant Funds transferred from Current.....		18,332.24
25	Misc. Plant Assets: Rural Normal School & Equipment.....	3,634.98	
125	Plant Funds transferred from Famine Trust Funds.....		52,871.27
125a	Famine Funds for Land.....		15,022.75
29.1	Savings Bank Accounts.....	3,278.94	
		<u>761,229.95</u>	<u>761,229.95</u>

CURRENT GENERAL

	<u>Debit</u>	<u>Credit</u>
31 Directors' Current Expense.....	22,830.94	
31.1 " " Salaries.....	1,798.00	
32 " " Library.....	336.06	
36.1 Home Administration - Executive Office.....	10,061.96	
36.2 " " - Incidentals.....	325.97	
36.3 " " - Trustees.....	180.00	
36.4a Promotional Expense.....	289.94	
39 Current General Cash.....	41,482.53	
131 Receipts - United Christian Missionary Society.....		1,500.00
132 " - Methodist Board.....		1,434.59
133 " - Presbyterian Board.....		2,920.00
133.1 " - Baptist Board.....		800.00
136 Special Gifts for Current Budget.....		3,000.00
136 Disbursed - Special Gifts for Current Budget.....	3,000.00	
137.1 Endowment Income - General.....		452.66
137.2 " " - Hall.....		13,366.97
137.3 " " - Swasey.....		1,786.68
137.4 " " - Methodist Board.....		3,500.00
139 Accounts Payable.....		51,544.50
	<u>80,305.40</u>	<u>80,305.40</u>

FAMINE FUND

51 Famine Fund Expense 1940/41.....	19,877.48	
51 " " " 1941/42.....	18,991.00	
59 " " Cash.....	60.10	
151 " " Receipts.....		38,928.58
	<u>38,928.58</u>	<u>38,928.58</u>

HOSPITAL

61 Current Expense - Hospital.....	495.13	
61.1 " " - Salaries.....	799.87	
69 " Cash - Hospital.....	267.50	
162.1 Receipts - Methodist Board.....		607.50
163 " - United Christian Missionary Society.....		375.00
164 " - Presbyterian Board.....		580.00
	<u>1,562.50</u>	<u>1,562.50</u>

CURRENT SPECIAL

79 Current Special Cash.....	12,699.43	
79.1 Savings Fund Account (Directors' Special Funds).....	4,710.34	
79.2 Directors' Special Reserve Fund Investments.....	31,020.01	
171.2 Harvard-Yenching Institute - Restricted.....		13,421.06
171.2 Disbursed - Harvard-Yenching Institute - Restricted.....	13,421.06	
172 Suspense.....		167.86
172.2 " - Seed Account (A. N. Steward).....		18.63
175.2 Endowment Income - Restricted (Non Budget).....		286.55
175.2 Disbursed - Endowment Income - Restricted (Non Budget).....	286.55	
175.5 Sustaining Funds.....		47,902.71
175.5 Disbursed - Sustaining Fund.....	36,902.71	
177 Retirement Reserve Income.....		868.03
179 Directors' Special Funds.....		4,710.34
179.1 " " - Inst. of Chinese Cultural Studies.....		7,000.00
179.2 " " Reserve Fund.....		24,664.92
	<u>99,040.10</u>	<u>99,040.10</u>

CURRENT GENERAL

39	Current General Cash.....	51,544.50	
139	Accounts Payable.....		51,544.50
		<u>51,544.50</u>	<u>51,544.50</u>

FAMINE FUND

51	Famine Fund Expense 1940/41.....	19,877.48	
51	" " " 1941/42.....	18,991.00	
59	" " Cash.....	60.10	
151	" " Receipts.....		38,928.58
		<u>38,928.58</u>	<u>38,928.58</u>

CURRENT HOSPITAL

69	Current Cash - Hospital	267.50	
162.1	Receipts - Methodist Board.....		267.50
		<u>267.50</u>	<u>267.50</u>

CURRENT SPECIAL

79	Current Special Cash.....	2,637.46	
79.1	Savings Fund Account (Directors' Special Funds).....	4,710.34	
79.2	Directors' Special Reserve Fund Investments.....	31,020.01	
172	Suspense.....		167.86
172.2	" - Seed Account (A. N. Steward).....		18.63
176.3	Surplus 1940/41.....		938.03
177	Retirement Reserve Income.....		868.03
179	Directors' Special Funds.....		4,710.34
179.1	" " " Inst. of Chinese Cultural Studies		7,000.00
179.2	" " " Reserve Funds.....		24,664.92
		<u>38,367.81</u>	<u>38,367.81</u>

UNIVERSITY OF NANKING
BUDGET ANALYSIS - 1941/42
AS OF JUNE 30, 1942

DISBURSEMENTS

RECEIPTS

I. GENERAL UNIVERSITY

Class A. General Funds

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>			
					<u>Mission Cash Grants</u>			
	General Purposes - Directors' Budget			131	United Christian Missionary Society	1,500.00	1,500.00	
31	Current Expense)		22,830.94	132	Methodist Board.....	1,055.00	1,434.59	
31.1	Salaries Account).....	24,965.00	1,798.00	133	Presbyterian Board.....	2,920.00	2,920.00	
32	Library)		336.06	133.1	Baptist Board.....	800.00	800.00	
					<u>Endowment Income</u>			
				137.1	United Christian Missionary Society	400.00	411.03	
				137.1	General.....	40.00	41.63	
				137.2	Hall Estate.....	13,800.00	13,366.97	
				137.3	Swasey Fund.....	1,950.00	1,786.68	
				137.4	Methodist Fund - Agriculture & Forestry	3,500.00	3,500.00	
				175.5	Sustaining Funds.....	11,000.00	11,000.00	
						36,965.00	36,760.90	
					Less: Home Administr. & Promotion...	12,000.00	12,000.00	
		<u>24,965.00</u>	<u>24,965.00</u>			<u>24,965.00</u>	<u>24,760.90</u>	
					<u>Class B. Special Funds</u>			
171.2	Harvard-Yenching Institute..	13,421.06	13,421.06	171.2	Harvard-Yenching Institute.....	13,421.06	13,421.06	
136	U. C. M. S. Vacancy.....	600.00	600.00	136	U. C. M. S. Vacancy.....	600.00	600.00	
136	Methodist Board Vacancy.....	2,400.00	2,400.00	136	Methodist Board Vacancy.....	2,400.00	2,400.00	
175.5	Sustaining Fund.....	36,902.71	36,902.71	175.5	Sustaining Fund.....	36,902.71	36,902.71	
		<u>53,323.77</u>	<u>53,323.77</u>			<u>53,323.77</u>	<u>53,323.77</u>	

UNIVERSITY OF NANKING

-9-

June 30, 1942

Acct. No.	Item	II. FAMINE FUND		Acct. No.	Item	June 30, 1942	
		Appropriation L. C. \$	Paid to June 30 L. C. \$			U. S. \$	U. S. \$
51	General Purposes 1940/41)						
	Disbursed in New York)	257,827.00	62,106.40	151	Famine Fund Receipts 1940/41	19,322.50	19,270.42
	Transmitted to Field)		17,615.62				
		257,827.00	79,722.02			19,322.50	19,270.42
51	General Purposes 1941/42	486,605.00	284,865.00	151	Famine Fund Receipts 1941/42	32,440.33	19,658.16

Acct. No.	Item	III HOSPITAL		Acct. No.	Item	June 30, 1942	
		Appropriation U. S. \$	Paid to June 30 U. S. \$			U. S. \$	U. S. \$
61	General Purposes)		495.13	162.1	Methodist Board.....	340.00	340.00
61.1	Salaries Account)	1,295.00	799.87	163	United Christian Miss. Society	375.00	375.00
				164	Presbyterian Board.....	580.00	580.00
		1,295.00	1,295.00			1,295.00	1,295.00

Acct. No.	Item	IV BOARD OF FOUNDERS		Acct. No.	Item	June 30, 1942	
		Appropriation U. S. \$	Paid to June 30 U. S. \$			U. S. \$	U. S. \$
36.1	Administration & Promotion.....	10,391.00	10,061.96		Appropriation.....	12,000.00	12,000.00
36.2	Incidentals).....	609.00	325.97				
36.3	Trustees).....		180.00				
36.4	Promotional Activities of University	1,000.00	289.94				
		12,000.00	10,857.87			12,000.00	12,000.00

SUMMARY

I	General University, Class A.....	Cash Situation June 30th		Budget Situation June 30, 1942		
		Balance U. S. \$	Overdraft U. S. \$	Unexpended U. S. \$	Overexpended U. S. \$	Unexpended L. C. \$
	Class B.....	-	204.10	-	-	-
II	Famine Fund 1940/41.....	-	607.06	-	-	178,104.98
	" " 1941/42.....	667.16	-	-	-	201,740.00
III	Hospital.....	1,142.13	-	1,142.13	-	-
IV	Board of Founders.....	1,809.29	811.16	1,142.13	-	379,844.98

CONSOLIDATED BALANCE SHEET

UNIVERSITY OF NANKING

June 30, 1942

A S S E T S

<u>Endowment</u>			
Univ. Investments	214,132.32		
Inv. Held in Trust	148,750.00		
Notes Receivable	12,963.07		
Cash	78,377.08	454,222.47	
Fam. Fund Investments	502,729.65		
" " Cash	31,685.09		
" " Savings a/cs	1,929.99	536,344.73	
Retirement Res. Inv.	7,238.50		
" " Cash	106.50	7,345.00	997,912.20

<u>Plant</u>			
Land	88,171.41		
Buildings	582,912.78		
Equipment	86,866.82		
Cash in Savings Bank	3,278.94	761,229.95	

<u>Current Assets</u>			
Field Investments	31,020.01		
" Savings Accounts	4,710.34	35,730.35	
Famine Fd. Exp. 1940-41	19,877.48		
" " " 1941-42	18,991.00		
" " Cash	60.10	38,928.58	
Hospital Cash	267.50		
General Cash	54,181.96	129,108.39	

1,888,250.54

L I A B I L I T I E S

<u>Endowment</u>			
University Funds	444,347.73		
Scholarship "	7,000.00		
Stabilization "	7,010.00		
Famine Funds	536,344.73		
Retirement Reserve Funds	7,345.00		
Hoover Trust Funds	1,067.00	1,003,114.46	
Less Loss on sale of securities		5,202.26	997,912.20

<u>Plant</u>			
General Funds		452,480.24	
Special "		129,652.43	
Hospital "		111,203.26	
Famine Funds for Land and Plant		67,894.02	761,229.95

<u>Current Liabilities</u>			
Accounts Payable		51,544.50	
Famine Fund Receipts		38,928.58	
Receipts advanced to 1942-43		267.50	
Suspense Accounts		186.49	
Retirement Reserve		868.03	
Field Funds Special	4,710.34		
" " Cultural Studies	7,000.00		
" " Reserve Funds	24,664.92	36,375.26	
		128,170.36	
Surplus 1941-42		938.03	129,108.39

1,888,250.54

UNIVERSITY OF NANKING
LIST OF SECURITIES
JUNE 30, 1942

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/42 Market Price</u>	<u>6/30/42 Market Value</u>	<u>Nominal Income</u>
<u>Endowment</u>						
<u>Bonds</u>						
5,000	The Bolton Square Imp. Co. 1st Mtge. 7%.....	-0-	-0-	-0-	-0-	-0-
10,000	Baltimore & Ohio 5/2000.....	101-1/2	10,150.00	26-1/2	2,650.00	500.00
10,000	Missouri-Kansas-Texas 5/62.....	96-1/2	9,652.50	34-3/4	3,475.00	500.00
5,000	New York Central 5/2013 Regular.....	99-7/8	4,993.75	49-1/2	2,475.00	250.00
5,000	Northern Pacific 5/2047.....	95-3/8	4,781.25	51-1/4	2,562.50	250.00
3,000	Penn Water & Power 3 1/2/70.....	105-3/4	3,172.50	105	3,150.00	97.50
10,000	Public Service Northern Illinois 3 1/2/68.....	104-3/4	10,500.00	109	10,900.00	350.00
5,000	U. S. Treasury Bonds 2-3/4% 1965-60.....	106.29	5,351.56	110.11	5,517.18	137.50
22,500	U. S. Treasury Definitive Coupon 2 1/8% 1967-72..	100	22,500.00	101.2	22,739.06	562.50
5,000	Virginian Railway Co. 3-3/4/66.....	105	5,277.50	107-1/2	5,375.00	187.50
5,000	Wisconsin Electric Power 3 1/2/68.....	104-3/4	5,250.00	109-1/4	5,462.50	175.00
	Total Bonds.....		<u>81,629.06</u>		<u>64,306.24</u>	<u>3,010.00</u>
<u>Preferred Stock</u>						
800	Aluminum Company 6%.....	100	80,000.00	101	80,800.00	4,800.00
80	Atchison, Topeka & Santa Fe 5%.....	100-1/4	8,040.00	60-1/8	4,810.00	400.00
	Total Preferred Stock.....		<u>88,040.00</u>		<u>85,610.00</u>	<u>5,200.00</u>
<u>Common Stock</u>						
60	American Telephone & Telegraph Co.....	165-1/8	9,930.30	110-3/4	6,645.00	540.00
30	W. T. Grant.....	32-3/8	977.40	28	840.00	42.00
100	Nanking Realty Corporation.....	50	5,000.00	50	5,000.00	-
40	Parke Davis.....	34	1,370.00	23-1/4	930.00	64.00
	Total Common Stock.....		<u>17,277.70</u>		<u>13,415.00</u>	<u>646.00</u>

Ranking List of Securities

- 12 -

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/42 Market Price</u>	<u>6/30/42 Market Value</u>	<u>Nominal Income</u>
<u>Endowment (contd.)</u>						
<u>Mortgages</u>						
4,000	1515 Overing Street, Bronx.....	100	4,000.00	85	3,400.00	220.00
5,500	40 Lincoln Road, Brooklyn.....	100	5,500.00	70	3,850.00	220.00
10,000	136 East 237th Street, Bronx.....	100	10,000.00	85	8,500.00	500.00
7,685.56	414 Brook Avenue, Bronx.....	100	7,685.56	85	6,532.72	350.00
	Total Mortgages.....		27,185.56		22,282.72	1,290.00
	Total Endowment.....		214,132.32		185,613.96	10,146.00
<u>Famine Fund</u>						
<u>Bonds</u>						
5,000	Atchison, Topeka & Santa Fe Rwy 4/95.....	103-1/4	5,175.00	89-1/2	4,475.00	200.00
5,000	Ohio Edison Company 4/67.....	99-1/2	4,987.50	108-1/2	5,425.00	200.00
10,000	Ohio Power Company 3 1/8/68.....	103-1/2	10,350.00	107-1/8	10,712.50	325.00
10,000	Pennsylvania Railroad 3-3/4/70.....	102-1/8	10,237.50	89-1/2	8,950.00	375.00
10,000	Southern California Edison 3/65.....	104-1/8	10,412.50	101-3/8	10,137.50	300.00
65,000	U. S. Treasury 3% 1951-5.....	100.13	65,304.69	110.16	71,825.00	1,950.00
268,000	U. S. Treasury 4 1/2% 1952.....	100	268,000.00	114.22	307,362.50	11,390.00
35,000	U. S. Treasury 2-3/4% 1960-5.....	105-1/2	36,060.01	110.11	38,620.31	964.50
10,000	Virginia Electric & Power 3 1/2/68.....	107-1/2	10,775.00	109-5/8	10,962.50	350.00
5,000	Virginian Railway 3-3/4/66.....	103-1/4	5,175.00	107-1/2	5,375.00	187.50
10,000	Westchester Lighting Co. 3 1/2/67.....	103	10,327.50	108	10,800.00	350.00
	Total Bonds.....		436,804.70		484,645.31	16,592.00
<u>Preferred Stock</u>						
40	Consolidated Edison 5%.....	107-7/8	4,328.60	86-3/4	3,470.00	200.00
100	Consumers Power Company 4 1/2%.....	103	10,300.00	89	8,900.00	450.00
120	North American Company 5-3/4%.....	52	6,240.00	44	5,280.00	345.00
	Total Preferred.....		20,868.60		17,650.00	995.00

Nanking List of Securities

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/42 Market Price</u>	<u>6/30/42 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	28	5,600.00	400.00
300	Parke Davis.....	34	10,248.00	23-1/4	6,975.00	480.00
	Total Common.....		17,980.00		12,575.00	880.00
<u>Mortgages</u>						
27,076.35	Edward D. Rheem.....	100	27,076.35	95	25,471.26	1,218.43
	Total Mortgages.....		27,076.35		25,471.26	1,218.43
	Total Famine Funds.....		502,729.65		540,341.57	19,685.43
<u>Retirement Reserve</u>						
20	Atchison, Topeka & Santa Fe 5% Pfd.....	100-1/4	2,010.00	60-1/8	1,202.50	100.00
2,000	Cleveland Union Terminal Co. 5/73.....	90	1,805.00	66-1/2	1,330.00	100.00
400	U. S. Treasury 2-3/4% 1960-5.....	105.20	423.50	110.11	441.38	11.00
3,000	U. S. Savings Bonds Defense Series "G" 2 1/2%/54.....	100	3,000.00	100	3,000.00	75.00
	Total Retirement Reserve.....		7,238.50		5,973.88	286.00

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

3:15 P.M. Tuesday, July 14, 1942
Room 903, 150 Fifth Avenue, New York, N. Y.

List of Members

Morris W. Ehnes
*Robert C. Morris
J. H. Banton

*D. M. Albaugh
Theodore C. Speers

Those whose names are starred were present as was also the Secretary. Dr. Ehnes approved the recommendations in advance of the meeting.

Mr. Albaugh was appointed Chairman, pro tem.

BUDGET FOR 1942-43

It was stated that the Annual Meeting of the Board gave consideration to the budget requirements for 1942-43 and noted that the cabled dispatches from China requested \$87,000.00 as the minimum askings from the Associated Boards beyond the regularly approved budget of the Board of Founders. Another item called for \$112,000 for a more adequate budget. Accordingly, the following was approved:

"BF-1183 VOTED to approve \$87,000 as the minimum request to the Associated Boards for the 1942-43 Sustaining Fund and that the "adequate" amount of \$112,000 be referred with power to the Finance Committee for study in the light of additional information to be received from the field."

Regarding the Founders budget, it was

"BF-1184 VOTED that the statement concerning these funds should be prepared in the same form as acted upon last year and that their consideration be referred to the Finance Committee for report and action by the Executive Committee."

It was reported that copies of the 1942-43 Nanking budget have been received and, after careful study, the askings to United China Relief have been revised to meet the requirements of allocating funds for relief and rehabilitation purposes. The amount being requested to balance the budget is \$57,650.00 with \$30,000 additional for salary and rice bonuses. The Committee was asked to review the budget and to pass judgment upon these askings.

Attention was given to regular budget figures representing income from Boards, Foundations, Endowment Fund, etc., and after careful study of the individual items, it was

F-1200 VOTED that the following action be recommended to the Executive Committee:

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 for the fiscal year 1942-43 the following amounts:

July 14, 1942

(a) Toward the General Budget

\$22,087.59

To be secured from the following sources:

Mission Boards Cash Grants:

United Christian Missionary Society	US\$ 1,500.00	
Methodist Board	1,434.59	
Presbyterian Board	2,920.00	
Baptist Board	800.00	
	<u>\$ 6,654.59</u>	6,654.59

Endowment Income:

United Christian Missionary Society Funds	\$ 385.00	
General	38.00	
Hall Estate	10,723.00	
Swasey Fund	1,787.00	
M. E. Board (Agr. & Forestry)	<u>3,500.00</u>	

Special Gifts

\$16,433.00
11,000.00
34,087.59
12,000.00
22,087.59

Less: Home Administration

(b) Toward 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
	<u>1,295.00</u>

(c) From Specially Designated Items the following amounts, which will be transmitted to the field when and as received:

16,421.06

To be secured from the following sources:

Harvard-Yenching Institute	13,421.06
United Christian Missionary Society Vacancy	600.00
Methodist Board Vacancy	2,400.00
	<u>16,421.06</u>

It was also

F-1201 VOTED that in addition to the foregoing the Founders endeavor to secure by itself, or through the Associated Boards and United ^{China} Relief, sufficient funds to cover the request from the field including the \$11,000 listed under "a" and that such funds be remitted to the field when and as received.

In relation to the Famine Funds budget for 1942-43, it was

F-1202 VOTED that the Board of Founders direct the Finance Committee to sell any securities during 1942-43 from principal account of Famine Funds securities

as may be required to balance the budget aside from income received from Famine Funds income, the total amount not to exceed LC\$769,922.00 as listed in the 1942-43 budget.

Attention was called to the amount deducted above under Home Administration, and it was

F-1203 VOTED to approve the figure of \$12,000.00 for Home Administration expenses for 1942-43 -- it being understood that there will be credit adjustments from charges during 1941-42.

COMMUNICATION FROM HARVARD-YENCHING INSTITUTE

It was stated that at the meeting of the Harvard-Yenching Institute held on May 25th, the following resolution was passed:

"To advise the interested colleges that, if in their judgment the emergency has reached a point where they need to begin to draw on the Restricted Fund reserve account, it would be looked on by this Board as something within their discretion and that the Trustees would feel that, in the present circumstances, no restriction should be placed on the application of these funds for whatever purposes seem dictated by the emergency; that the needs are likely to continue for several years and that should be kept in mind in drawing on the fund."

It was recalled that the fund referred to was the Reserve Fund established through the receipt of Aluminum Company back dividends within the Restricted Account. The share accruing to the University of Nanking is \$15,000 and ordinarily would be held for use within the Department of Chinese Cultural Studies or research work. It was noted that the Institute had been gracious in its release of these funds. As conditions on the field are not sufficiently clear to recommend the use of these funds at the present time, it was

F-1204 VOTED (a) that the Assistant Secretary be instructed to acknowledge receipt of the information covering the Harvard-Yenching Institute's action voicing appreciation on behalf of the Board for the release of restrictions on Restricted Funds Reserve, and

(b) that the field be informed of this action, stressing especially the admonition of the Institute regarding the long term needs and calling attention to the necessity of thoroughly justifying the use of these funds.

INVESTMENTS

As of June 30th, cash on hand in the General University Account amounted to \$78,377.08, which accrued through the sale of Aluminum Preferred Stock. Recommendations were made to purchase common stock to be selected from a list of high-grade securities or to use the entire amount for the purchase of Series "G" U.S. Defense Bonds yielding $2\frac{1}{2}\%$.

Minutes of Meeting
Nanking Com. on Finance

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July 14, 1942

After study of the suggestions, and in view of the conditions of the market as well as the limited number of Committee members present, it was

F-1205 VOTED that \$40,000 be invested in U.S. Defense Bonds, Series "G" and that \$35,000 be invested in U.S. Treasury 2% bonds due December 1949-51.

It was also noted that there was a balance of \$31,685.09 in the cash account of Famine Funds, and it was

F-1206 VOTED to invest \$30,000 of Famine Funds in 2% U.S. Treasury Bonds due December 1949-51.

On motion adjourned.

C. A. EVANS
Assistant Secretary

CIRCULATION VOTE
FINANCE COMMITTEE
UNIVERSITY OF NANKING

October 30, 1942

List of Members:

Morris W. Ehnes, Chairman
D. M. Albaugh
Joab H. Banton

Robert C. Morris
Theodore C. Speers, Ex-officio

ACTION REGARDING SALARIES

Through telephone communication, the following action was approved by the Finance Committee of the University of Nanking. This is parallel to an action taken by the Ginling Board of Founders:

F-1206 $\frac{1}{2}$ VOTED That the University of Nanking approves a salary bonus for foreign staff to the extent of 50% of basic salary dated from April 1, 1942.

C. A. EVANS,
Assistant Treasurer.

B/

MINUTES OF MEETING
UNIVERSITY OF NANKING
FINANCE COMMITTEE

12:15 P.M. Friday, November 13, 1942
Irving Hotel, 26 Gramercy Park, New York, N.Y.

List of Members

*Morris W. Ehnes, Chairman
*D. M. Albaugh
Joab H. Banton
*Robert C. Morris
Theodore C. Speers, Ex-off.

Those whose names are starred were present; also C. A. Evans and C. H. Corbett. Regrets were presented from Dr. Speers.

INVESTMENTS

It was reported by Mr. Evans that since the beginning of the present fiscal year the following bonds have been purchased:-

40,000 U.S. Savings Bonds, Series "G" $2\frac{1}{2}\%$ due 7/1/54 at par.
35,000 U.S. Treasury Bonds, 2% due 12/15/51-49
30,000 U.S. Treasury Bonds, 2% due 12/15/51-49 (FAMINE FUNDS)

The following action was taken:

F-1207 VOTED to approve of the foregoing purchases.

A letter from Spencer Trask & Company containing several recommendations was read. Action was taken as follows:-

F-1208 VOTED to sell the following securities if and when they reach the prices specified:-

	<u>Selling Price</u>
10,000 Baltimore and Ohio 5's due 2000	33
10,000 Missouri, Kansas & Texas 5's, 1962	43
5,000 New York Central $4\frac{1}{2}\%$'s, 2013	53
5,000 Northern Pacific 5's, 2047	60

MORTGAGE SITUATION

It was explained that the \$10,000 mortgage on the property located at 136 East 237th Street, New York City had been in difficulty for some time and reached a climax in July 1942. Title to the property was granted by the owner for the payment of \$200.00, which, together with other expenses for transfer, aggregated \$517.60. A purchaser was secured immediately for \$10,000, -- \$7,000 cash and \$3,000 mortgage. In the adjustment the following items were paid:

Back Taxes.....\$472.23
Insurance..... 22.58
Commissions..... 500.00

The Manufacturers Trust Company failed to collect approximately \$175 in rentals. Therefore our office refused to pay an additional \$250 commission to the Bank. They would be agreeable to accepting \$100.

November 12, 1942

After discussion it was

F-1209 VOTED to authorize the payment of \$100 to the Manufacturer's Trust Company, as commission on transactions connected with the mortgage on property located at 136 East 237th Street, New York City.

RESTRICTED FUNDS OF HARVARD-YENCHING INSTITUTE

The following action taken by the Harvard-Yenching Institute at its spring meeting was reported to the Committee:

"To advise the interested colleges that, if in their judgment the emergency has reached a point where they need to begin to draw on the Restricted Fund account, it would be looked upon by this Board as something within their discretion and that the Trustees would feel that, in the present circumstances, no restriction should be placed on the application of these funds for whatever purposes seem dictated by the emergency; that the needs are likely to continue for several years and that should be kept in mind in drawing on the fund."

The following resolution was adopted:-

F-1210 VOTED that we note with gratification the action of the Trustees of the Harvard-Yenching Institute stating that it is within the discretion of the interested colleges to draw on the Restricted Fund reserve account, but in view of the fact that we are now cooperating with United China Relief and expect to get from this source sufficient funds for this year's need, we deem it better to leave for future use such sums as the Harvard-Yenching Institute holds in its Restricted Fund reserve account for the credit of the University of Nanking.

REPORT OF THE TREASURER

The Treasurer's report for the year ending June 30, 1942 was presented to the Committee and it was

F-1211 VOTED to recommend to the Board of Governors for acceptance the treasurer's report for the year ending June 30, 1942.

REPORT OF THE AUDITOR

The auditor's report for the year ending June 30, 1942 was presented to the Committee. It was

F-1212 VOTED to refer the auditor's report for the year ending June 30, 1942, to a sub-committee consisting of Messrs. Ehnes and Morris for examination and report to the Finance Committee.

ASKINGS FOR NANKING FROM THE ASSOCIATED BOARDS

It was reported to the Committee that a cable had been received from Earl Cressy stating that our Budgets leave Nanking impossibly short and that a revision is imperative.

It was also reported that Prof. William Fenn had accepted the invitation of the Associated Boards to be their Special Representative in China beginning as soon as practicable and continuing till January 1, 1944. His duties will include visiting each of the colleges in Free China at least once a year, securing information regarding budgets, administration and so forth. In view of this development it was

F-1213 VOTED that in the next cable to Dr. Fenn a message be included to the effect that we are disturbed over the budget situation of Nanking University, but we do not have adequate information, and so hope that he will make this one of the first matters studied.

STUDY ALLOWANCE FOR MISS TURNER

It was explained that Miss Turner has reached England and is studying there with the intention of returning to China at the end of her regular furlough. She has indicated that a study grant of \$50 would be sufficient for her needs. It was

F-1214 VOTED to allow Miss Turner a study grant of \$50.00 and to recommend to the Board of Governors that plans be made for sending her back to China as soon as practicable after the end of her regular furlough.

On motion adjourned.

C. A. EVANS
Assistant Treasurer

MINUTES OF MEETING
UNIVERSITY OF NANKING
FINANCE COMMITTEE

12:15 P. M. Monday, May 10, 1943
Hotel Irving, 26 Gramercy Park, New York, N. Y.

List of Members

*Dr. Morris W. Ehnes, Chm.	*Mr. Robert C. Morris
*Mr. D. M. Albaugh	Dr. Theodore C. Speers, Ex-off.
Mr. J. H. Banton	

Those whose names are starred were present, also Mr. Charles Corbett and C. A. Evans.

APPROVAL OF MINUTES

Minutes of the Finance Committee Meetings of July 14, 1942 and November 13, 1942 were approved as distributed.

STUDY OF INVESTMENTS

It was reported that the Treasurer had made some recommendations regarding the sale and purchase of Government Securities, which had been partially approved by telephone. It was noted that some U. S. issues suggested for sale were partially tax exempt which is reflected in the present price. As Nanking does not need tax exemption it was agreed to accept the recommendation and it was

F 1215 VOTED to approve the following schedule of sales and purchases:

Director's Special Reserve Fund & Institute of Chinese Cultural Studies

Sell -----	\$10,000. U. S. Treas. 2 1/2s 1950-52	<u>Approx. Proceeds</u>
	10,000. " " " 2s 1953-55	\$ 10,700.
		<u>10,400.</u>
		21,000.

Purchase--	\$25,000 " " " 2 1/2s 1964-69	<u>Cost</u>
		\$25,000.

Regular Fund

Buy-----	100 Shs. Union Pacific 4% pfd.	<u>Cost</u>
	\$10,000 U. S. Treas. 2 1/2% 1964-69	\$ 8,700.
		<u>10,000.</u>
		\$18,700.

Retirement Reserve Fund

Sell -----	\$ 400. U. S. Treas. 2 3/4s 1960-65	\$ 440.
Buy -----	500. " " " 2 1/2s 1964-69	500.

Famine Fund

Sell -----	\$35,000. U. S. Treas. 2 3/4s 1960-65	\$38,500.
Buy-----	40,000. " " " 2 1/2s 1964-69	40,000.

It was stated that the two remaining individual mortgages on the books are being followed up closely by the Manufacturer's Trust Company, the servicing organization.

REMITTANCES OF FUNDS TO CHINA

The Assistant Treasurer called attention to certain requests from the Field to pay budget appropriations to banks or individuals in New York and Washington. This was discussed at some length and the Treasurer's office was instructed to investigate further and report back to the Committee if necessary.

FIELD BUDGET FOR 1942-43

It was stated that the United China Relief has agreed to changes made in the allocation of relief funds which involves the addition of \$40,000 to the University of Nanking askings for the current year. The total amount in the present budget, therefore, is \$127,650.00. This is aside from the Trustees appropriations.

CURRENT BUDGET

It was reported that in the Current Budget, it appears that there will be a deficit of nearly \$1,500 due largely to loss of income on Endowment Funds. After studying the Endowment Income Stabilization Fund amounting to \$3,440.41 it was

F-1216 VOTED to authorize the Treasurer to charge any shortage due to decrease of Endowment income to the Endowment Income Stabilization Account with the hope that restoration can be made at a later date.

FIELD BUDGET FOR 1943-44

The committee studied the attached figures (appendix A) presented for 1943-44 as compared with 1942-43. It was noted that in estimating the income for 1943-44 only assured income has been included at this date. Excepting in cases known to be needed only during this particular year, the expenditures for 1943-44 were made by increasing 1942-43 figures by 50% to allow for the probable increase during the year.

It was stated that the original estimates presented to the Associated Boards totaled \$262,787.29 which have been reduced to \$220,000. As negotiations have been carried on with the Associated Boards and United China Relief without prior reference to the University of Nanking Trustees it was

F-1217 VOTED to approve such negotiations as have been carried on up to date.

As to further conferences, it was felt that the relief program conducted through the Associated Boards and U. C. R. must be considered in the light of the entire program including all the Colleges and that the Special Committee on Emergency Askings of the Associated Boards must be trusted to properly allocate funds available. However, any unusual circumstances should be referred back to this Finance Committee.

TRUSTEES BUDGET FOR 1943-44

A study of funds available was presented to the Committee and attention was called to the past procedure of deducting administrative, trustee, and promotional expenses from income for relief purposes, giving the field the full benefit of funds received from Boards, Endowment Income, and Foundations. It was felt that no limited classification of income should bear the major costs but that all income should bear its proportionate share of expenses. However, there was a definite conviction that all of the Colleges cooperating in the Associated Boards should adopt a uniform system and it was

F-1218 VOTED (a) that the Assistant Treasurer be instructed to consult the Associated Boards regarding a uniform system for charging Administration and Pro-

motional Costs to each of the participating Colleges.

(b) That for the present the Administration and Promotinal Costs for University of Nanking be considered as applicable to the entire income of the Trustees. The approximate figures are as follows:

ANTICIPATED INCOME

UNIVERSITY OF NANKING 1943-44

Class A

Mission Boards

U. C. M. S.	\$ 1,500.00	
Methodist	1,582.50	
Presbyterian	2,920.00	
Baptist	<u>800.00</u>	\$6,802.00

Endowment Income

U. C. M. S.	328.79	
General	34.12	
Hall Estate	9,512.09	
Swasey Fund	1,747.00	
Methodist Agri. & Forestry	3,500.00	
Special Gifts	<u>400.00</u>	15,522.00

Class B Special Funds

H. Y. I. Income Restricted	13,421.06	
U. C. M. S. Vacancy	600.00	
Methodist "	2,400.00	
Presbyterian "	<u>2,600.00</u>	19,021.06

Sustaining Funds 220,000.00

Famine Fund

Income	20,045.00	
Principal	<u>10,645.42</u>	30,690.42

Hospital

Methodist Board	830.00	
U. C. M. S.	375.00	
Presbyterian	<u>580.00</u>	<u>1,785.00</u>
		293,820.98

DISBURSEMENTS

Total Field Budget		283,316.74
Home Administration (Approx)	11,912.25	
Credit earned ABCCC	<u>2,408.01</u>	
	9,504.24	
Incidentals Trustees	600.00	
Promotional	<u>400.00</u>	<u>10,504.24</u>
		293,820.98

FIELD TREASURER'S REPORT FOR 1941-42

The report of the Field Treasurer for 1941-42 was presented and reviewed with interest, and there were sincere expressions of appreciation for the work involved and the cooperation of the Field Treasurer. It was

F-1219 VOTED to accept the 1941-42 Field Treasurer's Report with very sincere thanks and to place same on file after calling the attention of the Board to the fine work being done by Miss Priest and her colleagues.

There being no other business the meeting adjourned.

C. A. EVANS
Secretary

Appendix A

UNIVERSITY OF NANKING - Budget 1942-43 revised Nov. 1942 and Budget 1943-4

Summary

	1942-43	1943-1944
Receipts:		
College student fees	406,880.00	406,880.00
Middle School income	188,730.00	188,730.00
Board of Founders-gen.	463,038.75	463,038.75
Mission Bd. personnel	63,000.00	63,000.00
Mission Bd. vacancies	59,250.00	59,250.00
Harvard-Yenching Inst.	265,065.94	265,065.94
Ministry of Education	290,000.00	290,000.00
British Boxer trustees	10,000.00	10,000.00
University Alumni	252,000.00	
British Relief fund	160,000.00	
Sustaining funds, incl. reserves from 1941-2	2,180,127.50	
Projects:		
Social Service dept.	140,000.00	140,000.00
Science projects	236,000.00	236,000.00
Agricultural projects	452,040.00	452,040.00
Admn. chgs on projects	68,204.00	68,204.00
Agr. farms	50,000.00	50,000.00
Research famine funds	920,712.50	920,712.50
Int. and exchange	20,000.00	
Amount required to balance budgets	6,575,048.69	3,612,921.19
	504,063.56	5,255,745.86
	C\$7,079,112.25	C\$8,868,667.05

Expenditures:

Administration:

In China	523,686.00	716,729.00
In New York	187,952.65	187,952.65
Operation and main.	174,500.00	261,750.00

Instruction:

College of Arts	657,215.50	1,013,323.25
Inst. Ch. Cult. St.	179,162.00	268,743.00
College of Science	809,988.00	1,351,232.00
College of Agriculture	575,699.00	788,548.50
Middle School	207,730.00	222,750.00
Library	177,158.50	265,737.75

Projects:

Social Service dept.	160,000.00	175,000.00
Agr. projects	452,040.00	452,040.00
Science projects	236,000.00	236,000.00
Faculty Service	414,000.00	96,000.00

Student service:

Medical clinics	16,100.00	16,100.00
Athletics	7,020.00	7,020.00
Religious Activities	8,222.00	12,333.00
Dormitories for men	251,000.00	346,500.00
Dormitories for women	47,000.00	70,500.00

Special items 1942-3:

Grant to West China Un.	50,000.00	
Trans. goods India	100,000.00	
Furniture repairs, etc.	60,000.00	
Land rent-bldgs. etc.	40,000.00	

NOTE: In estimating the income for 1943-44 only assured income has been included at this date. Excepting in cases known to be needed only during this particular year, the expenditures for 1943-44 are made by increasing 1942-43 figures by 50% to allow for the probable increase during the year.

MINUTES OF ANNUAL MEETING

BOARD OF FOUNDERS

UNIVERSITY OF NANKING

2:00 P.M. Thursday, May 13, 1943
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members:

	<u>1943</u>	<u>1944</u>	<u>1945</u>
Am. Baptist		*A. F. Ufford	Dana M. Albaugh
Methodist	*R. E. Diffendorfer	R. C. Morris	*Frank T. Cartwright
Presbyt. No.	*P. P. Elliott	*T. C. Speers	*Lloyd S. Ruland
Disciples	E. K. Higdon	*R. M. Hopkins	C. M. Yocum
Ginling College	S. L. MacKinnon		Rebecca W. Griest
Coopted	Robert E. Speer		Morris W. Ehnes
	Joab A. Banton		R. M. Wheeler
	*John T. Ogden		

Those whose names are starred were present, as were also Mrs. Mills, C. A. Evans and Mr. Caldwell.

Regrets were received from Miss Rebecca Griest and Miss Sallie Lou MacKinnon.

The Chairman, Dr. Speers, called the meeting to order and led in prayer.

The death of Dr. George B. Huntington was announced as having occurred March 6, 1943. He had been a member of the Nanking Board and served long and faithfully on the Finance Committee.

It was

BF 1220 VOTED to instruct the Secretary to prepare a resolution of sympathy on the passing of Dr. George B. Huntington and that same be forwarded to the members of the family and spread upon the minutes of the meeting.

ADOPTION OF AGENDA

A carefully prepared agenda was placed before the meeting and it was

BF 1221 VOTED to accept the agenda as presented.

APPROVAL OF MINUTES

The records of the 1942 Annual Meeting and Finance Committee meeting of November 13, 1942 were presented and it was

BF 1222 VOTED to dispense with the reading of the two sets of minutes listed below and that they be approved as circulated.
Minutes of the Annual Meeting of the Board, May 12, 1942.
Minutes of the Finance Committee Meeting, November 13, 1942.

REPORTS FROM THE FIELD

Letter from President Y. G. Chen

A letter from President Chen, dated March 20, 1943 and addressed to the Board of Founders and friends of the University of Nanking, was presented and it was

BF 1223 VOTED to instruct the Secretary to acknowledge formally the receipt of this letter, expressing the appreciation of the Board of Founders and that a copy of the letter addressed to the Board be sent to all the members.

It was suggested that the Secretary especially express the gratification of the Board at the financial showing.

Letter dated March 25, 1943

Mr. Evans reported that he had received a letter dated March 25, 1943 addressed to him jointly by President Chen and Miss Elsie Priest. This letter made a report on the current year 1942-1943, advising that there are now 857 students enrolled in the college; giving a report on the askings for 1943-44; special housing needs; post-war planning and plans for celebrating the 55th anniversary of the College. (See Appendix B).

A brief report was given of the part which the Associated Boards took in arranging for a radio broadcast to China in connection with the Anniversary. Dr. Decker spoke as the President of the Associated Boards and a former member of the Board of Founders; Willlys Peck of the State Department, Washington, spoke as the representative of the State Department, and Dr. Nicholas Murray Butler representing the colleges in America.

It was

BF 1224 VOTED that these reports from the field be accepted.

It was also

BF 1225 VOTED that the office be requested to prepare and circulate before Board meetings, a mimeographed digest of reports from the field, giving the President's report in full but selecting from other letters and minutes matters which call for the Board's action, also information which the Founders need for promotion.

Minutes of the Meeting of the Emergency Executive Committee of the Board of Directors, April 20, 1942.

In Action EE181 it was voted to authorize a cable to the Board of Founders inquiring if it is possible to renew the fire insurance on the Nanking property with the Home Insurance Company in New York. A cable was sent subsequently to the college advising them that it was possible to arrange for this insurance in New York. After discussing this question, it was

BF 1226 VOTED that the Finance Committee be instructed to study this matter and act appropriately before contracting for another year for insurance under present conditions.

May 13, 1943

Action EE-199 recommended to the Board of Founders that Miss P. Margaret Turner be invited to return to the position of English secretary to the administration after a regular furlough to be dated from March 1, 1942. Miss Turner is entitled to 14 months away from the field and should return to China by June 1, 1943. It was reported that Miss Turner is ready to return. Her fare has been sent to her and everything is complete as soon as permission to sail is granted by the Government.

Action EE-200 urged the return of both Dr. M. Searle Bates and Dr. J. Claude Thomson.

Dr. Hopkins reported that a decision had not yet been reached by the United Christian Missionary Society regarding the return of Dr. Bates.

Dr. Ruland reported that Dr. Thomson has been doing graduate work at Johns Hopkins and it was understood by the Presbyterian Board that he would be ready to return in the summer and that he is high on their list to be returned.

In connection with Vote EE-202, which expressed appreciation to the Board of Foreign Missions of the Presbyterian Church in the USA for their willingness to allow Miss Winifred Shannon to spend a second year in the University, - Dr. Ruland stated that the Presbyterian Board had made a permanent assignment of Miss Shannon as one of the Presbyterian quota to the staff of the College.

In Vote EE 203, the Board of Directors expressed its appreciation to the American Board and to Miss Grace M. Boynton personally for her services during the academic year.

Vote EE-204 inquired through the Board of Founders if it would be possible for the four cooperating mission boards to reconsider their annual grants, and in view of the need these days, to increase the appropriations.

In this connection, considerable discussion took place, and it was

BF 1227 VOTED that this matter be referred to the Executive Committee of the Associated Boards for a study of the Boards' participation in various colleges, especially where there was in recent years a reduction in the Boards' support, in an effort to restore their support to the full amount of the participation they once had and to report back to the individual boards.

And it was

BF 1228 VOTED to request the Associated Boards to communicate with the constituent mission boards and agencies pointing out the necessity of including the Colleges in a very large way in any post-war reconstruction funds which the denominations may be using for their post-war reconstruction.

Vote EE-195: "to authorize that C\$200,000 now invested in banks in China be used for the purchase of land, these funds to be guaranteed and replaced by Famine Funds now held in United States currency in New York" was discussed and the Secretary was instructed to write to the field raising the question as to the advisability of spending too much money for land in West China if they plan to return to Nanking.

May 13, 1943

REPORT ON PROMOTION

The report on promotion was presented by Mr. Caldwell. Originally when the Associated Boards was formed, there was supposed to be a unified single promotional campaign for all the colleges in which each shared according to its needs. Later it was discovered feasible to conduct a separate promotional effort for each of the colleges which had a certain clientele. A special situation arose when joining with United China Relief, but the Associated Boards carried on at the same time as intelligent and effective a program of education as could be devised, but not of direct solicitation on behalf of the individual colleges. The status of the Associated Boards with United China Relief and the National War Fund was clarified to such an extent that it is now possible to solicit funds for individual institutions. Consequently, approximately \$200,000 was obtained through Associated Boards efforts and \$500,000 through United China Relief for the institutions.

The educational publicity has been received very much better than anything previously issued. City libraries of Baltimore and Cleveland have asked for copies of the Nanking folder. The Carnegie Peace Foundation is using our publicity as part of its text room material for study groups in the United States. On the other hand there has not been any direct appeal this year to the Nanking constituency but there is a great deal of interest and there seems to be every likelihood that the University of Nanking constituency is more interested than ever.

It was

BF 1229 VOTED to instruct the Committee on Promotion to prepare an appeal, using funds which otherwise might be used in the issuing of a pamphlet.

It was suggested that the report of the Committee on Promotion be appended to the Minutes (Appendix C) and it was further

BF 1230 VOTED to receive the report on promotion with appreciation.

FINANCIAL MATTERS

A general report was presented by the Assistant Treasurer dealing with the status of the current budget and also with reference to balances carried on the books. Out of the discussion came the suggestion that the Colleges begin to set aside a reserve fund for post-war reconstruction, and it was therefore

BF 1231 VOTED to refer to the Associated Boards the problem of beginning to build up a reserve fund in the United States to be used for post-war reconstruction in the colleges.

Report of Finance Committee

The minutes of the Committee on Finance held on May 10, 1943 were presented, and discussed, including the study of investments, remittances of funds to China, field budget for 1942-43, the current budget, field budget for 1943-44, and Trustees' budget for 1943-44, as well as the Field Treasurer's report for 1941-42.

After due study of the various recommendations and actions, it was

BF 1232 VOTED to approve the minutes of the Finance Committee meeting of May 10, 1943 and adopt the recommendations.

Annual Report of the Treasurer of the Board of Trustees for 1941-42

The report of the Treasurer of the Board for 1941-42 having been circulated, it was

BF 1233 VOTED to approve the Annual Report of the Treasurer for the year ending June 30, 1942 and approve the recommendations contained therein.

Auditors' Report for 1941-42

The report of the auditors, Messrs. Chambellan, Berger and Welti, having been reviewed and as the books were found in order, it was

BF 1234 VOTED to receive the auditors' report and place same on file.

HARVARD-YENCHING INSTITUTE

A letter from Harvard-Yenching Institute dated March 10, 1943, addressed to the Presidents, Boards of Managers, and Boards of Trustees of the China Christian Colleges, was presented and discussed.

It was pointed out that Nanking has been outstanding in its desire to participate with the other institutions, and that reports from the field have been sent regularly to the Institute, receiving much commendation for work done. It was brought out that the Planning Committee of the Associated Boards is arranging to send an outstanding educator to China, who will also look into the question of cooperation and economy of administration. It was

BF 1235 VOTED that we ask the chairman and secretary to reply to the letter from the Harvard-Yenching Institute, expressing appreciation of their concern about the future cooperative program of the colleges and of the Boards, reminding them of the traditional attitude of the University of Nanking in this connection and expressing willingness to effect any changes within our power that may affect the welfare of the institutions.

MATTERS GROWING OUT OF MEETING OF ASSOCIATED BOARDS

It was reported that the question of providing an adequate salary for members of the Trustee supported staffs of the various colleges had been taken up at several of the meetings of the Colleges. This question was discussed at length, having in mind what other boards and organizations are doing, and it was

BF 1236 VOTED to ask the Committee on East Asia to investigate further the possibility of some joint committee in Free China to study and recommend a uniform salary scale for missionaries and other foreign workers.

It was also

BF 1237 VOTED that pending report from some kind of cooperative salary group, the salaries be on the same basis as for Ginling College, as follows: That the Board of Founders make an additional grant of at least fifty percent on the basic salaries of the foreign staff and more if that

is required and is in line with action taken by other Boards, to begin as of January 1, 1943.

(The effect of the foregoing is to increase basic salaries at least 100% and more if necessary).

ELECTION OF OFFICERS AND APPOINTMENT OF COMMITTEES

Resignation of Mr. J. I. Parker

Mr. Parker having resigned, it was suggested that Mr. Charles H. Corbett be appointed Assistant Secretary and Assistant Treasurer in his place. It was therefore

BF 1238 VOTED that Mr. Charles H. Corbett be appointed Assistant Secretary and Assistant Treasurer.

The Nominating Committee presented the following names of officers, committee members, and coopted members of the Board:

<u>Officers:</u>	Honorary President	- Dr. Robert E. Speer
	President	- Dr. Theodore Cuyler Speers
	Vice-Presidents	- Mr. Dana M. Albaugh
		- Dr. C. M. Yocum
	Treasurer	- Mr. Robert C. Morris
	Assistant Secretary and Assistant Treasurer	- Mr. G. A. Evans
	" " " "	- Mr. Charles H. Corbett

Executive Committee:

Dr. Theodore Cuyler Speers	Dr. Lloyd S. Ruland
Mr. Dana M. Albaugh	Dr. C. M. Yocum
Dr. F. T. Cartwright	Miss Rebecca Griest
Dr. J. W. Decker, ex officio	Mr. John T. Ogden

Finance Committee:

Dr. Morris W. Ehnes	Mr. Dana M. Albaugh
Mr. Robert C. Morris	Dr. Theodore Cuyler Speers, ex officio
Mr. Joab H. Banton	

Committee on Promotion:

Dr. Frank T. Cartwright, Chairman	Dr. Phillips P. Elliott
Dr. J. W. Decker	Miss Rebecca W. Griest
	Dr. Theodore Cuyler Speers, ex officio

Committee on Instruction:

Dr. Lloyd S. Ruland, Chairman	Mr. Dana 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. Morris W. Ehnes

Committee on Promotion:

Miss Rebecca W. Griest
Dr. Frank T. Cartwright

Committee on Christian Character, Staff and Curriculum:

Mr. Dana M. Albaugh
Dr. Frank T. Cartwright
- - -

Ginling Board - Dr. Lloyd S. Ruland

Coopted Members in the Class of 1946

Dr. Robert E. Speer
Mr. Joab A. Banton
Mr. John T. Ogden

It was

BF 1239 VOTED to instruct the secretary to cast one ballot for the officers, committee members and coopted members as reported by the Nominating Committee.

The ballot was cast and the chairman declared the election of those nominated.

ADJOURNMENT

The meeting adjourned at 4:10 P.M.

C. A. EVANS

Secretary

MEMORIAL RESOLUTION

Dr. George B. Huntington

RESOLVED: That in the death of Dr. George B. Huntington on March 6, 1943, the University of Nanking lost a true friend and counselor. As a member of the Finance Committee and also the Nanking Realty Corporation, Dr. Huntington rendered valuable and efficient service. No task was too arduous or fraught with details which he would not perform, and there was no limit to the time which he devoted to the affairs of the University.

IT IS FURTHER RESOLVED that this action be spread upon the Minutes of the meeting and copies of same be sent to the members of the family.

C
O
P
Y

University of Nanking
Chengtu, Szechuen, China
March 20, 1943

To the Board of Founders and friends
of the University of Nanking:

This year we are celebrating the Fifty-fifth Anniversary of the Founding of the University of Nanking and we are taking this opportunity to send very special greeting to our friends in America. During the spring holidays--April 29th to May 2nd--we shall have a quiet celebration. The main feature will be open house for alumni and friends in order that our work may be exhibited. We shall plan to have a radio program for the benefit of alumni and friends who are unable to join us in Chengtu, and hope to receive messages from America at that time. Our faculty and students are interested and are cooperating to make this one of the outstanding events of the academic year. At the same time it provides an excellent opportunity to evaluate the work that is being done in the different departments.

Academic Progress: The principle task for every University in China today is to continue their regular program of academic training quietly and steadily to enable as many young men and women as possible to receive preparation for the work that must be done in the nation today. It has been our policy to put our main emphasis on the academic program. This year has brought the enrollment of regular college students to a total of 857, somewhat less than the total enrolled in 1936-1937. In addition there are several hundred students enrolled in short training courses, usually two years, being equivalent to two years of college. These courses, together with the students from the other institutions on the campus who have elected our courses, have brought the total number of students receiving instruction in our University to 1,251.

There has been an increasing demand for special training courses as the number of graduates from the colleges and universities cannot fill the demand for trained men and women. The government has asked us to give several of these courses, and as it is one way to serve during these years of war, we have been doing so, and find that very frequently graduates of the special courses return to complete work for their college degree.

There is nothing spectacular to report concerning this phase of the work--the progress is steady and it was gratifying to have students of higher qualifications this year. The war years have caused great havoc in the middle schools and students have been coming to college very poorly prepared for University work.

Projects: During the past twenty years we have been asked to do many special projects for the government. These particular years have been no exception and at the request of either the national or local government we continue to conduct many valuable projects.

The University was one of the pioneer institutions to bring microfilms to the campus. Our College of Science has been able to make the readers in China, and are making them at cost for the government who is establishing centers throughout free China. More than two hundred films have reached this campus, designated as one of the centers, and are in constant use. We look forward to wide use of this equipment.

The provincial government has designated one hsien in the province as a model and asked our College of Agriculture and Forestry to make the necessary surveys to bring recommendations for the improvement of agriculture and the standard of living in this area. It has been given wide publicity and we feel has been a valuable contribution.

There are many projects now being conducted in the various colleges: social service centers; educational moving pictures; improvement of grains and fruit, with special studies for citrus improvement and preservation; scientific studies such as manufacturing of ammonia, copper sulphate, both dry and wet cells for use in the army, etc., but I shall not take time to list every one. We wish you could all visit us and see for yourself the work that is being done.

We are forced to make each project self-supporting as funds are too limited to allow us to attempt any work of this kind, no matter how greatly needed the results may be to the nation.

Research and extension: We are continuing a very limited program in research and extension. There were valuable studies being made which could not be dropped without very serious loss. This is particularly true in research on grains and improved agricultural products. There are many manuscripts ready for printing but no money to give the results to the public. Printing costs are unusually high in Chengtu and make it impossible for us to publish the material that is ready.

Financial outlook: These days far too much time is taken in planning how to meet the next payroll. The cost of living continues to increase rapidly-- the index today is about 7,000 as compared to 100 for 1937. Naturally income has not increased seventy times and we are in serious financial need. Every economy is being practised but even then it is hard to find enough money to cover our budget. To this date we have managed the years of the war without a deficit but the outlook for the next few months is rather depressing.

One of the most serious results has been the health of staff and students. Due to lack of nutritious food, worry and weariness over the war with all its problems there is an increasing amount of illness and particularly of tuberculosis especially among the younger staff.

Contributions: This year our Alumni have given us twenty-one chairs, each valued at 12,000. The chairs were assigned with care, and this gift is greatly appreciated. The government has made special grants to assist faculty members: (1) a grant for the large families, and (2) a grant to all professors who have served ten years or more. The usual grants from the Ministry of Education have been received and some of our friends have made liberal grants. Mr. K. P. Chen, one of our directors, has just sent 100,000 00 for the Department of Agricultural Economics and a professorial chair valued at 12,000 00 was contributed by a business acquaintance.

The grants from the Associated Boards and the United China Relief have been of great help in maintaining our work. We have depended largely on this support during these war years and at this time express our gratitude to all the many friends who have given so generously to the Universities in China.

Letter from Y. G. Chen to
Nanking Board

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March 20, 1943

We hope it may be possible for some of our alumni and friends in China to give us some gifts at the time of the celebration of the 55th Anniversary. Already there have been some promises and we feel the prospects for gifts, not only at this time but throughout the year to come is promising. The great need in Nanking (as our buildings have been cleared of all equipment) and to maintain the staff in face of the continual cost of living increases makes us dependent upon our many friends both in China and abroad.

Reports from Nanking: Our news these days is very meagre. From friends who left Nanking as late as November 1942, we know that our buildings have been taken over by the enemy--the new library building turned into a hotel, the college campus used by the puppet Central University but the equipment and books were first removed. It is reported that one-third of our library books were shipped to Japan, one-third turned over to the University under the local government, while the balance were burned. The periodicals collected at great cost over years were placed on the market for firewood. The hospital is being run by Japanese, some of our staff being retained. Our staff was allowed to live in the Middle school campus providing a school was opened. One of our staff is the principal while another acts as business manager and we hope some equipment has been saved in this school. All residences west of Ping Tsang Hsiang are in the hands of the military authorities but all others are being used by the local university. We have no direct way of communicating with our loyal staff, but trust the income from the school and the farms will be enough for their maintenance.

The latest news from Dr. Albert Steward indicates he is probably in a concentration camp in Shanghai. All nationals of the United Nations, men and women, are reported in camps. All other members of our Western staff have been repatriated excepting Dr. Daniels who is still in Manila as far as we know.

We are grateful for your sympathy, gifts and prayers during these years and know you are interested in the work of our institution. With fifty-five years of service to the youth of China, we have courage to continue in the great task that has been given to us.

With sincere wishes to each one,

Sincerely yours,

/s/ Y. G. Chen

C
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March 25, 1943

Mr. C. A. Evans, Asst. Secretary,
Board of Founders, University of Nanking.

Dear Mr. Evans:

At the request of Dr. Fenn and Mr. Edwards, we have prepared a brief statement describing the work of the University, and enclose a copy for your information and use. It is arranged according to the form furnished to us a "Project Report Sheet" from United China Relief.

Current year 1942-1943: Will you please report to the meeting of the Board of Founders concerning the current year 1942-1943? According to data sent to you there are 857 students in the colleges (regular), 34 in graduate school, 184 in special training courses, 28 unclassified special students and 138 from other institutions taking courses in our University, making a total of 1,251 in all -- somewhat below the total for 1936-1937, but higher than any other year here. We are grateful to you and the Board of Founders for your help in securing the recent gift for the University of Nanking - US\$30,000. from U.C.R. This is a great relief to us all and will enable us to close the year without a deficit. The cost of living continues to soar rapidly and is causing great hardship for staff and students - we shall do our best to meet each day as it comes.

Year 1943-1944: You have been furnished with the estimates for 1943-1944 based on an increase of 50%. Not counting on receiving any grants from United China Relief but estimating that the increase in field funds will be approximately the same as this year, the amount to be raised from all sources will be estimated as C\$5,255,745 of a total budget of C\$8,868,667.05. Under date of January 20, 1943 the Executive Committee of the Board of Directors took the following action:

"E-221 Voted to approve in general the budget for 1943-1944 which calls for a total expenditure of C\$8,868,667.05 with an estimated shortage of C\$5,255,745.86 for presentation to the Associated Boards and United China Relief, it being understood the budget will be revised later in the year in the light of conditions that may then prevail."

For your information in case the two copies mailed in December failed to reach you, we are enclosing a copy of the summary. The year 1942-1943 we received a total of US\$117,650. or at the rate of 19.75 C\$2,323,587.50 from United China Relief. This would mean if this same amount was repeated that the shortage would be approximately 3,000,000. for 1943-1944. Is there any hope of securing increase grants?

When the budgets were estimated at an average increase of 50% the rate of depreciation and the increase in the cost of living was less than 10% per month. Conditions have worsened in this respect and today the increase in the cost of living is more than 10% per month - which indicates that even with this tremendous shortage, it is far short of being sufficient to maintain present work. The budget for 1942-1943 should have been increased by at least 100% to carry the same program of work.

March 25, 1943

There is a slight hope that a special subsidy may be made by the government to equalize the restricted gifts given for relief. We shall keep you informed of developments and shall keep in close touch with this situation in China.

We wish to take this opportunity to express the deep appreciation of the field for the loyal support given us during the years of war. It is more than five years since we arrived in Chengtu, and everyone connected with our institution is war-weary and longs for more room to work and live.

Special housing needs: May we again call to your attention the very crowded conditions under which we are working. West China Union University has been gracious in granting the refugee institutions space, but there is a limit to the amount available. The most serious need is to house families - rents are prohibitive in the city and nearby, and yet there are 42 families who are living crowded into one small room each family - it is not strange that the increase of illness has been very noticeable among the staff families this year.

If the war continues we would like to erect some simple residences to take care of this great need - we estimate it will require about US\$30,000. for this need. Then the students are having a hard time to keep well in our crowded dormitories. With eight students in one room, it is difficult to control health and rest for those who need special attention. The freshmen students have no place to eat their noon meal - except out of doors and in rainy weather this is not very satisfactory. We hope to erect a simple building that will serve as a dining and rest room for these students who live more than two miles from the campus. This is not very costly - US\$2,500. will be enough.

Post-War planning: We wish to express our appreciation of the very fine reports sent out from your meeting held in December - they have been mimeographed and given wide distribution among our senior staff members. We are trying to make our staff post-war conscious as we hope we are nearing the end of the war and can give our major thought to the return to our own campus.

Will you report to the Board of Founders that the latest word from Nanking indicate that with the exception of the Middle School compound all our buildings are now in the hands of the enemy - partly used by the puppet Central University and partly used by military organizations. Reports indicate that our new Library building has been turned into a hotel. The hospital is being continued under the Japanese but a few of our old staff have been retained. We have no further word from them. Our few loyal staff members are in the Middle School buildings where they are conducting a middle school under the present local Nanking government, and we hope they may have been able to save some equipment. We know the buildings have been stripped of all equipment and the library books scattered; 1/3 sent to Japan, 1/3 given to Central University in Nanking and the balance sold for firewood. Every effort will be made to secure funds in China to replace at least part of this equipment, but we shall need to depend very largely on our Board members in America for their help.

On April 29th to May 2d we shall celebrate quietly the Fifty-fifth anniversary of the founding of the University of Nanking. We shall hope to have messages from America at that time. The main feature will be open house for our friends and alumni to see the work that is being done today in the University - we have wide interests. Full reports will be sent to you. It is our hope that a few of our friends may take this opportunity to contribute to our work, but no large campaign

Letter from Y. C. Chen and
Elsie M. Priest

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March 25, 1943

will be held.

On behalf of the faculty, we take this opportunity to send special greetings to you, the Board of Founders and the Associated Boards at this time. This year the annual meetings will be particularly significant as plans are made for the post-war period.

Sincerely yours,

/s/ Y. G. Chen, President

/s/ Elsie M. Priest, Treasurer

REPORT ON PROMOTION
UNIVERSITY OF NANKING

During 1942-43 there have been certain changes in the emphasis of the promotional program of the University of Nanking. Because the Sustaining Funds of the Christian Colleges in China were in a large measure guaranteed by United China Relief, it has not been so necessary to seek continually an increase in the giving of our friends. Therefore, the principal purpose of promotional efforts during the past fiscal year has been to maintain the interest of old friends, and to make new ones.

A popular booklet was published for Nanking in the autumn of 1942. This booklet has received wide distribution, and has been very favorably received. In addition, a number of mimeographed reports have been sent to trustees, friends, and former staff members. More reports will be made available as they are received from China.

Although there has been as yet no organized solicitation of funds this year on behalf of Nanking, by April 10 a total of \$1,587.10 had been received in the form of more or less spontaneous gifts. It is expected that in May or June there will be a formal mail appeal to the friends in the University of Nanking mailing list.

Perhaps the most encouraging feature of the promotional work which has been done for Nanking is this, that if an emergency arises, if funds are no longer available through United China Relief, or through the War Fund, everything is in readiness for an intensified private effort to secure whatever may be needed by our friends in China. The foundation of our promotional activities must be the interest and sympathy of American friends. We probably have more of this now than in some time past.

MINUTES OF MEETING
FINANCE COMMITTEE
UNIVERSITY OF NANKING

12:15 P. M. Monday, May 15, 1944
Room 900, 150 Fifth Avenue, New York, N. Y.

List of Members:

* Morris W. Ehnes
* Robert C. Morris
J. H. Banton

D. M. Albaugh
Theodore C. Speers

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

It was agreed to submit the minutes to other members of the Committee available or, at least, to secure a majority vote. (One additional vote of approval now makes these minutes valid).

INVESTMENTS

The Committee reviewed the investment portfolio and noted that the market value of the total list, as of April 17th, was nearly \$45,000 in excess of costs. A study of the individual holdings revealed no situation requiring immediate action. It was felt wise, however, to sell the Cleveland Union Terminals, if possible, at par and it was

F-1240 VOTED to enter an order for the sale of 2,000 Cleveland Union Terminal Bonds 5's/73 at 100 same now carried in the Retirement Reserve Fund Investment.

It was noted there was an overdraft in Famine Funds account, but later on changes in securities might be made to correct this situation.

ANNUAL REPORT OF THE TREASURER FOR 1942-43

The Committee reviewed this Report and studied the various schedules. As same had also been reviewed by the Auditors, it was

F-1241 VOTED to refer the Report of the Treasurer for the year ending 1942-43 to the Annual Meeting of the Board of Founders with the recommendation that it be approved and placed on file.

AUDITORS' REPORT FOR THE YEAR ENDING JUNE 30, 1943

The Report of Chambellan, Berger & Welti for 1942-43 was reviewed and as a result it was

F-1242 VOTED to recommend to the Board of Founders that the Auditors' Report for 1942-43 be received and placed on file.

BUDGET FOR 1944-45

Figures were presented to the Committee indicating that the following figures seem to represent the situation regarding the 1944-45 expenditures:

Expenditures in Chinese \$	\$28,696,852.
Less Income in Chinese Currency	2,407,000. 26,289,852.
Less Assured Income from Trustees in New York in Chinese \$ @ 40:1	2,472,000.
Balance Required in Chinese \$	23,817,852.
Amount required in US\$ if Exchange is 40:1	595,446.
Amount required in US\$ if Exchange is 80:1	266,823.
Amount required in US\$ if Exchange is 120:1	157,282.

The Committee also considered comparative figures for previous years which, because of the vast difference in totals, seemed to be of very little value.

A statement was also made regarding the efforts to sell remittances on the open market in China and thus alleviate the condition. As definite mechanism for carrying out this project had not been approved, it seemed impossible for the Committee to make any definite recommendations to the Annual Meeting of the Board. Rather it appeared to be a situation wherein conditional negotiations should be continued, and it was

F-1243 VOTED to recommend to the Board of Founders that pending the determination of the rate of exchange Nanking requests from the Associated Boards sufficient Chinese dollars to cover the budget as estimated by the field for 1944-45.

It was understood in connection with the foregoing that if any definite conclusions in the exchange rate were reached the Committee could again meet and give further study to the budget situation.

SALARY FOR FOREIGN STAFF ON FURLOUGH

Thought was given to the general procedure followed by the Mission Boards and other Colleges in respect to foreign staff on furlough. On the basis of customary procedure it seemed that Nanking should pay a minimum of \$100.00 per month for foreign staff on furlough at home. It was, therefore

May 15, 1944

F-1244 VOTED to approve and report to the field the payment of \$100.00 per month for single missionaries while on furlough.

LOAN OF US\$8,016 TO A. N. STEWARD OF NANKING

The Committee was advised that word had been received from China through repatriates on the last GRIPSHOLM that US\$8,016 had been paid to Dr. A. N. Steward at Nanking reputedly for University purposes. The payment was made before June 1942. This situation was reported to the Treasurer at Chengtu and a reply has been received indicating that no word or representations had been received from Nanking to this effect and that the University authorities felt that this could not be a University charge and preferred to let the matter rest until more adequate information might be secured. It was

F-1245 VOTED that, in view of the inadequate information available regarding the US\$8,016 paid to A. N. Steward prior to June 1942, the University cannot make payment at the present time.

It was conceded that if any new evidence is received that the Committee should make arrangements for a meeting to plan for clearance with the Methodist Board.

REHABILITATION NEEDS

The Assistant Treasurer presented a letter from the field dated February 4th listing the rehabilitation needs as summarized on the attached sheet (Appendix A). The Committee was deeply interested in these figures and in the process of arriving at the totals, but felt that it is entirely too early to make any definite estimates as conditions may so completely alter the situation that any present prognostications will be of little value. It was reported that the Associated Boards had adopted a minimum goal of three and one-half million dollars for post-war rehabilitation for the entire group of Colleges. The Committee also felt that any consideration of rehabilitation needs should be undertaken in the light of the entire Christian Higher Educational program in China.

DECISION IN THE ESTATE OF AMBROSE SWASEY

A communication was presented from the law firm of Jones, Day Cockley & Reavis, informing the Treasurer that the Probate Court in Cleveland, Ohio had decided in favor of the contention of the Trustees that inheritance tax was not due on account of the gift made by Ambrose Swasey to the University.

There being no other business the meeting adjourned.

C. A. EVANS
Secretary

University of Nanking

Information regarding Rehabilitation Needs - February 1944
(based on questionnaire from Associated Boards)

All estimates are on prewar values and prices - the rate of exchange used is C\$3.40 for US\$1.00.

	<u>Buildings</u>	<u>Equipment</u>	<u>Books and apparatus</u>	<u>Total</u>
1. Property destroyed or unrecoverably lost (as of Dec. 8, 1941)	US\$ 21,657.	US\$ 17,190.		US\$ 38,847.
Forest destroyed				3,090,909.
2. Property recoverable if no further loss or destruction (Dec. 8, 1941)	US\$887,129.	US\$311,143.	US\$120,000.	US\$1,318,272.
3. Property damage and depreciation on No. 2	US\$ 44,100.	US\$300,000		US\$ 344,100.
4. Property in present home:				
a. Amount worth taking back to Nanking		US\$ 40,000.	US\$30,000.	US\$ 70,000.
b. Amount to be left behind	C\$ 500,000.	C\$ 200,000.	C\$100,000.	C\$ 800,000.
c. Amount that might be realized on #b.	Probably all that is left will be given to hosts.			
5. Return trip:				
a. Transportation of personnel (based on costs in 1937)		C\$ 106,000.	US\$ 32,120.	
b. Transportation of equipment (based on costs in 1937)		40,000.	12,000.	
Total		C\$ 146,000.	US\$ 44,120.	
6. Additions to prewar property necessitated by increased size	No increase in buildings anticipated except to complete the freshman dormitory and library building, both of which were under construction in 1937.			
	No increase in equipment or furniture anticipated except to furnish the two buildings mentioned above.			

Note: Under No. 3 property damage is estimated on the basis of normal repairs annually to all the property. Under equipment, figures are given on the basis that equipment and apparatus must be renewed every three years.

REPORT OF THE TREASURER

TRUSTEES UNIVERSITY OF NANKING

Year Ending June 30, 1943

During 1942-43 the University continued as guest on the West China Union University Campus at Chengtu. It has found ways to carry on its various programs with effectiveness and success. During the year it celebrated its 50th Anniversary with suitable ceremonies including broadcasts from America.

The rapid advance in the cost of living has placed heavy burdens on the administrative staff of the University in China but help has been available through additional funds secured by the Associated Boards through United China Relief.

The following report of the Treasurer of the Trustees is based upon the following documents which are attached herewith:

- (a) Trial Balance Sheets before and after closing (Pages, 6, 7, and 8)
- (b) Budget Analysis June 30, 1943 (Pages 9 and 10)
- (c) Consolidated Balance Sheet (Page 11)
- (d) List of Securities June 30, 1943 (Pages 12, 13 and 14)

The figures in this report have been checked by our auditors, Messrs. Chambellan, Berger and Welti.

ENDOWMENT SECTION

Endowment Funds increased \$7,870.80 during 1942-43 to a total of \$1,010,985.26. The source of this increase is shown in the following schedule:

Received from Sup't. of Insurance payment on claim covering 2348 - 7th Avenue, New York City	\$4,648.45
China Famine Funds: Profit on sale of 35M U.S. Treasury 2-3/4% Bonds 1960/65 sold	3,171.30
Interest on Saving's Fund Account	30.56
Interest on H. Y. I. Stabilization Fund	121.31
Profit on sale of Retirement Reserve Fund Securities	24.88
Received from Sup't. of Insurance payment on claim covering 414 Brook Avenue	78.00
Income on Endowment Income Stabilization Fund	111.03
	<hr/>
	8,185.53
Less Endowment Income Stabilization Fund used in closing June 30, 1943	<hr/>
	314.73
	\$7,870.80

It will be seen that the principal increase was from payments made on mortgage claims with the State Superintendent's Department of Insurance and Profit realized on sales in the Famine Fund account.

Investment changes during 1942-43 were as follows:

Consolidated Endowment Investments, July 1, 1942			\$214,132.32	
Purchases: 100 shs. Union Pacific Pfd. Stock			8,834.50	
40 M U. S. Savings Bonds "G" 2½%			40,000.00	
35 M U. S. Treas. Bonds 2%, 51/49			35,065.63	
10 M U. S. Treas. Bonds 2½%, 69/64			10,000.00	
			<u>308,032.45</u>	
Sales & Losses:	(Proceeds)	(Losses)		
10 M B. and O. R.R. 5/2000	\$3,269.93	6,880.07		
10 M Mo. Kansas & Texas 5/62	4,269.91	5,382.59		
5 M Northern Pacific 5/2047	2,984.91	1,796.34		
Amortization-1515 Overing Street	10.00			
" -40 Lincoln Road, Brooklyn	160.02			
" -414 Brook Ave., Bronx	76.66			
Sale of 136 E. 237th St., Bronx	10,000.00			
	<u>20,771.43</u>	<u>14,059.00</u>	<u>34,830.43</u>	273,202.02
Famine Funds Investments July 1, 1942		(Gain)	502,729.65	
Purchased, 30M U.S. Treas. Bonds 2/49/51			30,056.25	
40M U.S. Treas. Bonds 2½/64/69			40,000.00	
			<u>572,785.90</u>	
Less Sales of:				
Amortization Rheem Note	1,586.88			
35M U. S. Treas. Note 2-3/4/60-65	36,060.01	(3,171.30)	<u>37,646.89</u>	535,139.01
Retirement Reserve Investments July 1, 1942			7,238.50	
Bought 500 U.S. Treas. Bonds 2½/64/69			500.00	
			<u>7,738.50</u>	
Less Sale of U. S. Treas. Bonds 2-3/4/60-65				
\$ 423.50	(24.88)		<u>423.50</u>	<u>7,315.00</u>
Total Investments June 30, 1943				815,656.03

Our cash position (see Trial Balance Sheet, Page 6) on June 30 of \$9,018.43 represented a decline over a year ago of \$101,150.24 and reflected the investment of idle balances. Security and real estate sales resulted in a loss of \$14,059.00. A year ago the accumulated net losses amounted to \$5,202.26.

Notes Receivable increased to \$15,963.07 during the year due to losses in the Nanking Realty Corporation operations. Net Income on general funds for the year not deducting custodian fees was \$10,343.60 or 3.21%.

PLANT SECTION

Plant funds increased by \$53.08 during the past year, this being the interest on the Savings Bank Account for Freshman Dormitory. This interest was allowed to remain on deposit.

CURRENT GENERAL SECTION

The Budget Analysis (Pages 9 and 10) shows operations within the authorized budget. For the sake of clarity, however, a complete analysis of income and expenditures is shown below.

Endowment income shrank heavily due to the decreased income after the sale of Aluminum preferred more than a year ago.

Nearly \$80,000.00 increase was recorded as coming from Sustaining Funds, the total from this source being \$127,650.00

The Current appropriation for the field shown under "Expenditures" was decreased as "Home Administration" had to be taken from Trustees' income and not Sustaining Funds. The total cost to Nanking, however, for all administration and promotional costs was \$1,822.21 less than a year ago due to very considerable savings in the Associated Boards costs. These savings were returned to the participating College Boards.

All Sustaining Funds received were passed on to the credit of the field budget.

It will be noted that current operations of the Trustees resulted in a deficit of \$479.60. Recommendations regarding this are made elsewhere in this report.

<u>SOURCE</u>	<u>INCOME</u>		Increase or Decrease*
	<u>1942-43</u>	<u>1941-42</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	1,434.59	379.59*
" " two Vacancies	2,400.00	2,400.00	-
Presbyterian Board	2,920.00	2,920.00	-
" " one Vacancy	920.84	-	920.84
Baptist Board	800.00	800.00	-
<u>Endowment Income</u>			
Endowment Income General	10,131.51	13,819.63	3,688.12*
Swasey Fund	1,747.43	1,786.68	39.25*
Methodist Brd. for Agriculture & Forestry	3,500.00	3,500.00	-
<u>Other Income</u>			
Gifts for current budget	423.50	-	423.50
Harvard-Yenching Institute	13,421.04	13,421.06	.02*
Sustaining Funds	127,650.00	47,902.71	79,747.29
	\$ 167,069.32	90,084.67	76,984.65

EXPENDITURES

	1942-43	1941-42	Increase or Decrease*
<u>Field Budget</u>			
Current Appropriation	9,697.01	22,830.94	13,133.93*
Salaries	2,715.65	1,798.00	917.65
Library	1,108.72	336.06	772.66
<u>Home Administration</u>			
Administration and Promotion	8,566.21	10,061.96	1,495.75*
Audit, Bonds, Postage, etc.	424.83	505.97	81.14*
Promotional Expense	44.62	289.94	245.32*
Institute of Chinese Studies	13,421.04	13,421.06	.02*
Vacancy Funds sent to Field	3,920.84	3,000.00	920.84
Sustaining Funds to Field	127,650.00	36,902.71	90,747.29
	167,548.92	89,146.64	78,402.28
Surplus or deficit (d)	479.60(d)	938.03	
	167,069.32	90,084.67	

FAMINE FUNDS SECTION

The closing for 1940-41 and 1941-42 was still put off pending definite instructions regarding the balances in these accounts. The cash for the past year and its use is shown as follows:

Balance on hand July 1, 1942	60.10	
Cash received during the year	20,203.37	20,263.47
Less		
Charges during the year on budget	2,660.00	
Custodian fees and costs	289.12	2,949.12
Cash on hand June 30, 1943		17,314.35

HOSPITAL SECTION

Very few expenditures were made in this account during 1942/43 but the balance of income was carried forward into a Hospital Reserve Account (#169) (see Page 8). Transactions were as follows:

Balance forward from 1941-42	267.50
Received from Methodist Board	750.00
U.C.M.S. Board	375.00
Presbyterian Board	580.00
Credit for Ins. and gift	72.90
	2,045.40
Less Payments on Insurance and adjustments	132.90
Balance forward June 30, 1943	1,912.50

CURRENT SPECIAL

Gifts for Current Budget. The \$16,295.00 in this account was carried forward as a first credit on the first quarterly payment on Sustaining Funds for 1943-44.

Retirement Reserve Fund Income. A substantial increase in the balance carried in this account is shown in the following table of transactions:

Cash balance July 1, 1942	868.03	
Income from investments	287.85	
Received from Grace Bauer for Premiums	52.90	1,208.78
Payments for Bauer, Priest, Turner		<u>173.88</u>
Balance June 30, 1943		1,034.90

Endowment Restricted. Designated for scholarships, the income from certain funds in Endowment is sent to the field outside of the current budget. The income so handled last year was \$230.65.

Directors' Special Funds. Funds in the hands of the Trustees June 30, 1943 held for the field totaled \$46,466.74. Of this amount \$45,158.24 is invested in securities or was on deposit in New York City Savings Banks.

CASH SITUATION

Cash balances on June 30 were carried in the various Sections as follows:

Endowment - Cash	6,516.52
Retirement Fund Cash	54.88
Famine Fund Cash	2,447.03
Current General	84,385.78
Famine Funds	17,314.35
Hospital Reserve	1,907.21
Current Special	19,003.67
Total	<u>131,629.44</u>

The above was carried in the Irving Trust Company 21st. Street Branch as follows:

Endowment Bank Balance	6,916.61
General Bank Account	124,712.83
	<u>131,629.44</u>

The following amounts were carried in Savings Banks

Famine Funds	1,960.55
Plant Funds	3,332.02
Field Savings Fund	4,786.05
	<u>10,078.62</u>

RECOMMENDATION

In view of the shrinkage of Endowment income, it is recommended that the Finance Committee study all sources of income with a view of reallocating the Cost of Home Administration and Promotion.

It is also recommended that the Hospital Reserve Balance be deposited in a Savings Bank account if possible.

Respectfully submitted,

Robert C. Morris, Treasurer

C. A. Evans, Assistant Treasurer

C. H. Corbett, Assistant Treasurer

UNIVERSITY OF NANKING

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TRIAL BALANCE JUNE 30, 1941

ENDOWMENT - Endowment Funds and Investments:		Debit	Credit
11a	Consolidated Endowment Investments.....	273,202.02	
11g	China Famine Fund Investments.....	535,139.01	
11 & 111	(b) General.....		1,024.14
	(c) Hall.....		289,222.04
	(d) United Christian Missionary Society.....		10,000.00
	(e) Methodist Board - College of Agriculture..	100,000.00	100,000.00
	(f) Swasey Trust Fund.....	48,750.00	48,750.00
	(g) China Famine Fund.....		539,546.59
	(h) Harvard-Yenching Inst.-Stabilization Fund..		3,777.61
	(j) Endowment Income Stabilization Fund.....		3,150.00
12d	Retirement Reserve Investments.....	7,315.00	
112	Other Permanent Funds:		
	(a) Harriet M. Williams Scholarship Fund.....		1,000.00
	(b) Mr. & Mrs. Wood Scholarship Fund.....		1,000.00
	(c) Sherwin Scholarship Fund.....		5,000.00
	(d) Retirement Reserve Fund.....		7,369.88
	(e) Hoover Trust Fund.....		1,067.00
113	Loss on Sale of Securities.....	19,637.18	
115	Amortization Reserve.....		78.00
19	Cash Awaiting Investment: Retirement	54.88	
	Famine Fund	2,447.03	
	Endowment	6,516.52	
		9,018.43	
19.1	Savings Bank Accounts (Famine Fund).....	1,960.55	
119	Notes Receivable.....	15,963.07	
		<u>1,010,985.26</u>	<u>1,010,985.26</u>
PLANT			
21a	Land.....	88,171.41	
121	General Funds: (a) Baptist Board.....		31,764.00
	(b) United Christian Miss. Society.....		66,675.00
	(c) Methodist Board.....		109,432.00
	(d) Presbyterian Board.....		226,277.00
22	Buildings: (a) University.....	277,307.64	
	(b) Hospital.....	109,554.03	
	(c) Sciences.....	55,691.95	
	(d) Dormitory.....	5,000.00	
	(e) Language School.....	4,060.00	
	(f) Undesignated.....	13,600.00	
122	Special Funds: (a) James Normal School.....		20,000.00
	(b) Sericulture Building.....		21,000.00
	(c) Science Building.....		55,691.95
	(d) Science Equipment.....		13,550.66
	(e) Language School.....		4,060.00
	(f) Gas Plant.....		2,762.50
	(g) Land-Mulberry Orchard.....		4,000.00
	(h) Freshman Dormitory.....		3,332.02
	(x) Miscellaneous.....		5,308.38
23	Residences: (a) University.....	90,064.18	
	(b) Hospital.....	24,000.00	
123	Hospital Funds.....		111,203.26
24	Equipment: (a) University.....	16,596.94	
	(b) Hospital.....	54,503.95	
	(c) Science.....	15,537.49	
	(d) Gas Plant.....	228.44	
124	Plant Funds transferred from Current.....		18,332.24
25	Misc. Plant Assets: Rural Normal School and Equip..	3,634.98	
125	Plant Funds transferred from Famine Trust Funds..		52,871.27
125a	Famine Funds for Land.....		15,022.75
29.1	Savings Bank Account.....	3,332.02	
		<u>761,283.03</u>	<u>761,283.03</u>

UNIVERSITY OF NANKING

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TRIAL BALANCE JUNE 30, 1943

CURRENT GENERAL

	Debit	Credit
31 Directors' Current Expense.....	9,697.01	
31.1 " " Salaries.....	2,715.65	
32 " " Library.....	1,108.72	
36.1 Home Administration - Executive Office.....	11,912.25	3,346.04
36.2 " " - Incidentals.....	229.28	
36.3 " " - Trustees.....	195.55	
36.4a Promotional Expense.....	44.62	
39 Current General Cash.....	83,482.68	
131 Receipts - United Christian Missionary Society.....		1,500.00
132 " - Methodist Board.....		1,055.00
133 " - Presbyterian Board.....		2,920.00
133.1 " - Baptist Board.....		800.00
136 Special Gifts for Current Budget.....		3,920.84
136 Disbursed - Special Gifts for Current Budget.....	3,920.84	
137.1 Endowment Income - General.....		363.29
137.2 " " - Hall.....		9,768.22
137.3 " " - Swasey.....		1,747.43
137.4 " " - Methodist Board.....		3,500.00
139 Accounts Payable.....		84,385.78
	113,306.60	113,306.60

FAMINE FUND

51 Famine Fund Expense 1940/41.....	19,877.48	
51 " " " 1941/42.....	18,991.00	
51 " " " 1942/43.....	2,660.00	
59 " " Cash.....	17,314.35	
151 " " Receipts.....		58,842.83
	58,842.83	58,842.83

HOSPITAL

61.1 Current Expense - Salaries.....	65.29	
69 " Cash - Hospital.....	1,907.21	
162.1 Receipts - Methodist Board.....		1,017.50
163 " - United Christian Missionary Society.....		375.00
164 " - Presbyterian Board.....		580.00
	1,972.50	1,972.50

CURRENT SPECIAL

79 Current Special Cash.....	19,906.77	
79.1 Savings Fund Account (Directors' Special Funds)....	4,786.05	
79.2 Directors' Special Reserve Fund Investments.....	40,372.19	
171.2 Harvard-Yenching Institute Restricted.....		13,421.04
171.2 Disbursed - Harvard-Yenching Institute Restricted..	13,421.04	
172 Suspense.....		226.24
172.2 " Spec Account (A. N. Steward).....		18.63
175.1 Gifts for Current Budget.....		16,718.50
175.2 Endowment Income - Restricted (Non Budget).....		230.65
175.2 Disbursed - Endowment Income - Restricted(Non Budget)	230.65	
175.5 Sustaining Funds.....		128,250.00
175.5 Disbursed - Sustaining Funds.....	127,650.00	
177 Retirement Reserve Income.....		1,034.90
179 Directors' Special Funds.....		4,786.05
179.1 " " " Inst. of Chinese Cul. Studies		11,200.00
179.2 " " Reserve Fund.....		30,480.69
	206,366.70	206,366.70

CURRENT GENERAL

		<u>Debit</u>	<u>Credit</u>
39	Current General Cash.....	84,385.78	
139	Accounts Payable.....		84,385.78
		<u>84,385.78</u>	<u>84,385.78</u>

FAMINE FUND

51	Famine Fund Expense 1940/41.....	19,877.48	
51	" " " 1941/42.....	18,991.00	
51	" " " 1942/43.....	2,660.00	
59	" " Cash.....	17,314.35	
151	" " Receipts.....		58,842.83
		<u>58,842.83</u>	<u>58,842.83</u>

HOSPITAL

61.1	Current Expense - Salaries.....	5.29	
69	Current Cash - Hospital.....	1,907.21	
169	Hospital Reserve.....		1,912.50
		<u>1,912.50</u>	<u>1,912.50</u>

CURRENT SPECIAL

76	Deficit.....	479.60	
79	Current Special Cash.....	19,003.67	
79.1	Savings Fund Account.....	4,786.05	
79.2	Directors' Special Reserve Fund - Investments.....	40,372.19	
172	Suspense.....		226.24
172.2	" Seed Account - A. M. Steward.....		18.63
175.1	Gifts for Current Budget.....		16,295.00
175.5	Sustaining Fund.....		600.00
177	Retirement Reserve Fund-Income.....		1,034.90
179	Directors' Special Funds.....		4,786.05
1791	" " " Inst. of Chinese Cul. Studies...		11,200.00
1792	" Special Reserve Funds.....		30,480.69
		<u>64,641.51</u>	<u>64,641.51</u>

UNIVERSITY OF NANKING
BUDGET ANALYSIS - 1942/43
AS OF JUNE 30, 1943

DISBURSEMENTS

RECEIPTS

I G E N E R A L U N I V E R S I T Y

Class A. General Funds

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income</u>	<u>Rec'd. to June 30</u>
					<u>Mission Cash Grants</u>		
	General Purposes - Directors' Budget		9,697.01	131	United Christian Miss. Society	1,500.00	1,500.00
31	Current Expense)			132	Methodist Board.....	1,434.59	1,055.00
31.1	Salaries Account)	13,521.38	2,715.65	133	Presbyterian Board.....	2,920.00	2,920.00
32	Library)		1,108.72	133.1	Baptist Board.....	800.00	800.00
					<u>Endowment Income</u>		
				137.1	United Christian Miss. Society	385.00	329.35
				137.1	General.....	38.00	33.94
				137.2	Hall Estate.....	10,723.00	9,768.22
				137.3	Swasey Fund.....	1,787.00	1,747.43
				137.4	Methodist Fund-Agri. & Forest.	3,500.00	3,500.00
				175.1	Gifts for Current Budget.....		423.50
						23,087.59	22,077.14
					Less Home Admin. & Promotion..	9,566.21	9,566.21
						<u>13,521.38</u>	<u>12,511.23</u>
		<u>13,521.38</u>	<u>13,521.38</u>				

Class B. Special Funds

171.2	Harvard-Yenching Institute..	13,421.04	13,421.04	171.2	Harvard-Yenching Institute...	13,421.04	13,421.04
136	U. C. M. S. Vacancy.....	600.00	600.00	136	U. C. M. S. Vacancy.....	600.00	600.00
136	Methodist Board Vacancies...	2,400.00	2,400.00	136	Methodist Board Vacancies...	2,400.00	2,400.00
136	Presbyterian Board Vacancies	920.84	920.84	136	Presbyterian Board Vacancies.	920.84	920.84
175.5	Sustaining Funds.....	127,650.00	127,650.00	175.5	Sustaining Funds.....	127,650.00	127,650.00
		<u>144,991.88</u>	<u>144,991.88</u>			<u>144,991.88</u>	<u>144,991.88</u>

II F A M I N E F U N D

Acct. No.	Item	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 1942/43) Disbursed in New York	769,922.00	49,875.00	2,660.00	151	Famine Fund Receipts 1942/43	41,084.42	19,914.25

III H O S P I T A L (To be held in New York for future work at the Nanking Hospital)

	Appropriation U. S. \$	Paid to June 30 U. S. \$			Estimated Income U. S. \$	Rec'd. to June 30 U. S. \$
61	General Purposes)	1,705.00		162.1	Methodist Board.....	750.00 1,017.50
61.1	Salaries Account)		60.00	163	United Christian Miss. Soc..	375.00 375.00
				164	Presbyterian Board.....	580.00 580.00
		1,705.00	60.00			1,705.00 1,972.50

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

		U. S. \$	U. S. \$		U. S. \$	U. S. \$
36.1	Administration & Promotion.....	11,912.25	11,912.25	Appropriation.....	9,566.21	9,566.21
36.2	Incidentals).....	600.00	229.28	Refund a/c Home Adm.1941/42.	2,408.01	2,408.01
36.3	Trustees)		195.55	Anticipated Income.....	938.03	938.03
36.4	Promotional Activities of University	400.00	44.62			
		12,912.25	12,381.70		12,912.25	12,912.25

S U M M A R Y

	Cash Situation	June 30, 1943	Budget Situation	June 30, 1943
	Balance	Overdraft	Unexpended	Overexpended
	U. S. \$	U. S. \$	U. S. \$	U. S. \$
General University, Class A.....	-	1,010.15	-	-
Class B.....	-	-	-	-
II Famine Fund 1942/43.....	17,254.25	-	-	720,047.00
III Hospital.....	1,912.50	-	1,645.00	-
IV Board of Founders.....	530.55	-	530.55	-
	19,697.30	1,010.15	2,175.55	720,047.00

CONSOLIDATED BALANCE SHEET

TRUSTEES UNIVERSITY OF NANKING

June 30, 1943

A S S E T S

<u>Endowment</u>			
Univ. Investments	273,202.02		
Inv. Held in Trust	148,750.00		
Notes Receivable	15,963.07		
Cash	6,516.52	444,431.61	
Famine Fund Invest.	535,139.01		
" " Cash	2,447.03		
" " Savings a/cs	1,960.55	539,546.59	
Retirement Res. Inv.	7,315.00		
" " Cash	54.88	7,369.88	991,348.08
<u>Plant</u>			
Land	88,171.41		
Buildings	582,912.78		
Equipment	86,866.82		
Cash in Savings Bank	3,332.02	761,283.03	
<u>Current Assets</u>			
Field Investments	40,372.19		
Field Savings Account	4,786.05	45,158.24	
Famine Fund Exp. 40/41	19,877.48		
" " " 41/42	18,991.00		
" " " 42/43	2,660.00		
" " Cash	17,314.35	58,842.83	
Accounts Receivable	5.29		
Hospital Cash	1,907.21	1,912.50	
Current Gen. Cash		84,385.78	
Current Spec. Cash		19,003.67	209,303.02
			<u>1,961,934.13</u>

L I A B I L I T I E S

<u>Endowment</u>			
University Funds	448,996.18		
Scholarship Funds	7,000.00		
Stabilization Funds	6,927.61		
Hoover Trust Fund	1,067.00		
	463,990.79		
Less Loss on Sales	19,637.18	444,353.61	
China Famine Fund		539,546.59	
Retirement Res. Fund		7,369.88	
Amortization Reserve		78.00	991,348.08
<u>Plant</u>			
General Funds		452,480.24	
Special Funds		129,705.51	
Hospital Funds		111,203.26	
Famine Funds for Land and Plant		67,894.02	761,283.03
<u>Current Liabilities</u>			
Accounts Payable		84,385.78	
Famine Fund Receipts		58,842.83	
Hospital Reserve		1,912.50	
Suspense		244.87	
Receipts advanced to 43/44		16,895.00	
Retirement Reserve Income		1,034.90	
Field Funds Special	4,786.05		
" " Cult. Studies	11,200.00		
" " Reserves	30,480.69	46,466.74	
		209,782.62	
Less 1943/44 Deficit		479.60	209,303.02
			<u>1,961,934.13</u>

UNIVERSITY OF NANKING
LIST OF SECURITIES
JUNE 30, 1943

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/43 Market Price</u>	<u>6/30/43 Market Value</u>	<u>Nominal Income</u>
	<u>Endowment</u>					
	<u>Bonds</u>					
5,000	The Bolton Square Imp. Co. 1st Mtge. 7%.....	-0-	-0-	-0-	-0-	-0-
5,000	New York Central 5/2013 Regular.....	99-7/8	4,993.75	63	3,150.00	250.00
3,000	Penn Water & Power 3 1/4/70.....	105-3/4	3,172.50	109	3,270.00	97.50
10,000	Public Service Northern Illinois 3 1/2/68.....	104-3/4	10,500.00	111-3/4	11,175.00	350.00
5,000	U. S. Treasury Bonds 2-3/4% 1965-60.....	106.29	5,351.56	112.6	5,609.37	137.50
22,500	U. S. Treasury Definitive Coupon 2 1/2% 1967-72....	100	22,500.00	101	22,725.00	562.50
40,000	U. S. Savings Bonds Series G.....	100	40,000.00	100	40,000.00	1,000.00
35,000	U. S. Treasury Bonds 2/51-49.....	100.6	35,065.63	100.28	35,306.25	700.00
10,000	U. S. Treasury Bonds 2 1/2/69/64.....	100	10,000.00	100.15	10,046.87	250.00
5,000	Virginian Railway Co. 3-3/4/66.....	105	5,277.50	109-1/4	5,462.50	187.50
5,000	Wisconsin Electric Power 3 1/2/68.....	104-3/4	5,250.00	111-1/2	5,575.00	175.00
	<u>Total Bonds.....</u>		<u>142,110.94</u>		<u>142,319.99</u>	<u>3,710.00</u>
	<u>Preferred Stock</u>					
800	Aluminum Company 6%.....	100	80,000.00	112-1/2	90,000.00	4,800.00
80	Atchison, Topeka & Santa Fe 5%.....	100-1/4	8,040.00	84-3/4	6,780.00	400.00
100	Union Pacific R. R. Co. 4%.....	88	8,834.50	88-3/8	8,837.50	400.00
	<u>Total Preferred Stock.....</u>		<u>96,874.50</u>		<u>105,617.50</u>	<u>5,600.00</u>
	<u>Common Stock</u>					
60	American Telephone & Telegraph Co.....	165-1/8	9,930.30	154-3/8	9,262.50	540.00
30	W. T. Grant.....	32-3/8	977.40	36	1,080.00	42.00
100	Nanking Realty Corporation.....	50	5,000.00	50	5,000.00	-
40	Parke Davis.....	34	1,370.00	31-1/8	1,245.00	48.00
	<u>Total Common Stock.....</u>		<u>17,277.70</u>		<u>16,587.50</u>	<u>630.00</u>

Nanking List of Securities

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/43 Market Price</u>	<u>6/30/43 Market Value</u>	<u>Nominal Income</u>
<u>Endowment (cont'd.)</u>						
<u>Mortgages</u>						
3,990.00	1515 Overing Street, Bronx.....	100	3,990.00	85	3,391.50	110.00
5,339.98	40 Lincoln Road, Brooklyn.....	100	5,339.98	70	3,737.98	235.00
7,608.90	414 Brook Avenue, Bronx.....	100	7,608.90	85	6,467.56	345.00
	Total Mortgages.....		<u>16,938.88</u>		<u>13,597.04</u>	<u>690.00</u>
	Total Endowment.....		<u>273,202.02</u>		<u>278,122.03</u>	<u>10,630.00</u>
<u>Famine Fund</u>						
<u>Bonds</u>						
5,000	Atchison, Topeka & Santa Fe Rwy. 4/95.....	103-1/4	5,175.00	105-1/2	5,275.00	200.00
5,000	Ohio Edison Company 4/67.....	99-1/2	4,987.50	110-1/2	5,525.00	200.00
10,000	Ohio Power Company 3-1/4/68.....	103-1/2	10,350.00	109-3/4	10,975.00	325.00
10,000	Pennsylvania Railroad 3-3/4/70.....	102-1/8	10,237.50	98-1/4	9,825.00	375.00
10,000	Southern California Edison 3/65.....	104-1/8	10,412.50	105	10,500.00	300.00
65,000	U. S. Treasury 3% 1951/55.....	100.13	65,304.69	111.18	72,515.62	1,950.00
30,000	U. S. Treasury 2/12/15/51-49.....	100.6	30,056.25	100.28	30,262.50	600.00
268,000	U. S. Treasury 4 1/2% 1952-47.....	100	268,000.00	113.16	304,180.00	11,390.00
40,000	U. S. Treasury 2 1/2% 15/69-64.....	100	40,000.00	100.15	40,187.50	1,000.00
10,000	Virginia Electric & Power 3 1/2/68.....	107-1/2	10,775.00	114-1/4	11,125.00	350.00
5,000	Virginian Railway 3-3/4/66.....	103-1/4	5,175.00	109-1/4	5,462.50	187.50
10,000	Westchester Lighting Co. 3 1/2/67.....	103	10,327.50	109-1/2	10,950.00	350.00
			<u>470,800.94</u>		<u>516,783.12</u>	<u>17,227.50</u>
<u>Preferred Stock</u>						
40	Consolidated Edison 5%.....	107-7/8	4,328.60	100-1/2	4,020.00	200.00
100	Consumers Power Company 4 1/2%.....	103	10,300.00	101	10,100.00	450.00
120	North American Company 5-3/4%.....	52	6,240.00	55	6,600.00	345.00
	Total Preferred Stock.....		<u>20,868.60</u>		<u>20,720.00</u>	<u>995.00</u>

Ranking List of Securities

- 13 -

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/43 Market Price</u>	<u>6/30/43 Market Value</u>	<u>Nominal Income</u>
<u>Endowment (cont'd.)</u>						
<u>Mortgages</u>						
3,990.00	1515 Overing Street, Bronx.....	100	3,990.00	85	3,391.50	110.00
5,339.98	40 Lincoln Road, Brooklyn.....	100	5,339.98	70	3,737.98	235.00
7,608.90	414 Brook Avenue, Bronx.....	100	7,608.90	85	6,467.56	345.00
	Total Mortgages.....		<u>16,938.88</u>		<u>13,597.04</u>	<u>690.00</u>
	Total Endowment.....		<u>273,202.02</u>		<u>278,122.03</u>	<u>10,630.00</u>
<u>Famine Fund</u>						
<u>Bonds</u>						
5,000	Atchison, Topeka & Santa Fe Rwy. 4/95.....	103-1/4	5,175.00	105-1/2	5,275.00	200.00
5,000	Ohio Edison Company 4/67.....	99-1/2	4,987.50	110-1/2	5,525.00	200.00
10,000	Ohio Power Company 3-1/4/68.....	103-1/2	10,350.00	109-3/4	10,975.00	325.00
10,000	Pennsylvania Railroad 3-3/4/70.....	102-1/8	10,237.50	98-1/4	9,825.00	375.00
10,000	Southern California Edison 3/65.....	104-1/8	10,412.50	105	10,500.00	300.00
65,000	U. S. Treasury 3% 1951/55.....	100.13	65,304.69	111.18	72,515.62	1,950.00
30,000	U. S. Treasury 2/12/15/51-49.....	100.6	30,056.25	100.28	30,262.50	600.00
268,000	U. S. Treasury 4 1/2% 1952-47.....	100	268,000.00	113.16	304,180.00	11,390.00
40,000	U. S. Treasury 2 1/2% 1952-64.....	100	40,000.00	100.15	40,187.50	1,000.00
10,000	Virginia Electric & Power 3 1/2/68.....	107-1/2	10,775.00	111-1/4	11,125.00	350.00
5,000	Virginian Railway 3-3/4/66.....	103-1/4	5,175.00	109-1/4	5,462.50	187.50
10,000	Westchester Lighting Co. 3 1/2/67.....	103	10,327.50	109-1/2	10,950.00	350.00
			<u>470,800.94</u>		<u>516,783.12</u>	<u>17,227.50</u>
<u>Preferred Stock</u>						
40	Consolidated Edison 5%.....	107-7/8	4,328.60	100-1/2	4,020.00	200.00
100	Consumers Power Company 4 1/2%.....	103	10,300.00	101	10,100.00	450.00
120	North American Company 5-3/4%.....	52	6,240.00	55	6,600.00	345.00
	Total Preferred Stock.....		<u>20,868.60</u>		<u>20,720.00</u>	<u>995.00</u>

Nanking List of Securities

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/43 Market Price</u>	<u>6/30/43 Market Value</u>	<u>Nominal Income</u>
	<u>Famine Funds (Cont'd.)</u>					
	<u>Common Stock</u>					
200	Montgomery Ward	38-1/2	7,732.00	47-3/4	9,550.00	400.00
300	Parke Davis	34	10,248.00	31-1/8	9,337.50	360.00
	Total Common Stocks.....		<u>17,980.00</u>		<u>18,887.50</u>	<u>760.00</u>
	<u>Mortgages</u>					
25,489.47	Edward D. Rheem.....	100	25,489.47	95	24,215.00	1,153.04
	Total Famine Funds.....		<u>535,139.01</u>		<u>580,605.62</u>	<u>20,135.54</u>
	<u>Retirement Reserve</u>					
20	Atchison, Topeka & Santa Fe 5% Pfd.....	100-1/4	2,010.00	84-3/4	1,695.00	100.00
2,000	Cleveland Union Terminal Co. 5/73.....	90	1,805.00	81	1,620.00	100.00
500	U. S. Treasury Bonds 2 1/2/6/15/69-64.....	100	500.00	100.15	502.34	15.00
3,090	U. S. Savings Bonds Defense Series G 2 1/2/54	100	3,000.00	100	3,000.00	75.00
	Total Retirement Reserve.....		<u>7,315.00</u>		<u>6,817.34</u>	<u>290.00</u>

(Revised by the Committee on Greater
Unity May 5, 1943 and May 26, 1943.)

PROPOSED CONSTITUTION OF
CONSOLIDATED BOARD.

I. Name

The name of this corporation shall be the _____

II. Purpose

The purpose of this corporation shall be to facilitate and foster higher education under Christian auspices in China thereby furthering the aims of the respective Corporations consolidated herein, and which may hereafter be so consolidated.

III. Membership in the Corporation

1. Original Membership

A. Representative Members

The corporations, boards, and associations which have hitherto elected members upon the Boards of Trustees of the several colleges, below named, which are signatory to the Agreement of _____, 1943, namely:

Fukien Christian University
Ginling College
Hangchow Christian College
Hua Chung College
Hwa Nan College
Lingnan University
University of Nanking
Saint John's University
University of Shanghai
Shantung Christian University
Soochow University
West China Union University
Yenching University

(hereinafter called the electing boards)

shall be entitled to elect members of this corporation
as follows:

(Tentative Figures)

American Baptist Foreign Missionary Society, New York, N. Y.	_____ members
American Baptist Women's Foreign Missionary Society, New York, N. Y.	_____ "

American Board of Commissioners for Foreign Missions, Boston, Mass.	members
Baptist Missionary Society, London, Eng.	— "
Church Missionary Society, London, Eng.	— "
Friends' Service Council, London, Eng.	— "
London Missionary Society, London, Eng.	— "
Division of Foreign Missions of the Board of Missions and Church Extension of the Methodist Church, New York, N. Y.	— "
Woman's Division of Christian Service of the Board of Missions and Church Extension of the Methodist Church, New York, N. Y.	— "
Methodist Missionary Society, London, Eng.	— "
Executive Committee of Foreign Missions of the Presbyterian Church in the U. S.	— "
Board of Foreign Missions of the Presbyterian Church in the U. S. A.	— "
National Council of the Protestant Episcopal Church in the U. S. A.	— "
Board of Foreign Missions of the Reformed Church in America.	— "
Board of Foreign Missions of the Reformed Church in the United States.	— "
Smith College	— "
Society for Propagation of the Gospel, London, Eng.	— "
Foreign Missionary Board of the Southern Baptist Convention.	— "
United Christian Missionary Society.	— "
Board of Foreign Missions of the United Church of Canada.	— "
Woman's Missionary Society of the United Church of Canada.	— "
Yale in China Association.	— "
Trustees of Lingnan University.	— "
	—
TOTAL	—

The successors of these members shall be elected by the afore-
said corporations, boards, and associations, or their successors,
in like manner and number.

B. Members at large

- (1) The following Board of Trustees, signatory to the
Agreement of _____, 1943, may upon
consolidating with this corporation, elect members
of the corporation as follows:

	(Numbers to be specified)
Fukien Christian University	—
Ginling College	—
Hangchow College	—
Hua Chung College	—
Hwa Nan College	—
Lingnan University	—
University of Nanking	—
St. John's University	—
University of Shanghai	—
Shantung Christian University	—
Soochow University	—
West China Union University	—
Yenching University	—

3. Subject to the approval of the Regents of the University of the State of New York, and the requirements of existing contracts, and the provisions of paragraphs 1 and 5 of this article the Corporation shall have power to establish new institutions and to authorize the consolidation of existing institutions.
4. The Corporation in its discretion may delegate, insofar as may be permitted by law, to one or more of the Boards of Managers (or Directors) of the respective collegiate institutions in China, as now or as hereafter constituted, such matters of general and educational administration as, after consultation therewith, it may determine.
5. The Corporation shall advise the several missionary societies of the condition and needs of the institutions to which they may severally be related and shall seek their support and aid. It shall not give its approval to the closing of an institution, to its consolidation with any other institution, to its permanent transfer to another location, or to a basic alteration in its scope or operations without the written approval of a two-thirds interest of the boards or societies founding or participating therein, and the approval of the Regents of the University of the State of New York, so far as may be required by law.

A two-thirds interest, required by Article IV, Sections 1 and 5, shall exist when the sum of several concurring financial participations in a given institution shall equal or exceed two-thirds of the total participations therein. The participation of any board or association shall be computed as the average contribution of funds and faculty support of the three years next preceding, plus five percent of that board's or association's total contributed amounts for endowment, plant and equipment. The majority interest required in Article VII, Section 2, shall be similarly computed.

6. Such rights as any corporation, board or association may have, under the charter and constitution of any of the educational corporations consolidating herein, to withdraw from cooperation in such corporation shall continue to inhere in said board or society as regards this Corporation on the same terms as formerly. Where right of withdrawal is not conveyed by the above stipulation, it may be exercised two years subsequent to formal written notice to the Corporation and upon terms mutually agreeable to the Corporation and the withdrawer.

V. Board of Trustees and Committees

The members of the Corporation shall elect a Board of Trustees not to exceed thirty in number, of whom at least two-thirds shall be representative members. The powers and duties of the Board of Trustees shall be defined in the By-Laws.

The Corporation may appoint such committees as it shall by by-law or otherwise determine; said committees may be assigned responsibility for some aspect of the Corporation's activities or for the interests of a particular institution.

The Corporation may elect additional members at large.
(2) Thereafter their successors shall be elected by the entire corporation, but the whole number of members at large shall not exceed one-third of the total membership of the Corporation.

2. Additional Members. By a two-thirds favoring vote at an annual or special meeting of the corporate members, additional missionary or educational corporations, boards or associations having the same purpose as this Corporation may be authorized to elect representative members in such number and upon such terms as may be mutually agreed upon.
3. At intervals of not more than three years the Corporation shall examine the relative status of the totals of financial support provided by the electing boards, and if it shall find the number of such members elected by any electing boards disproportionate to the support which they provide, it may by two-thirds vote enlarge or reduce such number.
4. A vacancy in the membership of the corporation, however created, shall be filled by the body and in the manner in which the place was previously filled. Members of the Corporation shall continue as such, after the expiration of their specific terms, until their successors are chosen.

IV. The Powers of the Corporation

1. The Corporation shall control and administer for its corporate purposes and for the institutions related thereto, the property and funds of the Corporation as provided by law and shall be responsible for the administration thereof; the Corporation shall have the right to receive, hold and administer property and funds for the benefit of organizations and institutions other than those represented by the consolidating corporations, and having similar purposes;

provided however, that property and funds held, or received by the Corporation for the benefit of any particular organization or institution shall by the Corporation be held in separate trust for the use and benefit of said organization or institution, and may be transferred or used for other purposes only upon the written consent and approval of a two-thirds interest of the boards or societies founding or participating in said organization or institution, and further provided that nothing in this section shall be construed to debar the Corporation in its discretion from securing diversity in investment and protection of said funds by the consolidation of the investment thereof.

2. Subject to the provisions of its Charter, the Corporation shall sustain the same relation to the collegiate institutions in China and to their Boards of Managers (or Directors) as now exists between the several consolidating corporations and the institutions and Boards of Managers (or Directors) related thereto, or as may be mutually agreed upon. Contracts now existing between any consolidating corporation and the related Board of Managers (or Directors) in China may upon expiration be renewed by the Corporation on terms to be mutually agreed upon.

VI. Officers

The members of the Corporation shall elect annually by ballot a President, one or more Vice-Presidents, a Treasurer, a Secretary, and such other officers as it may from time to time or by By-Law determine.

VII. Amendment

1. This Constitution may be amended by a vote of two-thirds of the members of the Corporation present and voting at an Annual Meeting or at a meeting called for this purpose, full notice of the proposed amendment having been given at a previous meeting or the substance thereof sent to each member at least five weeks in advance of the meeting at which action thereon is contemplated.
2. Provided that no amendment shall be made in Article II, Article III, Section 1-B-(2); Article IV, Section 1, 2 and 5; and Article VII, Section 2, without the concurrence of a majority interest of the Corporations, boards and associations electing representative members.

DECLARATION OF PURPOSE

(Note: Believing that it was impossible to express, in the brevity required in a Constitution, the conviction and purpose underlying the colleges and the consolidated Board, the Committee has drafted the following "Declaration of Purpose," which it proposes be adopted by the consolidated Board as its first resolution after its establishment.)

The Trustees of the (name of the consolidated corporation) assembled in their first meeting, record their profound sense of responsibility as the inheritors of the benefits and labors of the noble body of pioneers who established higher education under Christian auspices in various parts of China and who guided and sustained the institutions so established through their formative years. The amazing services the colleges have rendered to thousands of young men and women and to the country as a whole provoke our admiration and inspire us to endeavor to be worthy successors.

To this end, we enter in the minutes of the first meeting of this Board this declaration of our purpose to seek to maintain and extend for the youth of China under Christian auspices opportunities for higher education in its various branches. We hold that those who look to God as Father and follow our Lord Jesus Christ as Lord and Saviour must seek the truth in honesty and in freedom, must gain knowledge and skill that the loving service which He inspires may be wisely and capably rendered, and must be bound together in fellowship in this high endeavor. No sounder spiritual basis for a valid higher education exists. To the maintenance of such a basis we commit ourselves, eager that we may do our full share in serving the youth of a great country and in training the leadership of the courageous Christian church in China.

Herein we shall work as partners with the Presidents and Boards of Managers of the colleges in China. Truly to serve their purpose the colleges must be distinctively Chinese representing all that is noble and fine in Chinese culture and life. At the same time they must steadfastly hold to the Christian conviction that the good, the true, the beautiful, wherever found, are the rightful heritage of all the children of the Heavenly Father and must demonstrate that the authority of Christ is above the authority of any civilization and any culture. We count collaboration with our Chinese colleagues in prayer, in counsel, and in mutual support essential for the success of the colleges and pledge ourselves thereto, as a demonstration of the spirit for which the colleges stand.

We record our satisfaction in the registration of the colleges with the Government of China on the basis of their statements of purpose to continue to maintain the aims of the original founders. In this we unite with them.

May 13, 1944

To the Members of the
Board of Founders of the
University of Nanking.

Dear Friends:

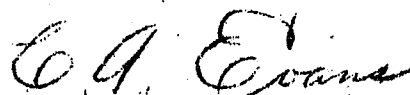
Consideration of the plan for Greater Unity will be given by the Nanking Board of Founders at its next meeting on the 18th. Official notice of this meeting was sent sometime ago.

For your information complete copies of the material forwarded to the President and Secretary of the Board is enclosed herewith.

The Board of Founders of the University of Nanking has always been a leader in any movement for the betterment of the colleges in China or the work in America. As the Committee on Greater Unity feels that this plan is a step in advance of our present organization of the Associated Boards and cooperating trustees, the Nanking Board undoubtedly will wish to give special thought to the proposal.

You will note that three quarters of the total membership of the Board must approve of the plan, and therefore, you are especially requested to be present at the meeting on the 18th. It is possible that this called meeting of the Board will require some adjustment to your plans and we are asking you to let us know immediately on the enclosed card whether or not you will be present on Thursday afternoon.

Very truly yours,



C. A. Evans
Secretary

MINUTES OF ANNUAL MEETING

BOARD OF FOUNDERS

UNIVERSITY OF NANKING

2:00 P.M. Thursday, May 18, 1944
Room 900, 150 Fifth Avenue, New York, N. Y.

List of Members

	<u>1944</u>	<u>1945</u>	<u>1946</u>
Am. Bapt.	*A. F. Ufford	Dana M. Albaugh	*R. E. Diffendorfer
Meth.	*Robert C. Morris	*F. T. Cartwright	Sallie Lou MacKinnon
Ginling		*Rebecca W. Griest	*Phillips P. Elliott
Presb.No.	*T. C. Speers	*Lloyd S. Ruland	E. K. Higdon
UCMS	R. M. Hopkins	C. M. Yocum	Joab A. Banton
Coopted		*Morris W. Ehnes	John T. Ogden
			Robert E. Speer
<u>Staff</u>	*Earle H. Ballou	*Mrs. W. Plumer Mills	
	*C. A. Evans	*Charles H. Corbett	

Those whose names are starred were present.

PRAYER

The Chairman called the meeting to order and led in prayer.

REGRETS FOR NON-ATTENDANCE

It was reported that regrets for non-attendance had been received from Mr. Albaugh, Mr. Higdon, Mr. Hopkins, Mr. Ogden, Dr. Yocum and Miss MacKinnon.

ADOPTION OF AGENDA

It was

BF-1246 VOTED to approve the agenda as presented.

APPROVAL OF MINUTES

The Minutes of the Annual Meeting held May 13, 1943 having been circulated, and no corrections received, it was

BF-1247 VOTED to approve the Minutes of the Annual Meeting of the Board of Founders of May 13, 1943 as distributed.

REPORTS FROM THE FIELD

It was reported that the University is going ahead with a larger enrollment than ever before, - 1,099 students. The financial situation is giving considerable concern, however. The present rate of exchange is 40:1 but it is hoped to get a much more favorable rate by trading on the open market, permission for which has been granted, but the mechanics of the plan have not yet been worked out.

It was reported that President Y. G. Chen has been invited to be one of the six Chinese Professors to be brought to America by the State Department during the current year. It is hoped that he will arrive some time in the near future.

It was reported that a letter had also been received from Dr. Fenn about other exchanges of professors. The recent visit of Professor Abraham of Serampore College in India to the West China campus proved so unusually helpful it was hoped that a great deal more of that sort of exchange might be arranged. A request has come from Dr. Fenn to the Presbyterian Board asking their help in providing for exchange professors from Allahabad. It has already been planned that a Professor in Calcutta is to go to Nanking University.

REPORT ON PROMOTION

It was reported that the News Letters on the work of Nanking University have been given wide circulation among friends of the University as well as 220 religious periodicals but because there is no religious press clipping bureau it is not possible to know how many publications have carried these News Letters. Aside from this there has been a regular promotion program in connection with the Associated Boards.

The opinion was expressed that the Nanking News Letter is the best publicity material we are getting out of Chengtu and the best systematic presentation of the news available.

COMMUNICATIONS FROM DR. E. H. CRESSY OF NATIONAL CHRISTIAN COUNCIL

Need for Filling Dr. Fenn's Place in the English Department

The Board considered a letter from Dr. Cressy dated March 8, 1944 which expressed the hope that the Board of Founders would be able to send a man for the English Department of the University to relieve Dr. Fenn.

The matter was considered at great length and various suggestions were offered with regard to available personnel.

It was pointed out that there is a group of men in the School at Berkeley, California, studying under the Program of Training for Post-war Rehabilitation Abroad, who have been hoping to go out for short term service in Europe or Asia. Most of them are college and professionally trained men, practically all of them ministers. This group of men will soon be ready for service. Some of these men might be diverted into other fields. There are about 35 men available at Berkeley and the situation should be canvassed very carefully. It was suggested that the Secretary be asked to get in touch with Dr. Arthur Cushman McGiffert, Jr. the Director of the School. It was

BF-1248 VOTED to make a record of the receipt of this request for an English teacher at the University of Nanking in order that Dr. Fenn may be able to continue his service for the Associated Boards and that the Board of Founders' Committee on Instruction, in cooperation with the new Executive Secretary of the Associated Boards, Rev. Earle H. Ballou, be asked to seek a person for the English Department of the University.

Report was also made on the actions taken by the Executive Committee of the Associated Boards on May 2nd with regard to Dr. Fenn, who has done a remarkably fine piece of work. He has reported on every phase of the work and as far as can be seen, with due justice to everybody. The Executive Committee of the Associated Boards voted to express its appreciation to the President of the University of Nanking, to the President of the Board of Founders of the University and to the Presbyterian Board for their actions in making the services of Dr. Fenn available to the Associated Boards.

Need for Chairman of Religious Studies

The request of Dr. Cressy for a Chairman of Religious Studies at the University was also considered in the foregoing discussion, and it was

BF-1249 VOTED that the Committee on Instruction, in cooperation with Mr. Ballou, endeavor to find a Chairman of Religious Studies.

CONSIDERATION OF PLAN FOR CONSOLIDATION OF THE TRUSTEE BOARDS

The Chairman called on the Secretary, as being more familiar with the plan for consolidation, to give an outline of the proposal.

It was pointed out that in order to effect a merger of any of the China Christian Colleges under the Education Law, the Trustees or Founders of any China Christian College incorporated by the Board of Regents of the State of New York are required to approve an agreement of merger by three-fourths of the total number of Trustees or Founders of the China Christian Board.

It did not seem right to submit at any Board meeting a cut-and-dried statement asking for a vote of approval. However, it was suggested that everything possible be done to secure a full meeting of the Board to consider whether the Board is in favor of adopting the proposals for a "United Board for Christian Colleges in China," and that a previous meeting of the Board consider what can be done. Prior thereto a full statement of the proposed plan must be sent to all the Founders, and the meeting of the Board be called at such a time after the mission boards have acted as seems most likely to ensure the attendance of more than three-fourths of the Trustees. The Board also authorized the preparing of a ballot which could be used by such members as could not be present at such a meeting, but this suggestion should not be used except in an extreme emergency. It was

BF-1250 VOTED that when this meeting adjourns, it adjourn to meet at the call of the Chair for the purpose of acting on the plan of consolidation of the Trustee Boards.

It was also

BF-1251 VOTED that in preparation for this proposed meeting the Secretary of the Board be empowered to draft a resolution to be sent to those who cannot attend the meeting if after a thorough canvass of the entire membership of the Board it is discovered that three-fourths of the membership cannot be present.

It was reported that the Board of Foreign Missions of the Presbyterian Church in the USA has voted to approve the plan and has instructed its representa-

tives to vote for it.

In response to a suggestion that the eight coopted members of the proposed United Board might be appointed at this time, it was pointed out that it is only necessary now to appoint one person for the Preparatory Committee. The eight coopted members should not be nominated until it is known how the various boards are going to vote.

It was suggested that the Chairman be asked to represent this Board on the Preparatory Committee but the President of the Board of Founders suggested the appointment of some one more familiar with the entire plan. It was however,

BF-1252 VOTED that the Chairman of the Board of Founders be appointed to represent the Board on the Preparatory Committee, and that Dr. R. E. Diefendorfer act as his alternate.

It was also

BF-1253 VOTED that the votes already taken (BF-1250, 1251 and 1252) be prefaced with the statement that this annual meeting of the Founders of the University of Nanking, being in favor of the adoption of the proposals for a "United Board for Christian Colleges in China," request the officers

- 1) to send the full statement of the proposed plan to all the Founders;
- 2) to call a meeting of the Board at such a time after the mission boards have acted as seems most likely to ensure the attendance of more than three-fourths of the Founders; and

that the vote upon this matter be taken by signed ballot and that the ballot of any member of the Board who cannot be present at the meeting, which shall be received before the vote is taken, shall be counted in the total of votes cast.

(Note: There are serious questions as to whether the Regents will accept signed ballots).

FINANCIAL MATTERS

Current Conditions

It was reported that the financial situation at the present time, so far as the budget is concerned, indicates that it will be possible to close the year without any deficit on our books. In fact after anticipated income has been studied and in view of what is expected on investment and income from mission boards, it may be possible to close the year with a small balance. This morning a cable was sent to the field saying that payments made today will complete seven-eighths of the Sustaining Funds of the Colleges in China, and that the Associated Boards has in sight appropriations or funds to reach the full amount of the goal set for the Sustaining Funds for the current year.

In addition to that it appears that it will be possible to secure an additional \$35,000 or more for the Sustaining Fund before June 30, and the Associated Boards has instructed the Treasurer to send out to China all funds beyond the present budgets which are received for relief and sustenance purposes. If it is found possible to send the \$35,000 mentioned, it will be in addition to the \$65,000 which was sent to China for the relief of the faculty of all the colleges. The Sustaining Fund for all the colleges will be over a million dollars this year for the first time in the history of the Christian colleges.

Auditors' Report

The Finance Committee at its meeting held May 15, 1944 reviewed the report of the auditors, Messrs. Chambellan, Berger & Welti for the period ending June 30, 1943 and on their recommendation, it was

BF-1254 VOTED that the report of the auditors, Messrs. Chambellan, Berger & Welti; for the period ending June 30, 1943 be received and placed on file.

Report of the Treasurer, 1942-43

The Finance Committee also reviewed the Report of the Treasurer for the period ending June 30, 1943 and it was

F-1255 VOTED on recommendation of the Finance Committee to approve the Report of the Treasurer for the year ending June 30, 1943 and place it on file.

Budget for 1944-45

It was reported that the Finance Committee at its meeting on May 15, 1944 voted to recommend to the Board of Founders that pending the determination of the rate of exchange, Nanking University requests from the Associated Boards sufficient Chinese dollars to cover the budget as estimated by the field for 1944-45.

When request for permission to trade on the open market was made, the Chinese Government was willing to have this done provided some satisfactory plan could be worked out. A statement has been issued by the U.S. Treasury Department that this can be accomplished; that the Foreign Exchange Control Commission in Chungking has approved, but the machinery has not yet been set in motion. A cable from the field indicates that people there are thinking in terms of negotiable drafts. However, no negotiable paper will be used. The money will be charged against blocked accounts under the control of the U. S. Treasury Department.

It was reported that it might be possible to sell considerable of our money at 120:1 and that an average of about 100 could be counted on. It was therefore

BF-1256 VOTED to approve the recommendation of the Finance Committee that pending the determination of the rate of exchange, Nanking University requests from the Associated Boards sufficient Chinese dollars to cover the budget as estimated by the field for 1944-45.

It was explained that if we do not get the privilege of selling on the open market the question will be a serious one and US\$595,446 would be the amount

required for the Nanking Budget for 1944-45.

Salary for Foreign Staff on Furlough

The question of salary for foreign staff on furlough was considered by the Committee on Finance which voted to approve and report to the field the payment of \$100.00 per month for single missionaries while on furlough. It was

BF-1257 VOTED to approve the action of the Finance Committee in allotting the payment of \$100.00 per month for single missionaries while on furlough.

Loan to A. N. Steward

The Finance Committee studied the matter of the loan at Nanking of US\$8,016 to Dr. A. N. Steward for University purposes. It was explained to the Board of Founders that this money had been given to Dr. Steward for current obligations of the University before June, 1942 and as he is still in an internment camp no accounting is available. It was

BF-1258 VOTED to approve the action taken by the Finance Committee that, in view of the inadequate information available regarding the US\$8,016 paid to Dr. A. N. Steward prior to June 1942, the University cannot make payment at the present time.

Rehabilitation Needs

The Finance Committee had studied a list of rehabilitation needs as summarized by the field. The Committee had been informed of the action of the Associated Boards looking toward the establishment of a rehabilitation fund of three and a half million dollars for the entire group of colleges. In view of this action by the Associated Boards, the Finance Committee did not feel that at the present time any definite goal for rehabilitation should be adopted.

It was questioned whether reforestation could be included in the program of rehabilitation and whether this group or any group would pay for such a project from funds for relief and rehabilitation.

It was suggested that a study be made by the combined mission and college boards with regard to the acceptance of Chinese funds offered by the Chinese Government or funds which might be offered by the U.S. Government for various projects. It was doubted whether any general rule or principle could be adopted. Help from foreign governments may be resented by some Chinese people as trying to bring imperialism into the country and it would make the Board vulnerable to attack. It was felt that the solution to this question would be found in China.

After further discussion, it was

BF-1259 VOTED that the matter of the acceptance of funds from the Chinese Government or a foreign governments for use by the colleges be referred to the Associated Boards for study.

Other Financial Matters

Report was made that a communication had been received from the law firm

of Jones, Day, Cockley & Reavis, informing the Treasurer that the Probate Court in Cleveland, Ohio had decided in favor of the contention of the Trustees that inheritance tax was not due on account of the gift made by Ambrose Swasey to the University.

It was also reported that Indusco, one of the affiliated agencies of United China Relief, had decided to use the Nanking account for sending money to China.

It was

BF-1260 VOTED to approve the report of the Finance Committee.

VISUAL EDUCATION

It was reported that a letter had been received from Dr. Fern describing the work done in the department of visual education, and expressing his own enthusiasm for visual education, and his feeling that this was one field in which the Christian Colleges can pioneer in the post-war period. He thought that months of time could be saved if it were possible to have adequate visual education. He expressed the hope that help may be obtained from engineers who are familiar with visual education. He also hoped that a committee might be set up in the United States to start collecting films in the way books are collected.

It was reported that a request had been received by the Committee on East Asia from Dr. Cressy asking that a special committee be set up here for the purpose of getting some missionaries trained in this country for a visual educational program in the post-war period.

It was also reported that the Rockefeller Foundation gave \$5,000 for the development of this program three years ago. A repetition of this gift is now being sought and the Rockefeller Foundation has indicated its interest.

In the meantime it has been revealed that the microfilm readers which have been developed by the University are not entirely satisfactory. They are horizontal projectors which throw the image on a paper or cloth screen. The lighting is not good enough and the spread is not as satisfactory as it might be on a more finished product.

Visual education is not a part of the University except as a self-supporting project, but it was felt that the matter of visual education is becoming increasingly important and the Founders ought to help encourage it. It was

BF-1261 VOTED to express our deep interest in the development of the field of visual education and our readiness to cooperate in any studies and training of personnel for this program in America.

ELECTION OF OFFICERS AND APPOINTMENT OF COMMITTEES

The Nominating Committee presented the following list of officers and committee members:

OFFICERS

Honorary President
President
Vice-Presidents

Treasurer
Secretary
Ass't Sec'y and Ass't Treas.
" " " " "

Dr. Robert E. Speer
Dr. Theodore Cuyler Speers
Mr. Dana M. Albaugh
Dr. C. M. Yocum
Mr. Robert C. Morris
Mr. Earle H. Ballou
Mr. C. A. Evans
Mr. C. H. Corbett

COMMITTEES

Executive Committee

Dr. Theodore Cuyler Speers
Mr. Dana M. Albaugh
Dr. F. T. Cartwright
Mr. John T. Ogden

Dr. Lloyd S. Ruland
Dr. C. M. Yocum
Miss Rebecca W. Griest

Finance Committee

Dr. Morris W. Ehnes, Chairman
Mr. Dana M. Albaugh
Mr. Jacob A. Banton

Mr. Robert C. Morris
Dr. Theodore Cuyler Speers, ex officio

Committee on Promotion

Dr. Frank T. Cartwright, Chairman
Dr. Phillips P. Elliott

Miss Rebecca W. Griest
Dr. Theodore Cuyler Speers, ex officio

Committee on Instruction

Dr. Lloyd S. Ruland, Chairman
Miss Rebecca W. Griest

Mr. Dana M. Albaugh
Mr. A. F. Ufford (alt)

It was

BF-1262 VOTED to instruct the secretary to cast one ballot for the officers and committee members as reported by the Nominating Committee.

The ballot was cast and the chairman declared the election of those nominated.

Coopted Members

Attention was called to several vacancies in the coopted membership of the Board of Founders. It was

BF-1263 VOTED to elect Dr. E. C. Lobenstine a coopted member of the Board of Founders in the Class of 1947.

It was also

BF-1264 VOTED to refer to the Executive Committee with power the filling of the vacancies in the coopted membership of the Board where it seems desirable.

REPRESENTATIVES ON THE STANDING COMMITTEES
ASSOCIATED BOARDS FOR CHRISTIAN COLLEGES IN CHINA

Executive Committee

Dr. R. E. Diffendorfer
Dr. Lloyd S. Ruland

Committee on Finance

Dr. Robert C. Morris
Dr. Morris W. Ehnes

Committee on Promotion

Miss Rebecca W. Griest
Dr. Frank T. Cartwright

Committee on Christian Character, Staff and Curriculum

Mr. Dana M. Albaugh
Dr. Frank T. Cartwright

It was

BF-1265 VOTED to instruct the Secretary to cast one ballot for the representatives on the standing committees of the Associated Boards.

The Secretary reported the ballot cast and the Chairman declared the election of those nominated.

ADJOURNMENT

There being no other business, the meeting adjourned subject to action
BF-1250. Dr. Phillips P. Elliott led in prayer.

Charles H. Corbett

Secretary

MINUTES OF SPECIAL MEETING

BOARD OF FOUNDERS

UNIVERSITY OF NANKING

2:00 P.M. Monday, October 2, 1944
Room 900, 150 Fifth Avenue, New York, N.Y.

List of Members

	<u>1944</u>	<u>1945</u>	<u>1946</u>	<u>1947</u>
Am. Bapt.	*A.F. Ufford	Dana M. Albaugh *E.A. Fridell (alt)		
Meth.	Rob't C. Morris		*R.E. Diffendorfer	F.T. Cartwright *E.M. Stowe (alt)
Presb. No.	*T.C. Speers	*L.S. Ruland	Phillips P. Elliott *E.E. Walline (alt) *E. K. Higdon	
UCMS	Rob't M. Hopkins	C.M. Yocum *Mrs. Emory Ross (alt)		
Ginling Coopted		*Rebecca W. Griest *Morris W. Ehnes W. R. Wheeler	*Sallie Lou MacKinnon *Joab A. Banton *John T. Ogden Robert E. Speer	*E.C. Lobenstine
Ex Officio:	*President Y. G. Chen			

Guest

*Mrs. Charles H. Riggs

Staff

*Mr. Earle H. Ballou
*Mr. Charles H. Corbett

*Mr. C. A. Evans
Mrs. W. Plumer Mills

Those whose names are starred were present.

OPENING OF MEETING

The Chairman, Dr. Theodore Cuyler Speers, called the meeting to order and led in prayer.

ATTENDANCE

The Secretary recorded the attendance and sixteen members of the Board as indicated above were present.

Dr. E. A. Fridell was present in place of Mr. Dana M. Albaugh, having been officially appointed an alternate by the American Baptist Foreign Mission Society in accordance with Article III, Section C of the Constitution of the University of Nanking.

Dr. E. M. Stowe was present in place of Dr. Frank T. Cartwright, having been officially appointed an alternate by the Division of Missions, Board of Missions and Church Extension of the Methodist Church, in accordance with Article III, Section C of the Constitution of the University of Nanking.

Dr. E. E. Walline was present in place of Dr. Phillips P. Elliott, having been officially appointed an alternate by the Board of Foreign Missions of the Presbyterian Church in the U.S.A. in accordance with Article III, Section C of the Constitution of the University of Nanking.

Mrs. Emory Ross (Myrta Ross) was present in place of Dr. C. M. Yocum, having been officially appointed an alternate by the United Christian Missionary Society in accordance with Article III, Section C of the Constitution of the University of Nanking.

Regrets were received from Dr. Robert M. Hopkins, Mr. Robert C. Morris, Dr. Robert E. Speer and Major W. Reginald Wheeler.

APPROVAL OF MINUTES

The Minutes of the Annual Meeting of the Board of Founders held May 18, 1944 having been circulated, it was

BF-1266 VOTED to approve the minutes of the Annual Meeting of the Board of Founders of May 18, 1944 as distributed.

CONSIDERATION OF PLAN FOR CONSOLIDATION OF TRUSTEE BOARDS

It was reported that the reason for calling this special meeting of the Board of Founders was as a result of action BF-1250 taken at the Annual Meeting of the Board on May 18, 1944 "that when this meeting adjourns, it adjourn to meet at the call of the Chair for the purpose of acting on the plan for consolidation of the Trustee Boards."

It was explained that under an amendment of the Education Law which took effect June 9, 1939, Section 65-a entitled "Consolidation of Corporations" was enacted. To effect a merger of any of the China Christian Colleges under this amendment the Trustees or Founders of any China Christian College incorporated by the Board of Regents of this State are required to do two things: (1) to approve an agreement of merger by three-fourths of the total number of Trustees or Founders of the China College Board, and (2) to grant authority to its proper officers to join in a certified petition addressed to the Board of Regents requesting the merger. A copy of the agreement of merger is included in "The Plan for the United Board for Christian Colleges in China" which was sent to all members of the Board.

At this point President Y. G. Chen arrived and was given a warm welcome by the Board. Dr. Chen stated that while he was not familiar with the historical development of the plan for consolidation, in principle he felt that the question of consolidation was very important, and that nothing could be better than consolidation of all the trustee boards.

It was pointed out that the Woman's American Baptist Foreign Mission Society had given its approval to the plan for consolidation, also the Board of Missions and Church Extension of the Methodist Church, the Board of Foreign Missions of the Presbyterian Church in the U.S.A. and the United Christian Missionary Society.

Dr. Ruland asked whether the separate college boards would be able to maintain the special interests of each college after consolidation and was advised

that the separate college committees would take care of these special interests.

Dr. Diffendorfer stated that if the individual mission boards and college boards do not lose members who have a sense of responsibility for the colleges, he would be in favor of the plan.

It was explained that as the mission and college boards appoint their representatives on the United Board there will be opportunity for consultation in order to avoid duplication of names and in order to be able to avoid losing members who are genuinely interested in the work of the colleges.

Miss MacKinnon pointed out that whereas the mission boards at the present time elect one person (she herself is on seven trustee boards) they can elect seven under the new plan.

The Secretary then read the proposed Resolutions, which had already been sent to all the members of the Board of Founders. He was instructed to call the roll and the members were asked to answer "yes" or "no" as their names were called to the question as to whether or not they were in favor of the Resolutions presented. The result of the roll-call was as follows:

<u>Name</u>	<u>In Favor of Resolutions</u>
Mr. Joab A. Banton	Yes
Dr. Y. G. Chen	Yes
Dr. R. E. Diffendorfer	Yes
Dr. Morris W. Ehnes	Yes
Dr. E. A. Fridell	Yes
Miss Rebecca W. Griest	Yes
Rev. E. K. Higdon	Yes
Dr. E. C. Lobenstine	Yes
Miss Sallie Lou MacKinnon	Yes
Mr. John T. Ogden	Yes
Mrs. Emory Ross	Yes
Dr. Lloyd S. Ruland	Yes
Dr. Theodore Cuyler Speers	Yes
Dr. E. M. Stowe	Yes
Mr. A. F. Ufford	Yes
Dr. E. E. Walline	Yes

The Secretary having reported that sixteen members of the Board had voted in favor of the Plan for Consolidation of the Trustee Boards, being more than the three-fourths necessary, the chairman declared that it had been

BF-1267 VOTED to approve the following Resolutions:

RESOLVED, that the Board of Founders of the University of Nanking, meeting pursuant to notice duly issued and given as required under its By-Laws at least five days prior to the date of said meeting, having on the 6th day of May, 1941 given general approval to a plan for the consolidation of Boards of Trustees or Founders of China Christian Colleges, does hereby (1) approve the Agreement, Constitution, Declaration of Purpose and Plan of Structure

of the United Board for Christian Colleges in China, copies of which Agreement and other documents just referred to are annexed to these minutes and respectively marked Schedule A, B, C and D, and (2) authorizes and directs the Chairman or Vice-Chairman and Clerk, acting respectively as Chairman and Secretary of the said meeting, to duly sign and execute a statement verifying the approval of the said Agreement, and further, on behalf of this corporation, to duly execute and verify a form of petition addressed to the Regents of the State of New York for consolidation in accordance with the provisions of the statute, and any other papers or documents which may be required by the statute to carry out and accomplish the proposed merger of China Christian Colleges and be it further

RESOLVED, that when the merger of the said China Christian Colleges, to be known as the United Board for Christian Colleges in China, is completed in accordance with the requirements of the statute, the Secretary and Treasurer are authorized and directed to transfer and deliver to the said United Board for Christian Colleges in China all the assets of this corporation, incorporated under the Board of Regents of the State of New York on the 21st day of September, 1934, of whatever nature owned and held by the said Corporation, together with a statement of all its liabilities and the records of the said corporation and the receipt of the Treasurer or Assistant Treasurer of the United Board for Christian Colleges in China for the same shall be a sufficient discharge thereof, and further

RESOLVED, that this corporation elect eight (8) representatives upon the United Board for Christian Colleges in China, same to be appointed by its Executive Committee, and further

RESOLVED, that the President of the Board of Founders be named the representative of this Board upon the Preparatory Committee, with Dr. R. E. Diffendorfer as alternate, and

That the convener of the Preparatory Committee be notified of this action.

REPORT OF PRESIDENT Y. G. CHEN

As it was necessary for Dr. Speers to be excused at this point, in order that he might preside at the afternoon session of the Presbytery of New York of which he is the Moderator, he appointed Dr. Lobenstine as Chairman pro tem. Dr. Lobenstine expressed the pleasure of the members of the Board at the presence of President Chen and their profound gratitude for the manner in which he has led the University during these critical war years. Dr. Lobenstine said further that he remembered coming back to Nanking in 1927, after all westerners had been forced to leave the Yangtze Valley. He found not only that the College was functioning but that it had become co-educational. He invited Dr. Chen to address the Board. (For Dr. Chen's address see Appendix A).

At the close of Dr. Chen's address, it was

BF-1268 VOTED that there be put on our minutes a record of our appreciation of the services of President Y. G. Chen during these years in China and our very great gratitude at having him here in this meeting and here in this country.

Reference was made to the letter dated August 29, 1944 from Dean C. W. Chang. It was

BF-1269 VOTED that a letter be written to Dean C. W. Chang, acknowledging receipt of his letter of August 29, 1944, advising him that it has been distributed to the members of the Board here present and read with great appreciation by them and that the points raised are being given consideration.

MEMORIAL MINUTE ON PRESIDENT BOWEN

The Secretary reported receipt of a cable from the Alumni Association of Nanking University expressing sorrow at the passing away of their beloved President, Dr. A. J. Bowen, and asking to convey to his family and to the Board of Founders their deepest sorrow and condolence. "His unparalleled Christian leadership, loving kindness and valuable services will always live in our hearts and be a constant source of inspiration. We will immediately undertake to raise a Bowen Memorial Fund to express our gratitude and appreciation for his services to China."

It was

BF-1270 VOTED that Dr. Robert E. Speer be asked to draft a memorial resolution on Dr. A. J. Bowen.

FINANCIAL SITUATION

It was reported that the University of Nanking requested US\$200,000 for the year 1944-45. However, the last cable received from China advised that US\$241,843 would be needed, which is a much larger local currency budget than last year. Only US\$49,527.27 additional is requested due to the fact that the United Clearing Board is getting 120:1 on its exchange. Thus if commodities do not rise still further this will take care of the situation provided the Associated Boards can secure a similar amount to last year from Sustaining Funds and that the British Aid to China Fund will raise an equivalent amount to last year. It was reported that here in the United States the budgets have been set up in a tentative way this fall due to lack of knowledge of the amount of money to be secured from UCR. The Board of Founders Budget has been set up on the same basis as in the past. The budget was read by the Assistant Treasurer, as follows:

Class A - General Funds

Mission Grants

United Christian Missionary Society	\$1,500.00	
Methodist Board	1,055.00	
Presbyterian Board	3,755.00	
Baptist Board	800.00	\$ 7,110.00

Class A - General Funds (cont'd)

Mission Grants (brought forward)		\$ 7,110.00
<u>Endowment Income</u>		
UCMS Funds	\$ 343.00	
General	35.00	
Hall Estate	9,937.00	
Swasey Fund	1,747.00	
Methodist Board (Agr. and Forestry)	3,000.00	
Gifts for Current Budget	1,400.00	
		<u>16,462.00</u>
		\$ 23,572.00
Less Home Administration		<u>12,000.00</u>
		<u>\$ 11,572.00</u>

Class B - Special Funds

Harvard-Yenching Institute	\$15,421.04	
UCMS Vacancy	600.00	
Methodist Board Vacancy	2,400.00	
Presbyterian Board Vacancy	3,000.00	
Relief Fund Gifts	169,206.00	
Gifts for Current Budget	72,637.00	
		<u>\$261,264.04</u>

Famine Funds

Receipts		
Income	\$20,000.00	
Principal	10,000.00	
		<u>\$ 30,000.00</u>

Hospital

(To be held in New York for future work at the
 Nanking Hospital)

Methodist Board	\$ 750.00	
UCMS	375.00	
Presbyterian Board	580.00	
		<u>\$ 1,705.00</u>

It was

BF-1271 VOTED that the foregoing figures be included in the minutes and referred to the Finance Committee for final action.

ADJOURNMENT

There being no other business, the meeting adjourned.

Charles H. Corbett
 Secretary

APPENDIX A

Statement by President Y. G. Chen of the University of Nanking
at the Meeting of the Board of Founders, Monday, October 2, 1944

I am very, very happy and honored to be here and to report to you in person, expressing appreciation on behalf of the students and staff of the University for your guidance through all these years, some of which have been difficult years.

I am fortunate to be present at the time when you are considering a plan for the consolidation of the trustee boards. I understand that Nanking is the first university voting on this question and I am glad to express my support and to do what I can in the movement toward consolidation. The University of Nanking is one of the first union universities, and so we were committed to union in the early days and we are in favor of this new step toward unity and consolidation.

As we have sent regular reports to this Board I shall not repeat details already given but shall speak in a general way so you may know our actual conditions. You may ask me questions if you care to do so.

First let me explain about my coming here. A few friends, including some members of this body, had been asking me whether I could not come to the United States. My answer then was definitely negative, for I did not want to incur any expense on the part of the University or of the Board for the trip. Besides I thought that because the situation was difficult I had better stay in China. Then I received this unexpected invitation from the State Department's division of Cultural Cooperation, which wanted some representatives of Chinese universities to visit this country. I put the matter before the emergency Executive Committee of the Board of Directors and they urged me to take the trip in order to promote cultural relations and do what I could for the University of Nanking. Our staff also was very much interested in my coming, for they felt that a representative of the University in this country might be of help in considering the future of the University. So here I am and very glad for this opportunity.

The decision to come was a very quick one. My invitation came in the latter part of March, and the expense of the trip was included in the State Department's budget for last year, so that if I accepted I would have to leave China before the first of July, without waiting for Commencement.

Our staff did not have time to prepare anything elaborate but they asked me to present to the Board of Founders this silk scroll on which their names are written as a token of their respect.

When we came out of Nanking in 1938 I came out last because of the difficult transportation problem and my desire to see that all went off well, but when I arrived in Hankow I flew to Chengtu to make preparations for the University. So I was the first to arrive. Then I flew back again to follow the crowd. Therefore the Deans of the University, who have formed an Executive Committee to act for me in my absence, and our Staff thought I should be the first to make preparations to go back to Nanking after the war. One of the preparations was to come to America to report on our probable plans for going back to Nanking. Even in those difficult days in Nanking when all transportation had stopped we were able to

come out, and so we feel that in the present most difficult time the best thing is to plan ahead. You can understand why our Staff and Board of Directors are so interested in this question of return.

You will recall that I was here in 1936 to report to you about the more than ten years of administrative work I had given to the University. In the eight years since I went back to China there have been great changes. The Marco Polo Bridge incident came very soon after my return. All the other Universities, Colleges and Middle Schools in Nanking decided not to open in the fall of 1937 but we decided to open as usual. We were the only institution remaining open in Nanking until the Government told us that the capital was moving to Chungking in three days and that we would have to suspend operations as they did not want us to suffer the consequences of continuing longer. The Government gave us no plan; they simply told us to close. But the staff maintained its good spirits and all promised to do their share so that we were able to get through the difficulty. In spite of the limitations of transportation we were able to carry with us over 400 boxes of books and laboratory equipment and only one bottle was broken. It took us three months to transfer completely to Chengtu. We were the first to arrive in Chengtu as a group. We were glad to have our sister institution, Ginling College, with us on the Chengtu campus.

When we went to Chengtu we left a few members of our staff in Nanking including Dr. Bates, Dr. Stewart, Dr. Smythe, Mr. Riggs, Mr. Chen and Mr. Gee. Dr. Stewart is now in Shanghai. He had a chance to be repatriated but I am told he wanted to stay. It was very good of him to stay, but I am not sure that he can do anything there, being secluded.

Our school opened in Chengtu on March 1, 1938 and is still operating. At first we were not able to assemble all our staff, so we confined ourselves to a minimum schedule and a minimum number of students. We are one of the older institutions and our standard is higher than that of some of the interior schools. Many of our former staff members came back to the University and so members of our Board of Directors felt that we should resume normal work and not place too low a limit on the number of students admitted. So about 1939 we had a full schedule of work. Thousands and thousands of students have applied. Last year 3,000 applicants took the entrance examinations and this year we also had 3,000. But we were able to take only 1/7 or 1/8 of that number.

In the first part of our stay in Chengtu, before the organization of UCR, the cost of living had not appreciably increased. We did not know that we were tending toward such high costs. We are very fortunate that our American friends have been helping us in this work.

Just a year ago our staff was somewhat discouraged because our Nanking campus was being occupied partly by the Japanese military and partly by the bogus Central University, run by the puppet government. To offset this feeling we decided to celebrate our Fifty-fifth Anniversary, thus making known to the people that we still had excellent morale, that our staff was continuing in spite of many difficulties, and that the university had survived over this long period of years.

In the post-war period we are expecting to move back to Nanking. That is, I think, what you would like us to do, and our staff and our Board there very earnestly hope that the day will soon come when we can return. We are willing to do any extension work which our West China friends would like us to undertake after we leave. This would need to be done in cooperation with them.

I was not trained in the science of education but only in natural science and that is why I hesitated to take up administration in the beginning. A scientist can hardly have an adequate knowledge of science unless he did good work in the laboratory. A medical man cannot be a good doctor unless he has been an interne and done clinical work. Similarly for the last fifteen years there has been close to my heart the desire to have education meet the needs of the community, and for the community to keep in close touch with the schools. We have been able to go a considerable way in this direction. This is better known in the field of agriculture, although other units are performing service of equal importance.

As a Christian school we cannot compete with the Government schools in all their educational efforts. It may be that some day China will have a great educational enterprise with many, many colleges and universities, and as a loyal citizen of China I would like to see that. We cannot say that we want as large a staff and as many students as the Government schools. But the Christian Colleges can lead, not only by their ideals and spirit, but also by the way they actually carry forward what has been learned--a combination of personality and scholarship in Christian service. At the same time we should not be content with anything short of a first grade institution of higher learning.

One of our most serious problems is that in each difficult period we have lost some of our Western friends, who went home and settled down. At present we have nobody from the Methodist Mission and if Dr. Fenn is on his way home we shall have nobody from the Presbyterian Mission. We have some borrowed staff--Miss Lawrence from the United Christian Missionary Society. Professor Slocum of the Baptist Mission is the only regular member of the staff. We want our American members to come back. If they cannot come because of family reasons, we want others to come. We hope that the Board of Founders will exercise a little more effort to get the mission quotas filled.

We have been favorable to consolidation and union and I hope that somebody here will be representing Nanking University in working out the plans for consolidation.

In closing I want to thank you once more for your guidance and inspiration which has made our work possible. The funds you have sent supplemented by the Sustaining Funds from UCR have really been "sustainers," though there are still difficulties. Many teachers are using all their salaries for food and even that is mostly inadequate. But still we have been sustained.

DRAFT OF PROPOSED AGREEMENT BETWEENTHE UNITING BOARDS

This agreement made this _____ day of _____ by and between

Fukien Christian University, a corporation incorporated and existing under the Education Law of the State of New York, and granted an absolute charter by the Board of Regents of the University of the State of New York on the 18th day of October, 1934, party of the first part, and

Board of Founders, Ginling College, a corporation incorporated and existing under the Education Law of the State of New York, and granted an absolute charter by the Board of Regents of the University of the State of New York on the 25th day of January, 1935, party of the second part, and

The Woman's College of South China (Hwa Nan), a corporation incorporated and existing under the Education Law of the State of New York, and granted an absolute charter by the Board of Regents of the University of the State of New York on the 21st day of September, 1934, party of the third part, and

University of Nanking, a corporation incorporated and existing under the Education Law of the State of New York, and granted an absolute charter by the Board of Regents of the University of the State of New York on the 21st day of September, 1934, party of the fourth part, and

West China Union University, a corporation incorporated and existing under the Education Law of the State of New York, and granted an absolute charter by the Board of Regents of the University of the State of New York on the 18th day of October, 1934, party of the fifth part, and

Trustees of Yenching University, a corporation originally incorporated and existing under the Education Law of the State of New York under the name of Trustees of Peking University and granted a charter by the Board of Regents of the University of the State of New York on the 25th day of June, 1889, its corporate name having been changed by action of the Regents on September 27, 1928 to "Trustees of Yenching University," party of the sixth part,

hereinafter called contracting corporations, witnesseth:

WHEREAS, the above named educational corporations were established through the common interest of various missionary societies for the purpose of providing institutions of higher education under Christian auspices for the benefit of the youth of China, each of said corporations having been duly chartered under the powers of the Regents of the University of the State of New York, pursuant to Section 59 of the Education Law, or incorporated under a special act of Legislature as above stated, and

WHEREAS, these colleges have proved acceptable to the people of China, have met the standards set by the educational authorities of China, and have been registered by the Ministry of Education of the Republic of China as private institutions of higher learning, and

WHEREAS, the present measures of administrative collaboration have proved their worth, and

WHEREAS, the changing world conditions - especially in China - have hastened the need of a thoroughly united organization for the maintenance of these institutions and their effective adaptation to these conditions,

NOW THEREFORE, in accordance with and subject to the provisions of Section 65-a of the Education Law of the State of New York, as enacted by Chapter 816 of the Laws of 1939, and in consideration of the mutual promises hereinafter set forth and subject to the consent and approval of the founding missionary societies relating to each, the contracting corporations hereby severally agree as follows:

1. To consolidate and by such consolidation form one new corporation, to conduct and carry on the activities for the higher education of the youth of China under Christian auspices now being conducted by the contracting corporations.

2. The name of the new corporation formed by such consolidation shall be

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

hereinafter referred to as the Consolidated Corporation.

3. The principal office of said Consolidated Corporation shall be the Borough of Manhattan, City and State of New York.

4. The places where the institutions of the Consolidated Corporation are to be maintained are located in the Republic of China, as set forth in their charters, as follows:

Fukien Christian University, Foochow, Province of Fukien, now temporarily at Shaowu, Province of Fukien.

Ginling College, Nanking, Province of Kiangsu, now temporarily at Chengtu, Province of Szechwan.

The Woman's College of South China (Hwa Nan), Foochow, Province of Fukien, now temporarily at Nanping, Province of Fukien.

University of Nanking, Nanking, Province of Kiangsu, now temporarily at Chengtu, Province of Szechwan.

West China Union University, Chengtu, Province of Szechwan.

Yenching University, Peking, Province of Hopei, now temporarily at Chengtu, Province of Szechwan.

5. The number of Trustees of the Consolidated Corporation shall not be less than fifteen.

6. The annual meeting shall be held on the _____ of May in each year, at which the election of Trustees and Officers shall take place.

7. The names and residence addresses of the persons to serve as Trustees until the first annual meeting and until their successors shall be chosen by the members of the Consolidated Corporation are as follows:

(List Trustees)

8. All of the property of the contracting corporations shall be vested in and transferred to the Consolidated Corporation upon the making and execution by the Regents of the order for consolidation as provided in the statute, and the Consolidated Corporation shall be subject to all the liabilities of the contracting corporations to the same extent as though they had been contracted or incurred by the Consolidated Corporation.

9. All the rights, powers and privileges held by the contracting corporations under their several charters shall be vested in the Consolidated Corporation, and the Consolidated Corporation shall be the legal successor of each of the contracting corporations with any and all additional powers to which it may be entitled under Sections 65-a and 68 of Article III of the Education Law. The Consolidated Corporation may also receive and disburse funds for any purpose contributing to Christian Higher Education in the Republic of China.

10. The Consolidated Corporation shall be governed by its constitution and by-laws, as duly adopted and as the same may be amended from time to time. Such constitution and by-laws may provide for and define the membership of the Corporation and also from time to time grant the Trustees power by unanimous vote of their full Board to fix their terms of office and their number in accordance with the law.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed and executed by their proper and duly authorized officers and their seals to be hereto annexed the day and year above noted.

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS:

being severally and duly sworn, depose and say that the undersigned, _____ and _____, was Chairman, and the undersigned, _____ was Clerk of a meeting duly called and held, at which a quorum was present, of the _____ of _____ corporation, separately and specially called for the purpose of taking action in regard to a proposed merger of the _____ corporation with five other corporations representing Christian Colleges in the Republic of China, and as set forth in the draft of an agreement hereto annexed, marked "Exhibit A", that at said meeting the said draft of agreement, "Exhibit A" was duly submitted, discussed and approved by at least three-fourths of the _____ of such corporation.

IN WITNESS WHEREOF, we have hereto signed this Certificate of Approval as Chairman and Clerk respectively and affix the seal of the said corporation this _____ day of _____, 1943.

B/

Schedule D

Outline of Proposed Operating Structure, Consolidated Board

THE CORPORATION

Officers: President, Vice-Presidents, Secretary, Treasurer. Meets annually; elects officers, trustees, all committees, receives reports from the trustees and all committees, determines issues of general policy on recommendation or report from the trustees, and makes inquiries on any items it desires.

THE BOARD OF TRUSTEES, meets monthly, fixed date

Chosen by corporation, has full powers of corporation between sessions of corporation, except amendment Constitution; to it all committees report in interims. Deals primarily with studies of policy, program decisions thereon as required, approves recommendations of other committees, giving them legal effect when required.

FUNCTIONAL COMMITTEES (Chairman of each a trustee, members from the corporation and trustees, authority subject to Trustees and Corporation, but may be given determining power on specific subjects.

A	B	C	D	E
Nominations Office Administration Program annual meeting	Christian Character, Staff, Curriculum Staff Appointments	Investment Banking Trust Responsibility Legal questions	Educational Program Institutional interrelations Budget	Promotion

COLLEGE COMMITTEES (Chairman of each a trustee; one or more liaison members on each of the functional committees, except possibly C, not less than five members. Principal duty: to be informed on the affairs of a particular college, to advise the trustees and members thereon, to examine and recommend the proposed budget, to serve as sub-committees of the Trustees on particular issues.)

Fukien	Ginling	Hwa Nan	Faa Chung	Lingnan
Nanking	Shantung	Soochow	West China	Yenching Yenching Women

When a staff appointment is to be made, a specially assigned representative of the college concerned sits with the staff appointment committee which reports directly to the Trustees for final action.



MINUTES OF MEETING

FINANCE COMMITTEE

UNIVERSITY OF NANKING

4:00 P. M., Tuesday, April 25, 1945
Room 900, 150 Fifth Avenue, New York, N. Y.

List of Members

*Morris W. Ehnes, Chairman
Robert C. Morris
Joab A. Banton

*Dana M. Albaugh
Theodore Cuyler Speers, ex officio

Those whose names are starred were present, also C. A. Evans. Regrets were presented from Mr. Morris, Mr. Banton and Dr. Speers.

REVIEW OF CASH

The Committee studied a summary of cash as presented by the Treasurer's office and noted that the following balances were available for investment:

Endowment Cash	\$11,729.78
Hospital Cash to June 30th	5,000.00
Balance on Director's Funds	29,616.50
Special Endowment Agriculture Machinery	7,500.00
Retirement Reserve Income Account	1,337.81
	<u>\$55,184.09</u>

In view of the absence of the Treasurer from the meeting it was felt advisable to bring him into consultation and it was

F-1272 VOTED to refer the matter of investing cash balances to the Treasurer and Assistant Treasurer, with power.

AUDITOR'S REPORT 1943-44

The Auditor's Report for the year ending June 30th, 1944 was distributed and studied. Upon motion, it was

F-1273 VOTED to recommend to the Board of Founders the acceptance of the Auditor's Report made by Messrs. Chambellan, Berger and Welti for the year ending June 30, 1944 and place same on file.

TREASURER'S REPORT 1943-44

Copies of the Treasurer's Report for the last fiscal year were in hand and reviewed by the Committee. As time was limited a thorough study could not be made of all of the items but the recommendations were given careful thought. There was no question regarding the first recommendation and it was

F-1274 VOTED to approve the recommendation of the Treasurer's office that \$479.60 of the 1943-44 surplus be used to meet the 1942-43 deficit and that this vote of approval be reported to the Board of Founders.

April 25, 1945

Further study was given to the recommendation that a Reserve Account be established, it being the thought of the Committee that some restrictions should be placed on the establishment of such an account. It was

F-1275 VOTED to approve the recommendation of the Treasurer's office that \$229.74 representing the balance of the 1943-44 surplus be set aside in a special account to be known as the "Founder's Reserve Account" with the understanding that the limitation upon such an account should be approximately \$8,000.

After further discussion regarding the general report of the Treasurer it was

F-1276 VOTED to refer the Annual Report of the Treasurer to the meeting of the Founders with the approval of the Finance Committee.

REVIEW OF SECURITIES

A list of securities compiled as of April 16th, 1945 was presented to the Committee and it was reviewed with care. In general it was felt that the individual items were of good investment caliber and should not be disturbed at the present time, with the possible exception that New York Central Railroad 5's of 2013 should be watched and sold at par. The question was also raised regarding the Virginian Railway, 1st and Refunding "A" 3-3/4's, 1966, although no recommendation was made thereon. The possibility of selling the Southern California Edison 1st and Refunding 3's of 1965 was referred to but it was decided that no action should be taken at the present time.

It was,

F-1277 VOTED to refer the investment portfolio to the Treasurer and Assistant Treasurer for further study and such action may be deemed prudent with the recommendation that the above items be given first consideration.

REPORT ON CURRENT BUDGET (1944-45)

Attention was called to the action of the Board of Trustees at the October meeting which referred the current budgets back to the Finance Committee, with power. As the figures presented at that time represent the basis upon which the Treasurer's office is operating at present, with the exception of the Sustaining Funds, which are now being paid on a local currency basis, it was felt that the budget should be approved and it was

F-1278 VOTED to approve the budget as submitted to the October meeting of the Board of Trustees with the understanding that Sustaining Funds in so far as they relate to receipts from Associated Boards through United China Relief are being paid in local currency in China.

TRUSTEES' BUDGET FOR 1945-46

It was noted that action should be taken upon the Trustees budget for the coming fiscal year beginning July 1st and the following figures were presented as a basis for consideration:

Class A-General Funds

Mission Grants

United Christian Missionary Society	\$1,500.00	
Methodist Board	1,200.00	
Presbyterian Board	3,755.00	
Baptist Board	800.00	\$ 7,255.00

Endowment Income

UCMS Funds	343.00	
General	35.00	
Hall Estate	9,937.00	
Swasey Fund	1,747.00	
Methodist Board (Agr. and Forestry)	3,000.00	
Gifts for Current Budget	1,400.00	16,462.00
		<u>23,717.00</u>
Less Home Administration		12,000.00
		<u>11,717.00</u>

Class B - Special Funds

Harvard-Yenching Institute	\$13,421.04	
UCMS Vacancy	600.00	
Methodist Board Vacancy	2,400.00	
Presbyterian Board Vacancy	3,000.00	
Relief Fund Gifts (to be negotiated)	-	
Gifts for Current Budget (unknown)	-	
		<u>\$19,421.04</u>

Famine Funds

Receipts:		
Income	20,000.00	
Principal	10,000.00	30,000.00

Hospital

(to be held in New York and invested for future work at the Nanking Hospital)

Methodist Board	750.00	
UCMS	375.00	
Presbyterian Board	580.00	1,705.00

Upon the statement of the Assistant Treasurer that the foregoing figures represent the best judgment of the Treasurer's office, it was

F-1279 VOTED to approve the figures as presented by the Treasurer's office for the budget for 1945-46 and refer same to the Meeting of the Trustees for further study and acceptance

There being no other business the meeting adjourned.

C. A. EVANS, Assistant Treasurer

REPORT OF THE TREASURER

TRUSTEES UNIVERSITY OF NANKING

Year Ending June 30, 1944

The University of Nanking carried on for another year on the campus of West China Union University. There was an increase in enrollment and it is reported that there has been a closer cooperation with other universities on the same campus. There is every evidence that the University thus far has carried on remarkably well in spite of the adverse influence of inflation. The appointment of President Y. G. Chen as a visiting professor to the United States has added greatly to the prestige of Nanking.

In the United States efforts have been centered in securing sufficient funds to keep abreast of the rapidly increasing cost of living. As a result and through cooperation with the United China Relief, more money than ever before was secured for Nanking.

The following report of the Treasurer of the Trustees is based upon the following documents which are attached herewith:

- (a) Trial Balance Sheets before and after closing (Pages, 7, 8, 9)
- (b) Budget Analysis June 30, 1944 (Pages 10, 11)
- (c) Consolidated Balance Sheet (Page 12)
- (d) List of Securities June 30, 1944 (Pages 13, 14, 15)

The figures in this report have been checked by our auditors, Messrs. Chambellan, Berger and Welti.

ENDOWMENT SECTION

Endowment Funds decreased \$14,510.14 during 1943-44 to a total of \$976,837.94. The source of this decrease is shown in the following schedule:

China Famine Funds:			
Spent for 1942-43		\$22,542.40	
Less - Interest on Saving's Fund Account	\$28.04		
Final distribution of Shannon & Lucks			
Loan	<u>7,417.45</u>	<u>7,445.49</u>	15,096.91
Less - The following receipts:			
Received from Sup't. of Insurance payment on claim covering 2348 - 7th Ave., New York City		312.61	
Interest on H.Y.I. Stabilization Fund		129.97	
Received from Sup't. of Insurance payment on claim covering 414 Brook Avenue		13.00	
Interest on Endowment Income Stabilization Fund		107.58	
Reduction in accumulated losses on sales of securities		<u>23.61</u>	<u>586.77</u>
Net Decrease in Funds			<u>14,510.14</u>

June 30, 1944

Investment changes during 1943-44 were as follows:

Consolidated Endowment Investments, July 1, 1943			\$273,202.02
Mortgage Operation Receipts:			
Payment on Mortgage - 1515 Overing St., Bronx	40.00		
" " " - 40 Lincoln Road, Brooklyn	278.79		
	318.79		
Less: Purchase of Lawyers Mortgage Corporation	140.17		178.64
			<u>\$273,023.38</u>
Bond and Stock Operations:			
Transferred from Famine Fund Investments-			
\$5000 Virginian Railway 3-3/4-1966			5,175.00
40 sh. Consolidated Edison Pfd. 5%			4,328.60
Consolidated Endowment Investments, July 1, 1944			<u>\$282,526.98</u>
Famine Fund Investments July 1, 1943	\$535,139.01		
Collection National Sav. & Trust Co. E.D. Rheem \$528.96			
Transferred to Consolidated Endowment Funds -			
\$5000 Virginian Railway 3-3/4-1966	5,175.00		
40 sh. Consolidated Edison Pfd. 5%	4,328.60		
	10,032.56		525,106.45
			<u>\$807,633.43</u>
Retirement Reserve Investments			7,315.00
Total Investments June 30, 1944			<u>\$814,948.43</u>

In the use of cash to cover current transactions in the Famine Fund Account the Virginian Railway Bonds and Consolidated Edison Preferred were transferred to the Current Investments.

Our cash position (see Trial Balance Sheet, Page 7) on June 30, 1944 showed an overdraft of \$1,812.15.

There were no losses on sales of securities during the year. There was a gain of \$23,61 due to the payment of a claim on Tyndal Avenue property formerly owned. The accumulated net losses now amount to \$19,613.57.

Notes Receivable decreased to \$12,963.07 during the year due to a payment of \$3,000 by the Nanking Realty Corporation.

Net Income on General Funds for the year not deducting custodian fees was \$10,707.60 or 3.41%

PLANT SECTION

Plant funds increased by \$52.02 during the past year, this being the interest on the Savings Bank Account for Freshman Dormitory. This interest was allowed to remain on deposit.

CURRENT GENERAL SECTION

The Budget Analysis (Pages 10, 11) shows operations within the authorized budget. For the sake of clarity, however, a complete analysis of income and expenditures is shown as follows:

INCOME

<u>SOURCE</u>	<u>1943-44</u>	<u>1942-43</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	-
" " 2 Vacancies	2,400.00	2,400.00	-
Presbyterian Board	2,920.00	2,920.00	-
" " Vacancies	1,950.00	920.84	1,029.16
Baptist Board	800.00	800.00	-
<u>Endowment General</u>			
Endowment Income General	10,175.49	10,131.51	43.98
Swasy Fund	1,749.99	1,747.43	2.56
Methodist Brd. Agri. & Forestry	3,000.00	3,500.00	500.00*
<u>Other Income</u>			
Gifts for Current Budget	50,611.18	423.50	50,187.68
Harvard-Yenching Institute	13,421.04	13,421.04	-
Sustaining Funds	176,618.82	127,650.00	48,968.82
Total Income	266,801.52	167,069.32	99,156.50

EXPENDITURES

<u>Field Budget</u>			
Current Appropriation	12,819.24	9,697.01	3,122.23
Salaries	655.40	2,715.65	2,060.25*
Library	584.54	1,108.72	524.18*
<u>Home Administration</u>			
Administration & Promotion	7,237.82	8,566.21	1,328.39*
Audit, Bond & Postage, etc.	552.29	424.83	127.46
Promotional Expense	41.85	44.62	2.77*
Institute of Chinese Studies	13,421.04	13,421.04	-
Vacancy Funds sent to Field	4,950.00	3,920.84	1,029.16
Sustaining Funds sent to Field	225,830.00	127,650.00	98,180.00
	266,092.18	167,548.92	98,543.26
Surplus or Deficit (d)	709.34	479.60 (d)	
	266,801.52	167,069.32	

From Sustaining Funds and Gifts for Current Budget came \$227,230.00 including a special grant from United China Relief for Faculty Aid of \$17,090.00 or \$99,156.50 more than the amount received last year.

The cost of Home Administration and Promotion was \$1,203.70 less than the cost in 1942-43, due to savings in the Associated Boards expenditures.

All Sustaining Funds received were passed on to the credit of the field budget.

It will be noted that current operations of the Trustees resulted in a surplus amounting to \$709.34. A recommendation for its use is made later.

FAMINE FUNDS SECTION

Transactions in this fund were as follows:

Balance on hand July 1, 1943	\$17,314.35	
Income on Invested Funds	20,117.40	
From Famine Fund (principal)	<u>22,542.40</u>	\$59,974.15
<u>Less</u>		
Expense 1940/41	393.75	
" 1941/42	973.00	
" 1942/43	38,490.00	
" 1943/44	9,107.60	
Custodian Fee	<u>243.29</u>	<u>49,207.64</u>
Cash on Hand, June 30, 1944		\$10,766.51

HOSPITAL SECTION

Income in this section is being held against the time when work at the Hospital can be resumed. The cash situation on June 30 was as follows:

Balance on hand July 1, 1943 (Reserve Fund)		1,912.50
Receipts - from UCMS	375.00	
" Presbyterian Board	<u>580.00</u>	955.00
Balance carried forward June 30, 1944		<u>\$2,867.50</u>

CURRENT SPECIAL

The transactions in this account for the year are shown in the following summary:

Retirement Reserve Fund Income

Cash Balance July 1, 1943	1,034.90	
Income from Investments	287.50	
Received from Grace Bauer for Premiums	<u>52.90</u>	1,375.30
Payments for Bauer, Priest, Turner		<u>158.01</u>
Balance June 30, 1944		\$1,217.29

Director's Special Funds

Funds in this account are held in trust for the field treasurer but the following shows the break-down as of June 30th:

Director's Special Funds		\$4,660.52	
" " " Institute of Chinese Cultural Studies		10,200.00	
" " " Reserve Fund		31,480.69	
" " " Rockefeller Local Fellowship		<u>25,933.00</u>	\$72,274.21

Of this amount \$45,232.71 is invested in securities or on deposit in New York Savings Banks.

CASH SITUATION

Cash balances on June 30, 1944 were carried in the various sections as follows:

Cash - Famine Fund (Overdraft)		2,645.36
Endowment - Cash	778.33	
Retirement Fund Cash	<u>54.88</u>	
		Overdraft <u>833.21</u>
		\$1,812.15
Current - General	116,757.40	
Famine Funds	10,766.51	
Hospital Reserve	2,867.50	
Current Special	<u>50,736.70</u>	
	181,128.11	
Less overdraft (above)	<u>1,812.15</u>	
	\$179,315.96	

The above was carried in the Irving Trust Company, 21st Street Branch as follows:

Endowment Bank Balance	833.21
General Bank Account	<u>178,482.75</u>
	\$179,315.96

The following amounts were carried in Savings Banks:

Famine Funds	1,988.59
Plant Funds	3,384.04
Field Savings Fund	<u>4,860.52</u>
	\$10,233.15

June 30, 1944

RECOMMENDATIONS

The year 1942-43 closed with a deficit of \$479.60 and it is

RECOMMENDED that \$479.60 of the 1943-44 surplus be used to meet the 1942-43 deficit.

It is further

RECOMMENDED that the balance of \$229.74 remaining in the 1943-44 surplus be set aside in a special account to be known as the "Founder's Reserve Account."

Respectfully submitted,

ROBERT C. MORRIS, Treasurer

C. A. EVANS, Assistant Treasurer

CHARLES H. CORBETT, Assistant Treasurer

ENDOWMENT		Debit	Credit
Endowment Funds and Investments:			
11a	Consolidated Endowment Investments.....	282,526.98	
11g	China Famine Fund Investments.....	525,106.45	
11 & 111	(b) General.....		1,024.14
	(c) Hall.....		289,534.65
	(d) United Christian Missionary Society.....		10,000.00
	(e) Methodist Board - College of Agriculture.....	100,000.00	100,000.00
	(f) Swasey Trust Fund.....	48,750.00	48,750.00
	(g) China Famine Fund.....		524,449.68
	(h) Harvard-Yenching Institute-Stabilization Fund.....		3,907.58
	(j) Endowment Income Stabilization Fund.....		3,257.58
12d	Retirement Reserve Investments.....	7,315.00	
112	Other Permanent Funds:		
	(a) Harriet M. Williams Scholarship Fund.....		1,000.00
	(b) Mr. & Mrs. Wood Scholarship Fund.....		1,000.00
	(c) Sherwin Scholarship Fund.....		5,000.00
	(d) Retirement Reserve Fund.....		7,369.88
	(e) Hoover Trust Fund.....		1,067.00
113	Loss on Sale of Securities.....	19,613.57	
115	Amortization Reserve.....		91.00
19	Cash Awaiting Investment (Overdraft) Famine Funds	2,645.36	
	Less: Retirement	54.88	
	Endowment	778.33	
		833.21	1,812.15
19.1	Savings Bank Accounts (Famine Fund).....	1,988.59	
119	Notes Receivable.....	12,963.07	
		<u>998,263.66</u>	<u>998,263.66</u>
PLANT			
21a	Land.....	88,171.41	
121	General Funds: (a) Baptist.....		31,764.00
	(b) United Christian Missionary Society.....		66,675.00
	(c) Methodist Board.....		109,432.00
	(d) Presbyterian Board.....		226,277.00
22	Buildings: (a) University.....	277,307.64	
	(b) Hospital.....	109,554.03	
	(c) Sciences.....	55,691.95	
	(d) 1927 Dormitory.....	5,000.00	
	(e) Language School.....	4,060.00	
	(f) Undesignated.....	13,600.00	
122	Special Funds: (a) James Normal School.....		20,000.00
	(b) Sericulture Building.....		21,000.00
	(c) Science Building.....		55,691.95
	(d) Science Equipment.....		13,550.66
	(e) Language School.....		4,060.00
	(f) Gas Plant.....		2,762.50
	(g) Land-Mulberry Orchard.....		4,000.00
	(h) Freshman Dormitory.....		3,384.04
	(x) Miscellaneous.....		5,308.38
23	Residences: (a) University.....	90,064.18	
	(b) Hospital.....	24,000.00	
123	Hospital Funds.....		111,203.26
24	Equipment: (a) University.....	16,596.94	
	(b) Hospital.....	54,503.95	
	(c) Sciences.....	15,537.49	
	(d) Gas Plant.....	228.44	
124	Plant Funds transferred from Current.....		18,332.24
25	Miscellaneous Plant Assets: Rural Normal School & Equip- ment	3,634.98	
125	Plant Funds transferred from Famine Trust Funds.....		52,871.27
125a	Famine Funds for Land.....		15,022.75
29.1	Savings Bank Account.....	3,384.04	
		<u>761,335.05</u>	<u>761,335.05</u>

UNIVERSITY OF NANKING

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TRIAL BALANCE JUNE 30, 1944

CURRENT GENERAL		Debit	Credit
31	Directors' Current Expense.....	12,819.24	
31.1	" " Salaries.....	655.40	
32	" " Library.....	584.54	
36.1	Home Administration - Executive Office.....	11,341.88	4,104.06
36.2	" " - Incidentals.....	260.74	
36.3	" " - Trustees.....	291.55	
36.4a	Promotional Expense.....	41.85	
39	Current General Cash.....	116,066.74	
39.1	Accounts Receivable.....	875.00	
131	Receipts - United Christian Missionary Society.....		1,500.00
132	" - Methodist Board.....		1,055.00
133	" - Presbyterian Board.....		2,920.00
133.1	" - Baptist Board.....		800.00
136	Special Gifts for Current Budget.....		4,950.00
136	Disbursed - Special Gifts for Current Budget.....	4,950.00	
137.1	Endowment Income - General.....		371.75
137.2	" " - Hall.....		9,803.74
137.3	" " - Swasey.....		1,749.99
137.4	" " - Methodist Board.....		3,000.00
139	Accounts Payable.....		117,632.40
		<u>147,886.94</u>	<u>147,886.94</u>
FAMINE FUND			
51	Famine Fund Expense 1943/44.....	9,107.60	
59	" " Cash.....	10,766.51	
151	" " Receipts.....		19,874.11
		<u>19,874.11</u>	<u>19,874.11</u>
HOSPITAL			
69	Current Cash - Hospital.....	2,867.50	
163	Receipts - United Christian Missionary Society.....		375.00
164	" - Presbyterian Board.....		580.00
169	Hospital Reserve.....		1,912.50
		<u>2,867.50</u>	<u>2,867.50</u>
CURRENT SPECIAL			
76	Deficit 1942/43.....	479.60	
79	Current Special Cash.....	51,427.36	
79.1	Savings Fund Account (Directors' Special Funds).....	4,860.52	
79.2	Directors' Special Reserve Investments.....	40,372.19	
171.2	Harvard-Yenching Institute-Restricted Account.....		13,421.04
171.2	Disbursed-Harvard-Yenching Inst.-Restricted Account.....	13,421.04	
172	Suspense.....		7,736.24
172.2	" - Seed Account (A. N. Steward).....		18.63
172.4	" - Special.....		6,993.30
175.1	Gifts for Current Budget.....		50,611.18
175.1	Disbursed - Gifts for Current Budget.....	49,211.18	
175.2	Endowment Income - Restricted (Non Budget).....		238.57
175.2	Disbursed - Endowment Income - Restricted.....	238.57	
175.5	Sustaining Funds.....		159,528.82
175.5	Disbursed - Sustaining Funds.....	159,528.82	
175.6	Sustaining Funds - Special.....		17,090.00
175.6	Disbursed - Sustaining Funds - Special.....	17,090.00	
177	Retirement Reserve Income.....		1,217.29
179	Directors' Special Funds.....		4,660.52
179	" " " Inst. of Chinese Cultural Studies.....		10,200.00
179.2	" " Reserve Fund.....		31,480.69
179.3	" " Fund-Rockefeller Local Fellowship.....		25,933.00
179.4	Special Endowment for Agricultural Machinery.....		7,500.00
		<u>336,629.28</u>	<u>336,629.28</u>

UNIVERSITY OF NANKING

TRIAL BALANCE AFTER CLOSING JUNE 30, 1944

CURRENT GENERAL

	<u>Debit</u>	<u>Credit</u>
39 Current General Cash.....	116,757.40	
39.1 Accounts Receivable.....	875.00	
139 " Payable.....		117,632.40
	<u>117,632.40</u>	<u>117,632.40</u>

FAMINE FUND

51 Famine Fund Expense 1943/44.....	9,107.60	
59 " " Cash.....	10,766.51	
151 " " Receipts.....		19,874.11
	<u>19,874.11</u>	<u>19,874.11</u>

CURRENT HOSPITAL

69 Current Cash - Hospital.....	2,867.50	
169 Hospital Reserve.....		2,867.50
	<u>2,867.50</u>	<u>2,867.50</u>

CURRENT SPECIAL

76 Deficit 1942/43.....	479.60	
79 Current Special Cash.....	50,736.70	
79.1 Savings Fund Account.....	4,860.52	
79.2 Directors' Special Reserve Fund Investments.....	40,372.19	
172 Suspense.....		7,736.24
172.2 " - Seed Account - A. N. Steward.....		18.63
172.4 " - Special.....		6,993.30
176.3 Surplus 1943/44.....		709.34
177 Retirement Reserve Fund - Income.....		1,217.29
179 Directors' Special Funds.....		4,660.52
179.1 " " " Inst. of Chinese Cultural Studies		10,200.00
179.2 " " Reserve Fund.....		31,480.69
179.3 " " Fund - Rockefeller Local Fellowship		25,933.00
179.4 Special Endowment for Agricultural Machinery.....		7,500.00
	<u>96,449.01</u>	<u>96,449.01</u>

UNIVERSITY OF NANKING

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BUDGET ANALYSIS - 1943/44

AS OF JUNE 30, 1944

DISBURSEMENTS

RECEIPTS

I G E N E R A L U N I V E R S I T Y

Class A. General Funds

<u>Acct. No.</u>	<u>Item</u>	<u>Appropri- ation</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income</u>	<u>Rec'd to June 30</u>
	<u>General Purposes - Directors' Budget</u>				<u>Mission Cash Grants</u>		
31	Current Expense)		12,819.24	131	United Christian Missionary Society	1,500.00	1,500.00
31.1	Salaries Account)	14,059.18	655.40	132	Methodist Board.....	1,055.00	1,055.00
32	Library)		584.54	133	Presbyterian Board.....	2,920.00	2,920.00
				133.1	Baptist Board.....	800.00	800.00
					<u>Endowment Income</u>		
				137.1	United Christian Miss. Society....	328.79	337.13
				137.1	General.....	34.12	34.62
				137.2	Hall Estate.....	9,512.09	9,803.74
				137.3	Swasey Fund.....	1,747.00	1,749.99
				137.4	Methodist Fund-Agricul.& Forestry.	3,000.00	3,000.00
				175.1	Gifts for Current Budget.....	1,400.00	1,400.00
						22,297.00	22,600.48
					Less Home Adm. and Promotion.....	8,237.82	8,237.82
		<u>14,059.18</u>	<u>14,059.18</u>			<u>14,059.18</u>	<u>14,362.66</u>

Class B. Special Funds

171.2	Harvard-Yenching Institute.....	13,421.04	13,421.04	171.2	Harvard-Yenching Institute.....	13,421.04	13,421.04
136	U. C. M. S. Vacancy.....	600.00	600.00	136	U. C. M. S. Vacancy.....	600.00	600.00
136	Methodist Board Vacancies.....	2,400.00	2,400.00	136	Methodist Board Vacancies.....	2,400.00	2,400.00
136	Presbyterian Board Vacancies....	2,600.00	1,950.00	136	Presbyterian Board Vacancies....	2,600.00	1,950.00
175.1	Gifts for Current Budget).....	208,740.00	49,211.18	175.1	Gifts for Current Budget).....	208,740.00	49,211.18
175.5	Sustaining Funds)		159,528.82	175.5	Sustaining Funds)		159,528.82
175.6	" " - Special.....	17,090.00	17,090.00	175.6	" " - Special.....	17,090.00	17,090.00
		<u>244,851.04</u>	<u>244,201.04</u>			<u>244,851.04</u>	<u>244,201.04</u>

Acct. No. Item		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 1943/44) Disbursed in New York		920,712.50	273,228.00	9,107.60	151 Famine Fund Receipts 1943/44: Income..... Principal.....	20,045.00 10,645.42 30,690.42	19,874.11 - 19,874.11

III HOSPITAL (To be held in New York for
future work at the Nanking Hospital)

Acct. No. Item	Appropriation U. S. \$	Paid to June 30 U. S. \$	Acct. No. Item	Estimated Income U. S. \$	Rec'd to June 30 U. S. \$
61 General Purposes)			162.1 Methodist Board.....	750.00	-
61.1 Salaries Account).....	1,705.00	-	163 United Christ. Miss. Society	375.00	375.00
			164 Presbyterian Board.....	580.00	580.00
	1,705.00	-		1,705.00	955.00

IV BOARD OF FOUNDERS

Acct. No. Item	Appropriation U. S. \$	Paid to June 30 U. S. \$	Acct. No. Item	Estimated Income U. S. \$	Rec'd to June 30 U. S. \$
36.1 Administration & Promotion.....	11,341.88	11,341.88	Appropriation.....	8,237.82	8,237.82
36.2 Incidentals)	600.00	260.74	Refund a/c Home Administration		
36.3 Trustees).....		291.55	1942/43.....	4,104.06	4,104.06
36.4 Promotional Activities of University	400.00	41.85		12,341.88	12,341.88
	12,341.88	11,936.02			

SUMMARY

	Cash Situation June 30, 1944		Budget Situation June 30, 1944		
	Balance U. S. \$	Overdraft U. S. \$	Unexpended U. S. \$	Overexpended U. S. \$	Unexpended L. C. \$
I General University, Class A.....	303.48	-	-	-	-
Class B.....	-	-	650.00	-	-
II Famine Fund 1943/44.....	10,766.51	-	-	-	647,484.50
III Hospital.....	955.00	-	1,705.00	-	-
IV Board of Founders.....	405.86	-	405.86	-	-
	12,430.85	-	2,760.86	-	647,484.50

CONSOLIDATED BALANCE SHEET
TRUSTEES UNIVERSITY OF NANKING
JUNE 30, 1944

ASSETS

<u>Endowment</u>			
Univ. Investments	282,526.98		
Inv. Held in Trust	148,750.00		
Notes Receivable	12,963.07		
Cash	<u>778.33</u>	445,018.38	
Famine Fund Invest.	525,106.45		
" " Savings a/cs	<u>1,988.59</u>		
	527,095.04		
Less Cash Overdraft	<u>2,645.36</u>	524,449.68	
Retirement Res. Inv.	<u>7,315.00</u>		
" " Cash	<u>54.88</u>	<u>7,369.88</u>	976,837.94
<u>Plant</u>			
Land	88,171.41		
Buildings	582,912.78		
Equipment	86,866.82		
Cash in Savings Bank	<u>3,384.04</u>	761,335.05	
<u>Current Assets</u>			
Field Investments	40,372.19		
Field Savings Account	<u>4,860.52</u>	45,232.71	
Famine Fund Exp. 43/44	<u>9,107.60</u>		
" " Cash	<u>10,766.51</u>	19,874.11	
Hospital Cash	2,867.50		
Current General Cash	116,757.40		
Current Special Cash	50,736.70		
Accounts Receivable	<u>875.00</u>	<u>236,343.42</u>	
		<u>1,974,516.41</u>	

LIABILITIES

<u>Endowment</u>			
University Funds	449,308.79		
Scholarship Funds	7,000.00		
Stabilization Funds	7,165.16		
Hoover Trust Fund	<u>1,067.00</u>	464,540.95	
Less Loss on Sales	<u>19,613.57</u>	444,927.38	
China Famine Fund		524,449.68	
Retirement Res. Fund		7,369.88	
Amortization Reserve		<u>91.00</u>	976,837.94
<u>Plant</u>			
General Funds		452,480.24	
Special Funds		129,757.53	
Hospital Funds		111,203.26	
Famine Funds for Land & Plant		<u>67,894.02</u>	761,335.05
<u>Current Liabilities</u>			
Accounts Payable		117,632.40	
Famine Fund Receipts		19,874.11	
Hospital Reserve		2,867.50	
Suspense		14,748.17	
Surplus 1943/44		709.34	
Retirement Res. Fund - Income		1,217.29	
Field Funds Special	4,660.52		
" " Cult. Studies	10,200.00		
" " Reserves	31,480.69		
" " Rockefeller			
Local Fellowships	<u>25,933.00</u>	72,274.21	
Special Endowment for Agri. Machinery	<u>7,500.00</u>	236,823.02	
		<u>479.60</u>	236,343.42
Less Deficit 1942/43			<u>1,974,516.41</u>

UNIVERSITY OF NANKING
LIST OF SECURITIES
JUNE 30, 1944

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/44 Market Price</u>	<u>6/30/44 Market Value</u>	<u>Nominal Income</u>
	<u>Endowment</u>					
	<u>Bonds</u>					
5,000	The Bolton Square Imp. Co. 1st Mtge. 7%	-0-	-0-	-0-	-0-	-0-
5,000	New York Central 5/2013 Registered	99-7/8	4,993.75	74-3/4	3,737.50	250.00
3,000	Penn Water & Power 3 1/2/70	105-3/4	3,172.50	108	3,240.00	97.50
10,000	Public Service Northern Illinois 3 1/2/68	104-3/4	10,500.00	110-1/8	11,012.50	350.00
5,000	U. S. Treasury Bonds 2-3/4% 1965-60	106.29	5,351.56	112	5,600.00	137.50
22,500	U. S. Treasury 2 1/2% 1967-72	100	22,500.00	100.10	22,570.31	562.50
40,000	U. S. Savings Bonds Series G	100	40,000.00	100	40,000.00	1,000.00
35,000	U. S. Treasury Bonds 2/51-49	100.6	35,065.63	101.20	35,568.75	700.00
10,000	U. S. Treasury Bonds 2 1/2/69/64	100	10,000.00	100	10,000.00	250.00
10,000	Virginian Railway Co. 1st Ref. 3-3/4-1966	105	10,452.50	109-1/2	10,950.00	375.00
5,000	Wisconsin Electric Power 3 1/2/68	104-3/4	5,250.00	109-1/2	5,475.00	175.00
	Total Bonds		<u>147,285.94</u>		<u>148,154.06</u>	<u>3,897.50</u>
	<u>Preferred Stock</u>					
800	Aluminum Company 6%	100	80,000.00	112	89,600.00	4,800.00
80	Atchison, Topeka & Santa Fe 5%	100-1/4	8,040.00	96	7,680.00	400.00
100	Union Pacific R. R. Co. 4%	88	8,834.50	98-1/8	9,812.50	400.00
40	Consolidated Edison 5%	107-7/8	4,328.60	106-3/8	4,255.00	200.00
	Total Preferred Stock		<u>101,203.10</u>		<u>111,347.50</u>	<u>5,800.00</u>
	<u>Common Stock</u>					
60	American Telephone & Telegraph Co.	165-1/8	9,930.30	163-5/8	9,817.50	540.00
30	W. T. Grant	32-3/8	977.40	37	1,110.00	42.00
100	Nanking Realty Corporation	50	5,000.00	50	5,000.00	-
40	Parke Davis	34	1,370.00	29-1/4	1,170.00	48.00
25	Lawyers Mortgage Corporation	5-5/8	140.15	2-3/4	68.75	-0-
	Total Common Stock		<u>17,417.85</u>		<u>17,166.25</u>	<u>630.00</u>

Nanking List of Securities
(continued)

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/44 Market Price</u>	<u>6/30/44 Market Value</u>	<u>Nominal Income</u>
<u>Endowment (cont'd)</u>						
<u>Mortgages</u>						
3950.00	1515 Overing Street, Bronx	100	3,950.00	95	3,752.50	100.00
5061.19	40 Lincoln Road, Brooklyn	100	5,061.19	70	3,542.83	170.00
7608.90	414 Brook Avenue, Bronx	100	7,608.90	80	6,087.12	260.00
	Total Mortgages		<u>16,620.09</u>		<u>13,382.45</u>	<u>530.00</u>
	Total Endowment		<u>282,526.98</u>		<u>290,050.26</u>	<u>10,857.50</u>
<u>Famine Fund</u>						
<u>Bonds</u>						
5,000	Atchison, Topeka & Santa Fe Rwy. 4/95	103-1/4	5,175.00	110-1/2	5,525.00	200.00
5,000	Ohio Edison Company 4/67	99-1/2	4,987.50	106-7/8	5,343.75	200.00
10,000	Ohio Power Company 3-1/4/68	103-1/2	10,350.00	109-1/2	10,950.00	325.00
10,000	Pennsylvania Railroad 3-3/4/70	102-1/8	10,237.50	104	10,400.00	375.00
10,000	Southern California Edison 3/65	104-1/8	10,412.50	106	10,600.00	300.00
65,000	U. S. Treasury 3% 1951/55	100.13	65,304.69	111.4	72,231.25	1,950.00
30,000	U. S. Treasury 2/12/15/51-49	100.6	30,056.25	101.15	30,440.62	600.00
268,000	U. S. Treasury 4 1/2% 1952-47	100	268,000.00	110.29	297,228.75	11,390.00
40,000	U. S. Treasury 2 1/2% 6/15/69-64	100	40,000.00	100	40,000.00	1,000.00
10,000	Virginia Electric & Power 3 1/2% 68	107-1/2	10,775.00	110-1/2	11,050.00	350.00
10,000	Westchester Lighting Co. 3 1/2% 67	103	10,327.50	109-1/2	10,950.00	350.00
	Total Bonds		<u>465,625.94</u>		<u>504,719.37</u>	<u>17,040.00</u>
<u>Preferred Stock</u>						
100	Consumers Power Company 4 1/2%	103	10,300.00	105-3/4	10,575.00	450.00
120	North American Company 5-3/4%	52	6,240.00	53	6,360.00	345.00
	Total Preferred Stock		<u>16,540.00</u>		<u>16,935.00</u>	<u>795.00</u>

Nanking List of Securities
(continued)

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/44 Market Price</u>	<u>6/30/44 Market Value</u>	<u>Nominal Income</u>
	<u>Famine Fund (cont'd)</u>					
	<u>Common Stock</u>					
200	Montgomery Ward	38-1/2	7,732.00	47-3/8	9,475.00	400.00
300	Parke Davis	34	10,248.00	29-1/4	8,775.00	360.00
	Total Common Stock		<u>17,980.00</u>		<u>18,250.00</u>	<u>760.00</u>
	<u>Mortgages</u>					
24,960.51	Edward D. Rheem	100	24,960.51	95	23,712.48	1,100.00
	Total Famine Funds		<u>525,106.45</u>		<u>563,616.85</u>	<u>19,695.00</u>
	<u>Retirement Reserve</u>					
20 sh.	Atchison, Topeka & Santa Fe 5% Pfd.	100-1/4	2,010.00	96	1,920.00	100.00
2,000.00	Cleveland Union Terminal Co. 5/75	90	1,805.00	99-1/4	1,985.00	100.00
500.00	U. S. Treasury Bonds 2 1/2/6/15/69-64	100	500.00	100	500.00	12.50
3,000.00	U. S. Savings Bonds Defense Series "G" 2 1/2/54	100	3,000.00	100	3,000.00	75.00
	Total Retirement Reserve		<u>7,315.00</u>		<u>7,405.00</u>	<u>287.50</u>
	<u>Field Account Investments</u>					
5,000	U. S. Treasury Bonds 2 1/2 1952/50	107.11	5,372.19	107.19	5,379.69	125.00
10,000	U. S. Savings Bonds Defense Series "G" 2 1/2 1954	100	10,000.00	100	10,000.00	250.00
25,000	U. S. Treasury Bonds 2 1/2 1969/64	100	25,000.00	100	25,000.00	625.00
	Total Field Acct. Investments		<u>40,372.19</u>		<u>40,379.69</u>	<u>1,000.00</u>

MINUTES OF ANNUAL MEETING

BOARD OF FOUNDERS, UNIVERSITY OF NANKING

2:00 P.M., Wednesday, April 25, 1945
Room 900, 150 Fifth Avenue, New York, N. Y.

ATTENDANCE

<u>Members</u>	<u>1945</u>	<u>1946</u>	<u>1947</u>
Am. Bapt.	*Dana M. Albaugh		E. A. Fridell
Meth.	*F. T. Cartwright ('47)	R.E. Diffendorfer	Robert C. Morris
Presby. USA	L. S. Ruland ('48)	*Phillips P. Elliott	Theodore C. Speers
UCMS	C. M. Yocum	E. K. Higdon	Robert M. Hopkins
Ginling	*Rebecca W. Griest	Sallie Lou MacKinnon	
Members at Large	Morris W. Ehnes	Joab A. Banton	*E. C. Lobenstine
	W. R. Wheeler	*John T. Ogden	
		Robert E. Speer	
Ex Officio:	*President Y. G. Chen		
Guest:	*Mr. A. F. Ufford, representing Dr. Fridell		
Staff:	*Mr. E. H. Ballou	*Mr. C. A. Evans	*Mrs. W. Plumer Mills

Those whose names are starred were present.

OPENING OF MEETING

Mr. Dana M. Albaugh, in the absence of the President of the Board of Founders, acted as Chairman and called the meeting to order. Mr. Ufford led in prayer.

REGRETS FOR NON-ATTENDANCE

Regrets for non-attendance were presented on behalf of Dr. Diffendorfer, Dr. Fridell, Mr. Higdon, Dr. Hopkins, Miss MacKinnon, Dr. Speer, Dr. Speers and Dr. Yocum.

ADOPTION OF AGENDA

After studying the agenda prepared for the meeting, it was
BF-1280 VOTED to approve the agenda for the Annual Meeting as presented.

APPROVAL OF MINUTES

The minutes of the Special Meeting of the Board of Founders held on October 2, 1944 having been distributed, and no errors having been reported, it was

BF-1281 VOTED to approve the minutes of the Special Meeting of the Board of Founders held on October 2, 1944, as distributed.

REPORT OF PRESIDENT CHEN

The Chairman expressed appreciation that Dr. Chen could attend the meeting and address the Board. He explained that the reason for advancing the date of the Annual Meeting was the imminent departure of Dr. Chen for China. He asked Dr. Chen to carry to friends in China greetings of the Founders and assured him that

their thoughts and prayers would follow him.

Dr. Chen said in reply that he was glad to be present once more at a meeting of the Founders and would be honored to carry their greetings to China. During his recent long trip to the Pacific Coast and back he had not only visited universities and colleges but taken the opportunity to visit Nanking friends. These were not as numerous as might be desired inasmuch as there had been little cultivation since the times of Dr. Williams and Dr. Wheeler.

He then enumerated some of the outstanding contributions of the University of Nanking:-

1) At present it is the only Christian institution in China that is able to carry on graduate work. Seventeen students received masters' degrees last commencement.

2) Practical training is offered in social work and social service. This is quite different from sociology, and will be of great importance in the postwar period. One phase of this work has been the assistance given to the Chinese Industrial Cooperatives.

3) Though six institutions benefit from appropriations of the Harvard-Yenching Institute, Nanking is the only one that has an Institute of Cultural Studies separate from its Arts College.

4) Nanking has been helping the war effort through its courses in applied science, such as industrial chemistry and industrial engineering.

5) Audio-visual education was begun by Nanking about a dozen years ago. The Government saw its value and took Nanking men to head up the Government's visual education program. A subsidy of US\$5,000 has been received by Nanking from the Rockefeller Foundation for the development of this kind of work.

6) The agricultural services of the University of Nanking are so well known as to require no elaboration.

Turning to the things which have not been accomplished, Dr. Chen mentioned the fact that close relations had not been established with Nanking Theological Seminary. He hoped that in the postwar period there might be physical proximity between the two institutions with a helpful mingling of personnel and the interchange of library and other facilities.

Another deficiency of Nanking has been in the realm of music, especially religious music. He hoped that someone could be found to give regular leadership along this line.

Again, Nanking has done very little in public health though a beginning was made through the University Hospital at Nanking.

Dr. Chen made a special appeal for maximum help in missionary personnel, feeling that American friends on the staff would help Nanking make a special Christian contribution. This is extremely important because the University is expanding rapidly.

Because of extensive cooperation with Government agencies, the income

from Chinese sources was as much as 60% of the budget in 1937. He questioned whether it was wholesome to get so much financial help from the Government. One purpose of the 55th Anniversary Fund was to interest Chinese alumni and friends in contributing to the University. Between six and seven million Chinese dollars have been raised in this way, and he felt confident that after he returned the amount would be increased.

Dr. Chen then spoke of the proposed memorials to former officers of the University. He hoped that the library rebuilt and restocked with a grant of NC\$300,000 from the Government would be a memorial to Vice-President Williams; and that another building might be erected as a memorial to President Bowen. An additional memorial might take the form of graduate scholarships or fellowships.

In the course of a question period which followed his address, Dr. Chen spoke of the need for increasing the salaries of the faculty, many of whom were living in huts. Because their salaries are not enough to live on, more and more of them are forced to do outside work.

In connection with Dr. Chen's hope that there would be a closer relationship between the University and Nanking Theological Seminary, it was

BF-1282 VOTED that when the University of Nanking and the Nanking Theological Seminary are able to return to Nanking, consultations be initiated between the administrative groups of the two institutions looking toward such relocation of their plans as will permit close correlation of university and seminary courses and extra-curricular activities.

PROPOSED SCHOOL OF NURSING

At this point attention was called to the action of the Planning Committee of the Associated Boards which recommended that in view of the request of the Chinese Government for assistance in training many more nurses during the next ten years, schools of nursing which require for admission graduation from a senior middle school be established at university centers, such as Nanking, Soochow and Foochow, where there are large well-run mission hospitals but no medical schools. After consideration it was

BF-1283 VOTED that the recommendations of the Planning Committee of the Associated Boards with regard to establishing in association with Nanking University a School of Nursing which will require for admission graduation from a senior middle school, be referred to President Chen and the administration on the field.

MEMORIALS TO DR. WILLIAMS AND DR. BOWEN

After a general discussion of the memorials which Dr. Chen had proposed in his address, it was

BF-1284 VOTED that this Board approves of the proposal of President Chen that within the general framework of plans for postwar rehabilitation of the University, a special place be given to suitable memorials for Dr. Williams, former Vice-President, and Dr. A. J. Bowen, former President.

There followed a discussion as to ways and means by which these memorials might be secured, and it was

BF-1285 VOTED to express the hope that a meeting of the new Promotion Committee can be called before Dr. Chen leaves, so as to gain from him his ideas as to the nature of the memorials and also to secure from him lists of faculty members and alumni now in the United States.

WESTERN PERSONNEL

Taking up the matter of western personnel which Dr. Chen mentioned in his address, it was

BF-1286 VOTED that this Board reiterate its conviction of the importance of sending qualified personnel to the field and that the Mission Boards cooperating with the University of Nanking be asked to send their full quotas of faculty members.

It was also

BF-1287 VOTED that President Chen be requested to furnish to the Associated Boards, before he leaves for China, a complete list of the vacancies on the faculty of the University of Nanking, together with the qualifications required for these positions.

Attention was called to the fact that Dr. Claude Thomson has reached India on his return trip to the University; also that Dr. William P. Fern has resigned from his position with the armed forces and expects to give full time to the Associated Boards and the University of Nanking.

PROMOTION

A brief report was given of the promotion carried on by the office during the past year. In addition to the publicity given to the general group of colleges, including Nanking, through THE CHINA COLLEGES, there have been three issues of THE NANKING NEWSLETTER going to 800 persons each issue. This NEWSLETTER, compiled by Miss Turner, is one of the best pieces of publicity which comes from the Colleges.

CONSOLIDATION OF TRUSTEE BOARDS

It was reported that the plan for the consolidation of the trustee boards is moving along rapidly. It is hoped that approval will be given by the Regents in May and that the consolidation of the six institutions chartered under the Regents may be in effect by July first. When that occurs this Board of Founders will no longer meet as a separate board but as a committee of the United Board representing the University of Nanking.

FINANCIAL MATTERS

Current Conditions

Due to the improved rate of exchange, it is anticipated that the budget of the University for the current year will be balanced.

Report of the Finance Committee

Review of Cash Situation. It was reported that the Finance Committee at its meeting on April 25th advised that there is \$55,184.09 available for investment.

As the Treasurer had not been able to attend the meeting, the committee voted to refer the matter of investing cash balances to the Treasurer and Assistant Treasurer, with power. It was

BF-1288 VOTED to approve the action of the Committee on Finance (F-1272) that the matter of investing cash balances be referred to the Treasurer and Assistant Treasurer with power.

Auditors' Report, 1943-44. In accordance with the recommendation of the Finance Committee, it was

BF-1289 VOTED to accept the report of the auditors, Messrs. Chambellan, Berger & Welti for the year ending June 30, 1944 and place same on file.

Report of the Treasurer - 1943-44. It was noted that the Committee on Finance recommended to the Board of Founders approval of the report of the Treasurer for the period ending June 30, 1944, together with the two recommendations contained therein, and it was therefore

BF-1290 VOTED to approve the recommendation of the Treasurer's office that \$479.60 of the 1943-44 surplus be used to meet the 1942-43 deficit.

also

BF-1291 VOTED to approve the recommendation of the Treasurer's office that \$229.74 representing the balance of the 1943-44 surplus be set aside in a special account to be known as the "Founders' Reserve Account" with the understanding that the limitation upon such an account should be approximately \$8,000.

It was also

BF-1292 VOTED to approve the report of the Treasurer for the period ending June 30, 1944.

Review of Securities. It was noted that the Finance Committee had voted to refer the investment portfolio to the Treasurer and Assistant Treasurer for further study and such action as may be deemed prudent, but recommended that certain items be given first consideration.

Current Budget 1944-45. It was noted that the Finance Committee, in accordance with the action of the Board of Founders at the October meeting which had referred the current budgets to the Finance Committee with power, had voted to approve the budget for 1944-45 as submitted to the October meeting of the Board of Trustees, with the understanding that Sustaining Funds in so far as they relate to receipts from the Associated Boards through United China Relief are being paid in local currency in China.

Founders' Budget for 1945-46. The Finance Committee had voted to approve the figures as presented by the Treasurer's office for the budget for 1945-46 and refer same to the Board of Founders for further study and acceptance. It was

BF-1293 VOTED to approve the following figures for the Founders' Budget for 1945-46 as presented by the Treasurer's office:-

Class A - General Funds

Mission Grants

United Christian Missionary Society	\$1,500.00	
Methodist Board	1,200.00	
Presbyterian Board	3,755.00	
Baptist Board	800.00	\$ 7,255.00

Endowment Income

UCMS Funds	343.00	
General	35.00	
Hall Estate	9,937.00	
Swasey Fund	1,747.00	
Methodist Board (Agr. and Forestry)	3,000.00	
Gifts for Current Budget	1,400.00	16,462.00
		\$23,717.00
Less Home Administration		12,000.00
		\$11,717.00

Class B - Special Funds

Harvard-Yenching Institute	\$13,421.04	
UCMS Vacancy	600.00	
Methodist Board Vacancy	2,400.00	
Presbyterian Board Vacancy	3,000.00	
Relief Fund Gifts (to be negotiated)	-	
Gifts for Current Budget (unknown)	-	
		\$19,421.04

Famine Funds

Receipts:		
Income	\$20,000.00	
Principal	10,000.00	\$30,000.00

Hospital

(to be held in New York and invested for future work at the Nanking Hospital)

Methodist Board	\$ 750.00	
UCMS	375.00	
Presbyterian Board	580.00	\$ 1,705.00

ANALYSIS OF REQUIREMENTS TO RAISE THE STANDARD OF THE UNIVERSITY OF NANKING TO A "GRADE A" INSTITUTION.

At the request of several members of the Board, Dr. Chen and Mr. Evans had prepared an analysis of requirements needed to raise the standard of the University to that of a "Grade A" institution.

Mr. Evans reported that he and Dr. Chen used as the basis for calculation Nanking's budget for 1937-1938. This totaled LC\$1,250,750.00 or US\$417,000.00 figured at 3:1. The U.S. support (40%) amounted to US\$166,800. In order to restore education to the pre-war level it was figured that it would cost about 25% more (US\$41,700) which brought U.S. support to US\$208,500. In order to raise still further the standards of the university to the level of a Grade A institution, 50% was added to the appropriations for the various departments. The U.S. total for this purpose was \$61,141. For special work including Graduate Work, Social Work, Health Service and Audio-Visual Education, an additional \$75,000 would be needed. This resulted in a total of US\$344,641.

Dr. Chen expressed the hope that a larger proportion of income might be raised in America - at least 50%. However, it was the judgment of the Board that not more than 48% could be provided from America.

The detailed analysis is as follows:

1937-1938 budget - US\$417,000 or at 3:1 LC\$1,250,750.00.

USA proportion (40%)	US\$166,800 or at 3:1	LC\$500,400.	
25% for adjustment	<u>41,700</u> " " "	<u>LC\$125,100.</u>	
	US\$208,500 " " "	LC\$625,500.	US\$208,500.

<u>Department</u>	<u>Normal</u>	<u>Adjustment</u>	
Administration	LC\$ 46,848	LC\$ 23,424	
Arts	95,000	47,500	
Science	116,000	58,000	
Agriculture	80,000	40,000	
Library	<u>29,000</u>	<u>14,500</u>	
		LC\$135,424	at 3:1
			<u>61,141</u>
			US\$269,641
Graduate Work	US\$25,000		
Social Work Department	20,000		
Health Service	15,000		
Audio-Visual Education	<u>15,000</u>		
			<u>US\$ 75,000</u>
			US\$344,641
			<u>373,361</u>
			US\$718,002
			LC\$2,154,006.

It was

BF-1294 VOTED that the foregoing figures be received by the Board of Founders and that Dr. Chen be requested to furnish the Board with more accurate information regarding finances and Government requirements for Grade A institutions upon his return to China.

RECORD OF CIRCULATION VOTE

EXECUTIVE COMMITTEE OF THE BOARD OF FOUNDERS

THE UNIVERSITY OF NANKING

August 30, 1945

Members of the Committee

*Mr. Dana M. Albaugh
*Dr. Frank T. Cartwright
*Miss Rebecca W. Griest

*Mr. John T. Ogden
*Dr. Lloyd S. Ruland
*Dr. C. M. Yocum

At a special meeting of the Board of Founders of the University of Nanking, which met on October 2, 1944 to consider the plan for consolidation of the Trustee Boards, Action BG-1267 authorized the Executive Committee of the Board of Founders to appoint eight representatives to the United Board for Christian Colleges in China.

Action was deferred until the Mission Boards had appointed their representatives, then under date of August 20, 1945, a letter was sent to the members of the Committee, advising them that all former members of the Board of Founders had now been chosen to be on the United Board by one or another of the Mission Boards or College Boards with the exception of the following persons:

Mr. Joab A. Banton
Dr. Robert M. Hopkins
Dr. E. C. Lobenstine
Mr. John T. Ogden

Dr. Robert E. Speer
Dr. Theodore Cuyler Speers
Major W. Reginald Wheeler

Dr. Theodore Cuyler Speers feels that the pressure of his work is so great that he cannot accept membership on the United Board. This left six persons, whereas the quota is eight, and a ballot listing those six names was sent to each member of the Committee.

Replies were received from all and the persons named above, with the exception of Dr. Theodore Cuyler Speers, were elected to serve on the United Board as the representatives of the Board of Founders of The University of Nanking, leaving two vacancies to be filled by the United Board.

The action is therefore recorded as follows:

E-1296 VOTED that the following persons be elected to serve on the United Board for Christian Colleges in China as the representatives of the Board of Founders of The University of Nanking, leaving two vacancies to be filled by the United Board:

Mr. Joab A. Banton
Dr. Robert M. Hopkins
Dr. E. C. Lobenstine

Mr. John T. Ogden
Dr. Robert E. Speer
Major W. Reginald Wheeler

Charles H. Corbett

Secretary

MINUTES OF ANNUAL MEETING

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

2:00 P.M., Tuesday, May 14, 1946

Conference Room, 6th Floor, 150 Fifth Ave., New York

ATTENDANCE

Members

Mr. Dana M. Albaugh	Dr. Nolan B. Harmon
Mr. Joab A. Banton	Dr. Donald B. MacQueen
Dr. George B. Cressey	Mr. Robert C. Morris
Dr. Phillips P. Elliott	Mr. John T. Ogden
Dr. E. A. Fridell	Dr. Lloyd S. Ruland
*Rev. E. K. Higdon	Dr. Robert E. Speer
Dr. Robert M. Hopkins	*Major W. Reginald Wheeler
*Rev. J. T. Illick	*Dr. M. O. Williams
*Dr. E. C. Lobenstine	Dr. C. M. Yocum

Guests

*Dean Chi-wen Chang	*Rev. A. F. Ufford (Representing Dr. Fridell)
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Staff

*Mr. Earl H. Ballou	*Dr. Gerald F. Winfield
*Mr. Charles H. Corbett	

Persons whose names are starred were present.

OPENING OF MEETING

Rev. E. K. Higdon was elected temporary Chairman. Rev. J. T. Illick offered the opening prayer.

APPROVAL OF MINUTES

In the Minutes of the Annual Meeting of the Board of Founders of the University of Nanking, held on April 25, 1945, the word "plans" in Action 1282 was corrected to read "plants;" the rest of the Minutes, as well as the Record of the Circulation Vote of the Board of Founders, August 30, 1945, were approved as circulated.

MATTERS GROWING OUT OF MEETING OF ASSOCIATED BOARDS

The Committee took note of the fact that the Associated Boards at the Annual Meeting on May 14th had approved the following recommendations of the Planning Committee in regard to the University of Nanking:-

"Nanking. We concur with the recommendation of the Commission on Women's Higher Education in China that the plan of Christian education should include Ginling College as an independent women's College; and that the relation between Ginling College and the University of Nanking should be collaboration between mutually independent institutions.

"However, such an independent status for each institution does not preclude the need for collaboration; on the contrary the maximum collaboration is absolutely essential.

"For this reason the formulation of plans for rehabilitation in the areas outlined below and for future development should be on a basis of collaboration, and requests for funds for these purposes should be made only after collaborative procedures have been followed. Therefore the Planning Committee urges the formation of a central administrative organ to survey and administer the common interests of Ginling and the University of Nanking (and also of the Nanking Theological Seminary, if that is feasible) as well as to consult in regard to curricula and prospective faculty appointments so as to avoid wasteful duplication. Such common interests should include at least a main central library (with small reference libraries in each institution) and the common use of laboratories and similar equipment, etc. They might also include certain professorships, the incumbents of which would be members of the faculties of both institutions, and such projects as extension service centers. Such a central administrative organ should provide for the fullest consultation on all matters of mutual concern to the participating institutions. To fulfill its functions it should have its own budget.

"Pending the setting up of such a central administration the Committee recommends that the United Board create a small advisory group in China to give it counsel in respect to requests for funds which come to it from the institutions in Nanking and also in respect to ways in which collaboration can be more effectively attained."

The Committee further noted that on April 29th the following radiogram had been received from President Y. G. Chen:--

EMERGENCY EXECUTIVE DIRECTORS FULLY APPROVE PROGRAM PLANNING COMMITTEE

There was a discussion of the suggestion of the Planning Committee in regard to a central library to serve Ginling College and the University of Nanking, and if feasible, the Nanking Theological Seminary. The fact was brought out that a library building given to the University of Nanking by the Chinese Government, had been completed just before the University moved to Chengtu. It was suggested that this might house the University's working library, in correlation with the proposed central library.

Reference was made to the fact that there had been some discussion of the desirability of having an experienced American librarian go to China under the auspices of the Associated Boards or United Board to spend a year counseling the different universities in regard to restoring their libraries and working out long range policies for their future development. This suggestion met with the approval of the Committee and it was accordingly

- N-1 VOTED to recommend to the United Board that steps be taken at an early date to send to China an experienced American librarian to counsel with the universities in regard to restoring their libraries and working out long range policies for their future development.

The Committee felt that such a plan would be of special value to the University of Nanking because it is giving courses in Library Science.

The Committee also discussed the possibility suggested by the Planning Committee for a closer relationship with Nanking Theological Seminary. It was felt that this is the strategic time to begin negotiations because the Seminary buildings have been seriously damaged, and decisions for the future should be made before extensive repairs are undertaken. It was therefore

- N-2 VOTED to recommend to the United Board that steps be taken as soon as feasible to approach the authorities of the Nanking Theological Seminary in regard to the possibility of locating the Seminary closer to the University of Nanking campus and correlating its work with that of the University.

PROMOTIONAL CAMPAIGN

Dr. Winfield outlined the role of the individual institutions in the promotional campaign of the Associated Boards. He said that mimeographed forms have been sent to China to enable each university and college to list its needs, project by project, including those already reported. This is merely a preliminary questionnaire and will have to be supplemented by additional information. He said it would be a great help to the campaign if each institution would set up in China a permanent planning committee to study the institution's needs continuously and to assemble the necessary descriptive material for the projects listed. After hearing Dr. Winfield's suggestions the Committee took the following actions.

- N-3 VOTED to request Major Reginald Wheeler to go through the files and assemble pictures, diagrams, blueprints and descriptive material relating to the University of Nanking, that is already in New York.
- N-4 VOTED to ask the United Board to propose that a planning committee be set up in each institution in China to give continuous study to the institution's needs and to list them by projects with the descriptive material necessary for presenting them to prospective donors.
- N-5 VOTED that in view of the need of assuring adequate security to the members of the faculties and administrative staffs of the Christian Colleges in China, the United Board be urged to take steps to provide the following five types of service:-
(1) housing; (2) medical services; (3) educational opportunity for children; (4) sabbatical leaves; (5) pensions or annuities.

REPORTS FROM CHINA

Dr. Chi-wen Chang, Dean of the College of Agriculture was called upon to speak and made a very interesting statement about the present situation of the University of Nanking, and added an account of what he had seen in Great Britain as a guest of the British Council. (See Appendix A).

WESTERN PERSONNEL

There was a discussion of how procedures in recruiting of western personnel might be improved. Dr. Higdon suggested that after the Mission Boards have done their selection of candidates, the Committee on Christian Character, Staff and Curriculum should have something to say about accepting them. Dr. Lobenstine supported this general idea, suggesting that the United Board should have a dozen educators accessible for consultation who would pass on all candidates to the Colleges. Mr. Ufford pointed out that with such a slow process some good candidates might be lost because it is often necessary to act very quickly.

One suggestion made was that the United Board might assist in the processing of papers of candidates for teaching positions, when these papers are being circulated through the various offices of the Mission Board concerned, and thus save time.

AD INTERIM COMMITTEE

The Board of Trustees having authorized the appointment of an Interim Committee, the following action was taken:

N-6 VOTED that the Interim Committee for the ensuing year consist of the following persons: Dr. Harmon, Dr. Lobenstine, Dr. Fridell, Dr. Ruland, Dr. Higdon and Dr. Williams.

REPRESENTATIVES ON ABCC STANDING COMMITTEES

The Committee on Nominations and Administration of the United Board having left to the several College and University Committees the appointment of their representatives to the Standing Committees of the Associated Boards, the University of Nanking Committee proceeded to discharge this responsibility.

N-7 VOTED to appoint the following persons to represent the University of Nanking on the Standing Committees of the Associated Boards:-

Executive Committee: Nolan B. Harmon, Jr., E. A. Fridell
Committee on Finance: Robert C. Morris, Dana M. Albaugh
Committee on Promotions: W. Reginald Wheeler, George B. Cressey
Committee on Christian
Character, Staff &
Curriculum: F. T. Cartwright, E. K. Higdon; Alternate: M. O.
Williams.

FINANCIAL MATTERS

In view of the fact that the University of Nanking is now one of the institutions participating in the United Board, financial procedures followed a pattern somewhat different from hitherto.

Report of the Treasurer for 1944-45

The Report of the Treasurer of the Founders of the University of Nanking, having already been presented to the Committee on Investment and Finance of the United Board, was brought before the University of Nanking Committee for its information and for action on the recommendation contained in the report. It was

N-8 VOTED to approve the recommendation contained in the Report of the Treasurer of the Board of Founders of the University of Nanking for the year ending June 30, 1945, namely:

That the current surplus of \$728.25 be transferred to the credit of Account 178 "Founders Reserve Fund" bringing the total of this account to \$957.99.

Auditors' Reports

It was reported that the report of the Auditors for 1944-45 had been received by the Committee on Investment and Finance of the United Board and passed on to the University of Nanking Committee for its information. Copies of this report were circulated among the members and it was

N-9 VOTED to accept the report of the auditors, Messrs. Chambellan, Berger & Welti for the year ending June 30, 1945 and to place it on file.

Administrative Budget

The administrative budget, formerly known as the Founders' Budget, being now a responsibility of the Committee on Nominations and Administration of the United Board rather than of the University of Nanking Committee, (though it is being handled by the Associated Boards for the time being), was discussed briefly for the information of members. It was stated that there was an anticipated deficit of \$188.18, but this might be covered from "gifts for current needs" already received by the Associated Boards but not yet allocated.

It was noted that in the administrative budget for 1946-47, presented to the Associated Boards on May 14th, 1946, the amount expected from the University of Nanking was \$11,341.88.

Field Budget

In regard to the field budget for the current year, the hope was expressed that UCR would make available sufficient funds to balance the budget.

It was stated that the budget from the field for 1946-47 had not yet been received, but that Dr. Fenn was working on it. The Committee proceeded to discuss the appropriations that could be made toward the field budget from funds from the United States.

A schedule was presented by the Associate Treasurer showing anticipated income of the United Board for the benefit of the University of Nanking during the year 1946-47 and proposed distribution. (See Appendix B). It was

N-10 VOTED to accept the schedule presented by the Associate Treasurer showing anticipated income of the United Board for the benefit of the University of Nanking, and proposed distribution.

As the income anticipated from the Famine Funds would not be sufficient to cover the budget of \$30,000, it was

N-11 VOTED to recommend to the United Board that authority be given to the Treasurer's office to sell such securities in the Famine Funds portfolio as may be needed to balance the requirements of the budget.

VOTE OF APPRECIATION

At the close of the meeting it was

N-12 VOTED to express the appreciation of the University of Nanking Committee to the Chairman, the Secretary and the Treasurer.

ADJOURNMENT

There being no further business the meeting adjourned.

Charles H. Corbett
Recording Secretary

STATEMENT BY DR. CHI-WEN CHANG, DEAN OF THE COLLEGE OF AGRICULTURE,
UNIVERSITY OF NANKING

Dean Chang first briefly reviewed the past few years. The University left Nanking in November 1937 and reopened in Chengtu on March 1, 1938. It continued in Chengtu 17 terms or 8½ years. When the Japanese surrendered last summer it was decided to shorten the two terms of the ensuing year, so as to complete academic work by April 15.

Between 1938 and 1941 the University increased its activities and services, offering short courses in engineering, horticulture and other lines. After 1941 inflation set in and it became too expensive to operate research and extension work on any large scale. So emphasis was placed on instructional work. Post-graduate courses were offered, because students could not go abroad for study.

In anticipation of the return to Nanking, a committee on transportation was organized in Chengtu and another committee in Nanking to take care of the buildings and other property. When the University moved to Chengtu in 1938 it took along 500 boxes of books and equipment. More than double that number have been shipped back.

The return route goes from Chengtu to Paochi by bus, thence eastward along the Lunghai Railway, in which there is a gap of over 100 li east of Loyang. At Hsuechow the route turns south to Nanking. It is an expensive and dangerous trip.

Problems to be faced

Dean Chang mentioned six of the most serious problems to be met by the University:-

- 1) The high cost of living. Prices are still going up, especially in Nanking.
- 2) The Government will continue to draw away the staff of the Christian college by paying higher salaries.
- 3) The University must rehabilitate its buildings and farms. The major academic buildings have suffered little damage, but the farm buildings are almost all gone. The mulberry orchards which previously covered 400 mow of land have been pulled up by the root and a thirty-year growth of forest extending over 2100 mow has been destroyed.
- 4) It is necessary to provide additional housing facilities for the faculty and administrative staff. In Chengtu there were 140 families connected with the University, but the University has only 65 residences in Nanking. In prewar days this did not cause an acute problem because it was possible to buy or rent houses in the city. Now residences are very difficult to find and the University will have to house many families in the academic buildings.
- 5) The University must take its due share in the national educational program. The University is fortunately on very good terms with the Ministry of Education.
- 6) The University must continue to serve church agencies as a missionary school. The University has had a good reputation in the past, and wants to maintain its reputation. Being located in the capital, it has a special reason for

maintaining a high standard.

Visit to Great Britain

At the invitation of the British Council Dr. Chang went to Great Britain for a three months visit leaving Chungking in December 1945. As soon as he arrived, the British Council put him in touch with the Ministry of Agriculture and Fisheries, and an itinerary of forty days through England and Scotland was arranged for him. This enabled him to study the policy of the British Government in regard to agriculture and agricultural training. He saw how Great Britain was planning its post-war agricultural endeavor.

A feature of his visit was the contact he made with big companies. This will prove very helpful for future cooperation. The Imperial Chemical Institute is to bring Prof. Huang to England for five months study of soil fertility. A noted authority on soils -- Dr. Richardson -- is going to China this fall under the ICI. While he is there he will teach some of the graduate courses at the University of Nanking.

An export group of forty British firms dealing in agricultural machinery is to establish a chair in the University of Nanking, which will also get one of the four chairs to be established in China by the International Harvester Company of the United States.

In addition, the China Christian Universities Association is planning to establish two traveling scholarships for Chinese to visit England.

While in Great Britain, Dean Chang tried to achieve the following aims:-

- 1) To see as much as possible of British agriculture, especially to visit all agricultural schools and research stations.
- 2) To interpret China as frequently as possible. He made many talks under the auspices of the British Aid to China Fund. He also made two radio addresses, one being in connection with the United Nations and dealing with the food shortage.

Dean Chang explained that the British Council is a private corporation but is closely associated with the Ministry of Foreign Affairs and is financed by the British Government. Its growing importance is indicated by the increase in its budget from £ 5,000 ten years ago to £ 2,600,000 at present. Its program is more strictly academic than that of the Department of Cultural Relations of the US State Department, which includes more commercial and industrial features.

Visit to Denmark and the Netherlands

Dean Chang had a chance to visit Denmark and found the occasion very interesting. Before the war the whole economy of Denmark was built up on a system of agricultural export to pay for the import of coal, iron and other commodities not produced at home. This ended with the German invasion and great shortages ensued. The Danes used great ingenuity in meeting the situation, producing, for example, boxes without nails, and other simple products which would be suitable in China. Dean Chang strongly recommends that leaders of the Chinese Industrial Cooperatives visit Denmark for the practical suggestions they would obtain.

Dean Chang also spent three and a half days in the Netherlands, where the Government put a guide and a car at his disposal. This enabled him to see a great deal in a short time. He was much impressed with the study of soils which has been long continued and has included undersea work.

See corrected copy
Minutes of
Trustees U.B.C.C.
Oct 2, 1946

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

ANTICIPATED INCOME FOR THE UNIVERSITY OF NANKING, 1946 - 1947

CLASS A - REGULAR FUNDS

Mission Grants

United Christian Missionary Society..	\$2,500.00	
Methodist Board.....	1,200.00	
Presbyterian Board.....	3,755.00	
Baptist Board.....	800.00	\$8,255.00

Endowment Income

UCMS Funds.....	322.00	
General.....	33.00	
Hall Estate.....	9,633.00	
Swasey Fund.....	1,747.00	
Methodist Board (Agric. & Forestry)...	3,000.00	
Gifts Current Budget.....	1,400.00	16,145.00
		24,400.00
Less Home Administration.....		12,000.00
		\$12,400.00

CLASS B-SPECIAL FUNDS

Harvard-Yenching Institute.....	13,421.04	
UCMS Vacancy.....	600.00	
Methodist Board Vacancy.....	2,400.00	
Presbyterian Board Vacancy.....	3,000.00	
Relief Fund Gifts (to be negotiated)	unknown	19,421.04

FAMINE FUNDS

Receipts - Income.....	18,000.00	
Principal.....	12,000.00	30,000.00

HOSPITAL

Methodist Board.....	750.00	
UCMS.....	375.00	
Presbyterian Board.....	745.00	1,870.00
		<u>63,691.04</u>

PROPOSED DISTRIBUTION

Field Budget (Regular Sources).....	12,400.00
Class B Funds (To be sent to the Field when and as received).....	19,421.04
Famine Funds (From designated funds).....	30,000.00
Hospital (To be sent when and as received).....	1,870.00
	<u>63,691.04</u>

REPORT OF THE TREASURER
TRUSTEES UNIVERSITY OF NANKING
YEAR ENDING JUNE 30, 1945

The operations of University of Nanking continued for another year on the campus of West China Union University at Chengtu. With President Y.G. Chen in America the greater part of the year as a guest of the U. S. State Department, the administration was conducted by a committee of Deans headed by C. W. Chang.

Reports tell of the difficulties involved in trying to solve the inflation problem, but with the help of sales of U. S. currency on the open market the year has been passed in the hope of return of more normal times.

In the United States every effort has been made to help the field secure funds necessary to carry on and close cooperation has been maintained with the Associated Boards and United China Relief which is operating in conjunction with the National War Fund.

This report is accompanied by the following documents:

- (a) Trial Balance Sheets Before and After Closing (Pages 6, 7, 8)
- (b) Budget Analysis June 30, 1945 (Pages 9, 10)
- (c) Consolidated Balance Sheet (Page 11)
- (d) List of Securities June 30, 1945 (Pages 12, 13, 14)

This report has been checked by our Auditors, Messrs. Chambellan, Berger and Welti.

ENDOWMENT SECTION

There was a decrease in funds in this section to the amount of \$19,461.89. This came entirely through transferring capital from the China Famine Fund for current budget uses. The actual adjustments are shown in the following schedule:

China Famine Funds transferred to current budget	\$20,125.89	
Loss on 10M Virginia Elect. & Power Co. Bonds called	275.00	20,400.89
Less Profit on 5M Ohio Edison Bonds 4/67 called	312.50	
" " 10M Penn. R.R. Bonds called	162.50	
Interest on Savings Bank Deposits	29.89	
Income on Harvard-Yenching Stabilization Fund	136.24	
" " Endowment Income Stabilization Fund	113.91	
Profit on 2M Cleveland Elec. Illuminating Bonds called	183.96	939.00
Net Decrease		<u>\$19,461.89</u>

Changes in Investments and Cash are shown herewith:

General Endowment

Lawyers' Mortgage on 40 Lincoln Road	3,772.31	
10M Public Service of Northern Ill. (called)	10,550.00	
Received on Frie's Mortgage -1515 Overing Street	90.00	
10M Virginia Ry. Bonds called	10,600.00	
	<u>\$25,012.31</u>	
Purchased 25M U. S. Treasury 2 $\frac{1}{2}$ 67/72	25,000.00	12.31

China Famine Funds:

Payment on Rheem's Note (balance)			\$24,960.51	
Proceeds 5M Ohio Edison 4/67 called			4,987.50	
" 10M Virginia Elec. & Power 3½'s 68 called			10,500.00	
Loss on " " " " " " "			275.00	
Proceeds 10M Penn. R.R. 3-3/4 70 called			10,237.50	
			<u>\$50,960.51</u>	
Less Purchase 5M Ohio Edison 3's/74	5,125.00			
U. S. Treas. 2½'s 67/72	<u>12,000.00</u>	<u>17,125.00</u>		<u>\$33,835.51</u>
				<u>\$33,847.82</u>

Retirement Reserve:

Sale 2M Cleveland Union Terminal 5/75		1,805.00	
Purchase 2M U. S. Treas. 2½ 70/65		<u>2,003.75</u>	198.75
Interest on Savings Bank Accounts			29.89
Cash on Hand June 30, 1945			12,345.14
Cash Overdraft June 30, 1944			1,812.15
Net decrease as above			<u>19,461.89</u>
			<u>\$33,847.82</u>

The payment of the Rheem's Note in Famine Funds permitted the transfer of cash to current funds to care for the 1943-44 budget.

The cash position as of June 30 (see Trial Balance Sheet Page 6) showed total cash on hand to be \$12,345.14. The overdraft of June 30, 1944 had likewise been absorbed.

Profits on Sale of Securities during the year was \$197.50 and reduced the overcharge in Account 113 (see Page 6) to \$19,416.07.

Net income on General Funds during 1944-45 before deducting Custodian Fees was \$10,957.48 or 3.48%.

PLANT SECTION

The total in Plant Funds increased by \$50.95 to a grand total of \$761,386.00. This increase represented interest from the Savings Bank deposit for the Freshmen Dormitory. This income was permitted to stay on deposit with the Bowery Savings Bank.

CURRENT GENERAL SECTION

The details of income and expenditures for the past year are shown in Budget Analysis (Page 9.) However, the totals are repeated herewith along with the 1943-44 figures for comparison:

		<u>Income</u>		Increase or Decrease *
		1944-45	1943-44	
<u>Mission Boards</u>				
United Christian Mission. Soc.		1,500.00	1,500.00	-
" " " " Vacancies		600.00	600.00	-
Methodist Board		1,055.00	1,055.00	-
" " Vacancies		2,400.00	2,400.00	-
Presbyterian Board		3,963.75	2,920.00	1,043.75
" " Vacancies		3,000.00	1,950.00	1,050.00
Baptist Board		800.00	800.00	-
<u>Endowment General</u>				
Endowment General Income		10,407.67	10,175.49	232.18
Swasey Fund Income		1,721.86	1,749.99	28.13*
Methodist Bd. for Agr. & Forestry		3,000.00	3,000.00	-
<u>Other Income</u>				
Gifts for Current Budget		12,726.25	50,611.18	37,884.93*
Harvard-Yenching Institute		13,421.04	13,421.04	-
Sustaining Funds		186,773.16	176,618.82	10,154.34
		<u>\$241,368.73</u>	<u>\$266,801.52</u>	<u>\$25,432.79*</u>
		<u>Disbursements</u>		
<u>Field Budget</u>				
Current Appropriation		12,873.63	12,819.24	54.39
Salaries		110.40	655.40	545.00*
Library		515.97	584.54	68.57*
<u>Other Funds Sent to Field</u>				
Institute for Chinese Studies		13,421.04	13,421.04	-
Salary Vacancies		6,000.00	4,950.00	1,050.00
Sustaining Funds		196,962.25	225,830.00	28,867.75*
<u>Home Administration</u>				
Administration & Promotion		10,039.26	7,237.82	2,801.44
Audit, Bond, Postage, etc.		648.22	552.29	95.93
Special Promotional Expenses		69.71	41.85	27.86
		<u>\$240,640.48</u>	<u>\$266,092.18</u>	<u>\$25,451.70*</u>
Surplus		728.25	709.34	18.91
		<u>\$241,368.73</u>	<u>\$266,801.52</u>	<u>\$25,432.79*</u>

Under income from Mission Boards the Presbyterian Board increased its total cash appropriations by \$2,093.75.

General Endowment income increased by \$232.18 while there was a slight falling off from Swasey Income.

Gifts for Current Budget and Sustaining Funds showed the greater recession when considered as one. This was because a greater rate of exchange was secured throughout the year, the local currency equivalent of funds received from

the Associated Boards through the United China Relief, being LC\$42,891,066.42. It is understood that sufficient local currency was received to balance the field budget on June 30th.

The increased cost in the Home Administration charges was due to the increased expenses of the Associated Boards operations for the year.

It will be noted that there was a gain of \$728.25 from operations during the year as against \$709.34 the previous year.

FAMINE FUND SECTION

No reports from China have been received covering 1944-45 expenditures of Famine Funds. Adjustments on the 1943-44 budget were made during the year by the use of U.S.\$40,000.00. For this purpose \$20,125.89 was transferred from the principal account. Transactions in the income account are shown herewith:

Balance on hand July 1, 1944		\$19,874.11	
Net income on investments 1944-45	\$19,015.94		
Less Custodian charges	244.53	18,771.41	
Transferred from principal account		20,125.89	\$58,771.41
Less Cash used to balance 43/44 Budget			40,000.00
Balance on hand June 30, 1945.			<u>\$18,771.41</u>

HOSPITAL SECTION

No funds were sent to China during the year for the Hospital. As per the request of the field all receipts were added to the Hospital Reserve which now totals \$5,529.99.

ACCOUNTS PAYABLE

The Trial Balance Sheet (Page 7) shows this account (#139) totaling \$68,124.06. This may appear large, but it also involves transactions carried on with other institutions in Chengtu and since closing the books June 30, the information has been received indicating that this account will be reduced rapidly.

SPECIAL SECTION

Director's Funds

On June 30, 1945 a total of \$82,768.07 was held on hand as belonging to the field. They are shown in Accounts 179 etc. on Page 8 of the Trial Balance Sheet. The employment of the cash is shown as follows:

Invested	10M	U.S.A. Series "G" Bond	\$10,000.00
	25M	U.S.A. Treas. 2 $\frac{1}{2}$'s 69/64	25,000.00
	8500	U.S.A. Treas. 2 $\frac{1}{2}$'s 67/72	8,500.00
Cash -			<u>39,268.07</u>
			<u>\$82,768.07</u>

Suspense

The balance of \$11,085.14 in the General Suspense Account consists of items held in transit to the field and are entirely outside of the budget. They are largely accommodation items.

The special balance of \$8,000.00 is also of this nature, being the deposit by a Chinese parent in U.S.A. for the education of his son upon arrival in this country.

Retirement Reserve Fund Income

The operations within this account during the year are shown herewith. Note that there has been a slight improvement as over a year ago.

Cash on hand June 30, 1944	\$ 1,217.29	
Interest on Investments	247.07	\$ 1,464.36
Less Paid on Annuity Contracts		110.40
Balance on hand June 30, 1945.		\$ 1,353.96

CASH SITUATION

Cash on hand June 30, totaled \$159,582.44 distributed in the following manner:

Endowment	\$12,345.14
Plant	-0-
Current General	67,185.31
Famine Fund	18,771.41
Current Hospital	5,529.99
Current Special	55,750.59
	<u>\$159,582.44</u>

These balances were held in the Irving Trust Company the 21st Branch, \$1,080.88 being in the Endowment Account the balance in the Endowment Section belonging to Famine Funds.

In addition the following amounts are held in Savings Bank Accounts:

Famine Fund	\$2,018.48	
Plant Fund	3,434.99	
Directors Special Fund	4,933.20	\$ 10,386.67

RECOMMENDATION

It is recommended that the current surplus of \$728.25 be transferred to the credit of Account 178 "Founders Reserve Fund" bringing the total of this account to \$957.99.

Respectfully submitted,

Robert C. Morris, Treasurer
C. A. Evans, Ass't. Treasurer
Charles H. Corbett, Ass't. Treasurer

ENDOWMENT

	<u>Debit</u>	<u>Credit</u>
Endowment Funds and Investments:		
11a Consolidated Endowment Investments.....	282,712.17	
11g China Famine Fund Investments.....	491,270.94	
11 & 111 (b) General.....		1,024.14
(c) Hall.....		289,534.65
(d) United Christian Missionary Society.....		10,000.00
(e) Methodist Board - College of Agriculture....	100,000.00	100,000.00
(f) Swasey Trust Fund.....	48,750.00	48,750.00
(g) China Famine Fund.....		504,553.68
(h) Harvard-Yenching Institute-Stabilization Fd.		4,043.82
(j) Endowment Income Stabilization Fund.....		3,371.49
12d Retirement Reserve Investments.....	7,513.75	
112 Other Permanent Funds:		
(a) Harriet M. Williams Scholarship Fund.....		1,000.00
(b) Mr. & Mrs. Wood Scholarship Fund.....		1,000.00
(c) Sherwin Scholarship Fund.....		5,000.00
(d) Retirement Reserve Fund.....		7,553.84
(e) Hoover Trust Fund.....		1,067.00
113 Loss on Sale of Securities.....	19,416.07	
115 Amortization Reserve.....		91.00
19 Cash Awaiting Investment; Famine Funds....	11,264.26	
Retirement.....	40.09	
Endowment.....	1,040.79	12,345.14
19.1 Savings Bank Accounts (Famine Funds).....	2,018.48	
119 Notes Receivable.....	12,963.07	
	<u>976,989.62</u>	<u>976,989.62</u>

PLANT

21a Land.....	88,171.41	
121 General Funds: (a) Baptist.....		31,764.00
(b) United Christian Missionary Soc..		66,675.00
(c) Methodist Board.....		109,432.00
(d) Presbyterian Board.....		226,277.00
22 Buildings: (a) University.....	277,307.64	
(b) Hospital.....	109,554.03	
(c) Sciences.....	55,691.95	
(d) 1927 Dormitory.....	5,000.00	
(e) Language School.....	4,060.00	
(f) Undesignated.....	13,600.00	
122 Special Funds: (a) James Normal School.....		20,000.00
(b) Sericulture Building.....		21,000.00
(c) Science Building.....		55,691.95
(d) Science Equipment.....		13,550.66
(e) Language School.....		4,060.00
(f) Gas Plant.....		2,762.50
(g) Land-Mulberry Orchard.....		4,000.00
(h) Freshman Dormitory.....		3,434.99
(x) Miscellaneous.....		5,308.38
23 Residences: (a) University.....	90,064.18	
(b) Hospital.....	24,000.00	
123 Hospital Funds.....		111,203.26
24 Equipment (a) University.....	16,596.94	
(b) Hospital.....	54,503.95	
(c) Sciences.....	15,537.49	
(d) Gas Plant.....	228.44	
124 Plant Funds transferred from Current.....		18,332.24
25 Miscellaneous Plant Assets; Normal Sch. & Equipment..	3,634.98	
125 Plant Funds transferred from Famine Funds.....		52,871.27
125a Famine Funds for Land.....		15,022.75
29.1 Savings Bank Accounts.....	3,434.99	
	<u>761,386.00</u>	<u>761,386.00</u>

<u>CURRENT GENERAL</u>		Debit	Credit
31	Director's Current Expense.....	12,873.63	
31.1	" " Salaries.....	110.40	
32	" " Library.....	515.97	
36.1	Home Administration - Executive Office.....	11,341.88	1,302.62
36.2	" " - Incidentals.....	342.87	
36.3	" " - Trustees.....	305.35	
36.4	Promotional Expense.....	69.71	
39	Current General Cash.....	65,376.40	
39.1	Accounts Receivable.....	938.75	
131	Receipts - United Christian Missionary Society.....		1,500.00
132	" - Methodist Board.....		1,055.00
133	" - Presbyterian Board.....		3,963.75
133.1	" - Baptist Board.....		800.00
136	Special - Current Budget.....		6,000.00
136	Disbursed - Special - Current Budget.....	6,000.00	
137.1	Endowment Income - General.....		382.21
137.2	" " - Hall.....		10,025.46
137.3	" " - Swasey.....		1,721.86
137.4	" " - Methodist Board.....		3,000.00
139	Accounts Payable.....		68,124.06
		<u>97,874.96</u>	<u>97,874.96</u>
<u>FAMINE FUND</u>			
59	Famine Fund Cash.....	18,771.41	
151	" " Receipts.....		18,771.41
		<u>18,771.41</u>	<u>18,771.41</u>
<u>HOSPITAL</u>			
69	Current Cash - Hospital.....	5,529.99	
162.1	Receipts - Methodist Board.....		750.00
163	" - United Christian Missionary Society.....		375.00
164	" - Presbyterian Board.....		600.00
169	Hospital Reserve.....		3,804.99
		<u>5,529.99</u>	<u>5,529.99</u>
<u>CURRENT SPECIAL</u>			
79	Current Special Cash.....	57,559.50	
79.1	Savings Fund Account (Directors' Special Funds).....	4,933.20	
79.2	Directors' Special Reserve Investments.....	43,500.00	
171.2	Harvard-Yenching Institute - Restricted Account.....		13,421.04
171.2	Disbursed - Harvard-Yenching Institute-Restricted Acct.....	13,421.04	
172	Suspense.....		11,085.14
172.2	" - Seed Account (A. N. Steward).....		18.63
172.4	" - Special.....		8,000.00
175.1	Gifts for Current Needs.....		12,726.25
175.1	Disbursed - Gifts for Current Needs.....	10,189.09	
175.2	Endowment Income - Restricted (Non Budget).....		242.36
175.2	Disbursed - Endowment Income Restricted.....	242.36	
175.5	Receipts - Sustaining Funds.....		186,773.16
175.5	Disbursed- " ".....	186,773.16	
177	Retirement Reserve Income.....		1,353.96
178	Founder's Reserve Funds.....		229.74
179	Directors' Special Funds.....		4,733.20
179.1	" " " Inst. of Chinese Cult. Studies.....		10,450.00
179.2	" " " Reserve Fund.....		34,151.87
179.3	" " " Fund-Rockefeller Local Fellowship.....		25,933.00
179.4	Special Endowment for Agricultural Machinery.....		7,500.00
		<u>316,618.35</u>	<u>316,618.35</u>

UNIVERSITY OF NANKING

TRIAL BALANCE AFTER CLOSING JUNE 30, 1945

CURRENT GENERAL

	<u>Debit</u>	<u>Credit</u>
39 Current General Cash.....	67,185.31	
39.1 Accounts Receivable.....	938.75	
139 " Payable.....		68,124.06
	<hr/>	<hr/>
	68,124.06	68,124.06

FAMINE FUND

59 Famine Fund Cash.....	18,771.41	
151 " " Receipts.....		18,771.41
	<hr/>	<hr/>
	18,771.41	18,771.41

CURRENT SPECIAL

79 Current Special Cash.....	55,750.59	
79.1 Saving's Fund Account.....	4,933.20	
79.2 Director's Special Reserve Fund - Investments.....	43,500.00	
172 Suspense.....		11,085.14
172.2 " - Seed Account (A. N. Steward).....		18.63
172.4 " - Special.....		8,000.00
176.3 Surplus 1944/45.....		728.25
177 Retirement Reserve Fund - Income.....		1,353.96
178 Founder's Reserve Account.....		229.74
179 Director's Special Funds.....		4,733.20
179.1 Director's Special Funds.Inst.of Chinese Cult. Studies		10,450.00
179.2 " " Reserve Fund.....		34,151.87
179.3 " " Fund -Rockefeller Local Fellowship		25,933.00
179.4 Special Endowment for Agricultural Machinery.....		7,500.00
	<hr/>	<hr/>
	104,183.79	104,183.79

HOSPITAL

69 Current Cash - Hospital.....	5,529.99	
169 Hospital Reserve.....		5,529.99
	<hr/>	<hr/>
	5,529.99	5,529.99

UNIVERSITY OF NANKING
BUDGET ANALYSIS - 1944/45
AS OF JUNE 30, 1945

DISBURSEMENTS

I G E N E R A L U N I V E R S I T Y
Class A. General Funds

RECEIPTS

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income</u>	<u>Rec'd to June 30</u>
	General Purposes-Directors' Budget..						
31	Current Expense)		12,873.63	131	Mission Cash Grants		
31.1	Salaries Account).....	13,500.00	110.40	132	United Christian Missionary Soc.	1,500.00	1,500.00
32	Library)		515.97	133	Methodist Board.....	1,055.00	1,055.00
	Contingent	511.78	-	133.1	Presbyterian Board.....	3,755.00	3,963.75
					Baptist Board.....	800.00	800.00
					<u>Endowment Income</u>		
				137.1	United Christian Missionary Soc.	343.00	346.79
				137.1	General.....	35.00	35.42
				137.2	Hall Estate.....	9,937.00	10,025.46
				137.3	Swasey Fund.....	1,747.00	1,721.86
				137.4	Methodist Fd.-Agri. & Forestry..	3,000.00	3,000.00
				175.1	Gifts for Current Budget.....	1,400.00	1,400.00
						23,572.00	23,848.28
					Less Home Adm. & Promotional....	9,560.22	9,560.22
		14,011.78	13,500.00			14,011.78	14,288.06
					<u>Class B. Special Funds</u>		
171.2	Harvard-Yenching Institute.....	13,421.04	13,421.04	171.2	Harvard-Yenching Institute.....	13,421.04	13,421.04
136	U. C. M. S. Vacancy.....	600.00	600.00	136	U. C. M. S. Vacancy.....	600.00	600.00
136	Methodist Board Vacancies.....	2,400.00	2,400.00	136	Methodist Board Vacancies.....	2,400.00	2,400.00
136	Presbyterian Bd. Vacancies.....	3,000.00	3,000.00	136	Presbyterian Board Vacancies....	3,000.00	3,000.00
		19,421.04	19,421.04			19,421.04	19,421.04
		<u>Appropriation</u>	<u>Disbursed</u>	<u>Disbursed</u>			<u>Received</u>
		<u>L. C. \$</u>	<u>L. C. \$</u>	<u>U. S. \$</u>			<u>U. S. \$</u>
175.1	Gifts Current Needs	-	-	10,189.09	175.1	Gifts Current Needs.....	10,189.09
175.5	Sustaining Funds...	42,891,066.	42,891,066.12	186,773.16	175.5	Sustaining Funds.....	186,773.16
		42,891,066.	42,891,066.12	196,962.25			196,962.25

Acct. No.	Item	Appropriation L. C. \$	Paid to June 30 L. C. \$	II F A M I N E F U N D		Estimated Income U. S. \$	Rec'd to June 30 U. S. \$
				U. S. \$	No. Item		
51	General Purposes 1944/45) Disbursed in New York	3,600,000.	-	-	151	Famine Funds Receipts 1944/45	
						Income.....	20,000.00 18,771.41
						Principal.....	10,000.00 -
							30,000.00 18,771.41

III H O S P I T A L (To be held in New York for
future work at the Nanking Hospital)

Acct. No.	Item	Appropriation U. S. \$	Paid to June 30 U. S. \$	No.	Item	Estimated Income	
						U. S. \$	U. S. \$
61	General Purposes.....	1,705.00	-	162.1	Methodist Board.....	750.00	750.00
				163	United Christian Miss. Society..	375.00	375.00
				164	Presbyterian Board.....	580.00	600.00
		1,705.00	-			1,705.00	1,725.00

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

36.1	Administration & Promotion.....	11,000.00	11,341.88	Appropriation.....	9,560.22	9,560.22
36.2	Incidentals).....	600.00	342.87	Refund a/c Home Adm. 1943/44....	1,302.62	1,302.62
36.3	Trustees		305.35	Anticipated Gifts.....	1,137.16	1,137.16
36.4	Promotional Activities of University.	400.00	69.71			
		12,000.00	12,059.81		12,000.00	12,000.00

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BALANCE SHEET
TRUSTEES UNIVERSITY OF NANKING
JUNE 30, 1945

<u>A S S E T S</u>		<u>L I A B I L I T I E S</u>	
<u>Endowment</u>		<u>Endowment</u>	
Consolidated Investments	282,712.17	Endowment Funds	449,308.79
Investments held in Trust	148,750.00	Scholarship Funds	7,000.00
Notes Receivable	12,963.07	Stabilization Funds	7,415.31
Cash	<u>1,040.79</u>	Hoover Trust Fund	<u>1,067.00</u>
	445,466.03		464,791.10
Famine Fund Investments	491,270.94	Less Loss on Sales	<u>19,416.07</u>
" " Savings a/cs	2,018.48	China Famine Funds	504,553.68
" " Cash	<u>11,264.26</u>		
	504,553.68	Retirement Reserve Fund	7,553.84
Retirement Reserve Invest.	7,513.75	Amortization Reserve	<u>91.00</u>
" " Cash	<u>40.09</u>		957,573.55
	7,553.84		
	957,573.55	<u>Plant</u>	
<u>Plant</u>		General Funds	452,480.24
Land	88,171.41	Special Funds	129,808.48
Buildings	582,912.78	Hospital Funds	111,203.26
Equipment	86,866.82	Famine Funds for Land & Plant	<u>67,894.02</u>
Cash in Savings Banks	<u>3,434.99</u>		761,386.00
	761,386.00	<u>Current Liabilities</u>	
<u>Current Assets</u>		Accounts Payable	68,124.06
Director's Investments	43,500.00	Famine Fund Receipts	18,771.41
" Savings Acct.	<u>4,933.20</u>	Hospital Reserve	5,529.99
Accounts Receivable	938.75	Suspense Credits	19,103.77
Current General Cash	67,185.31	Surplus 1944-45	728.25
Famine Fund Cash	18,771.41	Retirement Reserve Income	1,353.96
Hospital Cash	5,529.99	Founder's Reserve Account	<u>229.74</u>
Current Special Cash	55,750.59	Director's Special Funds	4,733.20
		" Cultural Studies	10,450.00
		" Reserves	34,151.87
		" Rockefeller	
		Fellowship	<u>25,933.00</u>
		Special Endow. for Agr. Machinery	75,268.07
			<u>7,500.00</u>
	<u>196,609.25</u>		196,609.25
	<u>1,915,568.80</u>		<u>1,915,568.80</u>

UNIVERSITY OF NANKING
LIST OF SECURITIES
JUNE 30, 1945

<u>Amount</u>	<u>Endowment</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/45 Market Price</u>	<u>6/30/45 Market Value</u>	<u>Nominal Income</u>
	<u>Bonds</u>						
5,000		The Bolton Square Imp. Co. 1st Mtge. 7%	-0-	-0-	-0-	-0-	-0-
5,000		New York Central, 5/2013, Registered	99-7/8	4,993.75	96-1/4	4,812.50	250.00
3,000		Penn Water & Power 3 1/2/70	105-3/4	3,172.50	108	3,240.00	97.50
40,000		U. S. Savings Bonds, 2 1/8%, 1954, Series "G"	100	40,000.00	100	40,000.00	1,000.00
35,000		U. S. Treasury Bonds, 2% 12/51-49	100.6	35,065.63	103	36,050.00	700.00
5,000		U. S. Treasury Bonds, 2-3/4%, 12/65-60	106.29	5,351.56	115.10	5,765.63	137.50
22,500		U. S. Treasury Bonds, 2 1/8%, 9/67-72	100	22,500.00	105.19	23,758.42	562.50
25,000		U. S. Treasury Bonds, 2 1/8%, 6/67-72	100	25,000.00	105.19	26,398.43	625.00
10,000		U. S. Treasury Bonds, 2 1/8%, 6/69-64	100	10,000.00	101.31	10,196.88	250.00
5,000		Wisconsin Electric Power, 3 1/2/68	104-3/4	5,250.00	106	5,300.00	175.00
		Total Bonds		<u>151,333.44</u>		<u>155,521.86</u>	<u>3,797.50</u>
	<u>Preferred Stock</u>						
800		Aluminum Co. of America 6%	100	80,000.00	114-1/2	91,600.00	4,800.00
80		Atchison, Topeka & Santa Fe 5%	100-1/4	8,040.00	112	8,960.00	400.00
40		Consolidated Edison 5%	107-7/8	4,328.60	106-7/8	4,275.00	200.00
100		Union Pacific R.R. 4%	88	8,834.50	107-3/4	10,775.00	400.00
		Total Preferred Stock		<u>101,203.10</u>		<u>115,610.00</u>	<u>5,800.00</u>
	<u>Common Stock</u>						
60		American Telephone & Telegraph Co.	165-1/8	9,930.30	174-3/8	10,462.50	540.00
30		W. T. Grant	32-3/8	977.40	45-1/4	1,357.50	42.00
25		Lawyers Mortgage Corporation	5-5/8	140.15	3-3/4	93.75	-
100		Nanking Realty Corporation	50	5,000.00	50	5,000.00	-
40		Parke Davis	34	1,370.00		1,220.00	82.00
		Total Common Stock		<u>17,417.85</u>		<u>18,133.75</u>	<u>634.00</u>

Nanking List of Securities
(continued)

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<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/45 Market Price</u>	<u>6/30/45 Market Value</u>	<u>Nominal Income</u>
<u>Mortgages</u>						
3860.00	1515 Overing St. Bronx	100	3,860.00	90	3,474.00	210.00
1288.88	40 Lincoln Road, Brooklyn, N. Y.	100	1,288.88	10	128.89	-
7608.90	414 Brook Ave., Bronx	100	7,608.90	80	6,087.12	200.00
	Total Mortgages		<u>12,757.78</u>		<u>9,690.01</u>	<u>410.00</u>
	Total Endowment		<u>282,712.17</u>		<u>298,955.62</u>	<u>10,641.50</u>
<u>Famine Fund</u>						
<u>Bonds</u>						
5,000	Atchison, Topeka & Santa Fe, 4/95 (adjustment)	103-1/4	5,175.00	122-3/4	6,137.50	200.00
5,000	Ohio Edison 3/74	102-1/2	5,125.00	105-1/2	5,275.00	150.00
10,000	Ohio Power Co. 3-1/4/68	103-1/2	10,350.00	107	10,700.00	325.00
10,000	Southern California Edison 3/65	104-1/8	10,412.50	106-3/8	10,637.50	300.00
30,000	U. S. Treasury Bonds 2%, 12/51-49	100.6	30,056.25	103	30,900.00	600.00
65,000	U. S. Treasury Bonds 3%, 9/51-55	100.13	65,304.69	111.17	72,495.31	1,950.00
268,000	U. S. Treasury Bonds, 4%, 1952-47	100	268,000.00	108.12	290,145.00	11,390.00
40,000	U. S. Treasury Bonds, 2 1/2%, 6/69-64	100	40,000.00	101.31	40,787.50	1,000.00
12,000	U. S. Treasury Bonds, 2 1/2%, 6/67-72	100	12,000.00	105.19	12,671.25	300.00
10,000	Westchester Lighting, 3 1/2/67	103	10,327.50	108-1/4	10,825.00	350.00
	Total Bonds		<u>456,750.94</u>		<u>490,874.06</u>	<u>16,565.00</u>
<u>Preferred Stock</u>						
100 sh.	Consumers Power, 4 1/2%	103	10,300.00	111-1/2	11,150.00	450.00
120 "	North American Co. 5-3/4%	52	6,240.00	56-1/4	6,750.00	345.00
	Total Preferred Stock		<u>16,540.00</u>		<u>17,900.00</u>	<u>795.00</u>
<u>Common Stock</u>						
200	Montgomery Ward	38-1/2	7,732.00	60-7/8	12,175.00	400.00
300	Parke Davis	34	10,248.00	30-1/2	9,150.00	390.00
	Total Common Stock		<u>17,980.00</u>		<u>21,325.00</u>	<u>790.00</u>

Ranking List of Securities
(continued)

- 14 -

<u>Amount</u>	<u>Security</u>	<u>Cost Price</u>	<u>Cost</u>	<u>6/30/45 Market Price</u>	<u>6/30/45 Market Value</u>	<u>Nominal Income</u>
Famine Fund (cont'd)						
• Savings Bank Acct.			2,018.48		2,018.48	29.89
	Total Famine Fund		<u>493,289.42</u>		<u>532,117.54</u>	<u>18,179.89</u>
Retirement Reserve						
20 shs.	Atchison, Topeka & Santa Fe, 5% Pfd.	100-1/4	2,010.00	112	2,240.00	100.00
3,000	U. S. Treasury Bonds, Series "G" 2 1/2/54	100	3,000.00	100	3,000.00	75.00
500	U. S. Treasury Bonds, 2 1/2% 6/69-64	100	500.00	101.31	509.84	12.50
2,000	U. S. Treasury Bonds, 2 1/2% 70/65	100.6	2,003.75	101.20	2,032.50	50.00
	Total Retirement Fund		<u>7,513.75</u>		<u>7,782.34</u>	<u>237.50</u>
Field Account Investments						
10,000	U. S. Savings Bonds, 2 1/2/54, Series "G"	100	10,000.00	100	10,000.00	250.00
25,000	U. S. Treasury Bonds, 2 1/2% 6/69-64	100	25,000.00	101.31	25,492.19	625.00
8,500	U. S. Treasury Bonds, 2 1/2% 6/62-59	100	8,500.00	100	8,500.00	191.25
	Savings Bank Account		4,933.20		4,933.20	72.68
	Total Field Account Investments		<u>48,433.20</u>		<u>48,925.39</u>	<u>1,138.93</u>
Plant						
• Savings Bank Account (Freshman Dormitory)			3,434.99		3,434.99	50.95
Savings Bank Accounts:						
	Bowery Savings Bank		\$5,157.96			
	Bowery Savings Bank		4,628.48			
	Greenwich Savings Bank		600.23			
	Total		<u>10,386.67</u>			

MINUTES OF THE ANNUAL MEETING

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

2:00 P.M., Tuesday, May 13, 1947
Room 900, 150 Fifth Avenue, New York, N.Y.

ATTENDANCE

*Dr. Nolan B. Harmon, Chairman

Members

Mr. Dana M. Albaugh	*Dr. E. C. Lobenstine
Mrs. Joab A. Banton	*Dr. Donald B. MacQueen
Dr. George B. Cressey	Mr. John T. Ogden
Dr. Phillips P. Elliott	Dr. Lloyd S. Ruland
*Dr. E. A. Fridell	Dr. Robert E. Speer
*Dr. E. K. Higdon	Dr. W. Reginald Wheeler
Dr. Robert M. Hopkins	*Dr. M. O. Williams
*Rev. J. Theron Illick	*Dr. C. M. Yocum

Guests

*Dr. E. H. Cressy	*Dean H. R. Wei of the
*Miss Elsie Priest	Science College

Staff

*Mr. C. A. Evans	*Dr. Gerald F. Winfield
*Dr. Robert J. McMullen	

Those whose names are starred were present.

OPENING PRAYER

The Chairman called the meeting to order and Dr. Fridell led in prayer.

ROLL CALL AND REGRETS FOR NON-ATTENDANCE

The Chairman called the roll. The Secretary reported that Mr. Albaugh and Mr. Ogden were out of the city; Mr. Banton regretted his inability to attend, as did Dr. George B. Cressey and Dr. Phillips P. Elliott.

APPROVAL OF MINUTES

It was reported that the minutes of the annual meeting of May 14, 1946 had been circulated and no errors had been reported. It was therefore

N-13 VOTED to approve the minutes of the Annual Meeting of the Nanking University Committee of May 14, 1946 as distributed.

FINANCIAL MATTERS

As the Associate Treasurer had to leave to attend another meeting, financial matters were considered as the next order of business.

Status of Current Budget

It was reported that there would probably be a deficit of around \$1,000 in the current budget for the year ending June 30, 1947, due to the fact that there has not been as much received from current gifts as had been anticipated and income on invested funds is slightly lower than it was at the beginning of the year. The Associate Treasurer suggested that the Committee recommend to the United Board the use of endowment income stabilization funds to balance the budget. It was therefore

N-14 VOTED to recommend to the United Board that the Treasurer be authorized to as much as may be required up to 5% of the Endowment Income Stabilization Fund to balance the budget for the current year ending June 30, 1947.

Proposed Budget 1947-48

A proposed budget for the year 1947-1948 was presented. (See Appendix A)

Dr. Lobenstine felt that it was very unsatisfactory to accept figures for Mission grants, which had been unchanged for 15 years, when there is a completely changed situation in China. The Committee was informed that all Mission Boards had been asked to double their annual grants.

After discussion, it was

N- 15 VOTED to remind the United Board that no positive action has been taken on the request of the Associated Boards to the Mission Boards that they double their regular grants to the University of Nanking and that the United Board be urged again to put what pressure it can upon the Mission Boards to do so.

Mr. Higdon reported that the United Christian Missionary Society had appropriated for the Hospital double the amount on this budget, but hadn't yet paid it.

During the consideration of the Class B - Special Funds, Miss Priest reported that the field appreciates very much the money for the vacancies but she said they had tried to make it quite clear that the University much prefers to have the personnel. They are much more valuable than the cash paid in lieu of a mission appointee.

Miss Priest gave a brief resume of the origin of the Famine Funds and the uses to which it has been put.

It was

N-16 VOTED to recommend to the United Board that the proposed budget for 1947-1948 be approved.

It was also

N-17 VOTED to recommend to the United Board that the Treasurer be authorized to sell such Famine Fund securities as may be needed to balance the requirements of the field chargeable to this account for the coming year.

Report of the Treasurer for the Year Ending June 30, 1946

The report having been circulated with the docket and studied by the members of the committee, its proposals were taken up seriatim and it was

N-18 VOTED to recommend that the 1945-46 deficit of \$588.96 be charged to Account 178 "Founders' Reserve Account," leaving a balance of \$369.03.

It was also

N-19 VOTED to recommend that \$986.25 from Retirement Income Account be transferred to the principal account (12d) bringing the total up to \$8,500.00, it being understood that withdrawals may be made on the principal account if future requirements so dictate.

And it was

N-20 VOTED to recommend that the report of the Treasurer for the year ending June 30, 1946 be approved. (See Appendix B)

Report of the Auditors for the Year Ending June 30, 1946

It was reported that the report of the auditors, Messrs. Chambellan, Berger & Welti was to be presented to each College and University Committee or to the Finance Committee of the United Board, whichever meets first. It is an interchange of information between these committees. The Committee therefore carefully studied the report and it was

N-21 VOTED to receive the report of the auditors, Messrs. Chambellan, Berger & Welti for the year ending June 30, 1946, and pass it on to the United Board with the approval of the University of Nanking Committee.

FLIGHT OF THE CHINESE FACULTY

As the topic on the docket - "Prospect for Additional Funds in the Coming Year" - had been thoroughly discussed on the previous day in the Annual Meeting of the Associated Boards, the Committee turned to a consideration of the plight of the Chinese faculty.

Dean Wei said that the faculty receives so little pay that they spend practically all they get on food and even so can maintain only minimum subsistence. Some even have to give up the education of their children.

In reply to a question as to the features which make positions in government universities more attractive, Dean Wei said that the Coordinating Committee of United Service to China, of which he is a member, had so controlled their appropriations to the Christian Colleges that salaries there would never be higher than in government institutions. At the same time they did not make it possible to adjust our salaries as often as in government institutions, so that our salaries generally lag behind. Besides the government institutions set their teaching load at six hours a week, whereas our load is 12 to 15 hours a week. The government is also sending their professors abroad for advanced study and refresher courses on a scale we cannot match. These circumstances make it inevitable that we should lose some of our teachers. Yet many remain loyal to the Christian institutions.

Mr. Evans said that Den Wei had been one of the major factors in getting greater consideration from United Service to China during the past year. As a member of the Coordinating Committee in Shanghai he has been invited to sit with the Program Committee in New York, and has been able to contribute a great deal to the thinking of both these committees.

Dr. Cressy felt that the University of Nanking, having maintained its enrollment at about the same level as in the prewar years, had not been getting as large a share of the funds from United Service to China as it deserved. He felt that other institutions which had expanded were getting too much.

Dr. McMullen explained that Nanking was actually getting 22% of all funds allocated to the Christian Colleges by United Service to China, which is four times as much as Ginling's share and five times the combined allotment to St. John's, Soochow, Hangchow and Shanghai. All the other twelve institutions, he said, feel that Nanking is getting more than its share.

COOPERATION WITH GINLING COLLEGE

It was reported that progress had been made in the matter of cooperation between Ginling College and the University of Nanking.

According to a report made by Dr. Fenn on six departments -- Biology, Chemistry, Chinese, English, History and Sociology -- there were 39 courses given cooperatively in the fall of 1946, out of a total of 88 major courses offered, compared with 38 out of 83 in the fall of 1945. However in Chinese no cooperative course was given in the fall of 1946, and only two cooperative courses in the spring of 1946.

Dr. McMullen explained the mission of Dr. Charles B. Shaw, the librarian of Swarthmore who is going to China in the fall to spend six months studying the libraries of the Christian Colleges. One of his particular assignments is to help unify the libraries of Ginling and Nanking.

COOPERATION WITH NANKING THEOLOGICAL SEMINARY

It was reported that little or no progress had been made during the past year in cooperation with Nanking Theological Seminary. This institution had not been satisfied with the site offered by the University, so that it was still located at considerable distance from the University. Concern was expressed over the fact that the Seminary is beginning to organize a faculty of liberal arts in order to enable their poorly prepared students to make up some of their deficiencies while studying theology. This is duplicating, to some extent, the faculty of the University. After further discussion it was

N-22 VOTED to reaffirm the action taken last year that the University of Nanking seek to effect a larger measure of cooperation with the Nanking Theological Seminary.

RESIGNATION OF MISS P. MARGARET TURNER

Dr. McMullen read the letter of resignation of Miss P. Margaret Turner, the Secretary to the President of the University of Nanking. After due consideration it was

N-23 VOTED to recommend to the United Board the acceptance of the resignation of Miss P. Margaret Turner and to recommend further that, because of special circumstances, she be permitted to withdraw from the pension fund not only the part she has paid in herself, but also the part paid into the fund by the University on her behalf.

UNIVERSITY HOSPITAL

Dr. McMullen summarized discussions which had been going on between the secretaries of the three missions cooperating in the University Hospital, looking to changing its status so that while still affiliated with the University it will have an independent Board of Directors. This proposal was approved by the Committee and it was

N-24 VOTED to recommend to the United Board that the Executive Secretary be requested to transmit to the field and to the cooperating Mission Boards the proposal that they explore the desirability of reorganizing the University Hospital so that it have its own Board of Directors, independent of the Board of Directors of the University of Nanking; that these two Boards of Directors each be represented on the Board of the other and that the two institutions become affiliated in their programs, each paying the other for services rendered.

PROSPECTS FOR WESTERN PERSONNEL

The Committee then considered the application of Mr. Ferris J. Megarity as a replacement for Miss Turner. After considerable discussion it was

N-25 VOTED to refer the application of Mr. Ferris J. Megarity to the Personnel Committee of the United Board with power.

Dean Wei expressed agreement with the statement made by Miss Priest earlier in the meeting that personnel is more important than cash. He expressed special appreciation of the great contributions made by Dr. William Fenn and Dr. Lewis Smythe.

Dr. M. O. Williams told about the two new recruits being sent by the Methodists to the University of Nanking -- Creighton Lacy and Roy E. Teele.

Reference was made to the fact that the United Christian Missionary Society is planning to send three more missionaries to the University (in addition to the two already there), and a physician to the University Hospital.

There followed a discussion of the possibilities of using professors on sabbaticals, and professors who have retired while still capable of work.

APPOINTMENT OF COMMITTEES

In accordance with the recommendation of the United Board's Committee on Nominations and Administration it was

N-27 VOTED that the present Interim Committee be re-elected for another year.

It was recognized that inasmuch as the United Board was about to take over the functions of the Associated Boards, the committees of the latter would probably not be operating, nevertheless it was

N-28 VOTED that the present representatives of the University of Nanking on the standing committees of the Associated Boards be re-appointed.

The Chairman expressed the appreciation of the Committee for the presence of Miss Priest and Dean Wei, and for the help they had given the Committee.

ADJOURNMENT

The Committee, having completed its docket, adjourned.

Charles H. Corbett,

Recording Secretary

UNIVERSITY OF NANKING

PROPOSED BUDGET 1947/48

ANTICIPATED INCOME

CLASS A - REGULAR FUNDS

Mission Grants

United Christian Missionary Society	2,500.00	
Methodist Division Foreign Missions	1,600.00	
Presbyterian Board	3,755.00	
Baptist Board	800.00	8,655.00

Endowment Income

UCMS Funds	332.00	
General	33.00	
Hall Estate	9,233.00	
Swasey Fund	1,747.00	
Methodist Board (Agric. & Forestry)	3,000.00	
Gifts Current Budget	1,400.00	15,745.00
		<u>24,400.00</u>
Less Home Administration		<u>12,000.00</u>
		12,400.00

CLASS B - SPECIAL FUNDS

Harvard Yenching Institute	13,421.04	
UCMS Vacancy	600.00	
Methodist Board Vacancy	2,400.00	
Presbyterian Board Vacancy	3,000.00	
Relief Fund Gifts (to be negotiated)	unknown	19,421.04

FAMINE FUND

Receipts - Income	18,000.00	
Principal	<u>12,000.00</u>	30,000.00

HOSPITAL

Methodist Division Foreign Missions	1,000.00	
UCMS	375.00	
Presbyterian Board	745.00	2,120.00
		<u>63,941.04</u>

PROPOSED DISTRIBUTION

Field Budget (Regular Source)		12,400.00
Class B. Funds (to be sent to the field when and as re'd.)		19,421.04
Famine Funds (from designated funds)		30,000.00
Hospital (to be sent when and as received)		<u>2,120.00</u>
	Total	<u>63,941.04</u>

REPORT OF THE TREASURER
UNIVERSITY OF NANKING COMMITTEE
YEAR ENDING JUNE 30, 1946

The University of Nanking completed its stay at Chengtu during the spring of '46 and preparations made to move back to Nanking. V-J Day had arrived during August of '45 and many were impatient to return at once but the better judgment of the Chinese authorities cautioned against any sudden removal. Accelerated courses brought class work to a close during May, 1946 and thereafter came the preparations for the trek to Nanking.

Here in the United States 1945-46 saw the complete merger of the Nanking Trustees with the United Board for Christian Colleges in China. Efforts of the governing body through the Associated Boards, in connection with United China Relief, were centered in securing funds to keep staff members alive. Wild inflation in China made this difficult, but the year in China closed without a deficit.

This report is accompanied by the following papers:

- (a) Budget Analysis as of June 30, 1946 (Pages 5 & 6)
- (b) Balance Sheet as of June 30, 1946 (Page 7)

Figures pertaining to operations for 1945-46 have been checked by our auditors, Messrs. Chambellan, Berger and Walti.

ENDOWMENT SECTION

A decrease of \$10,100.35 was recorded in this section during 1945-46 making the net total \$966,865.66. This decrease in funds was due to transferring \$11,228.59 from Famine Funds to Current Account to care for budget expenditures. A number of items of income netting an increase of \$1,128.24 brought about the difference.

The reconciliation of this decrease in the Endowment Assets is shown in the following schedule:

Decrease in Consolidated Endowment Investments	\$5,790.16
Decrease in Cash Awaiting Investment	3,842.70
Decrease in Notes Receivable	4,257.84
	\$13,890.70
Less increases in:	
China Famine Fund investment	\$3,760.00
Savings Bank Accounts	30.35
	3,790.35
	\$10,100.35

A total of \$10,667.27 was received as income on endowment funds during 1945-46. This was before deducting custodian and service fees and represented 3.37% on general endowment funds.

General Endowment Investments at a market value of \$291,029.70 and \$11,826.68 in cash were transferred to the United Board for Christian Colleges in China on July 1, 1946. This showed an appreciation of \$24,075.81 which was entered in the Nanking books as of July 1, 1946.

PLANT SECTION

Interest of \$51.71 earned in the Freshman Dormitory Fund and carried with the Bowery Savings Bank, accounted for the sole increase in the Plant Section. The total of Plant Funds on June 30, 1946 was \$761,437.71. This valuation would still seem to stand good in the light of property condition at Nanking after V-J Day.

CURRENT SECTION

The Budget Analysis (Page 5-6) shows anticipated income and actual receipts as well as expenditures within the year.

It will be noted that receipts fell short of anticipated income by \$421.50 as gifts for current needs did not measure up to expectations. Also, it cost \$167.46 more for Administration expenditure than budgeted, and these combined figures represent the current deficit of \$588.96. The deficit would have been larger by \$220.22 had not this amount been taken from the Endowment Income Stabilization Fund to balance anticipated income on investments.

FAMINE FUND SECTION

As no definite information came to hand during 1944-45 regarding expenses in China, the closing of this account was carried over into 1945-46. As will be seen by the following schedule, adjustments were made in 1945-46:

Balance on hand July 1, 1945		\$18,771.41
Income from investments		17,991.02
Transferred from principal account		11,228.59
		<u>\$ 47,991.02</u>
Less: Cash to balance 1944-45 budget	\$30,000.00	
Expense 1945-46	<u>500.00</u>	30,500.00
		<u>\$ 17,491.02</u>

HOSPITAL SECTION

Following the procedure of the past three years, income from Mission Boards was allowed to accumulate for the future use of the Hospital. On June, 30, 1946 the account stood as follows:

Balance on July 1, 1945	5,529.99
Received from Mission Boards 1945-46	1,870.00
Balance June 30, 1946	<u>\$7,399.99</u>

CURRENT SPECIAL SECTION

There are several accounts in this section calling for special comment.

Director's Funds: On June 30, 1946 there was a total accumulation of Director's Funds in New York of \$112,362.00. These represented savings in China and unused appropriations and were employed as follows:

Cash free and available	31,355.40
U. S. Government Securities	76,000.00
Savings Bank Account	5,006.60
	<u>\$ 112,362.00</u>

The above funds were held at the call of the field.

June 30, 1946

Restoration Fund: During 1945-46 Nanking received \$41,245.23 for purchases in the United States and rehabilitation in China. Actually the designations were as follows:

Faculty restoration	\$306.50
For purchases in the U.S.A.	30,938.73
Rehabilitation in China	10,000.00
	<u>\$41,245.23</u>

Purchases to the amount of \$4,494.82 had been charged by June 30th and orders had been placed for the balance of the \$30,938.73.

Retirement Reserve Fund (Income Account): There was a continued building up of this fund by the application of unused income. The transactions are shown as follows:

Balance on Hand July 1, 1946	1,353.96
Income on Investments	237.50
	<u>\$ 1,591.46</u>
Less disbursements on Annuity Contract	110.40
Cash on Hand in Income Account	<u>\$ 1,481.06</u>

The principal account carried in the Endowment Section was \$7,513.75 on June 30, 1946.

Suspense Accounts: A considerable total of uninvested funds were carried in credit balances of \$31,485.30 on June 30th. Subject to immediate call and embracing a variety of projects and individuals, no effort has been made to put the money to work.

Founder's Reserve Account: This was set up several years ago and on June 30th had a balance of \$957.99 available.

CASH SITUATION

There was no cash overdraft in any Section of the books on June 30th, the balances being listed as follows:

Endowment Cash	\$ 8,502.44
Current General	53,213.40
Famine Funds	17,491.02
Hospital Section	7,399.99
Current Special	101,441.20
	<u>\$ 188,048.05</u>

This cash was carried in the 21st Street branch of the Irving Trust Company.

June 30, 1946

RECOMMENDATIONS

There seems to be no alternative to disposing of the current deficit by charging it to the Founder's Reserve Account. It is therefore

RECOMMENDED (1) That the 1945-46 deficit of \$588.96 be charged to Account 178 "Founder's Reserve Account", thereafter leaving a balance of \$369.03.

The balance of \$1,481.06 in the Retirement Income Account is more than ample for immediate needs and it is

RECOMMENDED (2) That \$986.25 from Retirement Income Account be transferred to the principal account (12d) bringing the total up to \$8,500.00, it being understood that withdrawals may be made on the principal account if future requirements so dictate.

Respectfully submitted,

E.M. McBRIER, Treasurer
C.A. EVANS, Assistant Treasurer
CHARLES H. CORBETT, Assistant Treasurer

UNIVERSITY OF NANKING COMMITTEE
BUDGET ANALYSIS - 1945/46
AS OF JUNE 30, 1946

DISBURSEMENTS

RECEIPTS

I G E N E R A L U N I V E R S I T Y
Class A. General Funds

Acct. No.	Item	Appropriation	Disbursed to June 30	Acct. No.	Item	Estimated Income	Rec'd to June 30
					<u>Mission Grants</u>		
	General Purposes-Dir. Budget			131	United Christian Miss. Society	2,500.00	2,500.00
31	Current Expense)		12,606.60	132	Methodist Board.....	1,200.00	1,200.00
31.1	Salaries Account.....	12,717.00	110.40	133	Presbyterian Board.....	3,755.00	3,755.00
				133.1	Baptist Board.....	800.00	800.00
					<u>Endowment Income</u>		
				137.1	United Christ. Missionary Soc.....	343.00	343.00
				137.1	General.....	35.00	35.00
				137.2	Hall Estate.....	9,937.00	9,937.00
				137.3	Swasey Fund.....	1,747.00	1,779.25
				137.4	Methodist Fund-Agri. & Forestry....	3,000.00	3,000.00
				175.1	Gifts for Current Budget.....	1,400.00	946.25
						24,717.00	24,295.50
					Less Home Adm. & Promotional.....	12,000.00	12,000.00
						<u>12,717.00</u>	<u>12,295.50</u>
		<u>12,717.00</u>	<u>12,717.00</u>				
					<u>Class B. Special Funds</u>		
171.2	Harvard-Yenching Institute	13,421.04	13,421.04	171.2	Harvard-Yenching Institute.....	13,421.04	13,421.04
136	U.C.M.S. Vacancy.....	600.00	600.00	136	U.C.M.S. Vacancy.....	600.00	600.00
136	Methodist Board Vacancies.	2,400.00	2,400.00	136	Methodist Board Vacancies.....	2,400.00	2,400.00
136	Presbyterian Brd. Vacancies	3,000.00	3,000.00	136	Presbyterian Brd. Vacancies.....	3,000.00	3,000.00
		<u>19,421.04</u>	<u>19,421.04</u>			<u>19,421.04</u>	<u>19,421.04</u>
					<u>Disbursed</u>		
175.5	Sustaining Fund.....	143,082,236.12	132,537.93	175.5	Sustaining Fund.....		132,537.93

II F A M I N E F U N D

Acct. No.	Item	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 1945/46 Disbursed in New York)	3,600,000.	-	-	151	Famine Funds Receipts 1945/46		
			60,000.00	500.00		Income	20,000.00	17,991.02
						Principal.....	10,000.00	-
							<u>30,000.00</u>	<u>17,991.02</u>

III H O S P I T A L (To be held in New York for future work at the Nanking Hospital)

	Appropriation U. S. \$	Paid to June 30 U. S. \$				
61	General Purposes.....	1,705.00	-	162.1	Methodist Board.....	750.00
				163	United Christian Miss. Soc.,	375.00
				164	Presbyterian Board.....	580.00
		<u>1,705.00</u>				<u>1,705.00</u>
						<u>1,870.00</u>

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

36.1	Administration & Promotion.....	11,000.00	11,532.09	Appropriation.....	12,000.00	12,000.00
36.2	Incidentals).....	600.00	267.52			
36.3	Trustees).....		296.09			
36.4	Promotional Activities of Univ...	400.00	71.76			
		<u>12,000.00</u>	<u>12,167.46</u>		<u>12,000.00</u>	<u>12,000.00</u>

BALANCE SHEET
UNIVERSITY OF NANKING COMMITTEE
JUNE 30, 1946

ASSETSEndowment

Consolidated Investments	276,922.01		
Investments held in Trust	148,750.00		
Notes Receivable	8,705.23		
Cash	11,826.68	446,203.92	
Famine Fund Investments	495,030.94		
Famine Fund Savings Acct.	2,048.83		
	497,079.77		
Less cash overdraft	3,364.33	493,715.44	
Retirement Res. Inv.	7,513.75		
Cash	40.09	7,553.84	947,473.20

Plant

Land, Bldg. & Equipment	757,951.01
Cash in Savings Bank	3,486.70

Current Assets

Director's Investments	76,938.75		
Director's Savings Acct.	5,006.60	81,945.35	
Rehab. Equip. & Supp.		4,494.82	
Deferred Chgs. to 1945-46		550.69	
Current General Cash	53,213.40		
Famine Fund Cash	17,491.02		
Hospital Cash	7,399.99		
Current Special Cash	101,441.20	179,545.01	

266,536.47
\$1,975,447.38

LIABILITIESEndowment

Endowment Funds	450,083.53		
Scholarship "	7,000.00		
Stabilization "	7,445.85		
Hoover Trust "	1,067.00		
	465,596.38		
Less Loss on			
Sale Securities	19,392.46	446,203.92	
China Famine Fund		493,715.44	
Retirement Reserve Fund		7,553.84	

947,473.20

Plant

General Funds	452,480.24
Special Funds	129,860.19
Hospital "	111,203.26
Famine Funds for Land & Plant	67,894.02

761,437.71

Current Liabilities

Accounts Payable	54,202.84
Famine Fund Receipts	17,991.02
Retirement Fund Income	1,481.06
Hospital Reserve	7,399.99
Suspense Credits	31,485.30
Founder's Reserve Account	957.99
Restoration Fund	41,245.20
Director's Spec. Funds	4,806.60
" Chinese Studies	10,700.00
" Reserves	62,998.17
" Rockefeller Fel.	26,259.33
Spec. End. Ag. Mach.	7,597.90

112,362.00
267,125.43

Less Deficit 1945-46

588.96

266,536.47
\$1,975,447.38

MINUTES OF THE ANNUAL MEETING

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

2:00 P. M. Monday, May 10, 1948

Room 903, 150 Fifth Avenue, New York, N. Y.

ATTENDANCE

Members

*Dr. Nolan B. Harmon, Chairman

Mr. Dana M. Albaugh
Mr. Joab H. Banton
Dr. George B. Cressey
Dr. Phillips P. Elliott
Dr. E. A. Fridell
*Dr. E. K. Higdon
*Dr. J. Theron Illick
Dr. E. C. Lobenstine

Dr. Donald B. MacQueen
*Mrs. Samuel J. Mills
Mr. John T. Ogden
*Dr. Lloyd S. Ruland
Mrs. Charles Hatch Sears
Dr. W. Reginald Wheeler
Dr. M. O. Williams
Dr. C. M. Yocum

Staff

*Dr. William P. Fenn

*Dr. R. J. McMullen

*Mr. Charles H. Corbett

Those whose names are starred were present.

OPENING PRAYER

The Chairman, Dr. Nolan B. Harmon called the meeting to order and offered the opening prayer.

ROLL CALL AND REGRETS FOR NON-ATTENDANCE

Regrets for non-attendance were presented on behalf of Dr. E. C. Lobenstine, Dr. W. Reginald Wheeler and Dr. E. A. Fridell.

APPROVAL OF MINUTES

The Minutes of the Annual Meeting of May 13, 1947 were approved.

REPORTS AND COMMUNICATIONS FROM CHINA

President Chen's letter of April 19, 1948 to Dr. Nolan B. Harmon, copies of which had been distributed with the docket, was discussed by the members of the Committee. They took special note of the paragraph dealing with the University Hospital and expressed a desire for more information about the Board which "has been organized in China to give special attention to the problems of the hospital." The Committee also took note of the fact that the Nanking alumni had raised one billion dollars, thus exceeding their quota and that the goal of fifteen billion dollars set by the colleges in their joint campaign in China had been reached. In reply to the plea made by President Chen that appropriations to the colleges from the emergency fund of the United Board be not

Nanking

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suspended was considered by the Committee, it was stated that a second distribution of \$100,000 had been made since Dr. Chen wrote his letter, Nanking's share being \$19,500. It was reported also that the rate of exchange had been rising more rapidly than the cost of living index and that, therefore, the money sent to China was accomplishing more than it did a few months ago.

PERSONNEL

Chinese Faculty

It was reported that according to figures furnished by the treasurer of the University of Nanking the average salary for the Chinese faculty in the first semester was US\$39.56 a month as compared with US\$38.70 in 1937, but the purchasing power was only 44%. The statistics for the number of faculty members was noted as follows:

<u>College</u>	<u>Full time</u>	<u>Part time</u>	<u>Total</u>
Arts	38	31	69
Science	31	12	43
Agriculture	93	9	102

Western Faculty

The following recent accessions to the faculty were reported: Dr. Roy Teele to The Department of Foreign Languages, and Mr. Creighton Lacy to the Department of Philosophy and Religion. Dr. Edwin Hansen, representing the International Harvester Company has begun a three-year term.

Dr. Ruland reported that Dr. J. Claude Thompson had returned to the University and that the Rev. Andrew Roy was also expected to return in the near future. He stated that the Presbyterian Board was considering the appointment of a Negro candidate, Mr. Darian Swann for a short term assignment as a teacher of English. Dr. E. K. Higdon said that he had been cultivating an agronomist for three years in the hope that he would be appointed a member of the Nanking faculty but had been disappointed and would have to start the search over again. It was suggested that if it became necessary to suspend operations at Cheeloo, some members of the faculty might be transferred to the University of Nanking. It was reported that though many efforts had been put forward to secure a secretary to take the place of Miss Turner they had been without result. Several candidates had been interviewed but negotiations had not been successful.

Faculty Fellowships

The Committee took note of the fact that ten Chinese members of the faculty had been studying abroad during the year 1947-48, two of them on United Board Fellowships. Among the seven United Board Fellowships granted for the year 1948-49, one had been awarded to a member of the Nanking faculty.

FINANCIAL MATTERS

Status of the Current Budget

The Associate Treasurer reported that there would probably be a deficit of around \$200 for the year ending June 30, 1948, due to the fact that income on invested funds was slightly lower than was anticipated a year ago. At the suggestion of the Associate Treasurer it was

Nanking

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N-29 VOTED to recommend to the United Board that the Treasurer be authorized to use as much as may be required of the endowment income stabilization fund to balance the budget for the current year ending June 30, 1948.

Report of the Treasurer for the year ending June 30, 1947

The report having been circulated with the docket and studied by the members of the Committee, its proposals were taken up seriatim and it was

N-30 VOTED that \$459.91 of retirement income be transferred to the principal account (12d) bringing the total to \$9,000.00, it being understood that withdrawal may be made on the principal account if needed in the future.

It was also

N-31 VOTED that \$300.00 of the \$711.39 deficit be charged against the Founders' Reserve Account leaving a balance of \$69.03 therein, charging the remainder of \$411.39 to Accounts Payable at the permission of the field.

And it was

N-32 VOTED that the report of the Treasurer, as a whole, for the year ending June 30, 1947 be approved (See Appendix A).

Report of the Auditors for the year ending June 30, 1947

Copies of the report of the auditors, Messrs. Chambellan, Berger and Welti were presented to the members of the Committee and examined by them. It was noted that the auditors had made no recommendations and that the books had been found in good condition.

It was

N-33 VOTED to receive the report of the auditors, Messrs. Chambellan, Berger and Welti for the year ending June 30, 1947 and transmit it to the Trustees of the United Board.

Proposed Budget 1948-1949

The proposed budget for the year 1948-49 was presented (See Appendix B). It was explained that this budget does not include the salaries of Missionary personnel because the money does not pass through the books of the United Board. It was noted that there had been the following increase in the appropriations for current expenses: the Methodist Division of Foreign Missions had raised theirs from \$1,600 to \$2,600; the Presbyterian Board from \$3,500 to \$4,500. After discussion it was

N-34 VOTED to recommend to the United Board that the proposed budget for 1948-49 for the University of Nanking be approved.

It was also

N-35 VOTED to recommend to the United that the Treasurer be authorized to sell such Famine Fund securities as may be needed to balance the requirements of the field chargeable to this account for the coming year.

Economy

The Executive Secretary explained the policy he was pursuing in attempting to persuade the presidents of the colleges to avoid expansion and keep commitments down to a minimum in view of the uncertainty of the prospect of additional gifts. He said that the University of Nanking had been cooperative in this matter. For a time there had been some misunderstanding in regard to the department of sericulture but a recent letter from Dr. Bates had explained the situation satisfactorily.

INTERIM COMMITTEE

In accordance with the recommendations of the United Board's Committee on Nominations and Administration it was

N-36 VOTED to elect the following persons members of the Nanking Interim Committee for the ensuing year: Dr. E. A. Fridell, Dr. Nolan B. Harmon, Jr., Dr. E. C. Lobenstine, Dr. Lloyd S. Ruland, Miss Ruth Salley, Dr. M. O. Williams.

MATTERS REFERRED TO THE UNITED BOARD

In addition to the budget for the ensuing year and the report of the auditors for the previous year the Committee referred to the United Board the matter of considering the needs of the University of Nanking in any reallocation of Cheeloo personnel that may become necessary in case Tsinan has to be evacuated.

ADJOURNMENT

The Committee, having completed its docket, adjourned.

Charles H. Corbett

Recording Secretary

REPORT OF THE TREASURER
TO THE
UNIVERSITY OF NANKING COMMITTEE
YEAR ENDING JUNE 30, 1947

During 1946/47, the university of Nanking completed its first full year, on the home campus since the sudden departure on the fall of 1937. Much work had to be done to put the building in usable condition and restore the campus and complete rehabilitation is still far in the future. Class work went on however, and good reports were received in spite of continued rampant inflation.

United Service to China continued to help toward current expenses although money raising in U. S. A. suffered a severe set back. Such funds as were obtained helped materially as the improved rate of exchange made larger sums of local currency available.

No figures on funds disbursed in China through United Service to China are included as the amount allocated to the individual institutions was not known at the close of the year.

This report is based upon the figures contained in the following documents attached herewith:

- (a) Budget Analysis as of June 30, 1947 (Page 6 & 7)
- (b) Balance Sheet as of June 30, 1947 (Page 5)

All figures in this report applying to the 1946-47 accounting have been checked by our auditors, Messrs. Chambellan, Berger and Welti.

ENDOWMENT SECTION

There was a net increase of \$13,387.43 in the Nanking Endowment Section, as shown by the following schedule:

Dividend in 2348 - 7th Ave. mortgage	\$	774.74
Income on China Famine Funds (Savings Account)		30.77
H.Y.I. Stabilization Fund income		136.13
Endowment Income Stabilization Fund income		106.04
Retirement Reserve transferred from income		986.25
Profit on Sale of Securities		24,098.92
		<u>\$26,132.85</u>
Less China Famine Funds used in		
Current Budget	\$	12,008.98
Endowment Income Stabilization		
Fund to current Budget		<u>736.44</u>
		<u>\$12,745.42</u>
		\$13,387.43

On the Assets side of the ledger, this increase was shown as follows:

Increase in Endowment Investments	\$	35,698.85
China Famine Fund Investments		2,500.00
Savings Bank Account		30.77
		<u>\$38,229.62</u>
Less decrease in Cash awaiting investments		24,842.19
		<u>\$13,387.43</u>

Endowment Income decreased slightly during the year from \$10,667.27 of 1945-46 to \$10,585.30 for 1946-47. This was 3.19% on investments of \$330,941.05 on June 30, 1947.

An increase in value of securities (\$24,075.31) was taken as of July 1, 1946 in the transfer of investments to the United Board at values prevailing June 28, 1946. The ratio of Nanking holdings in the United Board portfolio was 8.5338%.

PLANT SECTION

There was an increase of \$52.48 in Plant Funds to a total of \$761,490.19. This increase was earned on Saving Bank deposits for the Freshman Dormitory Fund. Buildings on the campus are fully insured in a United States fire insurance Company.

CURRENT SECTION

Current Income and expenditure for 1946-47 are shown on the Budget Analysis attached herewith (Pages 6 & 7). The field budget was balanced by the use of \$736.44 from Endowment Income Stabilization Fund.

Under Class "B" special Funds, it will be noted that there was an increase of \$400.00 from the United Christian Missionary Society for staff vacancies and \$2,250.00 increase from the Presbyterian Board U. S. A. for the same purpose.

That part of the Budget under the caption "Board of Founders" shows a deficit of \$711.39 due to the increased unit cost of work performed by the United Board for Nanking.

FAMINE FUND SECTION

A full report on the use of Famine Funds was not in hand in the close of 1946-47. However, the balance for the previous years were cleared out during 1946-47 as per the following schedule:

Balance on hand July 1, 1946	\$ 17,491.02
Income on Investments	18,210.16
Principal transferred from Endowment	12,008.98
	<hr/>
	47,710.16
Transferred to Account Payable	29,500.00
Balance June 30, 1947	<hr/>
	\$ 18,210.16

This was reflected in check in bank of \$18,174.96 and a small charge of \$35.20.

HOSPITAL SECTION

Some purchases of Hospital supplies were made during 1946-47 and there were a number of changes in the hospital Reserve. Regular current receipts were augmented by increase from the Presbyterian Board (186.25) and N.C.M.S. (375.00). Gifts in drugs through the good offices of the United Service to China amounted to more than \$7,000.00.

The standing of current and reserves (hospital) on June 30, is shown as follows:

Report of the Treasurer
University of Nanking Committee

- 3 -

Balance July 1, 1946	\$ 7,399.99
Transfers authorized by Field from University Account	15,000.00
Balance 1946-47 Current Receipts	1,753.65
Balance June 30, 1947	<u>\$24,153.64</u>

After the close of the year, a considerable amount of the above balance was spent for supplies.

CURRENT SPECIAL SECTION

A number of accounts are carried under this caption, some calling for special mention;

Director's Funds At the close of the books on June 30th, a total of \$113,204.07 had accumulated in the Director's Funds. These balances were carried as follows:

Cash free and available	\$32,123.32
U. S. Government Securities	76,000.00
Savings Bank Account	5,080.75
	<u>\$113,204.07</u>

Restoration Fund

This fund showed changes in 1946-47 as follows:

Balance July 1, 1946	\$41,245.23
Received from American Council on Education	4,000.00
Cornell in China	425.00
United Board for purchases	17,084.31
Miscellaneous Gifts	433.00
	<u>\$63,187.54</u>
Less amount sent to China	10,000.00
	<u>53,187.54</u>

This cash was used as follows:

Purchase of Equipment and supplies	\$53,545.30
Less, cash overdraft	357.76
To Balance	<u>\$53,187.54</u>

Retirement Reserve Fund

At the beginning of the year, the principal account including cash (40.09) and investment (\$7,513.75) carried in the Endowment Section totaled \$7,553.84. This was increased by the application of \$986.25 from the income account to increase the capital fund to \$8,540.09.

The income account transactions are shown as follows:

Balance in hand July 1, 1946	\$ 1,481.06
Income on investments	231.25
	<u>\$ 1,712.31</u>
Paid on Annuity Contracts	\$110.40
Transferred to Capital account (N-19)	<u>986.25</u>
Balance June 30, 1947	<u>\$ 1,096.65</u> 615.66

This balance was carried as cash.

Founder's Reserve Account

The balance of \$957.99 at the beginning of the year was decreased by the application of the 1945/46 deficit of \$588.96 bringing the total down to \$369.03.

This was agreeable to action #N-18

Suspense Accounts

Credits in Suspense amounted to \$25,507.54 and debits \$1,708.85. The former represents receipts callable by the field and the latter are amount due the Middle-School project inaugurated during the war.

CASH SITUATION

The following is the cash situation as of June 30, 1947:

	Balance	Overdraft
Endowment:-Cash	507.22	
Famine Fund		17,873.31
Retirement Fund	1,026.34	
Famine Fund Saving Accts.	2,079.60	
Plant Cash	3,539.18	
Current Cash	81,725.01	
Hospital Cash	24,355.59	
Famine Fund Current Cash	18,174.96	
Current Special Cash	55,837.55	
Director's Savings Account	5,080.75	
	<hr/>	
	192,326.20	17,873.31
Less Famine Fund Overdraft	17,873.31	
	<hr/>	
	174,452.89	

The above cash was carried as follows:

Checking account Irving Trust Co.	\$163,753.36
Savings Bank Accounts	10,699.53
	<hr/>
	\$174,452.89

RECOMMENDATIONS

The present requirements in the Retirement Account are more than met by current income and any balance should be put to work. It is therefore:

(1) Recommended that \$459.91 of retirement income be transferred to the principal account (12d) bringing the total to 9,000.00, it being understood that withdrawal may be made on the principal account if needed in the future.

The current deficit of \$711.39 resulted from larger services in units rendered by the United Board and not anticipated in the Budget. As there are no sizable balances to use to balance the deficit it is

(2) Recommended, that \$300.00 of the 711.39 deficit be charged against the Founders' Reserve Account leaving a balance of \$69.03 therein, and charge the remainder of \$411.39 to accounts Payable at the permission of the field.

Respectfully submitted,

E. M. McBrier, Treasurer
C. A. Evans, Asst. Treas.
Charles H. Corbett, Asst. Treas.

UNIVERSITY OF NANKING

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BUDGET ANALYSIS - 1946/47

DISBURSEMENTS

AS OF JUNE 30, 1947

RECEIPTS

I G E N E R A L U N I V E R S I T Y

CLASS A. GENERAL FUNDS

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income</u>	<u>Rec'd to June 30</u>
	General Purposes-- Directors' Budget				<u>Mission Grants</u>		
31	Current Expense).....	12,400.00	10,877.00	131	United Christian Missionary Society	2,500.00	2,500.00
31.1	Salaries Account)		1,523.00	132	Methodist Board	1,200.00	1,200.00
				133	Presbyterian Board	3,755.00	3,755.00
				133.1	Baptist Board	800.00	800.00
					<u>Endowment Income</u>		
				137.1	United Christian Missionary Soc.	332.00	332.00
				137.1	General	33.00	33.00
				137.2	Hall Estate	9,633.00	10,108.69
				137.3	Swasey Fund	1,747.00	1,644.81
				137.4	Methodist Fund-Agr. & Forestry	3,000.00	3,000.00
				175.1	Gifts for Current Budget	1,400.00	1,026.50
						24,400.00	24,400.00
					Less Home Adm. & Promotion	12,000.00	12,000.00
						12,400.00	12,400.00
		<u>12,400.00</u>	<u>12,400.00</u>				

CLASS B. SPECIAL FUNDS

171.2	Harvard-Yenching Inst.	13,421.04	13,421.04	171.2	Harvard-Yenching Inst.	13,421.04	13,421.04
136	U.C.M.S. Vacancy	600.00	1,000.00	136	U.C.M.S.	600.00	1,000.00
136	Methodist Board Vacancies	2,400.00	2,400.00	136	Methodist Board Vacancies	2,400.00	2,400.00
136	Presbyterian Board Vacancies	3,000.00	5,250.00	136	Presbyterian Board Vacancies	3,000.00	5,250.00
		<u>19,421.04</u>	<u>22,071.04</u>			<u>19,421.04</u>	<u>22,071.04</u>

University of Nanking

II F A M I N E F U N D

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation (L.C. \$)</u>	<u>Paid to June 30 (L.C. \$)</u>	<u>Paid to June 30 (U.S. \$)</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income (U.S. \$)</u>	<u>Rec'd to June 30 (U.S. \$)</u>
51	General Purposes '46/47	3,600.00	4,224.00	35.20	151	Famine Fund Receipts '46/47		
						Income.....	18,000.00	18,210.16
						Principal.....	12,000.00	-
							<u>30,000.00</u>	<u>18,210.16</u>

III H O S P I T A L

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation (U.S. \$)</u>	<u>Paid to June 30 (U.S. \$)</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income (U.S. \$)</u>	<u>Rec'd to June 30 (U.S. \$)</u>
61	General Purposes.....	2,245.00	2,245.00	162.1	Methodist Board.....	750.00	750.00
				163	U.C.M.S.....	750.00	750.00
				164	Presbyterian Board.....	745.00	745.00
		<u>2,245.00</u>	<u>2,245.00</u>			<u>2,245.00</u>	<u>2,245.00</u>

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

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation (U.S. \$)</u>	<u>Paid to June 30 (U.S. \$)</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income (U.S. \$)</u>	<u>Rec'd to June 30 (U.S. \$)</u>
36.1	Administration & Promotion	11,000.00	12,012.73				
36.2	Incidentals).....	600.00	302.60				
36.3	Trustees).....		323.10				
36.4	Promotion Activities of University	400.00	72.96				
		<u>12,000.00</u>	<u>12,711.39</u>			<u>12,000.00</u>	<u>12,000.00</u>

PROPOSED BUDGET 1948/49

UNIVERSITY OF NANKING

Anticipated Income

Class A - General Funds

Mission Grants

United Christian Missionary Society.....	2,500.00	
Methodist Division Foreign Mission.....	2,600.00	
Presbyterian Board.....	4,589.40	
Baptist Board.....	800.00	10,489.40

Endowment Income

U.C.M.S. Funds.....	332.00	
General.....	33.00	
Hall Estate.....	9,233.00	
Swasey Fund.....	1,700.00	
Methodist Board (Agri. & Forestry).....	3,000.00	
Gifts Current Budget.....	1,000.00	15,298.00
		<u>25,787.40</u>

Class B - Special Funds

Harvard-Yenching Institute.....	13,421.04	
U.C.M.S. Vacancies	1,200.00	
Methodist Board Vacancies	2,400.00	
Presbyterian Board "	3,000.00	20,021.04

Famine Funds

Receipts - Income	12,000.00	
- Principal	18,000.00	30,000.00

Hospital

Methodist Division Foreign Mission	1,500.00	
United Christian Missionary Society	750.00	
Presbyterian Board	910.55	3,160.55
		<u>78,968.99</u>

Anticipated Expenditures

Field Budget (Regular Sources).....	12,787.40	
Home Administration	13,000.00	
Special Funds (to be sent to field when & as received)	20,021.04	
Famine Funds (from designated funds).....	30,000.00	
Hospital for Field	3,160.55	78,968.99

MINUTES OF MEETING

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

3:00 p.m., Thursday, November 4, 1948

Room 903, 150 Fifth Avenue, New York 11, N.Y.

ATTENDANCE

Members:

*Dr. Nolan B. Harmon, Chairman

Mr. Dana M. Albaugh	Dr. Donald B. MacQueen
Mr. Joab H. Banton	Mrs. Samuel J. Mills
Dr. George B. Cressey	*Mr. John T. Ogden
Dr. Phillips P. Elliott	*Dr. Lloyd S. Ruland
Dr. E. A. Fridell	*Miss Ruth Salley
Dr. E. K. Higdon	Mrs. Charles Hatch Sears
Dr. J. Theron Illick	Dr. W. Reginald Wheeler
*Dr. E. C. Lobenstine	Dr. M. O. Williams
	Dr. C. M. Yocum

Staff:

*Dr. R. J. McMullen	*Mr. C. A. Evans
*Dr. Gerald F. Winfield	*Mr. Charles H. Corbett

Persons whose names are starred were present.

OPENING OF MEETING

The meeting was opened with prayer by the Chairman. The minutes of the Annual Meeting of the Committee, held on May 10, 1948 were approved as circulated.

MATTERS GROWING OUT OF MINUTES OF BOARD OF DIRECTORS, JUNE 5, 1948

The minutes of the meeting of the Board of Directors on June 5, 1948 having been circulated with the docket were carefully reviewed with special attention to the following items:-

- (a) Staff changes
- (b) Gifts and grants
- (c) Land and building
- (d) Austerity plan
- (e) Institute of comparative culture
- (f) By-laws of University Hospital Committee.

Institute of Comparative Culture

The program outlined for the proposed Institute of Comparative Culture was considered at some length in the light of comments just received from Prof. M. S. Bates, a member of the committee appointed by the Board of Directors to evaluate the plan. After outlining the various opportunities for advanced study and research in Nanking Dr. Bates emphasized the fact that "real access to the printed and other resources found here is available only through proficiency in the Chinese language," and warned

western scholars that thinking of working in Nanking "interpreters and translators who have the requisite competence in two languages plus the professional knowledge of a highly technical subject are rare indeed."

Comment was also made on the difficulty of financing a project of this sort at the present time. It was

N-37 VOTED that the University of Nanking Committee while expressing interest in the proposed Institute of Comparative Culture and readiness to consider any recommendations by the Board of Directors in regard, thereto, point out that such a program must inevitably be kept in abeyance till conditions in China are more stable and more adequate financial support assured.

By-Laws of the University Hospital Committee

The steps leading up to the formulation of a clearer statement of the relation of the University Hospital to the University were explained, as well as the reasons why it is not expedient at the present moment for the Hospital to become independent. It was then

N-38 VOTED to receive the report on the revised By-laws of the University Hospital Committee for information and make it a matter of Record.

SIXTIETH ANNIVERSARY CELEBRATION

The Committee took note of the plans for the celebration in Nanking of the Sixtieth Anniversary of the University beginning on November 9th and extending through the 14th and including broadcasts from Great Britain and the United States.

Dr. Winfield outlined plans for the two broadcasts over the Voice of America, one in Chinese and one in English and named the persons who had been invited to participate.

It was noted that the Chairman, Dr. Harmon, had prepared a congratulatory message and had forwarded it by mail. In addition it was

N-39 VOTED that a congratulatory message be cabled to the University of Nanking in connection with the sixtieth anniversary celebration.

Some concern was expressed by some members of the Committee because requests had been received directly by Mission Boards for donations to the University of Nanking memorial building fund, thus by-passing the United Board and disregarding its financial campaign. After discussion it was

N-40 VOTED to suggest to the Trustees of the United Board the advisability of adopting a policy for regulating requests which come from individual colleges in China to the American constituency.

PROMOTIONAL MATTERS

Reference was made to the meeting to be held at 4:30 p.m. on the same day to launch a campaign for \$500,000 for the United Board and the assistance of members of the Committee was solicited. It was pointed out that this sum is being sought to help the Colleges with their regular budgets and also to meet emergencies as they arise.

FINANCIAL MATTERS

Mr. Evans presented an audited report of the Treasurer for the year ending June 30, 1948. It was

N-41 VOTED to receive the report of the Treasurer for the University of Nanking for the year ending June 30, 1948 and to transmit to the United Board for inspection by the appropriate committee.

The report of the auditors, Messrs. Chambellan, Berger and Weltl for the year ending June 30, 1948 was presented to the Committee. It was

N-42 VOTED that Dr. Lobenstine be asked to examine the report of the auditors for the year ending June 30, 1948 and that on his approval it be passed on to the United Board's Committee on Investment and Banking.

OTHER MATTERS

It was stated that the sending by the Presbyterian Board of a Negro teacher to the University of Nanking in the person of Darius Leander Swann was working out very well according to first reports. He is living in the home of Professor Bates and is accepted by all without any discrimination. He was appointed for a term of three years with the idea that, if his work is satisfactory, he will return to the United States for further preparation at the post-graduate level.

ADJOURNMENT

The business having been completed the meeting adjourned.

Charles H. Corbett

Recording Secretary

REPORT OF THE TREASURER
To The
UNIVERSITY OF NANKING COMMITTEE
YEAR ENDING JUNE 30, 1948

Uninterrupted work on the home campus continued during 1947-48. Further work in rehabilitating the campus and buildings was carried on from funds raised in U. S. A., but the constant threat of ever-increasing commodity prices with attendant depreciation of the Chinese dollar caused deep concern.

In the United States work through the United Board produced results to supplement the decreasing income from United Service to China. Nanking participated in these benefits. This report includes a schedule showing disbursements to the University of Nanking from United Service to China through 1946-47.

The following documents accompany the report:

Schedule (a) Budget Analysis as of June 30, 1948 (Pages 5 & 6)
" (b) Balance Sheet as of June 30, 1948 (Pages 7)

This report has been checked by our Auditors, Messrs. Chambella Berger and Welti.

ENDOWMENT SECTION

A net decrease of \$23,846.51 for the year in this Section was the result of the following transactions:

Use of China Famine Funds for China Budget		\$24,910.25
Less:		
Transfer from Retirement Reserve Income	\$ 459.91	
China Famine Fund Profit on Sale of securities	368.20	
Harvard-Yenching Fund income	146.18	
Stabilization Fund income	89.45	
		<u>1,063.74</u>
		\$23,846.51

This decrease was shown in assets as follows:

Decrease in Famine Fund investments		41,506.25
" " Savings Bank account		2,079.60
" " Consolidated Endowment Investments		<u>167.51</u>
		43,753.36
Less increases in		
Investments with the United Board	787.77	
Cash awaiting investment	<u>19,119.08</u>	<u>19,906.85</u>
		23,846.51

The net income from investments was \$10,585.30 or 3.67% on investments at beginning of year. This was an increase over the 3.56% of the previous year.

Endowment funds totaled \$937,014.12 on June 30, 1948.

PLANT SECTION

Plant funds increased by \$53.28 to a total of \$761,543.47 on June 30, 1948. This increase came from interest on the Savings Bank account for the Freshman Dormitory.

CURRENT SECTION

The Budget Analysis for 1947-48 (Pages 5 & 6) attached herewith shows the Current income and expenditures. Income and expenditures were balanced by giving full credit to all over payments in income. The field therefore, received the benefit of an additional \$118.90.

Income in Class B (Special Funds) was either sent to the field or credited to Accounts Payable.

Increases in income are noted in the Presbyterian appropriation, Endowment Income and U. C. M. S., and Methodist Board Vacancy payments.

FAMINE FUND SECTION

Transactions within this Section may be set forth as follows:

Credit Balance July 1, 1947		\$18,210.16
Receipts from investment income		16,879.59
" " sale of Principal Funds		<u>13,120.41</u>
		\$48,210.16
Transferred to Accounts Payable (Bal. 1946-47)	\$18,210.16	
Famine Fund Expenses 1947-48	<u>30,000.00</u>	
		<u>\$48,210.16</u>

Authorization to sell principal funds to cover budget requirements was voted by the Board of Managers and also approved by the Trustees upon approval of the budget.

HOSPITAL SECTION

Current operations within this Section are shown as follows:

Received from Methodist Board	1,000.00	
" " United Christian Missionary Soc.	750.00	
" " Presbyterian Board	1,014.05	
Special Gifts	<u>825.45</u>	3,589.50
Less Charges authorized by Hospital		<u>2,607.82</u>
Balance from year's operations		981.68

The Hospital Reserve on June 30 was \$18,319.96 which together with the above balance made a total cash Hospital balance of \$19,301.64.

CURRENT SPECIAL SECTION

Some accounts in this Section call for special attention:

Director's Funds. A total of \$103,061.73 was carried for the field at the close of the books on June 30, 1948.

The funds were invested as follows:

Cash available for call	19,793.59
Savings Bank Accounts	7,268.14
U. S. Government Securities	<u>76,000.00</u>
	\$103,061.73

Report of the Treasurer
University of Nanking Committee

- 3 -

Restoration Fund. Rather large disbursements were made against this fund during the year upon instructions from China. The following figures gives a summary of the transactions:

Balance July 1, 1947		\$53,187.54
Gifts from friends		250.00
Allocated from United Board		<u>14,835.50</u>
		68,273.04
Less Charges for disbursements for Rehabilitation Equipment and Supplies		<u>66,517.67</u>
Balance June 30, 1948		1,755.37

Retirement Reserve Income Account. The following credits and debits show operations within this account:

Balance July 1, 1947		615.66
Income on Investments		<u>237.50</u>
		853.16
Payments on Annuity Certificates	\$ 50.40	
Paid into Principal account Action N-30	<u>459.91</u>	<u>510.31</u>
Balance June 30, 1948		342.85

The total in the Retirement Reserve principal account (112d) on June 30, 1948 was \$9,000.

Suspense Accounts. A credit balance of \$18,269.88 represented special items pending word from China as to disposition. One fund of \$10,000 came from the Alumni and Friends Association.

Sustaining Funds. Sustaining and Emergency funds disbursed during 1947-48 are shown as follows:

Sustaining funds received (United Service to China)	18,963.72	
Emergency funds received through United Board	<u>39,100.00</u>	58,063.72
Disbursed to China		<u>57,963.72</u>
Balance on hand June 30, 1948		100.00

Reports from China received after the close of the 1946-47 fiscal year showed the following funds released that year through United Service to China:

Sustaining	133,828.25
Restoration	34,736.05
Removal	103,000.00
Leadership training	<u>4,156.44</u>
	\$275,720.74

CASH SITUATION

Cash balances in the various sections are shown as follows:

	<u>Balance</u>	<u>Overdraft</u>
Endowment Section	2,779.33	
Current General Section		18,739.87
Famine Fund "	-----	-----
Hospital Section	19,301.64	
Current Special Section	40,330.72	
	<u>62,411.69</u>	<u>18,739.87</u>
Carried in Irving Trust Company	18,739.87	
	<u>43,671.82</u>	

In addition to the above the following Savings accounts were carried:

Plant Cash in Bowery Savings Bank	3,592.46	
Director's Special Funds in Bowery Savings Bank	<u>5,392.22</u>	8,984.68

Respectfully submitted,

E. M. McBrier, Treasurer
C. A. Evans, Associate Treasurer
Charles H. Corbett, Asst. Treas.

UNIVERSITY OF NANKING
BUDGET ANALYSIS - 1947/48
AS OF JUNE 30, 1948.

DISBURSEMENTS

RECEIPTS

I G E N E R A L U N I V E R S I T Y

Class A. - General Funds

Acct. No.	Item	Appropriation	Disbursed to June 30	Acct. No.	Item	Estimated Income	Rec'd. to June 30.
<u>General Purposes-Directors' Budget</u>				<u>Mission Grants</u>			
31	Current Expense)		12,028.90	131	United Christian Missionary Society	2,500.00	2,500.00
31.1	Salaries Account)	12,400.00	490.00	132	Methodist Board.....	1,600.00	1,600.00
				133	Presbyterian Board.....	3,755.00	4,172.20
				133.1	Baptist Board.....	800.00	800.00
				<u>Endowment Income</u>			
				137.1	United Christian Missionary Society	332.00	335.70
				137.1	General.....	33.00	33.99
				137.2	Hall Estate.....	9,238.00	9,782.18
				137.3	Swasey Fund.....	1,747.00	1,790.04
				137.4	Methodist Fund-Agricul. & Forestry.	3,000.00	3,000.00
				175.1	Gifts for Current Budget.....	1,400.00	794.00
						24,400.00	24,808.11
					Less Home Adm. and Promotion.....	12,000.00	12,000.00
		12,400.00	12,518.90			12,400.00	12,808.11

Class B. - Special Funds

171.2	Harvard-Yenching Institute..	13,421.04	13,421.04	171.2	Harvard-Yenching Institute	13,421.04	13,421.04
136	U.C.M.S. Vacancy.....	600.00	1,200.00	136	U.C.M.S. Vacancy.....	600.00	1,200.00
136	Methodist Board Vacancies...	2,400.00	4,600.00	136	Methodist Board Vacancies.....	2,400.00	4,600.00
136	Presbyterian Board Vacancies	3,000.00	3,000.00	136	Presbyterian Board Vacancies.....	3,000.00	3,000.00
		19,421.04	22,221.04			19,421.04	22,221.04

II F A M I N E F U N D

Acct. No.	Item	Appropriation U.S. \$	Disbursed to June 30	Acct. No.	Item	Estimated Income U.S. \$	Rec'd. to June 30 U.S. \$
51	General Purposes 1947/48	30,000.00	30,000.00	151	Famine Fund Receipts 1947/48		
					Income	18,000.00	16,879.59
					Principal	12,000.00	13,120.41
						<u>30,000.00</u>	<u>30,000.00</u>

III H O S P I T A L

Acct. No.	Item	Appropriation U.S. \$	Paid to June 30 U.S. \$	Acct. No.	Item	Estimated Income U.S. \$	Rec'd. to June 30 U.S. \$
61	General Purposes.....	2,120.00	2,607.82	162.1	Methodist Board.....	1,000.00	1,000.00
				163	U.C.M.S.....	375.00	750.00
				164	Presbyterian Board.....	745.00	786.40
				165	Special Gifts.....	-	71.42
		<u>2,120.00</u>	<u>2,607.82</u>			<u>2,120.00</u>	<u>2,607.82</u>

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

Acct. No.	Item	Appropriation U.S. \$	Disbursed to June 30 U.S. \$	Acct. No.	Item	Estimated Income U.S. \$	Rec'd. to June 30 U.S. \$
36.1	Home Admin. & Promotion.....	11,000.00	11,900.97		Appropriation.....	12,000.00	12,000.00
36.2	Incidentals).....	600.00	138.24				
36.3	Trustees).....		250.00				
36.4	Promotion Activities-Univ....	400.00	-				
		<u>12,000.00</u>	<u>12,289.21</u>			<u>12,000.00</u>	<u>12,000.00</u>

BALANCE SHEET
UNIVERSITY OF NANKING COMMITTEE
June 30, 1948.

A S S E T S

<u>Endowment</u>			
Investment: Consolidated Endowment	9,596.97		
" held in trust.....	148,750.00		
" with the United Board.....	303,644.15		
Notes Receivable.....	8,705.23		
Cash.....	122.59		
	<u>470,818.94</u>		
Famine Funds Investments.....	456,024.69		
" " Cash.....	1,170.49		
	<u>457,195.18</u>		
Retirement Reserve Investments....	7,513.75		
" " Cash.....	1,486.25		
	<u>9,000.00</u>	937,014.12	
<u>Plant</u>			
Land, Building and Equipment.....	757,951.01		
Cash in Savings Bank.....	3,592.46	761,543.47	
<u>Current Assets</u>			
Directors' Funds Investments.....	77,875.92		
" Savings Account.....	5,392.22		
Accounts Receivable.....	35,530.90		
	<u>118,799.04</u>		
Current Special Cash.....	40,330.72		
Hospital Cash.....	19,301.64		
	<u>59,632.36</u>		
Less Current Cash Over-			
draft.....	18,739.87	<u>40,892.49</u>	159,691.53
			<u>1,858,249.12</u>

L I A B I L I T I E S

<u>Endowment</u>			
University Funds.....	450,858.27		
Scholarship "	7,000.00		
Stabilization Funds.....	7,187.21		
Hoover Trust "	1,067.00		
China Famine Fund.....	457,195.18		
Retirement Reserve Fund.....	9,000.00		
Profit on Sale of Securities.....	4,706.46	937,014.12	
<u>Plant</u>			
Plant Funds.....		761,543.47	
<u>Current Liabilities</u>			
Accounts Payable.....	16,791.03		
Hospital Reserves.....	18,319.96		
" deferred In-			
come.....	<u>981.68</u>	19,301.64	
Suspense Credits.....	18,269.88		
Retirement Fund Income.....	342.85		
Founders' Reserve Fund.....	69.03		
Restoration Fund.....	1,755.37		
Emergency Fund (Survival).....	100.00		
Directors' Funds.....	103,061.73		
			<u>159,691.53</u>
			<u>1,858,249.12</u>

BY-LAWS OF THE UNIVERSITY HOSPITAL COMMITTEE ADOPTED June 17, 1931
Revised June 3, 1948 and approved by Board of Directors of
University of Nanking on June 5, 1948.

1. Name.

The name of this organization shall be the University Hospital Committee. It is one of the standing committees of the Board of Directors of the University of Nanking.

II. Members

1. The regular members shall be nominated by the chairman of the Board of Directors of the University, and shall be elected by the Board of Directors at their annual meeting, or as soon thereafter as possible. They shall serve for three years each, the terms to be arranged in rotation so that all the groups represented shall have fair representation each year, and may be re-elected. They shall be twelve in number selected with consideration of the following factors;
 - a. Preferably one shall be a member of the Board of Directors.
 - b. At least two shall be women.
 - c. Due representation shall be allowed for the various church and mission bodies interested in the hospital.
 - d. A due proportion shall be persons who are capable or experienced in medical affairs or hospital management.
 - e. Due representation shall be allowed for those who can make the wider connections that are necessary for promotion and financial support, especially in the financial field.
2. The following shall be members ex-officio: the chairman of the Board of Directors, the president of the University, the treasurer of the University, and the superintendent of the hospital.

III. Officers.

1. The officers of this committee shall be chosen as follows:
 - a. The chairman and vice-chairman shall be nominated by the Hospital Committee and approved by the Board of Directors. At least one of these, preferably the chairman, shall be a regular or ex-officio member of the Board of Directors.
 - b. The secretary shall be elected by this committee.
2. The duties of the officers shall be as follows:
 - a. The chairman of the committee shall keep well informed in the hospital affairs; shall keep in close touch with the superintendent of the hospital and the president of the University; shall request the secretary to call meetings when advisable; shall preside at all meetings; and shall appoint sub-committees.
 - b. The vice-chairman shall act for the chairman in the absence of the latter, and at other times when requested by the chairman to do so.
 - c. The secretary shall call meetings of the committee when instructed to do so by the chairman, or by the chairman of the Board of Directors, or by the president of the University; shall keep all minutes of the meetings, and shall

Nanking Hospital

forward to the president of the University all actions requiring the attention of the Board of Directors.

IV. Relationships.

1. The purpose of the committee shall be to promote the welfare of the hospital, and assume the largest practical measure of responsibility for the control and support of it.
2. The internal administration of the Hospital shall be primarily in the hands of the superintendent of the Hospital and his executive council.
3. Routine administrative relations shall continue directly between the superintendent of the Hospital and the president of the University.
4. This committee shall consider external affairs of policy, promotion and finance and shall make recommendations concerning the same to the Board of Directors, who in turn shall make recommendations to the United Board for Christian Colleges in China, University of Nanking Committee.

V. Duties

The duties of the Hospital Committee shall be as follows:

1. To make themselves familiar with all hospital matters.
2. To hear reports from the superintendent of the Hospital from time to time..
3. To aid in the promotion of understanding and good will for the hospital:
 - a. Among the various church and mission bodies.
 - b. Among the medical profession and among the other medical institutions.
 - c. Among the local constituency of the hospital.
4. To consider and advise on such financial and administrative problems as are presented to them.
5. To aid actively in securing local financial support.
6. To pass on all actions to be brought to the attention of the president of the University or the Board of Directors for action, and to consider such other matters as are referred to it by the president of the University of the Board of Directors.

VI Meetings

1. There shall be at least two regular meetings each year.
2. Regular or special meetings shall be called by the secretary whenever requested by the chairman of the Hospital Committee, or the chairman of the Board of Directors, or the president of the University. The place of the meeting shall be indicated in the notice.
3. A majority of the members of the Committee shall constitute a quorum.

VII Ratification and Amendments.

1. These by-laws are prepared and adopted by this committee for its guidance. They are not a substitute for the by-laws of the Board of Directors, and they shall not contain any provision contrary to the by-laws of the Board of Directors.
2. They shall become effective when they have been ratified by a two-thirds vote of the regular members of this Committee. Amendments may be adopted at any meeting by the same method.

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MINUTES OF ANNUAL MEETING

UNIVERSITY OF NANKING COMMITTEE
UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

2:00 P.M., Tuesday, May 10, 1949
Room 903, 150 Fifth Avenue, New York, N. Y.

Members:

Mr. Dana M. Albaugh	Chairman: *Dr. Nolan B. Harmon, Jr.
Mr. Joab H. Banton	*Mrs. Samuel J. Mills
Dr. George B. Cressey	Mr. John T. Ogden
Dr. Phillips P. Elliott	Dr. Lloyd S. Ruland
*Dr. E. A. Fridell	*Miss Ruth Salley
Dr. E. K. Higdon	Mrs. Charles Hatch Sears
*Dr. J. Theron Illick	*Dr. W. Reginald Wheeler
*Dr. E. C. Lobenstine	*Dr. M. O. Williams
Dr. Donald B. MacQueen	Dr. C. M. Yocum

Staff:

*Dr. McMullen
*Mr. Seaman

Those whose names are starred were present.

The Chairman called the meeting to order. Dr. Williams led in prayer.

Regrets for non-attendance were received from Mrs. Sears and Mr. Ogden.

APPROVAL OF MINUTES

It was reported that the minutes of the meeting of the Committee on November 4, 1948 had been circulated and no errors reported. It was therefore

N-43 VOTED to approve the minutes of the meeting of November 4, 1948 as circulated.

REPORTS AND COMMUNICATIONS FROM CHINA

Dr. McMullen stated that there was no recent news from Nanking other than the radiogram from President Chen dated April 26th, 1949, which was immediately circulated to all members of the Committee.

Dr. Illick who returned from China in January was asked to make a brief report. He said it was his impression that the University was doing a splendid piece of work, both educationally and religiously. He was very much pleased with the way Chinese members of the staff were very outspoken on religion as they had not been before. Weekly fellowship meetings were held and it was very inspiring to be there and hear these men talk. Dr. Illick stated that he was there during the 60th anniversary celebration. This was during the very tense period in November. There was also a faculty and student retreat and the Sherwood Eddy meetings which went on for three nights. 200 students put up their hands and expressed their desire to study the Bible. The whole situation, he thought, was very encouraging and the challenge was terrific for any one who had any idea of going out to China to do Christian work there. He arrived in September and left the last of November. He and Mrs. Illick happened to leave Nanking when things were very tense as President Chen thought it would be wise for them to leave as they might not be able to do so later. They had intended to spend their sabbatical year there. Dr. Chen then

thought that he himself would have to leave. The American Embassy had begun to send out notices for Americans to leave. The presence of American military men in Nanking added to the tension.

Dr. McMullen stated that President Chen had been mayor of Nanking. With his contacts it was thought he was persona non grata. Reports were going around that another person had been named to succeed him as president. He therefore planned to leave. However, he stayed in Nanking. The Nationalist troops and the police left the city. The city was unprotected. Those who remained thought that the best thing to do was to start some kind of a group movement until somebody else came in. When they knew they were coming they let them in and let them establish order with as little murder, pillage and robbery as possible. President Chen and Prof. Ni Tsing-yuen took a prominent part in this important work.

PERSONNEL

Status of Chinese Faculty Members

It was reported that most of the Chinese faculty have remained at the University. Dean Chang had left to join the E.C.A. but he may have joined the College of Agriculture again.

It was also reported that two members of the faculty had been brought up before the Nationalist Government. Dr. Bates had gone to testify before the judge and they were cleared.

Status of Western Faculty Members

Mr. Swan, who is a recent appointee of the Presbyterian Board, is now acting as head of the Department of English and shows great promise.

Dr. Bates and Dr. Smythe are still there,

FINANCIAL MATTERS

Status of the Current Budget

Mr. Seaman reported that having gone through ten of the twelve months of the current year, the books show figures that give us a pretty good picture of how we stand now and will stand at the end of the year. For the full fiscal year the income budgeted is \$45,808.44 of which we have received \$41,242.34, leaving \$4,566.10 to be received. We are pretty sure of getting the full budget principally because the investment income is in a good many instances more than we anticipated. We budgeted an income of \$1,700 from the Swazey fund but we have received to date \$1,778 and still two months to go. On the disbursement side, \$45,808.44 was budgeted. We have disbursed to the field and for home office administration \$40,110.23, which is approximately \$5,700 less than was anticipated and which will just about even off at the end of the current year.

United Board Appropriations

The United Board has appropriated during the year various sums over and above any funds guaranteed in the budget. For the first semester \$21,600 was granted to meet a deficit. \$20,000 additional was appropriated for the second

semester to cover an estimated deficit as reported by the University through Dr. Fenn. In addition, \$30,000 was appropriated for the use of the University in allowing faculty members three months' separation pay as voted by the Trustees. \$22,844.78 was appropriated to bring the college reserves up to \$80,000, which was deemed necessary to carry them into the second semester safely with a fund which would allow them to make certain commitments and set up their work for the ensuing period.

Dr. Lobenstine asked that an itemized list of receipts and disbursements from July 1, 1948 to April 30, 1949 be included in the minutes. This was prepared and is attached to these minutes as Appendix A.

Proposed Budget for 1949-50

Mr. Seaman presented the proposed budget for the year 1949-50 and it is attached to these minutes as Appendix B. This was carefully studied and it was

UN-44 VOTED to recommend to the United Board that the proposed budget for the year 1949-50, attached hereto, be approved.

Field Budget

The difficulty in preparing field budgets during the present time was explained, and the committee realized that any budget prepared under present conditions would be unrealistic.

The Committee expressed its concern at the low salaries paid to faculty members in view of the fact that funds are available to remedy this situation.

The Ambrose Swazey Trust

This trust, in which the University of Nanking has an interest of approximately \$48,750.00, is held by the Cleveland Trust Company as Trustee and the income is paid periodically to the beneficiaries. The University of Nanking is one of four beneficiaries.

During the past three years, the University received income from the trust as follows:

Year 1946-47 -	\$ 1,644.81
Year 1947-48 -	1,790.04
Year 1948-49 -	1,338.97 (eight months)

As reported by the Cleveland Trust Company, the gross income for the fiscal year ending January 20, 1949 totaled \$7,521.14. After deducting trustee's fees of \$150.42 and bond amortization charges of \$160.78, the net income distributed to beneficiaries was \$7,209.94. Of this sum the University of Nanking received one-fourth or \$1,802.46.

A letter dated March 14, 1949 from the Trust Company states that since the twenty-year period fixed in the Trust Agreement for distribution of the university's share has expired, there is no reason why distribution could not be made upon proper authorization. A resolution of the Board of Trustees either requesting the distribution or authorizing some officer of the University to make such a request would constitute proper authorization.

It is felt that distribution of this fund should be requested from the Cleveland Trust Company to take advantage of the yield of approximately 4% which is now being realized on the colleges' consolidated endowment fund.

It was therefore

N-45 VOTED to recommend to the United Board that they request the Cleveland Trust Company to pay over to the United Board the University of Nanking's share in the Ambrose Swazey Trust (amounting to approximately \$48,750.00).

Mr. Seaman explained the Consolidated Endowment Investments of the United Board and reported that Nanking's share is \$304,021.82 in addition to which there are Endowment Fund investments of \$456,024.69.

INTERIM COMMITTEE

After considering the matter, the Committee

N-46 VOTED to re-appoint the present Interim Committee of the University of Nanking Committee, as follows:

Dr. Nolan B. Harmon, Jr.
Dr. E. A. Fridell
Dr. E. C. Lobenstine

Dr. Lloyd S. Ruland
Miss Ruth Salley
Dr. M. O. Williams

OTHER BUSINESS

The Committee also

N-47 VOTED that the Chairman be requested to write a letter to President Y. G. Chen expressing the appreciation of the University of Nanking Committee for what he has done and our confidence in his administration and assuring him that our thoughts and sympathy are with him.

Dr. Lobenstine suggested the United Board can do nothing more strategic in China today than, after consultation with the Communist powers and others, to try to help them improve the agriculture of China. He suggested that 100 young men go out for five years, agreeing not to get married in that time. These 100 well trained agricultural men could work alongside men they have trained in China in establishing 100 farms.

Dr. Williams stated that the Methodist Board had had some queries in their church in regard to sending young people out to China. He thought that a project of this type, something big enough to challenge young men, would be very acceptable. He spoke of the language difficulty but felt that this could be overcome.

ADJOURNMENT

There being no other business, the meeting adjourned.

Robert J. McMullen

Secretary

UNIVERSITY OF NANKING
RECEIPTS AND DISBURSEMENTS
July 1, 1948 - April 30, 1949

	Budget, 12 months <u>1948-1949</u>	Receipts, 10 mos. 7/1/48 - <u>4/30/49</u>	Proposed Budget <u>1949-1950</u>
<u>RECEIPTS</u>			
<u>Budgeted - General Funds</u>			
<u>Mission Grants</u>			
United Christian Missionary Soc.	\$ 2,500.00	\$ 2,500.00	\$ 5,000.00
Methodist	2,600.00	1,950.00	2,600.00
Presbyterian	4,589.40	4,589.40	4,589.40
Baptist	800.00	800.00	800.00
	<u>\$10,489.40</u>	<u>\$ 9,839.40</u>	<u>\$12,989.40</u>
<u>Endowment Income</u>			
United Christian Missionary Soc.	332.00	309.38	350.00
General	33.00	31.32	35.00
Hall Estate	9,233.00	9,008.83	10,000.00
Swazey Fund	1,700.00	1,778.13	1,775.00
Meth. Fund - Agr. & Forestry	3,000.00	2,250.00	3,000.00
Gifts for Current Budget	1,000.00	709.50	1,000.00
	<u>\$15,298.00</u>	<u>\$14,087.16</u>	<u>\$16,160.00</u>
 Total General Funds	 <u>\$25,787.40</u>	 <u>\$23,926.56</u>	 <u>\$29,149.40</u>
<u>Special Funds</u>			
Harvard Yenching Institute	\$13,421.04	\$10,065.78	\$13,421.04
UCMS Vacancy	1,200.00	1,200.00	2,400.00
Methodist Vacancies	2,400.00	3,800.00	2,400.00
Presbyterian Vacancies	3,000.00	2,250.00	1,500.00
	<u>\$20,021.04</u>	<u>\$17,315.78</u>	<u>\$19,721.04</u>
<u>Famine Funds</u>			
Income	\$12,000.00	\$ 7,473.47	\$12,000.00
Principal	18,000.00		18,000.00
	<u>\$30,000.00</u>	<u>\$ 7,473.47</u>	<u>\$30,000.00</u>
<u>Hospital</u>			
Methodist	\$ 1,500.00	\$ 1,125.00	\$ 1,500.00
U.C.M.S.	750.00	750.00	1,500.00
Presbyterian	910.55	1,138.25	910.60
	<u>\$ 3,160.55</u>	<u>\$ 3,013.25</u>	<u>\$ 3,910.60</u>
Total Income Budgeted	<u>\$78,968.99</u>	<u>\$51,729.06</u>	<u>\$82,781.04</u>
<u>Special Grants from U.B.C.C.C. not budgeted</u>			
For Current Operations		\$41,600.00	
Separation Allowance for Faculty		30,000.00	
To establish minimum reserves for 1st Semester		22,844.78	
		<u>\$94,444.78</u>	
Total Receipts - Budgeted and Extra Budgetary		<u>\$146,173.84</u>	

DISBURSEMENTS AND RESERVESDisbursements

Current Expense - Field Budget	\$ 32,808.44	\$ 29,646.83
General Purposes - Famine Fund	30,000.00	
Hospital	3,160.55	338.32
Home Office Administration	13,000.00	10,463.40
	<hr/>	<hr/>
Total Disbursements - Budgeted	\$ 78,968.99	\$ 40,448.55

Budget

Current Expense - Field Budget	\$ 32,808.44	\$ 29,646.83	\$ 37,250.44
" " " " Re-			
served for Field		762.18	
General Purposes - Famine Fund	30,000.00		30,000.00
" " " " Res-			
served for Field		7,473.47	
Hospital	3,160.55	338.32	3,910.60
" - Reserved for Field		2,674.93	
Home Office Administration	13,000.00	10,463.40	11,620.00
" " " " Unexpended		369.93	
	<hr/>	<hr/>	<hr/>
Total Budgeted Expenditures and Reserves	\$ 78,968.99	\$ 51,729.06	\$ 82,781.04
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Extra Budgetary

Paid in China - By United Service to China	\$ 1,600.00
Reserves held in New York subject to call from field	
For Current Operations	40,000.00
For Separation Allowance	30,000.00
For Minimum Reserve	22,844.78
	<hr/>
	\$ 94,444.78
	<hr/>
	\$146,173.84
	<hr/> <hr/>

UNIVERSITY OF NANKING

BUDGET 1949/50

ANTICIPATED INCOME

Class A - General Funds

Mission Grants

United Christian Missionary Society	\$ 5,000.00
Methodist Division Foreign Mission	2,600.00
Presbyterian Board	4,589.40
Baptist Board	800.00
	<u>\$12,989.40</u>

Endowment Income

U.C.M.S. Funds	350.00
General	35.00
Hall Estate	10,000.00
Swazey Fund	1,775.00
Methodist Fund - Agricul. & Forestry	3,000.00
Gifts for Current Budget	1,000.00
	<u>\$16,160.00</u>

\$29,149.40

Class B - Special Funds

Harvard-Yenching Institute	13,421.04
U.C.M.S. Vacancies	2,400.00
Methodist Board Vacancy	2,400.00
Presbyterian Board Vacancy	1,500.00
	<u>19,721.04</u>

Famine Funds

Income	12,000.00
Principal	18,000.00
	<u>30,000.00</u>

Hospital

Methodist Division Foreign Mission	1,500.00
United Christian Missionary Society	1,500.00
Presbyterian Board	910.60
	<u>3,910.60</u>

53,631.64
82,781.04

ANTICIPATED DISBURSEMENTS

Field Budget - (Regular Sources)	17,529.40
Home Administration	11,620.00
Special Funds (to be sent to field when & as received)	19,721.04
Famine Funds - (From Designated Funds)	30,000.00
Hospital for Field	<u>3,910.60</u>

82,781.04

RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE,
UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

MARCH 15, 1950

Members of the Committee

Chairman: *Dr. Nolan B. Harmon, Jr.
*Mr. Dana M. Albaugh *Mrs. Samuel J. Mills
Dr. George B. Cressey *Mr. John T. Ogden
*Dr. Phillips P. Elliott *Dr. Lloyd S. Ruland
*Dr. L. A. Fridell *Miss Ruth E. Salley
*Dr. E. K. Higdon *Mrs. Charles Hatch Sears
*Dr. J. Theron Illick *Dr. M. O. Williams, Jr.
*Dr. E. C. Lobenstine *Dr. C. M. Yocum
*Dr. Donald B. MacQueen

Under date of February 8, 1950, the following letter was sent to the members of the Committee:

The Investment Sub-Committee of the Committee on Investment and Banking of the United Board at its meeting on January 16, 1950 voted to ask the University of Nanking Committee to give the Investment Committee instructions as to whether any part of the Famine Fund held by the University of Nanking could be invested in a manner which would produce more income than is presently realized.

There is now in the University of Nanking accounts Famine Funds totalling \$457,195.18 which is presently invested as follows:

250 shares	Montgomery Ward & Company, Common	\$ 10,232.00
300 "	Parke Davis & Company, Capital	10,248.00
10M	Southern California Edison Co. 1st & Ref. Mtg. Bd. 3/1965	10,412.50
10M	Westchester Lighting Co. Gen. Mtg. 2½/1967	10,327.50
30M	U.S. Treasury Notes 1-3/8% 3/15/54	30,056.25
65M	" " " Bonds 3 9/15/55-51	65,304.69
268M	" " " " 2¼ 6/15/62-59	273,443.75
40M	" " " " 2¼ 6/15/69-64	40,000.00
6M	" " " " 2¼ 6/15/72-67	6,000.00
	Cash awaiting investment	1,170.49
		<u>\$457,195.18</u>

This fund is the balance of an amount set up in trust for Famine Relief pursuant to an agreement dated March 31, 1923 between the American Committee for China Famine Fund and the Trustees of the University of Nanking.

This agreement specifies that the funds were to be turned over to the University of Nanking "for the relief of famine in China and/or for the study of investigation of famine causes, prevention and/or relief and/or for the education of inhabitants in

China in Agriculture, Forestry and such other activities as may relate to Famine."

The agreement holds this fund in trust for a period of 10 years. At the end of the 10 year period, the Trustees paid over to the University of Nanking the principal amount of the fund for the purposes specified in the agreement.

During the past five years, the income and not more than \$13,200.00 of the principal in any one year has been used by the University for the purposes specified in the agreement.

In view of the limited requirements for withdrawals of the principal of this fund, it is felt that a part of the fund, at least, should be invested in long term securities which would return the maximum amount of income and at the same time give the maximum protection to the principal.

In response to this letter, the members of the Committee whose names are starred approved the following action:

N-48 VOTED to recommend that the Committee on Investment and Banking be requested to invest \$300,000 of the China Famine Fund in (long term) securities to produce a maximum return of income consistent with maximum protection to the principal; to invest \$100,000 of the fund in securities which may be easily liquidated if necessary without undue loss of principal and to invest the balance of the fund in government bonds so that the cash may readily be available.

amended
3/17/50
N-49

Robert J. McMullen

Secretary

MINUTES OF MEETING

INTERIM COMMITTEE, UNIVERSITY OF NANKING COMMITTEE
UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

12:30 P.M., Friday, March 17, 1950
National Arts Club, 15 Gramercy Park, New York

Members of the Committee

*Dr. Nolan B. Harmon, Chairman
Dr. E. A. Fridell
*Dr. E. C. Lobenstine
*Dr. Lloyd S. Ruland
Miss Ruth E. Salley
*Dr. M. O. Williams

Guests

(Those whose names are starred were present.)

*Dr. Frank T. Cartwright
*Dr. R. Morris Paty
*Dr. E. M. Dodd

Staff

*Dr. Robert J. McMullen
*Dr. William P. Fenn
*Dr. Samuel Cochran

The meeting was opened with prayer by Dr. Cartwright.

A report was made of the circulation vote of March 15, 1950, amended by the deletion of the words "long term." It was

N-49 VOTED to recommend that the Committee on Investment and Banking be requested to invest \$300,000 of the China Famine Fund in securities to produce a maximum return of income consistent with maximum protection to the principal; to invest \$100,000 of the fund in securities which may be easily liquidated if necessary without undue loss of principal and to invest the balance of the fund in government bonds so that the cash may readily be available.

UNIVERSITY OF NANKING HOSPITAL

The meeting was then devoted to a discussion of the problem raised by two cables received from President Y. G. Chen of the University of Nanking, as follows:

March 4th: "Impossible continue finance hospital, patients unable support, reserves exhausted. Two alternatives, close or lease to government. Hospital Board requests permission lease property equipment period years. Daniels expects sail evacuation ship. Cable."

March 17th: "Hospital situation critical. Urgently request reply cable fourth asking permission lease property equipment to government. Other alternative close hospital. Funds insufficient cover separation pay. Early decision imperative."

Dr. Dodd read a letter from Superintendent Daniels which gave a sad picture of the internal dissension in the hospital. This raised the question as to whether it was desirable to run the hospital or not. It was felt that this decision should be made on the field and not by the group here in America.

In view of the serious affect the disappearance of so important an institution might have on the morale of Christian forces in Nanking, the Committee was reluctant to agree too readily to either of the two alternatives suggested and canvassed the possibility of additional support from the cooperating Boards.

The Secretary was called to the phone by Dr. E. K. Higdon of the United Christian Missionary Society who carried on a conversation from his office in Indianapolis. He had been in conference with other members of his Board regarding the Nanking Hospital matter and stated that they saw no way to keep it running except to rent it to the government. He was informed of the desire of the Nanking Committee that it should continue if possible under the auspices of Nanking University and supported by the cooperating Missions. He declared that his Mission would be unable to make a grant in excess of the regular normal annual grant of their Board to the Hospital. This conversation was reported to the meeting.

Representatives of the Methodist and Presbyterian Boards felt there was sufficient likelihood of grants from special funds to justify suggesting to the Board of the University Hospital the feasibility of continuing through the year. Since they felt assured that each of these Boards could raise \$15,000 to support the Hospital during the remainder of 1950, it was

N-50 VOTED to recommend to the Trustees of the United Board that the following cable be sent to Dr. Y. G. Chen:

Would 3000 monthly from cooperating Mission Boards March through December above regular grants make operation Hospital feasible desirable. If answer negative approve leasing government. Trustees leave final decision Hospital Board. Such funds available only continued operation not separation.

ADJOURNMENT

There being no other business, the meeting adjourned.

Robert J. McMullen

Secretary

MINUTES OF ANNUAL MEETING

UNIVERSITY OF NANKING COMMITTEE
UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

2:30 P.M., Monday, May 8, 1950
Room 903, 150 Fifth Avenue, New York, N. Y.

List of Members

Chairman: Dr. Nolan B. Harmon, Jr.

*Mr. Dana M. Albaugh	*Mrs. Samuel J. Mills
*Dr. George B. Cressey	Mr. John T. Ogden
Dr. Phillips P. Elliott	Dr. Lloyd S. Ruland
Dr. E. A. Fridell	*Miss Ruth E. Salley
*Dr. J. Theron Illick	*Mrs. Charles H. Sears
Dr. E. K. Higdon	Mr. Virgil A. Sly
*Dr. E. C. Lobanstine	*Dr. M. O. Williams
*Dr. Donald B. MacQueen	

Staff

*Dr. Robert J. McMullen

Those whose names are starred were present.

In the absence of the Chairman, Dr. Lobanstine was elected Chairman pro tem. He opened the meeting with prayer.

APPROVAL OF MINUTES

The minutes of the following meetings having been circulated and no errors reported, it was

N-51 VOTED to approve the minutes of the following meetings:

Annual Meeting, May 10, 1949
Record of Circulation Vote, March 15, 1950
Interim Committee, March 17, 1950

REPORTS

The Committee discussed the various reports received from the field. Concern was expressed as to the scholastic standing of graduates of Nanking and the other universities in the light of the present situation. Dr. McMullen stated that the work last year was very good, similar to the standard maintained at the outbreak of the Japanese war and in some cases better.

Dr. Cressey asked whether the graduates of our colleges are acceptable as students for post graduate study in America.

Dr. McMullen stated that so far graduates of the University of Nanking had encountered no difficulty in taking post-graduate work in American universities. Whether those now studying in Nanking

will be adequately prepared can only be determined when they seek to take graduate work. This will be several years from now. It is hoped that after the present senior class graduates standards may be raised. This class, however, is having to give the major portion of its time to political studies.

After earnest discussion, it was

N-52 VOTED to recommend to the United Board the following findings of the University of Nanking Committee:

The University of Nanking exists to serve the Chinese community in China. It has had a very worthwhile past and has come through the current political changes in good shape.

We recognize the problems of operation under a Communist government - lower scholarship, academic restrictions, and political regulations.

But our hope is in the lives of our individual Christian faculty members; the opportunity for Christian witness is there. The darker the over-all situation, the brighter their light will shine.

We feel that our obligation to our Christian colleagues calls for continued loyal support, especially in times such as the present.

FINANCIAL MATTERS

Report of the Auditors

The report of the auditors, Messrs. Chambellan, Berger & Welti for the period ending June 30, 1949 was presented, and studied. It was

N-53 VOTED to receive the report of the auditors, Messrs. Chambellan, Berger & Welti for the period ending June 30, 1949 and place it on file.

Report of the Treasurer

The report of the Treasurer for the period ending June 30, 1949 was presented and it was

N-54 VOTED to approve the report of the Treasurer for the year ending June 30, 1949, together with the recommendation contained on page 4 of the report.

(See Appendix A)

Budget - July 1, 1950 - December 31, 1950

At the suggestion of the Trustees of the United Board, the budgets for the colleges and universities were drawn up only for a six-month period - July 1, 1950 to December 31, 1950. A complete re-study of all finances and allocations is to be made in view of the present situation and this will be considered by the Trustees at the November meeting. Allocations for the second half of 1950-51 will be based on this re-study.

After studying the budget presented, it was

N-55 VOTED to recommend to the United Board approval of the budget for the University of Nanking for the six months' period ending December 31, 1950.

(See Appendix B)

ADJOURNMENT

There being no other business, the meeting adjourned.

Robert J. McMullen

Secretary

REPORT OF THE TREASURER
to the
UNIVERSITY OF NANKING COMMITTEE

June 30, 1949

Presented herewith is the report of the Treasurer of the United Board for Christian Colleges in China to the University of Nanking Committee.

The books of the University of Nanking as maintained in the New York office have been examined by the Auditors, Messrs. Chambellan, Berger and Welti for the fiscal year ended June 30th, 1949 and the figures in this report have been checked by them.

Accompanying the report are the following documents:

- (a) Budget Analysis as of June 30, 1949 (Pages 5 and 6).
- (b) Balance Sheet as of June 30, 1949 (Page 7).

ENDOWMENT SECTION

A net decrease of \$163.14 in this section for the year was the result of the following transactions:

Loss on note on 414 Burke Avenue Bronx Property		\$ 427.19
Less: Harvard- Yenching Fund income	\$ 164.08	
Stabilization Fund income	<u>99.97</u>	<u>264.05</u>
		<u>\$ 163.14</u>

This decrease is shown in assets as follows:

Decrease in:		
Consolidated Endowment Investments		\$ 120.00
Notes Receivable Collected	\$ 8,278.04	
Loss on note	<u>427.19</u>	<u>8,705.23</u>
		<u>8,825.23</u>
Less increases in:		
Investments held by United Board	\$ 377.67	
Retirement Reserve Investments	1,030.00	
Cash Awaiting Investment	<u>7,254.42</u>	<u>\$ 662.09</u>
		<u>\$ 163.14</u>

The net income from investments was \$11,545.68 or 3.56% on investments at the beginning of the Fiscal year as compared to \$10,623.31 which gave the same percentage yield for the previous year.

Endowment funds totalled \$936,850.98 (including Famine Fund) at June 30th, 1949.

Famine Fund Investment

There was no change during the year in the investment of these funds.

At June 30th, 1949 the securities consisted of:

	<u>Book Value</u>
300 shs. Parke Davis & Company	\$ 10,248.00
250 " Montgomery Ward Company, Stock	10,232.00
\$10,000 Westchester Lighting Co. Gen'l. Mtge. Bonds	
	10,327.50
10,000 So. Calif. Edison Co. Bonds ^{3½%} 7/1/67	10,412.50
409,000 United States Treasury Bonds ^{3%} 9/1/65	414,804.69
	<u>\$ 456,024.69</u>

PLANT SECTION

The increase in plant funds through interest earned on Freshman Dormitory Investments amounted to \$52.79. This increased total plant funds to \$761,596.26 as of June 30th, 1949.

CURRENT SECTION

The Budget Analysis for 1948-49 (Pages 5 and 6) attached herewith, shows the Operating Income and expenditures.

The excess of receipts over expenditures for the year created a surplus of \$1,056.70 which came about as follows:

Endowment income in excess of Budget Estimate	\$ 1,335.20
Less: 1947-48 Administration cost adjustment charged to 1948-49 budget -	<u>278.50</u>
	<u>\$ 1,056.70</u>

Income in Class B (Special Funds) was either sent to the field or credited to accounts payable.

An increase in income may be noted in payment for Methodist Board vacancies while Presbyterian Board Vacancy payments fell short of the estimate.

FAMINE FUND SECTION

Transactions within this Section may be set forth as follows:

Receipts:		
Income on Investments	\$ 11,677.80	
Less: Custodian Charges	<u>109.33</u>	11,568.47
Deduct:		
Famine Funds made available to Field		<u>11,568.47</u>

HOSPITAL SECTION

Current operations within this section are shown as follows:

- 3 -

Receipts from Methodist Board		\$ 1,500.00
" " United Christian Missionary Society		750.00
" " Presbyterian Board		910.60
" " Special Gifts		<u>1,405.14</u>
		4,565.74
Less: Charges by Hospital		<u>3,160.60</u>
Balance from year's operations -		\$ 1,405.14
Balance from previous period		
Presbyterian Board	\$ 227.65	
Special Gifts	<u>754.03</u>	<u>981.68</u>
		<u>\$ 2,386.82</u>

The Hospital Reserve on June 30th was \$12,058.35 which together with the above balance made a total cash Hospital balance of \$14,445.17.

CURRENT SPECIAL SECTION

Some accounts in this section call for special attention:

Directors Funds: A total of \$106,811.43 was carried for the field at the close of the fiscal year June 30th, 1949 as follows:

Directors Special Funds	\$ 6,241.91
Institute of Chinese Cultural Studies	11,180.90
Directors Special Reserve	61,181.70
Rockefeller Fellowship Reserve	25,403.31
Special Endowment for Agricultural Machinery	<u>2,803.61</u>
	\$ 106,811.43

These funds were invested as follows:

Cash available for call	\$ 23,432.59
Savings Bank Accounts	7,378.84
U. S. Government Securities	<u>76,000.00</u>
	\$ 106,811.43

Restoration Fund: An analysis of this fund follows:-

Balance June 30th, 1948	\$ 1,755.37
Receipt from Mrs. Mary B. Blair	<u>2,000.00</u>
	3,755.37
Less: Amount disbursed for Equipment & Supplies	<u>800.52</u>
Balance June 30th, 1949 -	<u>\$ 2,954.85</u>

Retirement Reserve Fund - Income: The following charges and credits show operations within this account.

Balance July 1, 1948		\$	342.85
Receipts - Income on Investments			<u>249.59</u>
			592.44
Less: Annuity Contract Payments	\$	62.40	
Custodian Fees		<u>2.09</u>	<u>64.49</u>
	\$		<u><u>527.95</u></u>

Emergency & Sustaining Funds: An analysis of these accounts follows:

Balance July 1, 1948	\$	100.00
Emergency Funds received from United Board for Christian Colleges		26,400.00
Sustaining Funds from United Service to China through U.B.C.C.C.		<u>1,600.00</u>
		28,100.00
Disbursed to Field -		<u>8,000.00</u>
Balance June 30th, 1949	\$	<u><u>20,100.00</u></u>

Suspense Accounts: The Suspense Credit Balances of \$16,341.93 represent items held pending instructions from the field as to disposition.

CASH SITUATION

Cash balances in the various sections are shown as follows:

Endowment Section	\$	10,033.75
Plant		74.75
Current Special		64,483.05
Hospital Current		14,445.17
Current General Cash		<u>5,325.28</u>
Carried in Irving Trust Company -	\$	<u><u>94,362.00</u></u>

In addition to the above, there was carried \$7,378.84 in Savings Bank Accounts.

RECOMMENDATION

Inasmuch as the surplus of \$1,056.70 was the result of endowment income in excess of the budget estimate, it is

RECOMMENDED that the operating surplus of \$1,056.70 for the fiscal year ended June 30th, 1949 be transferred to Accounts Payable and the field notified of its availability.

Respectfully Submitted,

E. M. McBrier, Treasurer

C. A. Evans, Associate Treasurer

H. B. Seaman, Associate Treasurer

UNIVERSITY OF NANKING
BUDGET ANALYSIS - 1948/49
AS OF JUNE 30, 1949

Page 5.

DISBURSEMENTS

RECEIPTS

I. GENERAL UNIVERSITY

Class A. - General Funds

Acct. No. Item	Appropri- ation to June 30	Disbursed to June 30	Acct. No. Item	Estimated Income	Rec'd to June 30
General Purposes-Directors Budget			<u>Mission Grants</u>		
31 Current Expense)	12,787.40	12,485.00	131 United Christian Missionary Society	2,500.00	2,500.00
31.1 Salaries Account)		302.40	132 Methodist Board.....	2,600.00	2,600.00
			133 Presbyterian Board.....	4,589.40	4,589.40
			133.1 Baptist Board.....	800.00	800.00
			<u>Endowment Income</u>		
			137.1 United Christian Missionary Society	332.00	364.68
			137.1 General.....	33.00	36.92
			137.2 Hall Estate.....	9,233.00	10,618.97
			137.3 Swasey Fund.....	1,700.00	1,778.13
			137.4 Methodist Fund-Agricul. & Forestry..	3,000.00	3,000.00
			175.1 Gifts for Current Budget.....	1,000.00	834.50
				<u>25,787.40</u>	<u>27,122.60</u>
			Less Home Adm. & Promotion.....	13,000.00	13,000.00
	<u>12,787.40</u>	<u>12,787.40</u>		12,787.40	14,122.60
			<u>Class B. - Special Funds</u>		
171.2 Harvard-Yenching Institute.....	13,421.04	13,421.04	171.2 Harvard-Yenching Institute.....	13,421.04	13,421.04
136 U. C. M. S. Vacancy.....	1,200.00	1,200.00	136 U.C.M.S. Vacancy.....	1,200.00	1,200.00
136 Methodist Board Vacancies.....	2,400.00	4,800.00	136 Methodist Board Vacancies.....	2,400.00	4,800.00
136 Presbyterian Board-Vacancies...	3,000.00	2,250.00	136 Presbyterian Board-Vacancies.....	3,000.00	2,250.00
	<u>20,021.04</u>	<u>21,671.04</u>		<u>20,021.04</u>	<u>21,671.04</u>

(cont'd)

(cont'd) - Budget Analysis

II F A M I N E F U N D

Page 6.

<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation U. S. \$</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income U. S. \$</u>	<u>Rec'd to June 30 U. S. \$</u>
51	General Purposes 1948/49.....	30,000.00	11,568.47	151	Famine Fund Receipts 1948/49-Income	12,000.00	11,568.47
					" " " 1948/49-Principal..	18,000.00	-
		30,000.00	11,568.47			30,000.00	11,568.47

III H O S P I T A L

61	General Purposes.....	3,160.55	3,160.60	162.1	Methodist Board.....	1,500.00	1,500.00
				163	U. C. M. S.....	750.00	750.00
				164	Presbyterian Board.....	910.55	910.60
		3,160.55	3,160.60			3,160.55	3,160.60

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

36.1	Home Adm. & Promotion.....	12,000.00	12,632.45	Appropriation.....	13,000.00	13,000.00
36.2	Incidentals).....	600.00	127.05			
36.3	Trustees).....		519.00			
36.4	Promotion Activities-Univ.....	400.00	-			
		13,000.00	13,278.50		13,000.00	13,000.00

BALANCE SHEETUNIVERSITY OF NANKING COMMITTEEJUNE 30, 1949ASSETSEndowment

Investment-Consolidated	
Endowment	9,476.97
" -held in Trust	148,750.00
" -with United Board	304,021.82
Cash	8,407.01
	<u>470,655.80</u>
Famine Fund Investment	456,024.69
" " Cash	1,170.49
	<u>457,195.18</u>
Retirement Reserve Investment	8,543.75
" " Cash	456.25
	<u>9,000.00</u>

936,850.98Plant

Land, Bldg. & Equipment	757,951.01
Savings Bank Account	3,570.50
Cash	74.75

761,596.26

Current Assets

Directors Funds Investments	77,905.44
" - Savings Accounts	5,473.40
Accounts Receivable	3,890.00
	<u>87,268.84</u>
Current Special Cash	64,483.05
" -General Cash	5,325.28
Hospital Cash	14,445.17
	<u>84,253.50</u>

171,522.341,869,969.58LIABILITIESEndowment

University Funds	450,858.27
Scholarship Funds	7,000.00
Stabilization Funds	7,451.26
Hoever Trust Funds	1,067.00
China Famine Fund	457,195.18
Retirement Reserve Fund	9,000.00
Profit on Sale of Securities	4,279.27

936,850.98Plant

Plant Funds	761,596.26
-------------	------------

761,596.26Current Liabilities

Accounts Payable	9,215.28
Hospital Reserves	\$ 12,058.35
" -Deferred Income	<u>2,386.82</u>
Suspense	14,445.17
Retirement Fund Income	16,341.93
Founders Reserve Fund	527.95
Restoration Fund	69.03
Emergency & Sustaining Funds	2,954.85
Directors Funds	20,100.00
Surplus 1948-49	106,811.43
	<u>1,056.70</u>

171,522.341,869,969.58

UNIVERSITY OF NANKING

BUDGET

6 months July 1, 1950 - December
31, 1950

ANTICIPATED INCOME

General Funds:

United Christian Missionary Society	\$ 2,500.00	
Methodist Division Foreign Mission	1,300.00	
Presbyterian Board	2,294.70	
Baptist Board	400.00	
U.C.M.S. Funds	187.50	
General	17.50	
Hall Estate	5,769.50	
Swazey Fund	887.50	
Methodist Fund - Agricul. & Forestry	1,500.00	
Gifts for Current Budget	250.00	
United Board for C. C. C.	<u>20,000.00</u>	
		\$ 35,106.70

Special Funds:

Harvard-Yenching Institute	6,710.52	
U.C.M.S. Vacancies	1,200.00	
Methodist Board Vacancy	1,200.00	

Famine Funds:

Income	6,000.00	
Principal	9,000.00	

Hospital:

Methodist Division Foreign Mission	750.00	
United Christian Missionary Society	750.00	
Presbyterian Board	<u>455.30</u>	
		<u>26,065.82</u>
		\$ 61,172.52

ANTICIPATED DISBURSEMENTS

Field Budget	35,106.70	
Special Funds (to be sent to field when & as received)	9,110.52	
Famine Funds	15,000.00	
Hospital for Field	<u>1,955.30</u>	
		\$ 61,172.52

RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

January 2, 1951

Members of the Committee:

*Mr. Dana M. Albaugh
Dr. George B. Cressey
*Dr. Phillips P. Elliott
Dr. E. A. Fridell
*Dr. Nolan B. Harmon, Jr.
Dr. E. K. Higdon
*Dr. J. Theron Illick
*Dr. E. C. Lobenstine

*Dr. Donald B. MacQueen
*Mrs. Samuel J. Mills
Mr. John T. Ogden
*Dr. Lloyd S. Ruland
Miss Ruth E. Salley
*Mrs. Charles H. Sears
*Mr. Virgil A. Sly
*Dr. M. O. Williams

Under date of December 12, 1950 the members of the Committee were sent copies of the following documents:

- (a) Proposed Budget for the period January 1, 1951 to June 30, 1951.
- (b) Report of the Treasurer for the Year Ending June 30, 1950.

The Committee members were asked to signify their approval or disapproval of the above documents. All those whose names are starred approved of the proposed recommendations as follows; other members have not been heard from:

N-56 VOTED to recommend to the United Board approval of the proposed Budget for the six months' period January 1, 1951 to June 30, 1951.

N-57 VOTED to recommend to the United Board approval of the Report of the Treasurer for the Year Ending June 30, 1950.

Very truly yours,

Henry B. Seaman
HENRY B. SEAMAN
Associate Treasurer

UNIVERSITY OF NANKING

BUDGET

6 months January 1, 1951 - June 30, 1951

ANTICIPATED INCOME

General Funds:

United Christian Missionary Society	\$ 2,500.00	
Methodist Division Foreign Mission	1,300.00	
Presbyterian Board	2,294.70	
Baptist Board	400.00	
U.C.M.S. Funds	187.50	
General	17.50	
Hall Estate	5,769.50	
Swazey Fund	887.50	
Methodist Fund - Agricul. & Forestry	1,500.00	
Gifts for Current Budget	250.00	
United Board for C. C. C.	<u>20,000.00</u>	
		\$ 35,106.70

Special Funds:

Harvard-Yenching Institute	6,710.52	
U.C.M.S. Vacancies	1,200.00	
Methodist Board Vacancy	1,200.00	
Presbyterian Board Vacancy	750.00	

Famine Funds:

Income	6,000.00	
Principal	9,000.00	

Hospital:

Methodist Division Foreign Mission	750.00	
United Christian Missionary Society	750.00	
Presbyterian Board	<u>455.30</u>	
		<u>26,815.82</u>
		\$ 61,922.52

ANTICIPATED DISBURSEMENTS

Field Budget	35,856.70	
Special Funds (to be sent to field when & as received)	9,110.52	
Famine Funds	15,000.00	
Hospital for Field	<u>1,955.30</u>	
		\$ 61,922.52

REPORT OF THE TREASURER

to the

UNIVERSITY OF NANKING COMMITTEE

JUNE 30, 1950

Presented herewith is the report of the Treasurer of the United Board for Christian Colleges in China to the University of Nanking Committee.

The books of the University of Nanking as maintained in the New York office have been examined by the Auditors, Messrs. Chambellan, Berger and Welti for the fiscal year ended June 30, 1950 and the figures in this report have been checked by them.

Accompanying the report are the following schedules:

Schedule A - Budget Analysis as of June 30th, 1950.
" B - Balance Sheet as of June 30th, 1950.

ENDOWMENT SECTION

A net decrease of \$ 8,611.29 in this section for the year was the result of the following transactions:

Transfer to Field of Principal of Famine Fund to balance 1948/49 Budget -	\$ 8,431.53
Loss on stock of Nanking Realty Corporation -	<u>5,000.00</u>
	13,431.53
Less: Increases in	
Value of Ambrose Swazey Trust Fund securities transferred to UBCCC	\$ 2,755.72
Harvard-Yenching Fund Income	182.66
Endowment Income Stabilization Fund	111.87
Profit on Sale of Famine Fund Securities	<u>1,769.99</u>
	<u>4,820.24</u>
	\$ 8,611.29

June 30th, 1950

This decrease is shown in assets as follows:

Decrease in:			
	Special Endowment Investments		\$ 5,143.75
	Ambrose Swazey Fund Investments		7,866.25
	China Famine Fund Investments		<u>5,942.04</u>
			18,952.04
Less: Increase in:			
	Investmentsheld by UB000	\$ 8,711.70	
	Cash awaiting investment	<u>1,629.05</u>	<u>10,340.75</u>
			\$ 8,611.29

During the year securities valued at \$40,883.75 and cash in the amount of \$10,621.97 was received from Cleveland Trust Company as the University of Nankings share of the Ambrose Swazey Trust. The value of this Trust had been carried on the University books at \$48,750.00. The reduced value of the securities received required a write down of \$7,866.25 in this asset account as shown above. However, this is more than offset by the receipt of cash \$10,621.97 making a net increase in this fund of \$2,755.72.

The net income from Investments was \$12,426.48 or 3.84% on investments held at the beginning of the Fiscal year as compared to \$11,545.68 for the previous year which represented 3.56% yield computed on the same basis.

Endowment Funds totalled \$928,239.69 (Including Famine Funds) at June 30th, 1950.

Famine Fund Investments

There was a decrease of \$5,942.04 in this account during the year due to:

	Sale of Securities and stock Rights	\$ 74,353.61
Less:	Purchase of Securities	<u>68,411.57</u>
		\$ 5,942.04

The securities consist of

250	shs. Montgomery Ward & Company stock	\$ 10,232.00
300	" Parke Davis & Company	10,248.00
200	" American Tobacco Co.	14,015.96
200	" Sears Roebuck & Company	8,660.60
200	" Penn Salt Mfg. Company	8,860.80
300	" Pacific Gas & Electric Company	9,746.47
300	" International Nickel Company	8,019.76
\$10,000	Westchester Lighting Co. Bonds 3½% 7/1/67	10,327.50
\$10,000	So. California Edison Co. Bonds 3% 9/1/65	10,412.50
\$353,500	United States Treasury Bonds	<u>359,559.06</u>
		\$ 450,082.65

PLANT SECTION

There were no changes in the accounts of the Plant Section during the year.

CURRENT SECTION

The Budget Analysis for 1949-50, attached hereto as Schedule A, shows the Operating income and expenditures.

Income in Special Funds Section was either sent to the field or credited to accounts payable.

FAMINE FUND SECTION

Transactions within this Section may be set forth as follows:

Receipts -		
	Income on Investments	\$ 11,875.70
	Less: Custodian Charges	86.81
		<u>\$ 11,788.89</u>
Deduct -		
	Famine Funds made available to Field	<u>\$ 11,788.89</u>

HOSPITAL SECTION

Current operations within this section are as follows:

	Receipts from Methodist Board	\$ 1,625.00
	" " United Christian Missionary Soc.	750.00
	" " Presbyterian Board	910.60
		<u>\$ 3,285.60</u>
Less:	Applied to Hospital Charges	<u>3,160.60</u>
		\$ 125.00
Add:	Income deferred from previous year	
	Presbyterian Board	227.65
	Special Gifts	<u>2,159.17</u>
		<u>\$ 2,386.82</u>
		<u>\$ 2,511.82</u>

The hospital reserve on June 30, 1950 was \$15,533.99 (\$3,475.64 having been transferred from Directors Current Funds during the year) which, together with the above balance made a total Hospital cash balance of \$18,045.81.

CURRENT SPECIAL SECTION

Some accounts in this section call for special attention:

Field Reserves:

A total of \$42,006.15 was carried for the field at the close of the Fiscal year June 30th, 1950 as follows:

Directors Special Funds	\$ 6,241.91
Institute of Chinese Cultural Studies	10,740.50
Directors Special Reserve Fund	5,999.96
Rockefeller Fellowship Reserve	<u>19,023.78</u>
	\$ 42,006.15

Directors Special Reserve Fund:

An analysis of this account follows:

Balance June 30th, 1949	\$ 61,181.70
<u>Receipts</u>	
Transferred from Suspense	313.00
	<u>\$ 61,494.70</u>
Less: Paid to Field	<u>55,494.74</u>
Balance June 30th, 1950	\$ 5,999.96

Restoration Fund:

An analysis of this Fund follows:

Balance June 30th, 1949	\$ 2,954.85
disbursed to Field	<u>1,833.53</u>
Balance June 30th, 1950	\$ 1,121.32

Emergency & Sustaining Funds:

An analysis of these accounts follows:

Balance June 30th, 1949	\$ 20,100.00
UBCCO Grants Received	<u>2,804.92</u>
	<u>\$ 22,904.92</u>
Paid to Field	<u>21,304.92</u>
Balance June 30th, 1950	\$ 1,600.00

Suspense Accounts:

The Suspense Credit Balances totalling \$5,545.89 represent items held pending instructions as to their disposition.

CASH SITUATION

Cash balances in the various sections were as follows:

Endowment	\$ 11,662.80
Plant	74.75
Hospital	18,045.81
Current	<u>34,400.63</u>

Held in Irving Trust Company 22nd St. Branch - \$ 64,183.99

In addition to the above there was \$7,527.13 in Savings Banks.

Respectfully Submitted,

Henry B. Seaman, Associate Treasurer
Robert J. McMullen, Assistant Treasurer
W. P. Fenn, Assistant Treasurer

UNIVERSITY OF NANKING
BUDGET ANALYSIS 1949/50
AS OF JUNE 30, 1950

Schedule A.

DISBURSEMENTS

RECEIPTS

I G E N E R A L U N I V E R S I T Y
Class A - General Funds

Acct. No.	Item	Appropriation	Disbursed to June 30	Acct. No.	Item	Estimated Income	Rec'd to June 30
<u>General Purposes-Directors Budget</u>				<u>Mission Grants</u>			
31	Current Expense)	28,529.40	26,216.53	131	United Christian Miss. Society....	5,000.00	2,500.00
31.1	Salaries Account)			132	Methodist Board.....	2,600.00	2,600.00
				133	Presbyterian Board.....	4,589.40	4,589.40
			437.20	133.1	Baptist Board.....	800.00	800.00
				<u>Endowment Income</u>			
				137.1	United Christian Miss. Society....	350.00	392.32
				137.1	General.....	35.00	39.71
				137.2	Hall Estate.....	10,000.00	11,412.99
				137.3	Swazey Fund.....	1,775.00	1,595.49
				137.4	Methodist Fund-Agricul.& Forestry.	3,000.00	3,000.00
				175.1	Gifts for Current Budget.....	1,000.00	115.00
						29,149.40	27,044.91
					Less Home Admin. - Incidentals....	620.00	620.00
		\$ 28,529.40	26,653.73			\$ 28,529.40	26,424.91
				<u>Class B - Special Funds</u>			
171.2	Harvard-Yenching Institute.	13,421.04	13,421.04	171.2	Harvard-Yenching Institute.....	13,421.04	13,421.04
136	American Baptist-Vacancies.	1,200.00	1,200.00	136	American Baptist - Vacancies.....	1,200.00	1,200.00
136	U. C. M. S. - Vacancy.....	2,400.00	1,200.00	136	U. C. M. S. - Vacancy.....	2,400.00	1,200.00
136	Methodist Bd. - Vacancies..	2,400.00	5,200.00	136	Methodist Bd. - Vacancies.....	2,400.00	5,200.00
136	Presbyterian Board.....	1,500.00	1,500.00	136	Presbyterian Board - Vacancies....	1,500.00	1,500.00
		\$ 20,921.04	22,521.04			\$ 20,921.04	22,521.04

BALANCE SHEET
UNIVERSITY OF NANKING COMMITTEE
AS OF JUNE 30, 1950

Schedule B.

<u>A S S E T S</u>		<u>L I A B I L I T I E S</u>
<u>Endowment</u>		<u>Endowment</u>
<u>Investments</u>		University Funds..... 453,613.99
Consolidated Endowment. 4,333.22		Scholarship Funds..... 7,000.00
United Bd. for C.C.C. ... 312,733.52		Stabilization Fund..... 7,745.79
Ambrose Swazey Fund		Hoover Fund..... 1,067.00
Investments..... 40,883.75		China Famine Fund..... 450,533.64
Held in trust-Methodist		Retirement Reserve Fund..... 9,000.00
Board..... 100,000.00	457,950.49	928,960.42
Famine Fund Investments..... 450,082.65		Less: Accumulated Losses on sale
Retirement Reserve Fund Investmts 8,543.75		of Securities..... 720.73
Cash..... 11,662.80	928,239.69	928,239.69
<u>Plant Section</u>		<u>Plant</u>
Land Bldgs. & Equipment..... 757,951.01		Plant Funds:
Plant Cash..... 74.75		Used to acquire Plant Assets... 757,951.01
Savings Banks..... 3,570.50	761,596.26	Deposited in Savings Banks..... 3,570.50
		Held in Cash..... 74.75
		761,596.26
<u>Current Assets</u>		<u>Current Liabilities</u>
Accounts Receivable..... 4,092.63		Accounts Payable..... 43,350.69
U.S. Treasury Bonds..... 50,000.00		Hospital Reserves..... 15,533.99
Savings Bank Accounts..... 7,527.13		" Deferred Income.. 2,511.82
Current Cash..... 34,400.63		Other Income deferred..... 2,327.31
Hospital Cash..... 18,045.81		Suspense..... 5,545.89
		Founders Reserve Fund..... 69.03
	114,066.20	Restoration Fund..... 1,121.32
		Sustaining Funds..... 1,600.00
		Directors Funds..... 42,006.15
	114,066.20	114,066.20
	<u>\$ 1,803,902.15</u>	<u>\$ 1,803,902.15</u>

Schedule A cont'd)

II F A M I N E F U N D

Acct. No.	Item	Appropri-	Disbursed	Acct.	Estimated Income	Rec'd to June 30
		U. S. \$	to June 30	No. Item		
51	General Purposes 1949/50...	30,000.00	11,788.89	151	Famine Fund Receipts 1949/50	
					Income.....	12,000.00 11,788.89
					Principal.....	18,000.00 -
		<u>\$ 30,000.00</u>	<u>11,788.89</u>			<u>\$ 30,000.00 11,788.89</u>

III H O S P I T A L

61	General Purposes.....	3,910.60	3,160.60	162.1	Methodist Board.....	1,500.00 1,500.00
				163	U. C. M. S.....	1,500.00 750.00
				164	Presbyterian Board.....	910.60 910.60
		<u>\$ 3,910.60</u>	<u>3,160.60</u>			<u>\$ 3,910.60 3,160.60</u>

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

36.1	Home Adm. & Promotion.....	11,000.00	-		Appropriation.....	11,620.00 620.00
36.2	Incidentals).....	620.00	116.18			
36.3	Trustees).....		275.00			
		<u>\$ 11,620.00</u>	<u>391.18</u>			<u>\$ 11,620.00 620.00</u>

RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

December 19, 1951

Members of the Committee:

*Mr. Dana M. Albaugh	Dr. E. C. Lobenstine
*Dr. M. Searle Bates	*Dr. Donald B. MacQueen
Dr. George B. Cressey	*Mrs. Samuel J. Mills
*Dr. Phillips P. Elliott	*Mr. John T. Ogden
*Dr. E. A. Fridell	*Dr. Lloyd S. Riland
*Dr. Nolan B. Harmon, Jr.	*Miss Ruth E. Salley
*Dr. E. K. Higdon	*Mrs. Charles H. Sears
*Dr. J. Theron Illick	*Mr. Virgil A. Sly
	*Dr. M. O. Williams

Under date of November 23rd, 1951 the members of the Committee were sent the Report of the Treasurer for the Year Ending June 30th, 1951.

The Committee members were asked to signify their approval or disapproval of this Report. All those whose names are starred approved of the proposed recommendation as follows; other members have not been heard from:

N-58 VOTED to recommend to the United Board approval of the Report of the Treasurer for the Year Ending June 30, 1951.

Very truly yours,

Henry B. Seaman

HENRY B. SEAMAN
Associate Treasurer

HBS:MP

REPORT OF THE TREASURER

TO THE

UNIVERSITY OF NANKING COMMITTEE

YEAR ENDING JUNE 30, 1951

Presented herewith is the Report of the Treasurer of the United Board for Christian Colleges in China to the University of Nanking Committee.

The books of the University of Nanking as maintained in the New York office have been examined by the Auditors, Messrs. Chambellan, Berger and Welti for the fiscal year 1950-51 and the figures in this report have been checked by them.

Attached hereto will be found the following schedules:

Schedule A - Budget Analysis as of June 30, 1951.

" B - Balance Sheet as of June 30, 1951.

The year 1950-51 was a crucial one for the University of Nanking as it was for all the China Colleges. It saw the Institutions being shut off more and more from their friends in America until, in December 1950, all direct communications were discontinued and it became illegal to send funds to Communist China.

From then on it was the aim of the United Board to conserve an adequate portion of the College's surplus and reserves and current income for future use in China. Any portion of the College's funds not required for a reserve of approximately two years normal operations was to be used, if determined to be available after review by legal counsel, for projects of the United Board related to higher education under Christian auspices for the youth of East Asia, especially Chinese.

ENDOWMENT SECTION

Funds in the Endowment Section decreased by \$11,812.35 to a new total of \$916,427.34 as follows:

Famine Funds sent to Field.....	\$ 3,031.06	
Transfer Retirement Reserve Fund to Special Fund Section.....	<u>9,725.34</u>	
		12,756.40
LESS: Final payment of claims against Superintendent of Ins. State of N. Y.-Hall End.....	\$ 581.06	
Investment Income added - H.Y.I. Stabilization Fund.....	208.58	
Endowment Income Stabilization Fund.....	126.95	
INCREASE IN Book value upon transfer to United Board of Retirement Reserve Securities.....	<u>27.46</u>	<u>944.05</u>
		\$ 11,812.35

This decrease is shown in assets as follows:

Ambrose Swazey Fund Investments.....	\$ 40,883.75
China Famine Fund Investments.....	2,580.07
Retirement Reserve Investments.....	8,543.75
Cash.....	10,972.61
Special Endowment Investments.....	60.00
	<u>\$ 63,040.18</u>
LESS: Increase in Investments held by United Board.....	<u>51,227.83</u>
	<u>\$ 11,812.35</u>

The income from Investments was \$15,351.77 or 4.67% on Investments held at the beginning of the fiscal year as compared to \$12,426.48 or 3.84% for the previous year computed on the same basis.

SPECIAL FUND INVESTMENTS CONSOLIDATED

On July 7, 1950 the United Board Trustees authorized the consolidation of the many Plant Funds, Managers Funds, Field Reserves, College surpluses etc. held in the U. S. A. into a common trust similar to the Consolidated Endowment Fund. The purpose of this consolidation was to permit proper oversight and management by the Committee on Investment and Banking to earn a reasonable income which might be reinvested to increase the principal and income of the participating funds against the day of their use.

As of June 30, 1951 the University of Nanking participated in the Special Funds Consolidated Fund to the extent of \$599,071.26 distributed as follows:

China Famine Fund.....	\$ 447,502.58
Plant.....	3,701.45
Hospital.....	193.01
Special Trust Funds.....	<u>147,674.22</u>
	<u>\$ 599,071.26</u>

PLANT SECTION

There was an increase in Funds in the Plant Section of \$199.17 by reason of an increase in Plant Investments, of \$130.95 and an increase in Plant Cash of \$68.22.

CURRENT SECTION

Estimated Income and approved expenditures within the current budget, along with actual receipts and disbursements are shown in the Budget Analysis attached herewith as Schedule A.

It will be noted that actual receipts for the year in the Current Section of the budget totalled \$48,953.24 whereas estimated receipts were \$70,213.40. This deficiency of \$21,260.16 was due principally to the fact that, when it became impossible to send funds to China, the United Board and

some participating mission Boards no longer paid over to the University the amounts appropriated to it.

The deficiency of \$21,260.16 may be analyzed as follows:

Income received less than budget estimate:

United Christian Missionary Society.....	\$ 2,500.00
Gifts for General Budget.....	500.00
United Board for Christian Colleges in China.....	<u>20,000.00</u>
	\$ 23,000.00

LESS: Income in excess of Budget Estimate:

Endowment Income:

United Christian Missionary Society.....	\$ 53.24
General.....	9.05
Hall Estate.....	<u>937.84</u>
Swasey Fund.....	<u>739.71</u>
	<u>1,739.84</u>
	\$ 21,260.16

During the year the field drew only \$41,920.13 of its budget and the balance of receipts, amounting to \$7,033.11 was transferred to Accounts Payable to be held for future use.

Income earned on Special Funds Section of the budget was either sent to the field or credited to Accounts Payable.

FAMINE FUND SECTION

Transactions within this section may be set forth as follows:

Receipts - Income on Investments.....	\$ 7,201.46
LESS: Custodian Charges.....	<u>80.55</u>
	\$ 7,120.91
SENT TO FIELD.....	<u>\$ 7,120.91</u>

HOSPITAL SECTION

Current operations within this section are as follows:

Receipts from Methodist Board.....	\$ 1,500.00
" " United Christian Missionary Society.....	750.00
" Presbyterian Board.....	<u>910.60</u>
	\$ 3,160.60

Applied to Hospital Charges..... \$ 3,160.60

The Hospital Reserve on June 30, 1951 was \$193.01 having been reduced from a balance of \$15,533.99 at the close of the previous year by the following transactions:

Balance July 1, 1950.....		\$ 15,533.99
Received from Foreign Missions Conference -		
Appropriated for Hospital.....		5,357.02
		<u>\$ 20,891.01</u>
LESS: Hospital charges paid on field.....	\$ 12,500.15	
Paid to Field.....	<u>8,197.85</u>	<u>20,698.00</u>
Balance June 30, 1951.....		\$ 193.01

SPECIAL TRUST FUNDS SECTION

Accounts in the Special Trust Funds Section are those outside the regular budget. The following analysis show the more important changes in these accounts during the year.

Sustaining Funds - This account, which carried a balance of \$1,600.00 on July 1, 1950 was closed out during the year and the balance transferred to General Funds.

Restoration Fund - This account with a balance of \$1,121.32 as of July 1, 1950 was also closed out to General Funds during the year.

General Funds - The balance in this account was \$1,164.76 at June 30, 1951 as follows:

Balance July 1, 1950.....		-0-
Transferred from Sustaining Fund.....	\$ 1,600.00	
" " Restoration Fund.....	1,121.32	
United Board Appropriations.....	52,000.00	
Investment Income.....	<u>43.44</u>	\$ 54,764.76
LESS:		
Transferred to other accounts to adjust		
balances to conform with Field		
balances.....	\$ 52,478.68	
Paid to Field.....	<u>1,121.32</u>	<u>53,600.00</u>
		\$ 1,164.76

Directors Special Reserve Fund - The balance in this account increased \$22,819.76 to a new total of \$28,819.72 as follows:

Balance July 1, 1950.....	\$ 5,999.96	
Transferred from other accounts to adjust balance to		
conform with Field Balance.....	<u>32,819.76</u>	<u>\$ 38,819.72</u>
LESS: Paid to Field.....		<u>10,000.00</u>
		\$ 28,819.72

Treasurer's Report
University of Nanking

- 5 -

June 30, 1951

Accounts Payable - The balance in this Account decreased by \$18,263.12 to \$25,087.57 by the following transactions:

Balance July 1, 1950.....		\$ 43,350.69
Balances of 1950-51 Undrawn:		
Directors Current Budget.....	\$ 7,033.11	
Harvard-Yenching.....	3,355.26	
Vacancies.....	5,425.00	
Famine Fund.....	7,120.91	
Hospital.....	2,153.29	
		<u>25,087.57</u>
LESS: Paid to Field.....	\$ 21,000.00	
Transferred to other accounts to adjust balances to conform with Field Balances.....	22,350.69	<u>43,350.69</u>
		\$ 25,087.57

Field Reserves Established - The following new accounts were set up at the request of Miss Elsie M. Priest, Field Treasurer, by transfer from existing accounts. The amounts as originally set up and investment income added appear as follows:

	Amount Set Up	Investment Income	Balance June 30, 1951
Ferguson Museum.....	3,669.15	141.88	3,811.03
Chinese Faculty Retirement Reserve....	15,450.00	596.63	16,046.63
Field Departmental Reserves.....	28,899.13	1,116.83	30,015.96

An Account was similarly set up to carry personal deposits for Staff in China which, at June 30, 1951 carried a balance of \$3,676.75 as follows:

Amount originally set up.....	\$6,000.00
Paid to Individuals at request of Field Treasurer.....	<u>2,323.25</u>
	\$ 3,676.75

CASH POSITION

When China Bank Accounts were frozen in December 1950 it was deemed expedient to transfer all cash carried in separate College checking accounts with the Irving Trust Co. to the United Board checking account maintained at the 21st Street Branch of that Bank.

In January 1951 the University of Nanking cash was so transferred.

Cash on hand with the 21st St. Branch of the Irving Trust Company in the name of the United Board for the University of Nanking on June 30, 1951 was \$16,186.39 distributed as follows:

Treasurer's Report
Univ. of Nanking

- 6 -

June 30, 1951

Endowment.....	\$ 690.19
Plant.....	142.97
Special Trust Funds.....	<u>15,353.23</u>
	\$ <u>16,186.39</u>

Respectfully Submitted,

Mansfield Freeman, Treasurer
Henry B. Seaman, Associate Treasurer

UNIVERSITY OF NANKING
BUDGET ANALYSIS 1950/51
AS OF JUNE 30, 1951

Schedule A

<u>DISBURSEMENTS</u>				<u>RECEIPTS</u>			
<u>Acct. No.</u>	<u>Item</u>	<u>Appropriation</u>	<u>Disbursed to June 30</u>	<u>Acct. No.</u>	<u>Item</u>	<u>Estimated Income</u>	<u>Rec'd to June 30</u>
31	Field Budget.....	70,213.40	48,953.24	<u>General Funds</u>			
				131	United Christian Missionary Society.	5,000.00	2,500.00
				132	Methodist Board.....	2,600.00	2,600.00
				133	Presbyterian Board.....	4,589.40	4,589.40
				133.1	Baptist Board.....	800.00	800.00
				137.1	United Christian Missionary Society.	375.00	428.24
				137.1	General.....	35.00	44.05
				137.2	Hall Estate.....	11,539.00	12,476.84
				137.3	Swasey Fund.....	1,775.00	2,514.71
				137.4	Methodist Fund-Agricul.&Forestry....	3,000.00	3,000.00
				136	Gifts for Current Budget.....	500.00	-0-
				139	United Board for C.C.C.....	40,000.00	20,000.00
		<u>\$ 70,213.40</u>	<u>48,953.24</u>			<u>\$ 70,213.40</u>	<u>48,953.24</u>
				<u>Special Funds</u>			
135	Harvard-Yenching Institute	13,421.04	6,710.52	135	Harvard-Yenching Institute.....	13,421.04	6,710.52
136.1	Vacancies.....	6,300.00	7,300.00	136.1	U.C.M.S. - Vacancy.....	2,400.00	1,200.00
				136.1	Methodist Board - Vacancies.....	2,400.00	4,600.00
				136.1	Presbyterian Board - Vacancies.....	1,500.00	1,500.00
		<u>\$ 19,721.04</u>	<u>14,010.52</u>			<u>\$ 19,721.04</u>	<u>14,010.52</u>
51	Famine Funds.....	30,000.00	7,120.91	<u>Famine Funds</u>			
					Income.....	12,000.00	7,120.91
					Principal.....	18,000.00	-0-
		<u>\$ 30,000.00</u>	<u>7,120.91</u>			<u>\$ 30,000.00</u>	<u>7,120.91</u>
61	Hospital for Field.....	3,910.60	3,160.60	<u>Hospital</u>			
				162	Methodist Board.....	1,500.00	1,500.00
				163	U.C.M.S.....	1,500.00	750.00
				164	Presbyterian Board.....	910.60	910.60
		<u>\$ 3,910.60</u>	<u>3,160.60</u>			<u>\$ 3,910.60</u>	<u>3,160.60</u>
GRAND TOTAL.....		\$123,845.04	73,245.27			\$123,845.04	73,245.27

BALANCE SHEET

Schedule B

UNIVERSITY OF NANKING

AS OF JUNE 30, 1951

ASSETSEndowment:Investments:

Consolidated Endowment \$	4,273.22	
UBCCC.....	363,961.35	
Held in Trust-Meth.Bd.	100,000.00	
Famine Fund Investments		
with United Board.	<u>447,502.58</u>	915,737.15
Cash with United Board.....		690.19

Plant:

Land Bldg. and Equipment.....	757,951.01	
Investments with United Board....	3,701.45	
Cash with United Board.....	142.97	

Current Assets:

Accounts Receivable.....	3,272.35	
Investments with United Board....	147,867.23	
Cash with United Board.....	15,353.23	

166,492.81\$ 1,844,715.58LIABILITIESEndowment:

University Funds.....	454,195.05	
Scholarship Funds.....	7,000.00	
Stabilization Fund.....	8,081.32	
Hoover Fund.....	1,067.00	
China Famine Fund.....	<u>447,502.58</u>	
		917,845.95

LESS: Accumulated Losses on

Sale of Securities.....	<u>1,418.61</u>	916,427.34
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Plant:Plant Funds:

Used to Acquire Plant Assets	757,951.01	
Investments with United Bd.	3,701.45	
Cash with United Board.....	<u>142.97</u>	761,795.43

Current Liabilities:

Suspense Credits.....	4,316.11	
Retirement Reserve Fund &		
Income.....	9,990.73	
Directors Special Funds....	97,555.68	
Deferred Income.....	4,650.54	
General Fund.....	1,164.76	
Accounts Payable.....	25,087.57	
Hospital Reserve.....	193.01	
Ferguson Museum.....	3,811.03	
Chinese Faculty Retirement		
Reserve.....	16,046.63	
Personal Deposits for Staff		
in China.....	<u>3,676.75</u>	<u>166,492.81</u>

\$ 1,844,715.58

RECORD OF CIRCULATION VOTE
UNIVERSITY OF NANKING COMMITTEE
UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

April 17, 1952

Members of the Committee:

*Mr. Dana M. Albaugh	*Dr. J. Theron Illick
*Dr. M. Searle Bates	*Dr. E. C. Lobenstine
*Dr. George B. Cressey	*Dr. Donald B. MacQueen
*Dr. Phillips P. Elliott	*Mr. John T. Ogden
*Dr. E. A. Fridell	*Miss Ruth E. Salley
*Dr. Nolan B. Harmon, Jr.	*Mrs. Charles H. Sears
*Dr. E. K. Higdon	*Mr. Virgil A. Sly
	Dr. M. O. Williams

On April 7th, 1952 the members of the Committee were asked to vote by mail on the question of providing up to \$1,000.00 to Miss Iva Hynds towards her medical expenses, this amount being approximately the equivalent of the amount the University would have contributed to a pension for Miss Iva Hynds had she participated in the University retirement plan.

All the members whose names are starred above approved of the following recommendation:

N-59 VOTED to recommend to the Trustees that Miss Iva Hynds be allowed up to \$1,000.00 towards her medical expenses, to be paid from the University of Nanking funds upon recommendation of Dr. J. Horton Daniels or such other doctors as he may approve.

Very truly yours,

Henry B. Seaman

HENRY B. SEAMAN
Associate Treasurer

HBS:MP

RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

December 31, 1952

Members of the Committee:

*Mr. Dana M. Albaugh	*Dr. J. Theron Illick
*Dr. M. Searle Bates	Dr. E. C. Lobenstine
*Dr. George B. Cressey	*Dr. Donald B. MacQueen
*Dr. J. LeRoy Dodds	*Mr. John T. Ogden
*Dr. Phillips P. Elliott	*Miss Ruth E. Salley
*Dr. E. A. Fridell	*Mrs. Charles H. Sears
*Dr. Nolan B. Harmon, Jr.	Mr. Virgil A. Sly
Dr. W. K. Higdon	Dr. M. O. Williams

Under date of December 4th, 1952 the Report of the Treasurer to the University of Nanking Committee was mailed to the members for their inspection and approval.

The members were asked to indicate by return postcard their approval or disapproval of the Report.

Those whose names are starred above approved of the proposed vote as follows:

VOTED N-60 that the University of Nanking Treasurer's Report for the period ending June 30, 1952 be recommended to the Trustees for inclusion as Exhibit I in the United Board Report.

VOTED N-61 to credit "Accounts Payable" with the surplus of \$22,521.54 for the fiscal year ending June 30, 1952.

Very truly yours,

Henry B. Seaman

HENRY B. SEAMAN
Associate Treasurer

HBS:MK

December 4, 1952

TO THE MEMBERS OF THE
UNIVERSITY OF NANKING COMMITTEE

Dear Friends:

Enclosed herewith, is a Balance Sheet for University of Nanking as of June 30, 1952 together with a Statement of Receipts and Disbursements for the fiscal year July 1, 1951 to June 30, 1952, both of which have been checked by the Auditors, Messrs. Chambellan, Berger and Welti. These statements have been prepared as Exhibit I of the Report of the Treasurer to the United Board and are herewith presented in lieu of the usual Report of the Treasurer to the University of Nanking Committee of the financial activities of the University for the year.

Since all contact with our beloved University in China has been discontinued and since no funds were sent to China during the fiscal year 1951-52 the activity in the University accounts was reduced to a minimum. The annual report of the Treasurer to the United Board will be presented in a form that will give a complete financial picture of the stewardship of the United Board including its administration of those funds it holds for the various Universities.

As you know, in June 1945 the Endowment Investments of University of Nanking were consolidated with those of the other Universities in a "common trust" in the accounts of the United Board.

Similarly, in June 1950 all investments of special funds and reserves of the University of Nanking were consolidated in the United Board with the exception of those investments, totalling \$4,093.22 whose value could not be accurately determined and therefore, were not consolidated.

In January 1951, after the U. S. Treasury Department prohibited the sending of any funds to China, the University of Nanking cash accounts were transferred to the United Board and consolidated in the Board's bank account.

At the present time therefore, all cash and investment assets with the exception of those referred to above, are held by the United Board for the benefit of this University and are included in the United Board Treasurer's Report.

Cash and investment held by the United Board for the University of Nanking on June 30, 1952 were as follows:

	<u>Consolidated Investments</u>	<u>Cash</u>
Endowment.....	\$ 365,019.18	152.46
Famine Fund.....	447,502.58	-0-
Plant.....	3,882.94	(28.44)Overdraft
Current.....	<u>185,397.91</u>	<u>17,350.29</u>
	<u>\$ 1,001,802.61</u>	<u>\$ 17,531.19</u>

The investments which were not consolidated may be listed as follows:

Mtge. - 1515 Overing St. Bronx, New York...	\$ 3,030.00
Preferred Creditors Claim against Superintendent of Insurance as liquidator of Lawyers Mortgage Company.....	<u>1,063.22</u>
	<u>\$ 4,093.22</u>

Certain aspects of the enclosed statement of receipts and disbursements are of sufficient importance and interest to warrant special comments.

Of the \$31,338.64 shown in column 1 "Investment Income" added to the various accounts \$15,132.69 represents income earned on endowment investments, \$11,519.93 income earned on famine fund investments and \$4,686.02 income earned on investment of special funds, reserves, and surpluses.

Column 2 under Receipts "Income on Special Investments" represents interest received on the mortgage listed above.

Various Mission Boards continued their designated grants to the University of Nanking in a total amount of \$9,466.67, the detail of which is shown in column 3.

The item of \$3,355.26 under "Appropriation for prior period" represents the reimbursement to the University by Harvard-Yenching Institute of their regular appropriation for third quarter of the fiscal year 1950-51 which, according to reports from the field treasurer Miss Elsie M. Priest, was used for the Harvard-Yenching project in Nanking.

The disbursements shown on page 3 include terminal salary, travelling and medical expenses for Miss Elsie M. Priest and Mr. Charles Riggs and family.

Also included under "College disbursements" is the payment of continuing subscriptions on medical and technical journals and storage charges for accumulated copies. The journals will be made available for the University of Nanking or some other Institution when shipment is again feasible.

December 4, 1952

The activity for the year which normally would fall within the University budget resulted in an excess of receipts over disbursements amounting to \$22,521.54. In previous years this would have been considered an operating surplus and would have been set aside for the University to draw upon during a succeeding budget period. Accordingly, it is

RECOMMENDED that the surplus in the amount of \$22,521.54, which is the result of normal budgetary receipts in excess of disbursements for the year 1951-52, be transferred to Accounts Payable and held for disposition by the University of Nanking Committee and the United Board Trustees.

Enclosed you will find a postcard with which it is asked that you record your approval of the above recommendation and also your approval of having the attached Schedules included as Exhibit I in the Treasurer's Report to the United Board.

Thank you very much.

Very truly yours,

Henry B. Seaman

HENRY B. SEAMAN
Associate Treasurer

HBS:MK
Encls.

BALANCE SHEET
UNIVERSITY OF NANKING
AS OF JUNE 30, 1952

EXHIBIT I

ASSETS

Endowment:

Other Investments..	4,093.22	
Investments with United Board..	365,019.18	
Held in Trust-Meth- odist Board.....	100,000.00	
Famine Fund Investmtns with United Board	447,502.58	916,614.98
Cash with United Board.....	152.46	916,767.44

Plant:

Land, Bldgs. & Equipment.....	757,951.01	
Investmtns with United Board..	3,882.94	
Cash Overdraft with " " ..	(28.44)	761,805.51

Current Assets:

Investments with United Board..	185,397.91
Cash with United Board.....	17,350.29

202,748.20

\$ 1,881,321.15

LIABILITIES

Endowment:

University Funds.....	454,195.05	
Scholarship Funds.....	7,000.00	
Stabilization Fund.....	8,421.42	
Hoover Fund.....	1,067.00	
China Famine Fund.....	447,502.58	
	<u>918,186.05</u>	
LESS: Accumulated Losses on Sale of Securities.	1,418.61	
		<u>916,767.44</u>

Plant:

Plant Funds:

Used to Acquire Plant Assets.....	757,951.01	
Investments with United Board.....	3,854.50	761,805.51

Current Liabilities:

Suspense Credits.....	3,936.18	
Retirement Reserve Fund & Income.....	10,004.45	
Directors Special Funds.....	97,719.65	
Deferred Income.....	5,129.04	
" " - Famine Fund.....	11,519.93	
General Fund.....	1,167.81	
Accounts Payable.....	27,147.38	
Ferguson Museum.....	3,821.02	
Chinese Faculty Retirement Reserve.....	16,088.74	
Personal Deposits for Staff in China.....	3,692.46	
Surplus.....	<u>22,521.54</u>	<u>202,748.20</u>

\$ 1,881,321.15

UNIVERSITY OF NANKING
RECEIPTS AND DISBURSEMENTS
JULY 1, 1951 TO JUNE 30, 1952

RECEIPTS

<u>Account</u>	<u>Invstmnts Income Added</u>	<u>Income on Special Invstmnts</u>	<u>Mission Board Receipts</u>	<u>Suspense Credit</u>	<u>Approp. for Prior Period</u>
<u>Endowment:</u>					
H.Y.I. - Stabilization Fund.....	211.34				
Endowment Income - Stabilization Fund.....	128.76				
<u>Plant:</u>					
Special Funds - Freshman Dormitory.....	10.08				
<u>Current General:</u>					
Methodist Board.....			2,816.67		
" " - Replacements.....			3,400.00		
Endow. Income - General.....	186.41				
" " - Hall Fund.....	12,164.94				
" " - Swasey Fund.....	2,148.22				
Methodist Bd.- Endow. Income-Agri. & Forestry.....			3,250.00		
<u>Famine Fund</u>					
Famine Fund Income.....	11,519.93				
<u>Hospital</u>					
Hospital Reserve.....	.49				
<u>Special Funds</u>					
Mortgage Investments.....		283.83			
Suspense - Prof. S. T. Hwang.....	5.61				
Suspense.....				208.04	
Harvard-Yenching Institute.....					3,355.26
Suspense - Alumni and Friends.....	8.89				
Endow. Income Restricted.....	294.00				
General Fund.....	3.05				
Retirement Res. Fund Income.....	110.32				

EXHIBIT I

<u>Account</u>	<u>Invstmnts Income Added</u>	<u>Income on Special Invstmnts</u>	<u>Mission Board Receipts</u>	<u>Suspense Credit</u>	<u>Approp. for Prior Period</u>
Accounts Payable.....	4,181.40				
Directors Special Funds.....	16.90				
" " I. Chinese C. Studies.....	29.24				
" " Reserve.....	75.68				
" Agri. 30 Anniv.....	51.27				
Income on Dir. Fd. Inv.....	11.41				
Ferguson Museum.....	9.99				
Chinese Faculty Reserve.....	42.11				
Personal Dep. for Staff.....	45.71				
Field Dep. Reserves.....	78.82				
Res. for Outstanding Drafts.....	4.07				
	<u>\$ 31,338.64</u>	<u>\$ 283.83</u>	<u>\$ 9,466.67</u>	<u>\$ 208.04</u>	<u>\$ 3,355.26</u>

DISBURSEMENTS

	<u>College Disbursements</u>	<u>Administration Expense</u>	<u>Suspense Debits</u>	<u>Personal Deposits Remitted</u>
Salaries, & Medical Exp. - Faculty Members.....	3,023.25			
Subscription - Medical & Technical Journals.....	424.28			
Storage " " ".....	25.76			
Rockefeller Fdn.-Return 2nd grant. Audio Visual Center.....	1,030.96			
Equipment.....	75.00			
Refund - Cancellation Fire Ins. Policy.....	(118.19)			
Mortgage Servicing.....		10.50		
Premiums - Annuity Policies - Faculty.....			272.96	
Payment deposit of Ting Ssh-ven.....				30.00
	<u>\$ 4,461.06</u>	<u>\$ 10.50</u>	<u>\$ 272.96</u>	<u>\$ 30.00</u>

BALANCE SHEET
SHANTUNG CHRISTIAN UNIVERSITY

EXHIBIT J

AS OF JUNE 30, 1952

A S S E T S

Endowment:

Invstmnts with United Board	236,245.52	
Special Investments.....	1.00	236,246.52
Cash with United Board.....	513.87	236,760.39

Plant:

Completed Buildings.....	732,058.90	
Land and Improvements.....	108,357.89	
Equipment.....	103,420.10	
Hospital.....	36,486.15	
<u>Invstmnts with United Board:</u>		
Bldg. Funds.....	14,992.55	
Woman's Com. Sch. of Medicine.....	140,205.31	
Maida Morton-Smith Pen- sion Fund.....	18,295.00	173,492.86
Cash with United Board.....	1,957.29	1,155,773.19

Current Assets:

Invstmnts with United Board.....	97,746.95	
Cash with United Board.....	4,848.08	102,595.03

\$ 1,495,128.61

L I A B I L I T I E S

Endowment:

Endowment Funds.....	185,444.50	
Profit on Sale of Securities..	51,315.89	236,760.39

Plant:

Funds, Reserves & Accumulated

Earnings used for:

Completed Buildings.....	732,058.90	
Land & Land Improvements.....	108,357.89	
Equipment.....	103,420.10	
New Hospital.....	36,486.15	

Funds:

Invested in Securities.....	173,492.86	
Held in Cash.....	1,957.29	1,155,773.19

Current Liabilities:

Accounts Payable.....	19,231.17	
Deferred Income.....	1,067.74	
Suspense.....	1,068.88	
Reserve for School of Medicine	9,556.39	
Maida Morton-Smith Pension Fd.	881.30	
Julia Morgan Fund.....	33,009.99	
General Funds.....	813.15	
Reserve.....	2,893.78	
Field Funds.....	20,245.53	
Surplus.....	13,827.10	102,595.03

\$ 1,495,128.61

May not be microfilmed.

November 13, 1953

TO THE MEMBERS OF THE
UNIVERSITY OF NANKING COMMITTEE

Dear Friends:

Enclosed herewith is a Balance Sheet for the University of Nanking as of June 30, 1953 together with a Statement of Receipts and Disbursements for the fiscal year July 1, 1952 to June 30, 1953, which have been prepared by the Auditors, Messrs. Chambellan, Berger and Welti. These statements have been prepared as Exhibit I of the Report of the Treasurer to the United Board.

Since all contact with our beloved University in China has been discontinued and since no funds were sent to China during the fiscal year 1952-53 the activity in the University accounts was reduced to a minimum. The annual report of the Treasurer to the United Board will be presented in a form that will give a complete financial picture of the stewardship of the United Board including its administration of those funds it holds for the various Universities.

At the present time, all cash and investment assets are held by the United Board for the benefit of these colleges and are included in the United Board Treasurer's Report. In the case of Nanking, assets listed on Page 2, amounting to \$3,973.22, have been excepted.

Cash and investments held by the United Board for the University of Nanking on June 30, 1953 were as follows:

	<u>Consolidated Investments</u>	<u>Cash</u>
Endowment.....	\$ 365,482.71	160.32
Famine Fund.....	447,502.58	-0-
Plant.....	3,924.33	44.16
Current.....	<u>221,073.34</u>	<u>12,361.41</u>
	<u>\$ 1,037,982.96</u>	<u>\$ 12,565.89</u>

The investments which were not consolidated may be listed as follows:

Mtge.-1515 Overing St., Bronx, N.Y.....	\$ 2,910.00
Preferred Creditors Claim against Superinten- dent of Insurance as liquidator of Lawyers Mortgage Company.....	<u>1,063.22</u>
	<u>\$ 3,973.22</u>

University of Nanking
Committee

- 2 -

Certain aspects of the enclosed statement of receipts and disbursements are of sufficient importance and interest to warrant special comments.

Of the \$34,692.99 shown in column 2 "Investment Income" added to the various accounts \$15,191.73 represents income earned on endowment investments, \$13,615.66 income earned on famine fund investments and \$5,885.60 income earned on investment of special funds and reserves.

Column 3 under Receipts "Income on Special Investments" represents interest received on the mortgage listed above.

Various Mission Boards continued grants to the University of Nanking in a total amount of \$5,250.00, the detail of which is shown in column 4. Other Mission Board grants were received directly by the United Board.

During the past year appropriations from Mission Boards amounting to \$8,716.67 were transferred, with proper approval, to the United Board for Christian Colleges in China.

Enclosed you will find a postcard with which it is asked that you record your approval of having the attached Schedules included as Exhibit I in the Treasurer's Report to the United Board.

Thank you very much.

Very truly yours,

William P. Fenn
Executive Secretary

UNIVERSITY OF NANKING
BALANCE SHEET
AS OF JUNE 30, 1953

EXHIBIT I

A S S E T S

F U N D S A N D L I A B I L I T I E S

Endowment Sections:

Investments:

Consolidated Endowment. 3,973.22
Beneficial interest, if any, in the fund of the Bd. of Foreign Missions of the Methodist Episcopal Church, the income of which accrues to the account of the Agricultural Dept. of the Univ. of Nanking, carried at.....100,000.00

UBCCC:

Trust fund

Investments 365,482.71

Famine Fund

Investments 447,502.58 812,985.29 916,958.51

Cash with United Board..... 160.32 917,118.83

Plant Section:

Land, Bldgs. & Equipment..... 757,951.01

Investments-Freshman Dormitories-

Consolidated Special Funds-UBCCC 3,924.33

Cash with United Board..... 44.16 761,919.50

Current Section:

Famine Fund:

Special Investments..... 25,135.59

Hospital Reserve:

Special Investments..... 5,487.98

Current Special:

Consolidated Special Investments-

UBCCC-Trust Funds..... 190,449.77

Cash with United Board..... 12,361.41

Accounts Receivable..... 15.66

Endowment Section:

University Funds..... 454,195.05

Restricted Funds:

Scholarships.....\$ 7,000.00

Stabilization..... 8,772.81

Hoover Fund..... 1,067.00 16,839.81

China Famine Fund..... 447,502.58

918,537.44

LESS: Accumulated Loss on Sale of

Securities..... 1,418.61

Plant Section:

Used to Acquire Plant Assets..... 757,951.01

Used to Acquire Securities..... 3,968.49

761,919.50

Current Section:

Famine Fund:

Famine Fund Income..... 25,135.59

Hospital Reserve..... 5,487.98

Current Special:

Undistributed Income..... 50,758.59

Directors' Special Funds:

Institute of Chinese Cultural

Studies Fund..... 11,133.81

Special Reserve Fund..... 28,819.72

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Nanking

EXHIBIT I continued

Agricultural 30th Anniversary Fellowship Fund.....	18,175.69	
Directors' Special Fds	6,429.16	
Field Dept. Reserve....	36,294.41	
" Reserve for Outstanding Drafts.....	1,079.10	
Founders' Reserve Fund	69.03	102,000.92
Retirement Reserve Fund-Income....	1,145.93	
" " "	9,154.38	
General Fund.....	1,202.92	
Ferguson Museum.....	3,934.13	
Personal Deposits for Staff in China	6,552.23	
Chinese Faculty Retirement Reserve	16,564.94	
Deferred Income:		
Directors' Fund Investments	6,597.15	
Endowment Income- Restricted.....	915.04	7,512.19
Suspense:		
Miscellaneous.....	503.71	
Alumni & Friends Assoc..	3,496.90	4,000.61
		<u>233,450.41</u>
TOTAL.	\$ 1,912,488.74	TOTAL. \$ 1,912,488.74

233,450.41
TOTAL. \$ 1,912,488.74

UNIVERSITY OF NANKING

STATEMENT OF RECEIPTS AND DISEURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 1953

<u>R E C E I P T S</u>	<u>Total Receipts</u>	<u>Investment Income</u>	<u>Income Special Investments</u>	<u>Mission Board Grants</u>	<u>Other</u>
<u>Endowment:</u>					
Harvard-Yenching Institute - Stabilization Fund..... \$	218.39	\$ 218.39			
Endowment Income - Stabilization Fund.....	133.00	133.00			
<u>Plant:</u>					
Special Funds - Freshman Dormitory.....	113.99	113.99			
<u>Current General:</u>					
Methodist Division of Foreign Missions.....	1,300.00			1,300.00	
" " " " - Replacements.....	1,200.00			1,200.00	
Endowment Income - General.....	332.45	332.45			
" " - Hale Fund.....	12,083.84	12,083.84			
" " - Swasey Fund.....	2,133.72	2,133.72			
" " - Methodist Board-Agriculture & Forestry.....	2,750.00			2,750.00	
<u>Famine Fund:</u>					
Famine Fund Income.....	13,615.66	13,615.66			
<u>Special Funds:</u>					
Surplus.....	165.45	165.45			
Mortgage Investments.....	180.00		180.00		
Suspense - Professor S. T. Ewang.....	13.65	13.65			
" - Annuity.....	30.48				30.48
" - Alumni & Friends Association Funds.....	100.64	100.64			
Endowment Income - Restricted.....	311.88	311.88			
General Fund.....	35.11	35.11			
Retirement Reserve Fund - Income.....	295.86	295.86			
Undistributed Income.....	1,435.13	1,346.73			88.40
Directors' Special Funds.....	188.59	188.59			
" Institute Chinese Cultural Studies.....	327.48	327.48			

EXHIBIT I concluded

Directors' Special Reserve.....	\$ 846.57	846.57		
" Agricultural 30th Anniversary Fellowship.....	558.01	558.01		
Income on Directors' Fund Investment.....	150.62	150.62		
Ferguson Museum.....	113.11	113.11		
Chinese Faculty Retirement Reserve.....	476.20	476.20		
Personal Deposits for Staff in China.....	139.86	139.86		
Field Departmental Reserves.....	951.48	951.48		
Reserve for Outstanding Drafts.....	40.70	40.70		
	<u>\$ 40,241.87</u>	<u>\$ 34,692.99</u>	<u>\$ 180.00</u>	<u>\$ 5,250.00 \$118.88</u>
<u>DISBURSEMENTS</u>				
	<u>Total</u>	<u>Disbursements</u>	<u>College</u>	<u>Administrative</u>
	<u>Disbursements</u>	<u>to UBCC</u>	<u>Disbursements</u>	<u>Expense</u>
Methodist Division Foreign Missions:				
1951/52 Appropriation.....	\$ 2,816.67			
1952/53 ".....	<u>1,300.00</u>	4,116.67	4,116.67	
Methodist Division Foreign Missions - Replacements:				
1951/52 Appropriation.....	\$ 3,400.00			
1952/53 ".....	<u>1,200.00</u>	4,600.00	4,600.00	
Mortgage Servicing.....		10.11		10.11
Premium Annuity - Faculty.....	\$ 96.00			
LESS: Account Receivable.....	<u>15.66</u>	80.34	80.34	
Field Departmental Reserves- Elsie Priest Fund.....		267.16	267.16	
	<u>\$ 9,074.28</u>	<u>\$ 8,716.67</u>	<u>\$ 347.50</u>	<u>\$ 10.11</u>
Net Increase - Receipts over Disbursements.....	31,167.59			
Total Funds and Liabilities - July 1, 1952.....	<u>1,881,321.15</u>			
Total Funds and Liabilities - June 30, 1953.....	<u>\$ 1,912,488.74</u>			

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RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

December 31, 1953

Members of the Committee:

*Mr. Dana M. Albaugh	*Dr. J. Theron Illick
Dr. M. Searle Bates	*Dr. E. C. Lobenstine
*Dr. George B. Cressey	*Dr. Donald B. MacQueen
*Dr. J. L. Dodds	*Mr. John T. Ogden
*Dr. Phillips P. Elliott	*Miss Ruth E. Salley
*Dr. E. A. Fridell	*Mrs. Charles H. Sears
*Dr. Nolan B. Harmon, Jr.	*Mr. Virgil A. Sly
*Dr. E. K. Higdon	*Dr. M. O. Williams

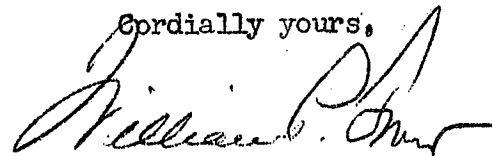
Under date of November 13, 1953 the Report of the Treasurer to the University of Nanking Committee was mailed to the members for their inspection and approval.

The members were asked to indicate by return postcard their approval or disapproval of the Report.

Those whose names are starred above approved of the proposed vote as follows:

VOTED N-62 that the University of Nanking Treasurer's Report for the period ending June 30, 1953 be recommended to the Trustees for inclusion as Exhibit I in the United Board Report.

Cordially yours,



WILLIAM P. FENN
Executive Secretary

WPF:MK

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RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

December 17, 1954

Members of the Committee:

*Mr. Dana M. Albaugh	*Dr. E. K. Higdon
Dr. M. Searle Bates	*Dr. J. Theron Illick
*Dr. George B. Cressey	*Dr. E. C. Lobenstine
*Dr. J. L. Dodds	*Dr. Donald B. MacQueen
*Dr. Phillips P. Elliott.	Mr. John T. Ogden
Dr. E. A. Fridell	Mrs. Charles H. Sears
*Dr. Nolan B. Harmon, Jr.	*Mr. Virgil A. Sly
*Dr. M. O. Williams	

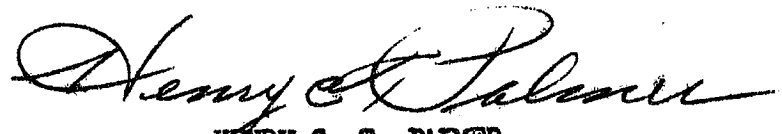
Under date of November 17, 1954 the Report of the Treasurer to the University of Nanking Committee was mailed to the members for their inspection and approval.

The members were asked to indicate by return postcard their approval or disapproval of the Report.

Those whose names are starred above approved of the proposed vote as follows:

VOTED N-63 that the University of Nanking Treasurer's Report for the period ending June 30, 1954 be recommended to the Trustees for inclusion as Exhibit I in the United Board Report.

Cordially yours,


HENRY C. T. PALMER,
Associate Treasurer

HCTP:MK

May not be microfilmed.

November 17, 1954

TO THE MEMBERS OF THE
UNIVERSITY OF NANKING COMMITTEE

Dear Friends:

Enclosed herewith is a Balance Sheet for the University of Nanking as of June 30, 1954 together with a Statement of Receipts and Disbursements for the fiscal year July 1, 1953 to June 30, 1954, which have been prepared by the Auditors, Messrs. Chambellan, Berger and Welti. These statements have been prepared as Exhibit I of the Report of the Treasurer to the United Board.

Since all contact with our beloved University in China has been discontinued and since no funds were sent to China during the fiscal year 1953-54 the activity in the University accounts was reduced to a minimum. The annual report of the Treasurer to the United Board will be presented in a form that will give a complete financial picture of the stewardship of the United Board including its administration of those funds it holds for the various Universities.

At the present time, all cash and investment assets are held by the United Board for the benefit of these colleges and are included in the United Board Treasurer's Report. In the case of Nanking, assets listed on the Balance Sheet, amounting to \$3,853.22 have been excepted.

Cash and investments held by the United Board for the University of Nanking on June 30, 1954 were as follows:

	<u>Consolidated</u> <u>Investments</u>	<u>Cash</u>
Endowment.....	\$ 365,963.87	\$ 165.97
Famine Fund.....	447,502.58	-0-
Plant.....	4,040.49	51.17
Current.....	<u>259,095.69</u>	<u>13,737.27</u>
	<u>\$ 1,076,602.63</u>	<u>\$ 13,954.41</u>

The investments which were not consolidated may be listed as follows:

Mtge.-1515 Overing St. Bronx, N.Y.....	\$ 2,790.00
Preferred Creditors Claim against Superintendent of Insurance as liquidator of Lawyers Mtge.Co.	<u>1,063.22</u>
	<u>\$ 3,853.22</u>

Certain aspects of the enclosed statement of receipts and disbursements are of sufficient importance and interest to warrant special comments.

Of the \$36,738.52 shown in column 2 "Investment Income" added to the various accounts \$15,221.38 represents income earned on endowment investments, \$14,667.49 income earned on famine fund investments and \$6,849.65 income earned on investment of special funds and reserves.

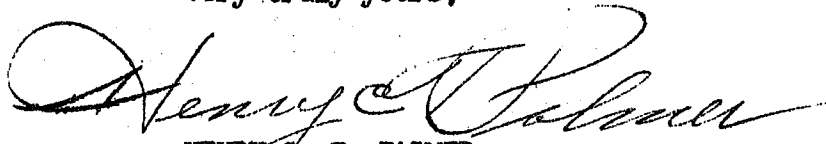
Column 3 under Receipts "Income on Special Investments" represents interest received on the mortgage listed above.

Mission Boards continued grants to the University of Nanking in the amount of \$3,000.00, the detail of which is shown in Column 4. Other Mission Board grants were received directly by the United Board.

Enclosed you will find a postcard with which it is asked that you record your approval of having the attached Schedules included as Exhibit I in the Treasurer's Report to the United Board.

Thank you very much.

Very truly yours,



HENRY C. T. PALMER
Associate Treasurer

HCTP:MK

UNIVERSITY OF NANKING

EXHIBIT

BALANCE SHEET

AS OF JUNE 30, 1954

ASSETSEndowment Section:

Investments:
 Consolidated Endowment 3,853.22
 Beneficial interest,
 if any, in the fund of
 the Board of Foreign
 Missions of the Meth.
 Episcopal Church, the
 income of which accrues
 to the acct. of the
 Agricultural Dept. of
 the Univ. of Nanking,
 carried at..... 100,000.00
 UBCCC:

Trust Fund
 Investments 365,963.87
 Famine
 Fd. Invest-
 ments.... 447,502.58 813,466.45 917,319.67
 Cash with United Board..... 165.97

Plant Section:

Land, Bldgs. & Equipment..... 757,951.01
 Investments-Freshman Dormitories-
 Consolidated Special Fds.-UBCCC 4,040.49
 Cash with UBCCC..... 51.17 762,042.67

Current Section:

Famine Fund:
 Special Investments..... 39,803.08
 Hospital Reserve:
 Special Investments..... 5,658.49
 Current Special:
 Consol. Special Investments -
 UBCCC - Trust Funds..... 213,634.12
 Cash with UBCCC..... 13,737.27

FUNDS AND LIABILITIESEndowment Section:

University Funds..... 454,195.05
 Restricted Funds:
 Scholarships.....\$ 7,000.00
 Stabilization..... 9,139.62
 Hoover Fund..... 1,067.00 17,206.62
 China Famine Fund..... 447,502.58
 918,904.25
 LESS: Accumulated Loss on Sale of
 Securities..... 1,418.61

Plant Section:

Used to Acquire Plant Assets..... 757,951.01
 " " " Securities..... 4,091.66
 762,042.67

Current Section:

Famine Fund:
 Famine Fund Income..... 39,803.08
 Hospital Reserve..... 5,658.49
 Current Special:
 Undistributed Income..... 70,322.78
 Directors' Special Funds:
 Inst. of Chinese Cultural
 Studies Fund..... 11,133.81

917,485.64

917,485.64

762,042.67

762,042.67

Nanking

Exhibit I cont'd

Special Reserve Fd.....	28,819.72		
Agricultural 30th Anniv. Fellowship Fund.....	18,175.69		
Directors' Special Funds..	6,429.16		
Field Dept. Reserves.....	37,420.50		
" " " for Out- standing Draft.....	1,112.63		
Founders' Reserve Fund....	69.03	103,160.54	
Retirement Reserve Fund - Income.....	1,466.37		
" " "	9,154.38		
General Fund.....	1,239.50		
Ferguson Museum.....	4,055.87		
Personal Deposits for Staff in China.	6,755.94		
Chinese Faculty Retirement Reserve...	17,078.65		
Deferred Income:			
Directors' Fd. Invstmnts....	8,803.79		
Endow. Income- Restricted...	1,238.24	10,042.03	
Suspense:			
Miscellaneous.....	489.58		
Alumni & Friends Assoc....	3,605.75	4,095.33	272,832.96
	<u>272,832.96</u>		
TOTAL.	\$ 1,952,361.27	TOTAL.	\$ 1,952,361.27

UNIVERSITY OF NANKING
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1954

EXHIBIT I cont'd

<u>R E C E I P T S</u>	<u>Total Receipts</u>	<u>Investment Income</u>	<u>Income Special Investments</u>	<u>Mission Board Grants</u>
<u>Endowment:</u>				
Harvard-Yenching Institute - Stabilization Fund.....	\$ 228.01	228.01		
Endowment Income - Stabilization Fund.....	138.80	138.80		
<u>Plant:</u>				
Special Funds - Freshman Dormitory.....	123.17	123.17		
<u>Current - General:</u>				
Endowment Income - General.....	337.40	337.40		
" " - Hall Fund.....	12,091.04	12,091.04		
" " - Swasey Fund.....	2,135.38	2,135.38		
" " - Methodist Bd.-Agriculture & Forestry.....	3,000.00			3,000.00
<u>Famine Fund:</u>				
Famine Fund Income.....	14,667.49	14,667.49		
<u>Current - Hospital Section:</u>				
Hospital Reserve.....	170.51	170.51		
<u>Special Fund:</u>				
Mortgage Investments.....	172.80		172.80	
Suspense - Professor S. T. Hwang.....	15.05	15.05		
" - Alumni & Friends Association Fund.....	108.85	108.85		
Endowment Income - Restricted.....	323.20	323.20		
General Fund.....	36.58	36.58		
Retirement Reserve Fund - Income.....	320.44	320.44		
Undistributed Income.....	1,837.18	1,837.18		
Directors' Special Fund.....	196.89	196.89		
" " " - Inst. of Chinese Cultural Studies.....	342.30	342.30		
" " Reserve Fund.....	884.37	884.37		
" " Fund - Agricultural 30th Anniversary Fellowship....	557.84	557.84		
" " Fund Income.....	225.24	225.24		
Ferguson Museum.....	121.74	121.74		
Chinese Faculty Retirement Reserve.....	513.71	513.71		
Personal Deposits for Staff in China.....	203.71	203.71		
Field Departmental Reserve.....	1,126.09	1,126.09		
" Reserve for Outstanding Drafts.....	33.53	33.53		

Nanking

EXHIBIT I concluded

\$ 39,911.32 \$ 36,738.52 \$ 172.80 \$ 3,000.00

DISBURSEMENTS

	<u>Total</u> <u>Disbursements</u>	<u>College</u> <u>Disbursements</u>	<u>Administrative</u> <u>Expense</u>
Mortgage Servicing.....	\$ 9.61		\$ 9.61
Suspense - Premium on Annuities.....	29.18	29.18	
	\$ 38.79	\$ 29.18	\$ 9.61

Net Increase - Receipts over Disbursements..... 39,872.53
Total Funds and Liabilities - July 1, 1953..... 1,912,488.74

TOTAL FUNDS AND LIABILITIES - June 30, 1954. \$ 1,952,361.27

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RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN COLLEGES IN CHINA

December 28, 1955

Members of the Committee:

- | | |
|----------------------------|--------------------------|
| * Mr. Dana M. Albaugh | * Dr. J. Theron Illick |
| * Dr. M. Searle Bates | * Dr. E. C. Lobenstine |
| Dr. George B. Cresse | * Mr. Donald B. MacQueen |
| * Dr. J. L. Dodds | Mr. John T. Ogden |
| * Dr. Phillips P. Elliott | * Mrs. Charles H. Sears |
| Dr. E. A. Fridell | * Mr. Virgil A. Sly |
| * Dr. Nolan B. Harmon, Jr. | * Dr. M. O. Williams |

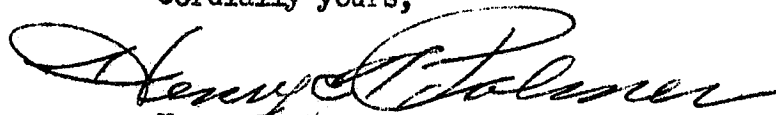
Under date of November 28, 1955 the Report of the Treasurer to the University of Nanking Committee was mailed to the members for their inspection and approval.

The members were asked to indicate by return postcard their approval or disapproval of the Report.

Those whose names are starred above approved of the proposed vote as follows:

VOTED N-64 that the University of Nanking Treasurer's Report for the period ending June 30, 1955 be recommended to the Trustees for inclusion as Exhibit I in the United Board Report.

Cordially yours,


Henry C. T. Palmer
Associate Treasurer

HCTP/as

UNIVERSITY OF NANKING
BALANCE SHEET
AS OF JUNE 30, 1955

EXHIBIT I

A S S E T S

Endowment Section:

Investments:

Consolidated Endowment \$2,671.00
Beneficial interest, if
any, in the fund of the
Board of Foreign Missions
of the Methodist Episco-
pal Church, the income of
which accrues to the acct.
of the Agricultural Dept.
of the Univ. of Nanking,
carried at..... 100,000.00

UBCCC:

Trust Fund

Investmnts 366,459.10

Famine Fund

Investmnts 447,502.58 813,961.68 \$916,632.68

Cash - UBCCC..... 175.50 \$916,808.18

Plant Section:

Land, Buildings & Equipment..... 757,951.01
Investments - Freshman Dormitories
Cons. Special Funds - UBCCC 4,142.34
Cash with UBCCC..... 38.07 762,131.42

Current Section:

Famine Fund: UBCCC:

Special Investments 50,286.45
Cash..... 111.48 50,397.93

Hospital: UBCCC:

Special Investments 5,670.42
Cash..... 111.48 5,781.90

F U N D S A N D L I A B I L I T I E S

Endowment Section:

University Funds..... \$454,195.05
Restricted Funds:
Scholarships..... 7,000.00
Stabilization..... 9,524.38
Hoover Fund..... 1,067.00 17,591.38
China Famine Fund..... 447,502.58
919,289.01
Less: Accumulated Loss on Sale
of Securities..... 2,480.83

916,808.18

Plant Section:

Used to Acquire Plant Assets... 757,951.01
Used to Acquire Securities..... 4,180.41 762,131.42

Current Section:

Famine Fund:

Famine Fund Income..... 50,397.93
Hospital Reserve..... 5,781.90

Current Special:

Undistributed Income..... 40,783.93
Deferred Income..... 683.30

Directors' Special Funds:

Inst. of Chinese Cultural
Studies Fund..... \$11,133.81
Spec. Reserve Fund.. 28,819.72

Miscellaneous (?)

Nanking

Exhibit I Cont'd.

Current Special:

Consolidated Spec. Investments
UBCCC - Trust Funds.....194,568.93
Cash - UBCCC..... 7,611.42

258,360.18

TOTAL \$1,937,299.78

Current Section (Continued)

Agricultural 30th Anniv.
Fellowship Fund..... 18,175.69
Directors' Special Funds... 6,429.16
Field Department Reserves..38,234.63
Field Dept. Reserves for
Outstanding Drafts.... 1,136.63
Founders' Reserve Fund... 69.03 103,998.67

Retirement Reserve Fund - Income..... 1,697.32
Retirement Reserve Fund..... 9,154.38
General Fund..... 1,266.55
Ferguson Museum..... 4,143.98
Personal Deposits for Staff in China.. 6,902.71
Chinese Faculty Retirement Reserve.... 17,449.86
Deferred Income:
Directors' Fund Investmnts 10,399.02
Endowment Income Restricted 1,562.04 11,961.06

Suspense:

Miscellaneous..... 454.40
Alumni and Friends Assoc. 3,684.19 4,138.59 258,360.18

TOTAL \$1,937,299.78

UNIVERSITY OF NANKING
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1955

EXHIBIT I Cont'd.

<u>R E C E I P T S</u>	<u>Total Receipts</u>	<u>Investment Income</u>	<u>Income Special Investments</u>	<u>Mission Board Grants</u>
<u>Endowment:</u>				
Harvard-Yenching Institute - Stabilization Fund.....	\$ 239.43	\$ 239.43	\$	\$
Endowment Income - Stabilization Fund.....	145.33	145.33		
<u>Plant:</u>				
Special Funds - Freshman Dormitory.....	88.75	88.75		
<u>Current - General:</u>				
Endowment Income - General.....	505.66	505.66		
" " - Hall Fund.....	12,193.32	12,193.32		
" " - Swasey Fund.....	2,153.16	2,153.16		
" " - Methodist Board - Agriculture and Forestry.....	3,000.00			3,000.00
<u>Famine Fund:</u>				
Famine Fund Income.....	10,594.85	10,594.85		
<u>Current - Hospital Section:</u>				
Hospital Reserve.....	123.41	123.41		
<u>Special Fund:</u>				
Mortgage Investments.....	165.60		165.60	
Suspense - Professor S. T. Hwang.....	10.66	10.66		
" - Alumni and Friends Association Fund.....	78.44	78.44		
Endowment Income - Restricted.....	249.41	249.41		
General Fund.....	27.05	27.05		
Retirement Reserve Fund - Income.....	230.95	230.95		
Undistributed Income.....	992.77	992.77		
Directors' Special Fund.....	138.96	138.96		
" " " - Institute of Chinese Cultural Studies....	240.54	240.54		
" " Reserve Fund.....	621.98	621.98		
" " Fund - Agricultural 30th Anniv. Fellowship.....	392.22	392.22		
" " " Income.....	201.53	201.53		
Ferguson Museum.....	88.11	88.11		

Nanking

EXHIBIT I Cont'd.

Special Fund: (Continued)

	<u>Total Receipts</u>	<u>Investment Income</u>	<u>Income Special Investments</u>	<u>Mission Board Grants</u>
Chinese Faculty Retirement Reserve.....	\$ 371.21	\$ 371.21		
Personal Deposits for Staff in China.....	146.77	146.77		
Field Departmental Reserve.....	814.13	814.13		
Field Reserve for Outstanding Drafts.....	24.00	24.00		
	<hr/>	<hr/>		
	\$ 33,838.24	\$30,672.64	\$ 165.60	\$3,000.00
	<hr/>	<hr/>		
	<u>Total Disbursements</u>	<u>College Disbursements</u>	<u>Adminis. Expense</u>	<u>Disburse- ment to UBCCC</u>
Mortgage Service.....	\$ 9.31	\$	\$ 9.31	
Suspense - Premium on Annuities.....	45.84	45.84		
Income on Charles M. Hall Endowment Funds transferred to UBCCC....	47,782.36			\$47,782.36
Write down of Mortgage, 40 Lincoln Road, Brooklyn, N.Y. to value of \$1.00 in accord with action by Investment Sub- Committee, December 13, 1954.....	1,062.22	1,062.22		
	<hr/>	<hr/>		
	\$48,899.73	\$ 1,108.06	\$ 9.31	\$47,782.36
	<hr/>	<hr/>		
Net Decrease - Receipts over Disbursements.....	(15,061.49)			
Total Funds and Liabilities - July 1, 1954.....	1,952,361.27			
Total Funds and Liabilities - June 30, 1955.....	\$1,937,299.78			

NOTE: Income from Special Investments has been overstated by \$683.30 due to an over-accrual as of June 30, 1955.

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MINUTES

Circulation Vote

NANKING UNIVERSITY SUBCOMMITTEE OF THE MAINLAND COMMITTEE

2 July 1956

Members:

- | | |
|------------------------------|------------------------|
| *Dr. E. A. Fridell, Chairman | *Mrs. Charles H. Sears |
| *Dr. M. Searle Bates | *Dr. Virgil A. Sly |
| *Dr. J. L. Dodds | *Dr. M. O. Williams |

Asterisks indicate those from whom votes were received. These constitute a quorum.

On June 21, 1956 the Secretary informed the Committee, in the following terms, of a request for permission to re-publish Dr. J. L. Buck's Land Utilization in China:

"In 1937, the University of Nanking published Dr. J. L. Buck's Land Utilization in China, which immediately became an outstanding publication in its field.

There continues to be demand for this work, but it has long been out of print. The original set of three volumes is now listed under rare books and is quoted at \$75.00.

The Council on Economic and Cultural Affairs (630 Fifth Avenue, New York) has approved expenditures to cover the cost of producing by the photo-offset process 1000 copies of the text volume for free distribution to institutions and individuals in the Far East, India, and Pakistan. It is expected that there will also be a small demand for copies in this country, for which the original price of \$5.00 will be charged to cover part of the cost of reproduction and handling.

On behalf of the Council, Dr. Buck, who is its Director for Agricultural Economics, has written asking for permission to proceed with this reproduction."

He recommended that the requested permission be given.

It was unanimously

VOTED that permission be given to the Council on Economic and Cultural Affairs, Inc. to reproduce by photo-offset 1000 copies of the text volume of Dr. J. Lossing Buck's Land Utilization in China, which was originally published by the University of Nanking in 1937, with the understanding that the greater portion of this edition will be for free distribution in Asia.

Respectfully submitted,

William P. Fenn,
Executive Secretary

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RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN HIGHER EDUCATION IN ASIA

December 31, 1956

Members of the Committee:


- | | |
|-------------------------|-----------------------------|
| * Mr. Dana M. Albaugh | Bishop Nolan B. Harmon, Jr. |
| * Dr. M. Searle Bates | * Dr. E. C. Lobenstine |
| * Dr. George B. Cressey | Mr. John T. Ogden |
| * Dr. J. L. Dodds | * Mrs. Charles H. Sears |
| Dr. Phillips P. Elliott | * Mr. Virgil A. Sly |
| * Dr. E. A. Fridell | * Dr. M. O. Williams |

Under date of December 20, 1956, the Report of the Treasurer to the University of Nanking Committee was mailed to the members for their inspection and approval.

The members were asked to indicate by return postcard their approval or disapproval of the Report.

Those whose names are starred above approved of the proposed vote as follows:

VOTED N-65 that the University of Nanking Treasurer's Report for the period ending June 30, 1956 be recommended to the Trustees for inclusion as Exhibit I in the United Board Report.


 Henry C. T. Palmer
 Associate Treasurer

HCTP/as

UNIVERSITY OF NANKING

EXHIBIT I

BALANCE SHEET - JUNE 30, 1956ASSETSFUNDS AND LIABILITIES

ENDOWMENT SECTION:

Investments:

Consolidated Endowment \$2,551.00
Beneficial interest in the income of the permanent fund of \$100,000. of the Div. of World Missions of the Methodist Church. Designated for the support of the Agricultural Dept. of Nanking Univ. The principal of the fund being the property of the Div. of World Missions..... 100,000.00

UBCHEA:

Trust Fund
Invest...\$366,296.52
Famine Fund
invest... 447,502.58 813,799.10 \$916,350.10
Cash - UBCHEA..... 136.68 \$916,486.78

PLANT SECTION:

Land, Buildings & Equipment..... \$757,951.01
Investments - Freshman Dormitories
Cons. Spec. Funds - UBCHEA.... 4,230.87
Cash with UBCHEA..... 34.61 762,216.49

ENDOWMENT SECTION:

University Funds \$454,195.05
Restricted Funds:
Scholarship \$7,000.00
Stabilization ... 9,168.16
Hoover Fund 1,067.00 17,235.16
China Famine Fund 447,502.58
\$918,932.79
Less: Accumulated Loss on
sale of securities 2,446.01

PLANT SECTION:

Used to Acquire Plant Assets...\$757,951.01
Used to Acquire Securities..... 4,265.48
762,216.49

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University of Nanking Balance Sheet
(Continued)

-2-

EXHIBIT 1

CURRENT SECTION:

Famine Fund:

UBCHEA: Special
Investments..... \$59,384.55
Cash..... 1,156.02 \$60,540.57

Hospital:

UBCHEA: Special
Investments..... \$ 4,743.85
Cash..... 1,156.03 5,899.88

CURRENT SPECIAL:

Consolidated Special In-
vestments - UBCHEA \$129,126.50
Cash - UBCHEA..... 3,765.39

\$199,332.34

\$1,878,035.61

CURRENT SECTION:

Famine Fund:

Famine Fund Income.....\$ 60,540.57
Hospital Reserve..... 5,899.88

Current Special:

Undistributed Income..... 44,587.32

Directors' Special Funds:

Inst. of Chinese Cultural
Studies Fund.... \$11,133.81

Agricultural 30th

Anniv. Fellowship
Fund..... 18,175.69

Directors' Special

Funds..... 6,429.16

Field Dept. Reserves

for Outstanding
Drafts..... 1,159.96 36,898.62

Retirement Reserve Fund..... 9,154.38

Ferguson Museum..... 4,228.27

Personal Deposit for Staff in
China..... 7,043.07

Chinese Faculty Retirement Res. 17,805.32

Deferred Income:

Directors' Fund Invest-
ments..... 7,003.19

Endow. Income Re-
stricted..... 1,902.65 8,905.84

Suspense:

Miscellaneous.....\$ 509.64

Alumni & Friends
Association..... 3,759.43

4,269.07 199,332.34

\$1,878,035.61

UNIVERSITY OF NANKINGSTATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1956**INVESTMENT INCOME:**

Investment - United Board:

Harvard-Yenching Institute - Stabilization Fund.....	\$ 260.92
Endowment Income - Stabilization Fund.....	134.89
Special Funds - Freshman Dormitory.....	85.07
Endowment Income - General.....	525.69
" " - Hall Fund.....	12,663.30
" " - Swasey Fund.....	2,236.00
Famine Fund Income.....	10,142.64
Hospital Reserve.....	117.98
Suspense - Professor S. T. Hwang.....	10.36
" - Alumni and Friends Association Fund.....	75.24
Endowment Income - Restricted.....	109.21
General Fund.....	1.83
Retirement Reserve Fund - Income.....	187.73
Undistributed Income.....	861.56
Directors' Special Fund Income.....	900.60
Ferguson Museum.....	84.29
Chinese Faculty Retirement Reserve.....	355.46
Personal Deposits for Staff in China.....	140.36
Field Departmental Reserve.....	54.89
Field Reserve for Outstanding Drafts.....	23.33
Total Investment Income - United Board	<u>\$ 28,971.35</u>

Income Special Investments:

Mortgage Investments.....	158.40
Miscellaneous Income.....	34.82
Transfer from United Board Annuity Charges - Elsie Priest	74.80
Annuity Income - Grace Bauer.....	126.96
Total Investment Income.....	<u>\$ 29,366.33</u>

DISBURSEMENTS

MORTGAGE SERVICE.....	\$ 8.90
SUSPENSE - PREMIUM ON ANNUITIES.....	156.88
TRANSFERRED TO UNITED BOARD:	
Endowment Income - Stabilization Fund.....	752.03
" " - General.....	91.91
" " - Hall Fund.....	12,663.30
General Funds - Current Special.....	1,268.38
Retirement Reserve Fund - Income.....	1,885.05
Founders Reserve Account.....	69.03
Directors' Special Reserve Fund.....	28,819.72
Income on Directors' Fund Investment.....	4,296.43
Field Departmental Reserves.....	38,289.52
Undistributed Income.....	329.35
Total Disbursements.....	<u>\$ 88,630.50</u>
NET DECREASE - DISBURSEMENTS OVER RECEIPTS.....	<u>\$(59,264.17)</u>
TOTAL FUNDS AND LIABILITIES - JULY 1, 1955.....	<u>1,937,299.78</u>
TOTAL FUNDS AND LIABILITIES, JUNE 30, 1956.....	<u>\$1,878,035.61</u>

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RECORD OF CIRCULATION VOTE

UNIVERSITY OF NANKING COMMITTEE

UNITED BOARD FOR CHRISTIAN HIGHER EDUCATION IN ASIA

December 31, 1957

Members of the Committee:

- * Dr. M. Searle Bates
- * Dr. J. L. Dodds
- Dr. E. A. Fridell
- * Mrs. Charles H. Sears
- * Dr. Virgil A. Sly
- * Dr. M. O. Williams, Jr.

Under date of December 4, 1957, the Report of the Treasurer to the University of Nanking Committee was mailed to the members for their inspection and approval.

The members were asked to indicate by return postcard their approval or disapproval of the Report.

Those whose names are starred above approved of the proposed vote as follows:

VOTED N-66 that the University of Nanking Treasurer's Report for the period ending June 30, 1957 be recommended to the Trustees for inclusion as Exhibit I in the United Board Report.



Henry C. T. Palmer
Associate Treasurer

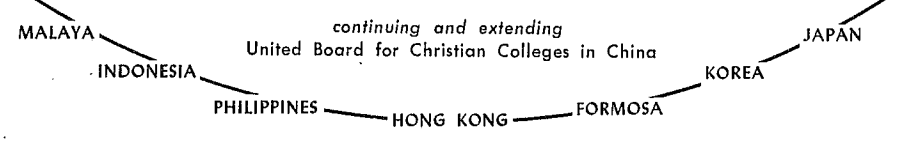
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UNITED BOARD

for CHRISTIAN HIGHER EDUCATION in ASIA

150 Fifth Avenue, New York 11, N. Y.



Telephone: WAtkins 9-8703

Cable Address: ABCHICOL

December 4, 1957

TO THE MEMBERS OF THE
UNIVERSITY OF NANKING COMMITTEE

Dear Friends:

Enclosed herewith is a Balance Sheet for the University of Nanking as of June 30, 1957, together with a Statement of Receipts and Disbursements for the fiscal year July 1, 1956 to June 30, 1957, which have been prepared by the auditors, Messrs. Chambellan, Berger and Welti. These statements have been prepared as Exhibit I of the Report of the Treasurer to the United Board.

Since all contact with our beloved University in China has been discontinued and since no funds were sent to China during the fiscal year 1956-57, the activity in the University accounts was reduced to a minimum. The annual report of the Treasurer to the United Board will be presented in a form that will give a complete financial picture of the stewardship of the United Board including its administration of those funds it holds for the various Universities.

At the present time, all cash and investment assets are held by the United Board for the benefit of these colleges and are included in the United Board Treasurer's Report. In the case of Nanking, assets listed on the Balance Sheet, amounting to \$2,431.00 have been excepted.

Cash and investments held by the United Board for the University of Nanking on June 30, 1957 were as follows:

	<u>Consolidated Investments</u>	<u>Cash</u>
Endowment.....	\$366,849.99	\$ -
Famine Fund.....	447,502.58	-
Plant.....	4,336.40	-
Current.....	<u>216,207.25</u>	<u>.34</u>
	<u>\$1,034,896.22</u>	<u>\$.34</u>

The investments which were not consolidated may be listed as follows:

Mortgage - 1515 Overing St., Bronx, N.Y.....	\$2,430.00
Preferred Creditors Claim against Superintendent of Insurance as liquidator of Lawyers Mtge. Co.	1.00
	<u>\$2,431.00</u>

University of Nanking Committee

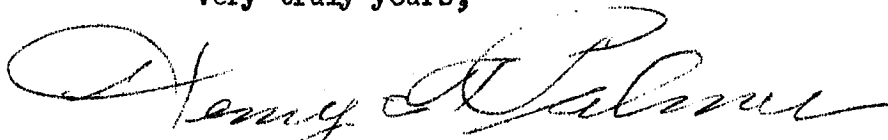
Certain aspects of the enclosed statement of receipts and disbursements are of sufficient importance and interest to warrant special comments.

Of the \$31,507.17 shown as "Investment Income" added to the various accounts, \$17,500.97 represents income earned on endowment investments, \$8,447.64 income earned on famine fund investments and \$5,558.56 income earned on investment of special funds and reserves.

As you were a member of the 1956-57 University of Nanking Committee, will you kindly record your approval of having the attached Schedules included as Exhibit I in the Treasurer's Report to the United Board? A postcard is enclosed for your convenience.

Thank you very much.

Very truly yours,



Henry C. T. Palmer
Associate Treasurer

HCTP/as
Encl.

UNIVERSITY OF NANKING

BALANCE SHEET - JUNE 30, 1957

ASSETS					FUNDS AND LIABILITIES	
ENDOWMENT SECTION:						
Investments:					ENDOWMENT SECTION:	
Consolidated Endowment.....	\$	2,431.00			University Funds	\$354,195.05
Beneficial interest in					Methodist Board College of	
the income of the permanent					Agriculture (Contra).....	100,000.00
fund of \$100,000. of the					Restricted Funds:	
Div. of World Missions of					Scholarship	\$7,000.00
the Methodist Church, desig-					Stabilization.....	9,464.95
nated for the support of the					Hoover Fund.....	<u>1,067.00</u> 17,531.95
Agricultural Dept. of Nan-					China Famine Fund.....	<u>447,502.58</u>
king Univ. The Principal						<u>\$919,229.58</u>
being the property of the					Less: Accumulated Loss on	
Div. of World Missions					Sale of Securities.....	<u>2,446.01</u>
(Contra).....	\$100,000.00					
UBCHEA:						
Trust Fund						
invest..	\$366,849.99					
Famine Fund						
invest..	<u>447,502.58</u>	<u>814,352.57</u>	<u>914,352.57</u>	\$916,783.57	\$916,783.57	
PLANT SECTION:						
Land, Buildings & Equipment....	\$757,951.01				PLANT SECTION:	
Investments - Freshman Dormi-					Used to Acquire Plant Assets...	\$757,951.01
tories - Cons. Speical					Used to Acquire Securities.....	<u>4,336.40</u>
Funds - UBCHEA.....	<u>4,336.40</u>	762,287.41				762,287.41

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University of Nanking Balance Sheet (Continued)

-2-

CURRENT SECTION:

Famine Fund:
 UBCHEA - Sp. Invest. \$ 68,988.21

Hospital:
 UBCHEA - Special
 Investments.. 5,997.97

CURRENT SPECIAL:

Consolidated Special In-
 vestments - UBCHEA... 141,221.07
 Cash - UBCHEA..... 34

216,207.59\$1,895,278.57

CURRENT SECTION:

Famine Fund:			
Famine Fund Income	\$ 68,988.21		
Hospital Reserve.....	5,997.97		
Current Special:			
Undistributed Income.....	51,268.05		
Directors' Special Funds:			
Institute of Chinese Cultural Studies Fund.....	\$ 11,133.81		
Agricultural 30th Anniversary Fellowship Fund.....	18,175.69		
Directors' Special Funds.....	6,429.16		
Field Dept. Reserve for Out- standing Drafts.....	<u>1,179.27</u>	36,917.93	
Retirement Reserve Fund.....		9,154.38	
Ferguson Museum.....		4,298.59	
Personal Deposit for Staff in China.....		7,160.18	
Chinese Faculty Retirement Reserve.....		18,101.37	
Deferred Income:			
Directors' Fund Investments...\$7,713.90			
Endowment Income Restricted... <u>2,266.94</u>		9,980.84	
Suspense:			
Miscellaneous.....\$ 518.13			
Alumni and Friends Association <u>3,821.94</u>		<u>4,340.07</u>	<u>216,207.59</u>

\$1,895,278.57

UNIVERSITY OF NANKINGSTATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1957RECEIPTS

INVESTMENT INCOME:

Investment - United Board:

Harvard-Yenching Institute - Stabilization Fund.....	\$	296.79
Endowment Income - Stabilization Fund.....		141.76
Special Funds - Freshman Dormitory.....		70.92
Endowment Income - General.....		569.51
Endowment Income - Hall Fund.....		13,737.17
Endowment Income - Swasey Fund.....		2,425.92
Famine Fund Income.....		8,447.64
Hospital Reserve.....		98.09
Suspense - Professor S. T. Hwang.....		8.49
Suspense - Alumni and Friends Association Fund.....		62.51
Endowment Income - Restricted.....		213.09
Retirement Reserve Fund - Income.....		151.31
Undistributed Income.....		792.31
Directors' Special Fund Income.....		710.71
Ferguson Museum.....		70.32
Chinese Faculty Retirement Reserve.....		296.05
Personal Deposits for Staff in China.....		117.11
Field Department Reserve.....		19.31

Total Investment Income - United Board.. \$ 28,229.01

Income Special Investments:

Mortgage Investment.....		151.20
Suspense - Annuity.....		126.96
Board of Missions of the Methodist Church		3,000.00

Total Investment Income..... \$ 31,507.17

DISBURSEMENTS

MORTGAGE SERVICE.....	\$	8.51
SUSPENSE - ANNUITY		126.96
TRANSFERRED TO UNITED BOARD:		
Retirement Reserve.....		151.31
Endowment Income - Hall Fund.....		13,737.17
Endowment Income - General.....		98.50
Endowment Income - Stabilization Fund.....		141.76
Total Disbursements.....	\$	14,264.21

NET INCREASE..... \$ 17,242.96

TOTAL FUNDS AND LIABILITIES -- JULY 1, 1956..... 1,878,035.61

TOTAL FUNDS AND LIABILITIES - JUNE 30, 1957..... \$1,895,278.57