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MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

2:30 P. M., Friday, January 10, 1930

Room 323, 150 Fifth Avenue, New York City.

List of Members

| | |
|------------------------------------|---|
| George G. Barber, Chairman | A. L. Warnshuis (Alt. for Mr. McBrier) |
| *Sidney D. Gamble | *Mrs. O. R. Williamson (Alt. for Mr. Stock) |
| Mrs. L. O. Lee | C. T. Ludington, Alternate |
| *Leslie R. Rounds | *Miss Margaret Burton (Alt. for Mrs. Boyd) |
| *G. T. Scott (Alt. for Mr. Warner) | *D. Leighton Stuart (ex-officio) |

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

In the absence of Mr. George G. Barber, Mr. Sidney D. Gamble was elected chairman pro tem.

The meeting followed one of the Committee on Salaries, which met at 1:30 P.M. and the first item of business to be taken up was

REPORT OF COMMITTEE ON SALARIES

This Committee, consisting of Mr. Rounds, Dr. Warnshuis (absent) and Mrs. Williamson, with Dr. Stuart, B. A. Garside, C. A. Evans, carefully considered all available information from the field as well as recent developments in the shrinkage of silver. The field had submitted a schedule of advances wherein it was proposed that one half of the foreign salary and allowances be paid in Local Currency at a flat rate of 2:1 and the balance be paid on the basis of the rate of exchange contracted by the University. This represented nearly 12% increase on the old basis. It was felt that if a 12½% increase was made with the understanding that it was retroactive from July 1 and represented an advance in this fiscal year 1929/30, the immediate emergency would be met and that further consideration for the future would be given any authorized action received from the field, which would probably include suggestions regarding a plan for retirement.

Acting upon the recommendation of the Committee on Salaries, the motion proposed was adopted by the Finance Committee as follows:

F - 2726 VOTED that the Trustees approve for the entire fiscal year 1929/30 a 12½% salary increase on the old basis as listed in Dr. Galt's letter of November 20, 1929 and including Women's college, for Western staff of Yenching University; that a cable to the field be authorized, and that action on the salary for the future be deferred until recommendations are received from the field.

APPROVAL OF MINUTES

The minutes of the meeting of December 23 were approved as circulated.

APPROVAL OF PAYMENT FOR LEGAL SERVICES

It was reported that the firm of McAlpin, Kaufman, Merle-Smith & Smart had

January 10, 1930

presented a bill for \$63.91 covering the legal services for Yenching University for the past year that the invoice covered materials and expenses in connection with services. It was

F - 2727 VOTED that the bill of McAlpin, Kaufman, Merle-Smith & Smart for \$63.91 covering legal services rendered Yenching for the past year be paid and that sincere appreciation be expressed to Mr. Merle-Smith for the very splendid professional services rendered during 1929.

PROMOTIONAL OVERHEAD

The discussion regarding the promotional offices of both Yenching and Princeton-in-Peking centered about an effort to find a method of equalizing the cost of both offices and of finding some means whereby the overhead could be taken care of without charging directly against undesignated gifts. However no action was taken.

PIERCE & HEDRICK CONTRACT FOR CAMPAIGN PURPOSES

The Promotional office presented a report as coming from the special committee appointed under F-2722 at the December 23 meeting. Terms of a contract as proposed by Pierce and Hedrick were offered for consideration, and after discussing all phases of the situation Mr. Hedrick was asked to come before the meeting and give his ideas regarding the practical application of the projected plan for the Campaign. Briefly it consisted of compiling a list of individuals who are interested in Chinese education, culture, and China itself; secondly, of conducting an educational campaign whereby the prospect would be thoroughly informed; and lastly of personal solicitation using any available personnel that the University can possibly spare, the campaign to be launched in California but any leads growing out of it to be followed regardless of locality. It was also suggested that the \$250,000 objectives should be a part of a much larger campaign to include broader objectives than that originally proposed for the College of Natural Sciences alone.

After Mr. Hedrick left the meeting, it was

F - 2728 VOTED it is recommended that the Executive Committee approve the Pierce & Hedrick contract as set forth in the communication from Mr. Lyman L. Pierce dated January 4, 1930, which is appended to these minutes as Appendix A.

The Committee had not overlooked the method of handling the initial payment on the contract, and it was

F - 2729 VOTED that the Treasurer be authorized to use \$5,000 from capital reserve fund now held on certificate of deposit with the Central Hanover Bank and Trust Company, as a loan to the Campaign section to represent the first payment on the contract with Pierce & Hedrick.

An effort was made to set an early date for another meeting of the Committee but no agreement was reached, and the Committee adjourned.

C. A. EVANS
Assistant Secretary.

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Appendix "A"

PROPOSED TERMS OF MESSRS. PIERCE & HEDRICK
FOR CAMPAIGN IN BEHALF OF
YENCHING UNIVERSITY

(Excerpt from letter of January 4, 1930 from Mr. Lyman L. Pierce)

"You will need to set aside a modest sum with a clear understanding that you are investing it in a process which involves some risk. The minimum preliminary operating appropriation should be \$5,000. Pierce and Hedrick will supply a competent experienced director for a term of twelve weeks for the sum of \$3,000. The remaining \$2,000. would doubtless be required for travel, group meetings, printing, postage, clerical help and miscellaneous items. This would be the basis of our proposal. Should it develop that we are mistaken in our preliminary thinking and in our forecast, this would doubtless be apparent to you and us even before the twelve week period was up. In this event, Pierce and Hedrick would immediately communicate their recommendations to you. If, as we believe probable, encouraging progress could be made, indicating a hopeful outlook, our services would not be necessarily limited to the twelve weeks but the whole project would be based on the following results if and when attained.

1. When the sum of \$100,000 had been subscribed in cash or valid pledges, you would pay to Pierce and Hedrick the sum of \$10,000 which sum would cover the advances already made on account of the initial \$5,000.

2. When an additional \$75,000 was secured in cash or valid pledges, you would pay to Pierce and Hedrick the sum of \$6,000.

3. For each successive sum of \$100,000 thereafter obtained in cash and valid pledges, you would pay to Pierce and Hedrick the sum of \$6,000.

In other words, Pierce and Hedrick offer you their services for this campaign for a fee of \$22,000 covering all expenses including the directing fee, travel, conferences, printing, postage, and other items, this sum to be payable as indicated above with the amount of \$5,000 above mentioned invested by you without restrictions but applicable to payments as indicated.

We submit this proposal as a basis for your consideration and will be pleased to discuss with you any modifications which you may suggest in the hope that we may reach a mutual agreement which will be equitable and satisfactory to both parties."

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MINUTES OF VOTE BY CIRCULATION
EXECUTIVE COMMITTEE, BOARD OF TRUSTEES
YENCHING UNIVERSITY

January 14, 1930

Members of Committee

| | | |
|--|----------------------|---------------------------------|
| *Dr. J. L. Barton | **Dr. G.T.Scott | Dr. A. L. Warnshuis |
| Mrs. J. M. Avann | Mrs. J. H. Finley | Prof. W. J. Thompson |
| *Mrs. Lucius O. Lee(Alt. for Mr.E.A.Evans.) | C.T.Ludington (Alt.) | (Alt.for Mr. McBrier) |
| **Franklin H. Warner, ex-officio | | **J.Leighton Stuart, ex-officio |

Those whose names are single starred above have approved the following action in writing; those whose names are double starred approved this action either at the Finance Committee meeting on January 10 or in conference on January 14.

E-2730(a) VOTED to approve action F-2728 of the Committee on Finance Property and Investment recommending that Yenching University enter into a contract with Pierce and Hedrick in accordance with the provisions set forth in Mr. Lyman L. Pierce's letter of January 4, 1930, which is attached to the minutes of the January 10 meeting of the Committee on Finance, Property and Investment as Appendix A.

B.A.GARSDIE
Secretary.

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

12:30 P. M., Friday, January 17, 1930

Cafeteria Committee Room, 150 Fifth Avenue, New York City

List of Members

| | |
|---------------------------------------|--|
| * George G. Barber, Chairman | *Mrs. O. R. Williamson(Alt. for Mr. Stock) |
| * Sidney D. Gamble | C.T. Ludington, Alternate |
| * Mrs. L. O. Lee | Miss M. Burton (Alt. for Mrs. Boyd) |
| * Leslie R. Rounds | *J. Leighton Stuart, ex-officio |
| G. T. Scott (Alt. for Mr. Warner) | *Franklin H. Warner, ex-officio |
| A. L. Warnshuis(Alt. for Mr. McBrier) | |

Those whose names are starred above were present, as well as B.A. Garside and C.A. Evans.

APPROVAL OF MINUTES

The minutes of the January 10 meeting as circulated to the Committee and Trustees were approved.

ARRANGEMENT TO COVER MISCELLANEOUS EXPENSES
OF DOCTOR STUART

It was pointed out that during Dr. Stuart's visit to America in 1927/28 an extra allowance for regular expenses was voted to him. Dr. Stuart felt that the same amount would be satisfactory, and it was

F-2730(b) VOTED that same arrangements for Dr. Stuart's miscellaneous expenses be made as represented in motion F-2215 passed on January 6, 1928, which reads, "Voted that the allowance to cover incidental expenses of President J. Leighton Stuart while in America be placed at \$3.00 per day."

SALE OF "RIGHTS" OF ASSOCIATED GAS AND ELECTRIC COMPANY

The University is now holding rights on the 155 shares of General Gas and Electric preferred B stock convertible into Associated Gas and Electric securities. Date of conversion has been extended to February 17, 1930. It was

F-2731 VOTED that rights to purchase combination of General Gas and Electric and Associated Gas and Electric securities now held by the University be sold, and that necessary papers for the sale be executed by the officers of the University so designated.

WOMAN'S COLLEGE INSURANCE FUND

It was reported that the Woman's College was authorized to draw G\$2,000 on August 15 against current expenses. Relative to this the field writes: In regard to the G\$2,000 which you authorized us to draw on August 15 . . . we suggest that since we did not need the money on the field for current expenses . . . you invest it in New York and credit our insurance fund

with the amount making a total of G\$5,000 in that fund." The question was raised as to the advisability of establishing such a fund, but as the insurance problem has not been finally settled, it was

F-2732 VOTED to approve adding a G\$2,000 from current funds to the Insurance Fund already set up on the books of the Woman's College with the understanding that it can be re-allocated in the future if it is found advisable.

GAMBLE RESIDENCE

A communication from the Trustees of Princeton-in-Peking indicated that they are anxious to have Mr. Sidney D. Gamble reimbursed for a loan of \$7,000 made in 1925, used in erecting a residence for one of the Princeton-in-Peking staff. The Promotional office has secured subscriptions and cash beyond this amount from sources which naturally would be considered in sympathy with the Princeton-in-Peking activities. Action F-2460 passed on February 1, 1929 reads: "Voted that the gifts of \$5,000 from Mr. J. H. Lockhart, \$2,000 from Mrs. W. M. McKelvey, and \$500 from Dr. T. H. P. Sailer be considered as belonging to the Residence Fund for appointees of Princeton-in-Peking, and that the Trustees of that organization be so informed." It was therefore.

F-2733 VOTED that the Treasurer of Yenching University be authorized to pay Mr. Sidney D. Gamble \$7,000. to cover loan used in erecting a residence occupied by one of the Princeton-in-Peking staff.

GIFT OF \$25,000 FROM MRS. GAMBLE

A communication was presented at the meeting wherein the executor of the estate of Mrs. Mary Huggins Gamble, deceased, stated that it was the intention of Mrs. Gamble to will to Yenching \$25,000.00 as an endowment fund, but for technical reasons, the bequest is invalid. The executor indicated, however, that the residuary legatees under the will, namely Cecil H., Sidney D., and Clarence J. Gamble, are making arrangements whereby during a period of about four years the University will receive approximately the amount specified in the will. In view of this very generous attitude on the part of the legatees, it was

F-2734 VOTED that the Finance Committee note the action of the residuary legatees of the estate of Mrs. Mary Huggins Gamble, deceased wherein they indicate a willingness to give the University over a period of four years approximately \$25,000.00 and that it express the sincere gratitude of the University for this further testimonial of interest and loyalty on the part of the Gamble family.

DEFICIT OF \$1,000 FOR SALARY OF DOCTOR CHEN

Dr. Stuart reported the manner in which this deficit occurred. Through an understanding with the Promotional office that a pledge of \$1,000 would be secured to take care of the salary of a veterinarian, Dr. Chen was hired. The pledge, however, was not realized, this causing a deficit on the field, which, of course, is outside of the budget. Some criticism regarding the method of proceeding without proper authorization from the

Treasurer's office was expressed. It was

F-2735 VOTED to authorize the payment of the \$1,000.00 deficit occasioned through the employment of Dr. Chen as veterinarian, but that the field be instructed that special care be used in handling items outside of the budget, and that proper authorization be secured from the Treasurer's office before proceeding with the expenditure of such funds.

POWER PLANT

An item of the docket called attention to a request from the field for G\$32,606.00 for additional power plant equipment. The items consisted of a new electric generator costing G\$25,000.00 including installation, and one hot-water calorifier costing approximately G\$7,606.00 including installation. It was felt that while it was extremely desirable to have the extra installation called for in the electric generator, yet in view of other pressing needs this item might be set aside for the present, but inquiry should be made from the field regarding hot-water equipment and additional boiler capacity, and it was therefore

F-2736 VOTED that the request of the field for G\$32,606.00 for additional hot-water and electric generating equipment be temporarily set aside and that further details regarding extra boiler capacity and hot-water equipment be secured by writing to Yenching.

LOCATION OF PRACTICE SCHOOL

In action F-2693 a cable was authorized to the field directing that work on the Practice School cease until Dr. Stuart arrived. A letter from the field, however, indicated that the Elementary School and Kindergarten were completed at the time the cable arrived. In discussing the situation, it was brought out that if it is possible to secure President Hsu's Garden of 26 acres, the Practice School could occupy the east end, the School of Religion the west end, thus removing the Practice School from the present location on the campus and leaving ample space for athletics. As the purchase of President Hsu's Garden of 26 acres had not been made prior to Dr. Stuart's leaving, it was felt that nothing could be done until he returns. It was therefore

F-2737 VOTED that in view of the inability to consummate the purchase of President Hsu's Garden and the present indefiniteness regarding this purchase, the field be authorized to complete such construction work as is necessary to use these units of the Practice School as are now practically finished; provided, however, that there is no expenditure beyond the amount heretofore authorized by the Finance Committee.

WOMAN'S COLLEGE FINANCIAL MATTERS

The Secretary reported receiving two letters from the field relative to the method of setting up the books of the Woman's College and handling the financial items. During the visit of the Trustees for the Dedication ceremonies, certain questions arose regarding the details in the Treasurer's office which finally resulted in a communication from Dr. Galt and also one from Mrs. Frame wherein very definite questions about administration were asked. The matter was given very sympathetic attention, but there appeared

to be no reason why a workable plan could not be evolved on the field which would be acceptable to both Treasurer's offices. The New York office according to previous action by the Finance Committee had set up the Woman's College books parallel to those of the University, and it was felt that this procedure would be followed on the field, but that better results all around could be secured by having one channel through which remittances to the field should flow. In addition to the action taken by the Committee it was suggested that a covering letter be written to indicate the sentiment of the Committee. It was

F-2738 VOTED that it is the judgement of the Finance Committee that all funds of the entire University including Yenching College for Women, and correspondence relating thereto, should be handled on the field by the Field Treasurer of the University, along the same general lines as are now followed by the Treasurer of the Board of Trustees, but in accordance with such detailed arrangements as the field may find most satisfactory.

CONTRACT RATE OF EXCHANGE

For the information of the Committee the following report on contract rate exchange on the field was presented: "Agreeable to action F-2657, September 27, 1929, appointing Mr. Warner, Mr. McBrier, and Mrs. Boyd a sub-committee to deal with the exchange rates, the field reports that this sub-committee authorized the signing of a contract. The rate agreed upon averages 2.46 starting at 2.49-22/100 for October and closing in June at 2.42-79/100."

DEFICIT ON PRESIDENT'S RESIDENCE

For the information of the Committee two letters from the field, one from Mr. Hildabrand and one from Dr. Gait, reported on the deficit in the account of the President's Residence. The explanations were noted, but it was thought that they would be acceptable only to the degree that they offered a lesson for any future building operations.

INVESTMENT ITEMS

(a) Wheeler Chapel Funds

It was reported that agreeable to action F-2718 \$8,750.00 of Wheeler Chapel funds which have been held in the name of the Woman's College and which were voted for investment is now available. However, there is now a charge of \$750.00 for architect's fees, which leaves only \$8,000 plus accrued interest available for investment. It was therefore.

F-2739 VOTED that investment of \$8,000.00 plus accrued interest of Wheeler Chapel funds be referred to the Committee on Investment with power.

(b) Sale of Aluminum Stock

Of the 5,000 shares of Aluminum stock originally received by the University 1,000 were sold last year and the funds re-invested. The investment Committee brought up the question as to the advisability of selling an additional thousand shares for the sake of further diversification and to take advantage of the present position of the market. It was felt that no drastic

move should be made until it was more definitely known how the proceeds of the sale could be invested. It was therefore.

F-2740 VOTED that the Finance Committee approve of the sale of 1,000 shares of Aluminum Company preferred stock at 110 or better and request the Investment Committee to submit suggestions as to the securities to be purchased from the proceeds.

(c) Holding of Foreign Bonds

The attention of the Committee was called to the question raised by one member of the Advisory Committee regarding the advisability of holding foreign securities. This was brought up because of conditions existing in South America. It was felt that no action could be taken until more detailed information is received, and it was

F-2741 VOTED to ask the houses represented by the Advisory Committee to submit reports on the situation in the foreign bond market more particularly related to the South American securities.

CHINESE GIFT OF \$625,000.00 L. C.

Dr. Stuart was asked to restate the situation growing out of the proposed gift of \$625,000.00 L.C. by a Chinese banker. He sketched his view of the proposition and the Committee gave very close and cordial attention. It was felt, however, that the problem presented so many complicated questions that it was inadvisable to take action until a better understanding could be secured from the Rockefeller Foundation, and also that it was a matter on which the Trustees must pass final judgment. It was, however

F-2742 VOTED that in considering the proposed gift of \$625,000.00 L.C. by a Chinese friend to match the Rockefeller \$250,000 gift for Natural Sciences, the Finance Committee gave sympathetic attention but deferred action for a period of thirty days until after Dr. Stuart completes his trip to the West Coast, and that during this interim the proposed use of the Rockefeller fund of \$250,000.00 be investigated from the legal aspect.

BONDING OF FIELD TREASURERS

The question of bonding the Field Treasurer was brought up. It was

F-2743 VOTED that the Committee request the Secretary to proceed along the lines indicated in the by-laws in reference to bonding any officers of the University.

CASH TRAVEL ALLOWANCE

The Treasurer reported that there are frequent requests for travel expenses to the field by indirect route. In this case, an average figure should be arrived at as the proper basis for the paying of a single lump sum. It was

F-2744 VOTED that \$550.00 be adopted as the travel allowance for an adult member of the Yenching staff travelling between Peking and New

York City with proportionate allowances for children, and for journeys from other points than of New York City.

INSURANCE ON THE FIELD

It was reported that sufficient information has been received to indicate that the best results can be secured by insuring buildings through the Associated Mission Treasurers' office in Shanghai, who are the agents of the Palatine Insurance Company. No action was taken, but it was suggested that any requests from the field be referred to the Associated Missions Treasurers' office for prices and data.

PENSION OF TEACHERS

Mr. Rounds as chairman of the Committee on Salaries and Pensions reported that a Committee meeting had been held just prior to the Finance Committee meeting and that sufficient information seemed to be in hand whereby further investigation should be made of the Teachers Insurance and Annuity Plan. It was felt that the present situation would warrant further investigation, and it was

F-2745 VOTED that the Committee on Salaries and Pensions be authorized to proceed in their investigation of the pension plans as outlined in the prospectus of the Teachers Insurance and Annuity Company it being understood that at the present time such a plan will add approximately \$2,000.00 to the Budget of the University, to include foreign and Chinese staff.

GROUNDS AND BUILDING COMMITTEE MINUTES

A summary of Grounds and Building Committee minutes on the field was presented. They include the following minutes: June 14, 19, 27, July 11, September 4, 26, October 9, 11, 16, 24. The following in quotation marks are taken from the summarized appendix.

(a) Cooperative Store

"Approval has been given to erect a building for this store which serves the needs of the entire University and includes the Post Office. It is on the northern line of the Power Plant lot and erected from leftover material from different building projects. The cash outlay involved totals M\$1,450.00 which later was increased to \$1,685.00 LC. This has been taken care of by sale of materials, old automobile, and a contribution from Economics Department."

Noted,

(b) B. Dormitory

"Funds for this project are being raised on the field to the amount of \$40,000.00 L.C. Contracts were let during the summer as follows:

| | |
|----------------------|------------------|
| Construction | L.C. \$28,850.00 |
| Heating and Plumbing | 6,030.00 |
| Hardware | 1,207.00 |
| | <hr/> |
| | L.C. \$36,087.00 |

It was

F-2746 VOTED that action of the field in letting contracts for B Dormitory to the amount of L.C.\$36,087.00 from funds raised on the field be approved.

(c) Lease of "Wang Huai Ch'ing's Garden."

"Referring to the three-year lease of these gardens at a cost of \$860.00 L.C. a year, Dr. Galt writes: 'I may explain that this is a large summer garden, newly reconstructed by General Wang a few years ago, lying about a quarter of a mile northwest from our site. On account of political affiliations, General Wang is unable to make use of his beautiful garden, and offered to lease it to the University for a period of three years at a very reasonable figure. We have completed the arrangements and installed a considerable number of our staff unmarried men or men whose families are not in residence. Of course we have had to spend some money remodeling, and we found it desirable and practicable to install electric lights. The whole plan has proven to be a satisfactory and rather economical way of meeting certain pressing needs.'"

Noted.

(d) Boyd Gymnasium

"Contract-figures for erecting the Gymnasium were submitted June 27 but being too high, were revised by omitting certain items and cutting down on others, until on July 11 the general contract was awarded which brings the total cost of the building to \$182,992.99 L.C. This was \$468.85 L.C. above the authorized \$77,500.00, but the balance of gold not remitted to the field as yet was calculated on the basis of 2:30 to 1. A slightly higher rate of exchange would more than care for the deficit.

"The contract was closed on the condition that work could be suspended in case of a shortage of funds but 'meanwhile the New York Office be advised of the situation and asked to send cable instructions to the Field.' Later advice brings the good news that Mr. and Mrs. Boyd have donated G\$5,000.00 additional to complete the building and to include certain features which had been eliminated for the sake of economy."

The Finance Committee noted this additional gift of \$5,000.00 from Mr. and Mrs. Boyd, and it was

F-2747 VOTED that the very sincere gratitude of the University be expressed to Mr. and Mrs. Boyd for this additional manifestation of interest which is greatly appreciated by all concerned and that the Secretary notify Mr. and Mrs. Boyd regarding the action of the Committee in accepting the additional \$5,000 for the Boyd Gymnasium.

F-2748 VOTED that the Committee approves the action of the field as outlined in the July 11 minutes in placing contracts for the completion of the Boyd Gymnasium provided that expenditures are maintained within the appropriation of G\$77,500.00 plus the G\$5,000.00 recently donated by Mr. and Mrs. Boyd, said cost not to include cost of equipment or architect's fees paid in the United States but to include amount expended in laying the old foundations.

(e) University Residences

"The following funds were voted from the Residence appropriations:

| | |
|---------------------------|-----------------------|
| Hardware #63-64 | L.C.\$ 445.00 |
| Servants' quarters #63-64 | 1,765.00 |
| Altering #19 | 1,155.00 |
| Sanitary Equipment #64 | 150.00 (K.Ma's house) |
| | <u>L.C.\$3,515.00</u> |

"It will be noted that some of these items are for alteration on old buildings which procedure was referred to in action F-2482 by the Committee. This was taken up with the field and the following reply received:

"Our general understanding of the arrangement was that it was left to the field to use the sum appropriated to solve the residence problems in which seemed the wisest way. Mr. Evans' letter raises the question of whether new residences were intended by the Finance Committee in the action taken. I can see that this is a possible interpretation, but it is not the one that seemed to fit the situation best here, and our interpretation did not seem to be either against the letter or the spirit of the action. The use of funds from that appropriation for remodeling or enlarging old residences has had the same effect in most cases as the erection of new, and we trust that the Finance Committee of the Trustees will view the matter in this light."

"In addition to the above G\$7,500.00 was voted for the Nash residence, 'this sum to include the cost of the site at a fair market price.'"

No action was taken regarding the use of the building funds, but relative to the charge for cost of the site on which the residence is to be erected, it was

F-2749 VOTED that the action of the field in approving G\$7,500.00 for the Nash Residence be approved with the exception of any charge for land, it being understood that the ground on which the residence is to be erected belongs to the University.

(f) Infirmary

"Additional funds voted for the Infirmary were as follows:

| | |
|-------------------------|-------------------------|
| Heating | L.C.\$1,190.00 |
| Hardware | 342.00 |
| Repairs and Alterations | 662.00 |
| Total | <u>L.C.\$2,194.00 "</u> |

Noted.

(g) Miscellaneous Authorizations

"Other authorizations to be noted are the following:

1/17/20

| | | |
|---|--------------------------------|----------------|
| " | Bell Tower | L.C.\$1,000.00 |
| | Bashford Memorial: | |
| | Painting | 1,320.00 |
| | Grading | 800.00 |
| | Hardware for Pavilion | 291.00 |
| | Drainage President's Res. | |
| | (charged to Campus Improvement | 270.00 |
| | Heating and Plumbing Practice | |
| | School (to include separate | |
| | boiler room) | 4,531.00 |
| | Painting Practice School | 150.00 " |

Noted.

*(h) Bashford Loan on Practice Schools.

"Elementary school and kindergarten have been financed by borrowing \$5,000.00 from the Bashford Memorial Fund held on the field, the parents of the children benefited to pay interest thereon. Inquiries have been sent to the field, in agreement with instructions from the Finance Committee, to ascertain the status of this fund. A reply recently received begs an extension of time in order to secure all of the facts surrounding the gift."

The Committee deferred any actions whatever regarding the Bashford Loan pending the more complete report from the field regarding the Bashford Memorial Fund.

*(i) Re-covering Heating Mains

"Figures received by the Committee indicate that the cost of repairing the covering on the heating mains will total \$30,000.00 L.C. This is \$20,000.00 L.C. in excess of the amount authorized by the Board of Trustees. The field is preparing a request to be presented to the Finance Committee, seeking an additional appropriation of \$20,000.00 L.C."

Noted.

*(j) Purchase of Ex-President Hsu's Garden

"This has been previously alluded to in connection with the location of the Practice School. On October 11 the following was voted: 'That we approve the purchase of this property, the sum not to exceed L.C.\$32,000.00, the difference between the proceeds of \$10,000.00 and the sum of L.C.\$32,000.00 to be advanced by Dr. L.C.Porter, this amount to be refunded later if the buildings on this site can be utilized.'"

As this was previously considered in relation to the Practice School, no action was taken.

Adjourned.

C. A. EVANS

Assistant Secretary

MINUTES OF A MEETING
COMMITTEE ON MCBRIER FOUNDATION FOR
BIBLICAL INSTRUCTION AND CHRISTIAN WORK
TRUSTEES OF YENCHING UNIVERSITY

January 29, 1930 1:00 P. M.
150 Fifth Avenue, York City

Members of Committee

- *Mr. Sidney D. Gamble *Dr. Eric M. North *Dr. G. T. Scott

Those whose names are starred above were present as were President J. Leighton Stuart and the Secretary.

General Consideration of Functions of Committee

The Committee discussed briefly the functions of the Committee as revealed in action E-2623 of the minutes of the meeting of the Yenching Trustees Executive Committee held June 19, 1929.

Method of Investment of McBrier Fund

The Committee noted that although the principal of the McBrier Foundation has been set up as \$100,000., the fund was turned over to the University in the form of one thousand shares of F.W. Woolworth Common stock, which stock yields an annual income of only \$2,400. It was

MF-2750 VOTED to call the attention of the Committee on Finance, Property and Investment to the fact that, although the McBrier Foundation for Biblical Instruction and Christian Work has been set up as \$100,000., this fund is now invested in 1,000 shares of F. W. Woolworth Company Stock yielding a total annual income of only \$2,400., and to request the Finance Committee to consider ways and means for so handling this fund as to receive a normal income of approximately five per cent on the principal amount of the Foundation.

Use of Income from McBrier Foundation

President Stuart spoke of his correspondence and conversations with Mr. McBrier as to the purposes for which the McBrier Foundation was created. He spoke of what has already been accomplished by the University in the past in securing special speakers and workers who have been able to spend periods in the Yenching Campus discussing Christian subjects of general interest to the student body, meeting with the students and helping them with religious problems and difficulties. He spoke of the practical difficulty under present conditions in China of having a worker assigned to full time religious service among the students without any definite position on the faculty and with no other instructional duties. He suggested that for the present the most effective means of carrying out the purposes of the Foundation would be to use the income to supplement the budget of the School of Religion in providing such facilities for strengthening and deepening the Christian character of the University as could not otherwise be provided.

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Mr. Gamble suggested that a regular annual budget might be prepared by the faculty of the School of Religion under the leadership of the Dean of the School of Religion, setting forth the needs of special Biblical instruction and Christian work to be carried on from the income of the McBrier Foundation.

Appropriation to Salary of Professor P.C.Hsu

Dr. Stuart spoke of the conversation he had with Mr. McBrier at the time of the formal opening, and of Mr. McBrier's approval of President Stuart's proposal that for the year 1929-30 the income of the McBrier Foundation be used to meet one half of Professor P.C.Hsu's salary shown on the budget of the School of Religion. The Chairman read the Committee an excerpt from a letter written by Mr. McBrier in which he signifies his approval of this payment of one half of Professor Hsu's salary for 1929-1930 from the income of the McBrier Foundation. It was

MF-2751 VOTED that in view of the special work being performed by Professor P.C.Hsu along the lines of Biblical instruction and Christian work for which the McBrier Foundation was created, the use of M\$1,350 from the income of the McBrier Foundation for meeting one-half the salary of Professor P.C.Hsu during the year 1929-1930 be approved.

Purchase of Religious Books

The Committee discussed the possible purchase of books on Christian subjects in which the student body is interested, Such books should be of immediate and practical interest to the student body and should not be in the nature of Theological reference books. It was suggested that such books should be kept where they will be most easily available for the general student body rather than incorporated in the Theological Library. It was

MF-2752 VOTED that the Dean of the School of Religion be requested to recommend to this committee a list of Christian books costing about G\$500., which he considered to be of the greatest practical interest and value to the student body.

The Committee adjourned.

B. A. GARSIDE

Secretary

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

12:30 P. M., Monday, February 3, 1930

Cafeteria Conference Room, 150 Fifth Avenue, New York City

List of Members

- | | |
|---------------------------------|--|
| *George G. Barber, Chairman | A. L. Warnshuis (Alt. for Mr. McBrier) |
| *Sidney D. Gamble | *Mrs. O.R. Williams (Alt. for Mr. Stock) |
| Mrs. L. O. Lee | C. T. Ludington, Alternate |
| *Leslie R. Rounds | *Miss Margaret Burton (Alt. for Mrs. Boyd) |
| G.T.Scott (Alt. for Mr. Warner) | J. Leighton Stuart, ex-officio. |

Those whose names are starred above were present, as were also O.D.Wannamaker B.A.Garside, and C.A.Evans.

The meeting was opened with prayer by Mr. Wannamaker.

APPROVAL OF MINUTES

The minutes of the January 17, meeting were approved as circulated with the exception that action F-2730 should be designated as F-2730 b.

INSULATING HEATING MAINS

The attention of the Committee was called to action on the field relative to insulating the heating mains. Under action F-2589, \$10,000.00 L.C. was authorized for this purpose. After much experimentation and study, the field now formally requests \$32,500.00 L.C. for the entire work:- \$20,000.00 L.C. more for re-insulating and \$2,500.00 L.C. for the pumping equipment. At the lowest part of the heating mains, which is around Ninde Hall, it appears that the trenches are not waterproof as regards pressure of moisture from below. Every summer ^{during} the heavy rains, the water in the ~~water~~ in the ground rises and fills the trenches. It is proposed to pump the water from the mains by the installation of pumping equipment costing \$2,500.00 L.C. Mr. Place has been consulted regarding the proposition, and he is not in favor of the pumping idea, being confident that it will not solve the difficulty. He suggests a further study to find out if it is not possible to secure natural drainage to relieve the situation. The Committee therefore

F-2753 VOTED that action regarding the re-insulation of the heating mains be deferred until the field is advised of the suggestion given by the consulting engineer, Mr. Clyde R. Place; and that it is suggested that a further study be made of the whole situation to secure, if possible, a natural drainage outlet.

BASHFORD ENDOWMENT FUND

The status of the Bashford Fund is rather fully explained in Appendix A as attached to these minutes. This document has been received recently from the field and the new light has been secured through the efforts of Dr. Galt. The contract made with Mrs. Bashford shows that the fund

was given to the Board of Trustees in New York, Dr. Galt's letter shows that it has been used on the field to portion of the time by the Methodist Board and that, in accepting repayment, the field has used a portion of the principal for current expenses. The present status of the fund is \$15,146.50 L.C., whereas the original amount received was \$18,000.00 L.C., A portion of the fund has recently been invested in Chinese Government Bonds Fourteenth Year of the Republic at a face value of \$13,000.00 L.C., interest 8% costing \$11,643.93. The field is considering the possibility of investing the balance in the Elementary School building.

Giving consideration to this proposition the Committee took the attitude that this bequest is a distinct responsibility of the Board of Trustees and that its handling should be under the authority of the Finance Committee of the Board of Trustees. Therefore it was

F-2754 VOTED that it is the interpretation of the Finance Committee that the Board of Trustees is responsible for the handling of the Bashford Endowment Fund, but that in view of the depletion of the capital amount, every effort be made by the field to bring it to its original status, and that the Trustees be informed how this is to be accomplished; further that the fund be so handled that, at the earliest possible opportunity, it can be transferred to the United States for investment; this action not to be construed as approving the present use or investment of the money.

PROMOTIONAL MATTERS

(a) Pierce and Hedrick Activities in Boston

Mr. Wannamaker explained that suddenly there appeared to be an unusual opportunity for promotional work in Boston, and the firm of Pierce and Hedrick was called upon. They allocated one of their best experts to the task and very encouraging progress has been made in the past few days. In caring for the expenses, two methods seemed to be open. One was to deduct the number of days used in Boston from the contract already signed for California. The other was to authorize the work in Boston and pay the expenses independently of the California Campaign. The latter idea prevailed, and it was

F-2755 VOTED that the Committee approves the appointment and payment of one man from the firm of Pierce and Hedrick to care for promotional activities in Boston, and that all matters regarding further efforts in Boston be referred to a sub-committee with power, this committee to consist of Mr. Leslie R. Rounds and Mr. Sidney D. Gamble.

(b) Joint Community Campaign

Mr. Wannamaker further reported on the projected plan to inaugurate a joint campaign in Philadelphia for both Lingnan and Yenching Universities. He spoke of the activities of the Oranges in which Lingnan has recently been engaged and of the great amount of cultivation that has been accomplished. Dr. Henry and Mr. Osborn of Lingnan have approved the project as well as Dr. Stuart of Yenching. It was therefore

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F-2756 VOTED that this committee approve in general the idea of a joint campaign with Lingnan University in Philadelphia.

(c) Pierce and Hedrick Contract

If the work is continued in Boston and a joint campaign is inaugurated, the services of a professional promotional organization will be required. Mr. Wannamaker presented a tentative proposition submitted by Pierce and Hedrick, which called for the expenditure of approximately G\$23,000.00 to include payments already made on the California contract. All present felt that the figures did not warrant proceeding with the contract and that a further study of the entire proposition should be made. It was therefore.

F-2757 VOTED that Mr. Wannamaker and the Assistant Treasurer make a further study of the Pierce and Hedrick contract in conference with the firm and that a complete report be formulated at an early date, at which time a meeting of the Finance Committee is to be called.

(d) Employment of Dr. Jenney

It was stated that Dr. Stuart had been so favorably impressed with the work of Dr. Jenney that he had approached him regarding the further use of his time for the University. After due consideration Dr. Jenney had expressed a willingness to enter the services of the Promotional Office on a full-time contract covering five years, and stated that, because of his position as pastor, he desired an early expression from the Finance Committee as to the possibility of making such a contract. The Committee gave very sympathetic consideration to the proposition but felt that, in view of the pending campaigns, a further investigation of the situation should be made before entering into such an agreement. It was

F-2758 VOTED that this Committee is favorably inclined toward the giving of a contract to Dr. Chester E. Jenney for full-time promotional work, but because of the pending activities, it is deemed wiser for the Promotional Office to make a complete study of the whole situation, and that the matter again be brought before the Committee within four weeks' time Dr. Jenney to be informed of the favorable attitude of the Committee and of the difficulties involved in giving an immediate answer to the question.

(e) Method of Support of Promotional Office

The matter of caring for all the expenses of the Promotional Office from University funds and allowing all campaign contributions to be used for actual work on the field, was presented to the Committee. It was not deemed necessary to take immediate action, but it was

F-2759 VOTED that the manner of support for the Promotional Office be taken up at a later meeting of the Finance Committee.

MCBRIER FOUNDATION

A communication from the McBrier Foundation Committee was presented, and the following action by that committee read:

"Voted to call the attention of the Finance Committee to the fact

"that although the McBrier Foundation for Biblical Instruction and Christian work has been set up as \$100,000 this fund is now invested in 1000 shares of Woolworth Common stock yielding a total annual income of only \$2,400; and to request the Finance Committee to consider ways and means for so handling this fund as to receive a normal income of approximately 5% on the principal amount of the Foundation."

The situation referred to in this motion was brought about through the action of Mr. McBrier's bankers, who, in conformity with the terms of the bequest turned over 1000 shares of Woolworth common stock at the time the stock reached 100 on the Stock Exchange. Immediately thereafter the market broke and the valuation has decreased. It was felt that no action could be taken on the request of the McBrier Foundation Committee and it was therefore.

F-2760 VOTED that in view of the absence of Mr. McBrier and also of present market conditions, this Committee does not deem it advisable to take any action relative to an increase in income, or in an effort to increase the capital of the McBrier Foundation Fund.

CHAMBERLAIN ANNUITY OF \$1,000.00 FOR WOMEN'S COLLEGE

It was reported that Miss Mary Chamberlain had sent another \$1,000.00 to be used under the same conditions as governing the previous \$1,000.00 accepted by the Woman's College Committee. The Committee felt gratified at this further evidence of confidence shown by Miss Chamberlain and

F-2761 VOTED that \$1,000.00 received from Miss Mary Chamberlain as an annuity on a 5% basis be accepted and that Miss Chamberlain be advised of the gratitude of the Committee for this further consideration and added confidence; and that the necessary documents be executed.

The investment of the above fund as suggested by the Investment Committee was approved as follows:

F-2762 VOTED that the \$1,000.00 received from Miss Mary Chamberlain be invested in Public Service Electric And Gas 6% Preferred Stock at approximately 108 and that authorization be given to pay the excess cost from balance on principal of previous remittance or from accumulation of unused interest.

REPORT OF PENSION COMMITTEE

Mr. Rounds as Chairman of the Pension Committee reported progress indicating that much new light on the situation had been secured, and there are indications that a plan can be devised which will very satisfactorily fit in the situation.

MATTERS GROWING OUT OF GROUNDS AND BUILDINGS COMMITTEE MINUTES

It was reported that minutes of meetings of the Grounds and Buildings Committee and its Executive Committee had been received from the field. They included meetings held October 31, November 28, December 13, and 16, 1929.

Grounds and Buildings Committee Meeting October 31, 1929(a) Chairs for Ninde Hall.

A covering letter more fully explained Action GB1598 which reads as follows:

"Voted that we ask the chair to negotiate with the Special Committee of McBrier Foundation Fund concerning this need, and if the result is unfavorable that an item in the next current Budget for equipment be included."

The comments indicated that the field had not clearly understood the purpose of the McBrier Foundation for Biblical Instruction and Christian Work and that, as greater seating capacity was needed for Ninde Hall, the above motion was passed. The Finance Committee, in giving consideration to this request, was advised that the full text which accompanied the McBrier Fund was sent to the field in the minutes of the Trustees meeting of June 19, 1929. There was a very decided opinion that the McBrier Fund should not be used for this purpose. Whereas the motion from the field requested that the matter be referred to the McBrier Foundation Committee, one member of that Committee was present and voiced his opinion that it was unnecessary to delay the decision by waiting for another meeting of the McBrier Foundation Committee. It was therefore

F-2763 VOTED that the attention of the field is called to the minutes of the Trustees meeting held on June 19, 1929, wherein the purpose of the McBrier Foundation is fully explained; and that it is the decision of this Finance Committee that the request is not in conformity with the wishes of the donor.

Grounds and Buildings Committee Executive Meeting November 28, 1929

(b) Plans are under way for erecting a residence for single men teachers and staff members. Proposed location is the north-west corner of the Yen Nung Yuan. A detailed study is now being made by the Architect.

Noted.

(c) The architect has submitted several alternative bids for the swimming pool in the Boyd Gymnasium. They vary from \$4,764.00 L.C. to \$17,943.00 plus \$17,000.00 L.C. for machinery and with additional varying amounts for overhead. The field has written to Mr. and Mrs. Boyd, and no further action will be taken until a reply has been received from them.

Noted.

Grounds and Buildings Committee Executive Meeting December 13, 16th 1929(d) Warner Gymnasium

The covering letter accompanying the December 13th meeting answers several questions as to plans etc. which this committee raised when the new Warner gift became known. Mr. Warner has answered the questions in person but the field dwells at length on the cost of the building. Present estimates indicate the cost will amount to \$82,300.00 L.C. for middle section

\$3,000.00 for connection with the existing wing, and \$3,000.00 for extra foundation which later will permit finishing off the basement. Even with the exchange rate figured 2.62, it is estimated that there will be a deficit. However, the field is making further investigations and will report later.

Noted.

(e) Request for \$600.00 L.C. on Warner Gymnasium Account.

The December 13th meeting of the Executive Committee of the Grounds and Buildings Committee state: "In order to save time in the spring, it would be advisable to start excavation work in a few weeks, for which purpose an approximate amount of \$585.00 would be needed to start this work.

"Voted that we ask the chairman to write to the New York Office requesting an advanced appropriation of \$600.- in order to begin excavation work on the above building, and requesting a cable replying that plans for this building be studied and taken up at the next meeting of the committee."

Dr. Galt's covering letter asks for \$500.00 advance and Mr. Warner has been informed of the request.

In view of this statement from the field, it was

F-2764 VOTED that \$500.00 L.C. be advanced for excavation work on the second unit of the Warner Gymnasium, provided it is in conformity with the intent and purpose of the donor.

(f) Deficit in Bashford Building Account.

A report was made at the meeting of December 16 indicating that there is an overdraft on the field on this account of approximately \$1,200. L. C. It was suggested that the New York Office be asked by the Field Treasurer for funds to cover this shortage. No such request has been received from the field.

Noted.

REPORT ON INVESTMENTS

The following is a summary of the proceedings of the Advisory Committee meeting held Wednesday, January 29, at the office of Roosevelt and Son, 30 Pine Street. The findings of the Advisory Committee were the results of questions previously raised by the Finance Committee.

"(a) It was not thought necessary to make any changes in the present holdings with the possible exception of selling 1000 shares of Aluminum preferred.

"(b) There is now changes in the foreign bond situation calling for the sale of foreign securities held by the University.

"(c) As a Unit the Committee does not approve of putting sale price of 110 on Aluminum. If there are good reasons for selling, 107 is a more practical price, for if action is delayed for appreciation in Aluminum there is likewise apt to be an increase in securities of a similar

"class."

Considering the foregoing, due recognition was given to the Advisory Committee's recommendation on the sale price of Aluminum. In more fully reporting the discussion held at the Advisory Committee meeting, the thought was brought out that one member had called attention to the fact that preferred stocks when sold do not carry accrued interest and very often that fact is overlooked when a point and a half advance on the market simply reflects a like increase in accrued interest. There seemed to be a general feeling that the advice of the Advisory Committee was sound, and it was

F-2765 VOTED that 1000 shares of Aluminum preferred stock be sold at the price of 107 or better and that authorization be given to the following named officers of the Corporation to negotiate this sale and to sign any and all documents relative thereto:- Mr. George G. Barber, Chairman of the Committee on Finance, Property and Investment, and Mr. B. A. Garside or Mr. C. A. Evans, Assistant Treasurers.

"(d) Recommendations for purchase. The advisory Committee made the following recommendations for purchase, contingent, of course, upon the sale of the Aluminum preferred.

Approved by all three members of the Advisory Committee

Province of Ontario (non-callable) 5s 1959 @ $100\frac{1}{2}$ to yield 4.97

Province of New Brunswick (non-callable) 5s, 1960 @ $99\frac{3}{4}$ to yield 5.01

New England Power Association (call $102\frac{1}{2}$) $5\frac{1}{2}$ 1954 @ 95 to yield 5.79

Standard Oil Export Corporation Guaranteed Preferred 5% Stock (call 110/1935) @ 97 to yield 5.15

Buffalo Niagara and Electric Investment Corporation 5% Preferred stock (call 105) @ $95\frac{1}{2}$ to yield 5.25

Oklahoma Gas and Electric Preferred 7% Stock (call 125) @ 110 to yield 6.36

Approved by two members of the Advisory Committee

Canadian International Paper Company 6% bonds 1949 callable at $102\frac{1}{2}$ - present price 95 to yield 6.45

Public Service of N.J. Preferred 6% Stock @ 107 to yield 5.61

E. I. Dupont Debenture Preferred 6% (call 125) @ $116\frac{1}{4}$ to yield 5.16"

It was reported at the meeting that since the action of the Advisory Committee, the entire issue of Province of New Brunswick had been sold out and that it was desired to substitute

Associated Gas and Electric Company Convertible 5s due 1950 at 90 and interest to yield 5.85.

In giving consideration to the above recommendations, the Finance Committee felt that a certain portion of the fund to be made available should be invested in guaranteed mortgage certificates, and after due consideration, it was

F-2766 VOTED to make the following selections for investment pending the sale of Aluminum stock:

- \$20,000 International Tel. and Te. 5% bonds due 1955 at the market price of 97 to yield 5.15
- \$20,000 New England Power Association (call $102\frac{1}{2}$) $5\frac{1}{2}$ 1954 @ 95 to yield 5.79
- \$20,000 Standard Oil Export Corporation Guaranteed Preferred 5% Stock (call 110/1935) @ 97 to yield 5.15
- \$20,000 Oklahoma Gas and Electric Preferred 7% Stock (call 125* @ 110 to yield 6.36
- \$20,000 Guaranteed Mortgage or Mortgage Certificates to yield $5\frac{1}{2}$ % or better,

The balance of the fund to be invested in

Buffalo Niagara and Electric Investment Corporation 5% Preferred Stock (call 105) @ $95\frac{1}{2}$ to yield 5.25.

On motion adjourned.

C. A. Evans
Assistant Secretary

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Appendix A

December 3, 1929

WHEREAS : This contract between Jane Field Bashford (Mrs. James W. Bashford), party of the first part, and the Trustees of Peking University, a corporation in New York, New York, Witnesseth, that,

WHEREAS : party of the first part, said Jane Field Bashford, has transferred to the party of the second part, the sum of Five Thousand (5000) Dollars, to be used as an endowment of said University, the receipt of which is hereby acknowledged, party of the second part hereby agrees

1-To pay said Jane Field Bashford during her natural life an annuity of five percent per annum upon said amount provided however that if at any time during the period of her natural life the income received from the investment of the endowment funds of the University shall fall below an average of five percent per annum upon said endowment, the amount to be paid to said Jane Field Bashford shall be reduced accordingly so that at the rate of interest she receives on said five thousand dollars shall in no case exceed the average income rate received by said Trustees on the endowment of said University.

2-At the death of said Jane Field Bashford, the said five thousand dollars shall be used toward the founding of a chair in the said Peking University for the instruction in such branches of learning as said Trustees may judge wise and be called by such names as said Trustees may decide upon.

Peking, China
Nov. 15, 1911

H.H.Lowry, President .

O.J.Krause, Treasurer

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MINUTES OF VOTES BY CIRCULATION
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

February 17, 1930

List of Members

| | |
|------------------------------------|--|
| George G. Barber, Chairman | A. L. Warnshuis (Alt. for Mr. McBrier) |
| Sidney D. Gamble | Mrs. O. R. Williamson (Alt. for Mr. Stock) |
| Mrs. L. O. Lee | C. T. Ludington, Alternate |
| Leslie R. Rounds | Miss Margaret Burton |
| E. T. Scott, (Alt. for Mr. Warner) | |

SALE OF ALUMINUM PREFERRED

The Bank of America in New York is now transfer agent for the Aluminum Company of America. They rejected the transfer of 1,000 shares of Aluminum preferred on the basis of the resolution included in a restriction in the price of 107, and consequently they would not split the 1,000 shares into smaller blocks until the whole amount is sold at a price of 107 and they are given satisfactory evidence to this effect.

As it is hardly possible to make the sale under these conditions, the following motions were approved by circulation vote.

F-2767 VOTED to amend action F-2765 regarding sale of Aluminum preferred stock to read as follows: Voted that 1,000 shares of Aluminum preferred stock be sold and that authorization be given to the following named officers of the Corporation to negotiate this sale and to sign all and any documents relative thereto:- Mr. George G. Barber, Chairman of the Committee on Finance, Property and Investment, and Mr. B. A. Garside or Mr. C. A. Evans, Assistant Treasurers; that said officers have full power to sell the entire 1,000 shares in one block or to divide same into as many blocks as may be necessary to promote an early sale.

F-2768 VOTED that the sale price of Aluminum preferred stock be placed at 107 or better.

C. A. Evans,

Asst. Treasurer.

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MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

12:30 P. M., Monday, February 24, 1930

Room 606, 150 Fifth Avenue, New York City

List of Members

| | |
|------------------------------------|--|
| George G. Barber, Chairman | A.L. Warnshuis, (Alt. for Mr. McBrier) |
| *Sidney D. Gamble | *Mrs. O.R. Williamson (Alt. for Mr. Stock) |
| Mrs. L. O. Lee | C.T. Ludington, Alternate |
| *Leslie R. Rounds | Miss Margaret Burton (Alt. for Mrs. Boyd) |
| *G. T. Scott (Alt. for Mr. Warner) | J. Leighton Stuart, ex-officio |

The names starred above indicate those present, as were also Old. Wannamaker, B. A. Garside, and C. A. Evans.

Prayer was offered by Dr. Scott.

APPROVAL OF MINUTES

The minutes of the February 3 meeting and circulation vote of February 17 were approved as distributed.

PIERCE AND HEDRICK CONTRACT

At the February 3 meeting of the Committee action was taken (F-2757) referring the new Pierce and Hedrick contract to Mr. Wannamaker and the Assistant Treasurers for further study. As a result a revised contract was presented together with an analysis and synopsis of the original contract as well as that formerly in operation with Tamblin and Brown. Proposed promotional plans as related to the new contract as well as progress made under the original agreement, - were all discussed at some length when Mr. Hedrick was called into the meeting. He shed further light on the activities in California and the attitude of his company toward the whole project. It developed that probably only four men would be required instead of the five originally proposed. Finally it was

F-2769 VOTED that this Committee recommend to the Executive Committee the execution of the new contract with Pierce and Hedrick attached hereto as Appendix A, provided that no additional men be taken on, aside from those two now employed in Boston and California, until Mr. Gamble as Acting Chairman can consult with Dr. Stuart as to the effectiveness of the plan in California

INVESTMENT MATTERS

(a) Purchase of Security for the Mary Chamberlain Annuity Fund.

The Finance Committee suggested the purchase of Public Service Electric and Gas preferred 6% stock, but upon referring this to the Advisory Committee, two members disapproved because of the nearness of call price, the market being 107 1/4 and the call price 110. A number of other suggestions were made, but the one finally agreed upon was 42 Broadway Building First Closed Mortgage Bond, due 1935, 6% @ 100 1/2 to yield 5.97. It was

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F-2770 VOTED to approve the action of purchasing for the Mary Chamberlain Annuity Fund \$1,000.00 - 42 Broadway Building First Closed 6% Mortgage Bond due 1935 @ 100½.

(b) Change in Swiss Committee Investments.

On February 8 the Central Hanover Bank and Trust Company called attention to French Government 7, 1949 being held for the Swiss Committee. At that date these bonds were selling around 115 but are callable for Sinking Fund at 105. Through telephoning to both the Advisory Committee and Investment Committee, authorization was secured to sell and invest the proceeds in

Oklahoma Gas and Electric 7% preferred stock (callable at 125) @ 110 to yield 6.36.

Accordingly the change was made and reported to the Swiss Committee on the field. It was

F-2771 VOTED to approve the transfer of Swiss Committee funds invested in French Government 7% 1949 Bonds to Oklahoma Gas and Electric 7% Preferred stock.

(c) Lincoln Mortgage and Title Guaranty Company.

The Committee was informed that the Lincoln Mortgage and Title Guaranty Company has gotten into difficulties. The University holds \$20,000.00 worth of bonds of this company which more particularly operated in northern New Jersey. Due to overbuilding in anticipation of the completion of the new Hudson River bridge, the company has been compelled to take over considerable property on mortgage foreclosure. Not being authorized by the indenture to accept these mortgages, the Court has approved the holding through a subsidiary organization known as the Unity Corporation. The Lincoln Company seems to be well equipped to handle the situation and has not become involved in a greater percentage of foreclosures than insurance and other companies issuing mortgages in this district. However, the court proceedings caused a flurry, and explanatory communications have been sent to all investors. While there seems to be no reason to take any drastic steps, it was

F-2772 VOTED that the Investment Committee be instructed to investigate Lincoln Mortgage and Title Guaranty Company and take any action deemed necessary to conserve the interests of the University.

GAMBLE GIFT OF \$25,000.00

A letter from Mr. Sidney D. Gamble was presented. It showed his continued loyalty and devotion to the University by contributing from the income from a certain trust fund, whereby in the course of four years a total of \$25,000.00 will have been paid and which under certain conditions is to be used for endowment for Yenching. Appendix B clearly sets forth the plan in detail. It was

F-2773 VOTED that in behalf of the Trustees of Yenching University, this Committee very gratefully accepts and agrees to the terms as set forth by Mr. Sidney D. Gamble in tending the \$25,000.00 gift

and as indicated in Appendix B attached to the minutes, and further desires to express its very sincere appreciation of the generosity as well as wise provision of the donors.

CONTRACT WITH DR. JENNEY

On February 3, 1930 the Committee gave consideration to signing a five year contract with Dr. Chester E. Jenney. Resultant action (f-2758) proposed a further study of the situation, the matter to be again brought up within four weeks' time. The Promotional Office presented to analysis of the results of Dr. Jenney's activities while under full time employment with the University. It also included correspondence on the subject with Dr. Jenney.

The Committee felt that it would be necessary to make a further study of the entire situation with a larger number present, also that a conference with Dr. Stuart would be most desirable. It was

F-2774 VOTED that action on the proposed five year contract with Dr. Chester E. Jenney be postponed until Dr. Stuart returns from California and that it then be taken up in connection with other promotional matters.

BALANCE DUE ON VETERINARIAN ACCOUNT

As a result of requests from the field regarding the G\$1,000.00 used for Dr. Chen, the Committee on January 17, 1930 (f-2733) authorized payment. In actually carrying out these instructions, however, investigation showed that if the \$1000.00 gold was paid, it would create a surplus in the Agricultural Department at the close of the last fiscal year, whereas the above action stated that the \$1,000.00 was to clear the deficit. The Committee acted as follows:-

F-2875 VOTED that it is the decision of this Committee that only such deficit should be paid as appeared in the Department of Agriculture on the field at the end of the year which rightfully could be attributed to Dr. Chen's employment and after all other credits as applicable to 1928/29 had been considered.

WARNER GYMNASIUM

The following cable from the field was read:-

"WARNER MEMORIAL GYMNASIUM LOWEST BIDDING AGGREGATE 93,000. WILL YOU SELL G\$35,000.00 OR AUTHORIZE US CONTRACT RATE OF EXCHANGE APPROXIMATELY 280; OTHERWISE SERIOUS DIFFICULTIES ARE IN THE WAY. PLEASE TELEGRAPH DEFINITE ANSWER IMMEDIATELY. "

Mr. Warner had been communicated with immediately and his reply indicated his willingness to have the contract authorized but was strongly adverse to the swimming pool and basement. The Committee concurred, and it was

F-2776 VOTED that in accordance with the wishes of the donor the field be cabled authorizing exchange contract at 290 or the better to the amount of G\$35m000.00 for the Warner Gymnasium but that

swimming pool and basement be omitted, thus reducing the cost of the building.

CAMPAIGN OBJECTIVES

A list of objectives now being used in the California campaign was presented to the Committee, and it was noted with some concern that while certain items had been previously approved, there were others which called for action by the Executive Committee. It was felt that those particular items formerly acted upon should be segregated into a group to form the basis of present appeals and that other present and future needs be tabulated and recommended for the approval of the Executive Committee, the whole list to be used in the promotional work as is thought expedient.

F-2777 VOTED that it is the understanding of this Committee that the following items on the Yenching list of campaign objectives have been previously approved and that the promotional activities of the University have full authorization to use them in any or all of their activities:-

| | | |
|--------------------------------|-------------------|---------------|
| Faculty Residences | \$ 45,000.00 | |
| Power Plant Equipment | 25,000.00 | |
| Library Endowment Fund | 100,000.00 | |
| Endowment for Natural Sciences | 250,000.00 | |
| " " Woman's College | <u>100,000.00</u> | \$ 520,000.00 |

F-2778 VOTED to recommend to the Executive Committee that it approve the following list of objectives as representing present needs of the University and that authorization be given to use these items in the promotional work of the University:-

| | | |
|--|-------------------|----------------|
| Dormitory for Women | \$ 35,000.00 | |
| Completion and Endowment of Dormitory Group for Men | 170,000.00 | |
| Music Hall | 25,000.00 | |
| Endowment Physical Education | 250,000.00 | |
| Endowment School of Journalism | 500,000.00 | |
| Endowment for the "College of Social Sciences" (to be the objectives of Princeton-in- Peking) | 500,000.00 | |
| Endowment for the "College of Education" (to be used at the discretion of the Promotional Office) | <u>500,000.00</u> | \$1,980,000.00 |

F-2779 VOTED that action on the \$100,000.00 endowment for agricultural experimentation be deferred until more complete data on the subject can be secured.

Ad-journed

C. A. EWANS

Assistant Secretary.

PROPOSED NEW CONTRACT

THIS AGREEMENT entered into this day of 1930, between the YENCHING UNIVERSITY of 150 Fifth Avenue, New York, hereinafter referred to as the party of the first part, and PIERCE & HEDRICK, Incorporated, of New York and San Francisco, hereinafter referred to as the party of the second part.

WITNESSETH:

WHEREAS the said party of the second part hereby agrees to direct for and in behalf of the party of the first part, a campaign for funds, between 1 1930, and May 1930, and

WHEREAS the said party of the first part agrees to accept the services of the party of the second part in directing said campaign,

It IS HEREBY AGREED that said party of the second part shall provide the service described below on the terms stated:

- Advisory and counselling service of Pierce & Hedrick, Inc.;
- Preparation of necessary publicity matter;
- Full time service of four (4) campaign directors, or any smaller number, as stipulated below.

IT IS FURTHER AGREED that said party of the second part, through their representatives shall have entire charge of the direction of the campaign giving their best efforts to the organization and direction of the campaign committee of volunteer workers, and that the party of the first part hereto will give its hearty support and will enlist the support and cooperation of its friends as far as the same can be done, and further, the party of the first part agrees that it will do everything reasonable to advance the interests of the campaign .

IT IS FURTHER AGREED that said party of the second part will cause to be rendered accurate reports of amount of cash and subscriptions received each day of the campaign, and will cause all cash to be deposited to the account of the party of the first part in some bank or other depository to be designated by the party of the first part, it being understood that such cash will at no time be in the possession of the party of the second part.

IT IS FURTHER AGREED that the party of the second part will pay all necessary expenses incurred in the campaign, such as office expense, printing publicity, (including 1,000 copies of an issue of 3,000 copies of the "Case Book" now in manuscript form), telephone, and telegraph bills, cost of luncheons or suppers for committees, and travelling expenses of employed agents representing the party of the second part, and shall render to the party of the first part from time to time, when requested, a full accounting thereof.

IN CONSIDERATION of the work that is to be performed by the said party of the second part, the said party of the first part, does hereby agree to pay to the party of the second part the sum of EIGHT THOUSAND (\$8,000) Dollars as an expense fund, payments thereto to be made as follows, it being understood, however that any surplus still unexpended by the party of the second part at the end of the fourth week and of the eighth week respectively shall be deducted from the payments designated below for these

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dates, and that any unexpended portion at the close of the campaign shall be refunded to the party of the first part.

- \$4,000 upon signing of the contract;
- \$2,000 at the end of the fourth week;
- \$2,000 at the end of the eighth week.

IT IS FURTHER AGREED that upon the signing of this contract, the party of the first part shall pay to the party of the second part a fee for the services of the two campaign directors now engaged--one in California and one in Boston, at the rate of \$225 per week per director for the time each has actually been assigned and that this payment shall be accepted by the party of the second part in lieu of the fee of \$3,000 required for twelve weeks' service of one campaign director under the contract dated January 16, 1930, whereupon that contract shall become null and void and the party of the second part shall thereupon render a full accounting for all expenditures made under that contract, and further that the unexpended balance of the expense fund of \$2,000 furnished by the party of the first part shall be considered as constituting a portion of the first payment of \$5,000 to be made toward expenses under the present contract.

IT IS FURTHER AGREED that, in consideration of the services thus to be rendered by the party of the second part, the party of the first part shall make the following additional payments to the party of the second part, with the understanding that all subscriptions accepted by the University in its own behalf or for any institution uniting in the campaign, shall be included in computing fees to be paid, with the sole exception that gifts which may be secured from any Princeton alumnus named in a list of one hundred persons to be mutually agreed upon, shall not be included.

- For the first \$200,000, a fee of \$5,000;
- For the third \$100,000, an additional fee of \$6,000;
- For the fourth and fifth \$100,000, an additional fee of \$4,000 each. For each \$100,000 beyond this total an additional fee of \$2,500.
- For any proportional part of these amounts secured during the continuance of the campaign or during one month thereafter, a proportionate part of the fee designated for that sum.

IT IS FURTHER AGREED that from the date of the signing of this contract, the party of the first part shall pay to the party of the second part, a fee for the campaign directors assigned to this campaign, at the rate of Two Hundred and Twenty-five (\$225) Dollars per week for each director during the period of assignment. This fee shall be paid bi-weekly.

IT IS FURTHER AGREED THAT at any time prior to the actual assignment of the total number of directors called for by this contract the number to be assigned may be reduced without previous notice upon the advice of either party to this contract; and it is further agreed that upon the advice of either party to this contract given at any time after the assignment of any or all of the campaign directors called for and after two weeks' notice any or all of the campaign directors will be withdrawn by the part of the second part. It is further agreed that in event of reduction of the number of campaign directors there shall be a corresponding reduction in the payments thereafter due by the part of the first part to the part of the second part on account of expense.

IT IS FURTHER AGREED that copies of all data accruing to the party of the second part in the prosecution of this campaign shall be furnished to the party of the first part at least once every two weeks.

IN WITNESS WHEREOF we have hereunto subscribed our names this _____ day of _____ 1930.

By _____ (L.S.) By _____ (L.S.)

By _____ (L.S.)

Pierce & Hedrick, Incorporated.

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Yenching Finance Com.
February 24, 1930

Appendix B

1022 Union Trust Building
Cincinnati, Ohio.
February 6, 1930

Yenching University,
150 Fifth Avenue
New York City.

Gentlemen:

As Trustee I have been authorized to apply the income of a certain trust fund to educational, charitable, religious, philanthropic or beneficial purposes.

My present intention is to pay out of said income to your organization One Thousand Five Hundred Sixty-two Dollars and Fifty Cents (\$1,562.50) on February 20, 1930 and quarterly thereafter during the ensuing four years, making a total of sixteen payments. The right is reserved, however, to discontinue such payments if at any time and for any reason I should so determine.

If all sixteen contemplated payments are so made, they will aggregate Twenty-Five Thousand (\$25,000.00) Dollars, That was the amount bequeathed to your organization by the last will of Mary Huggins Gamble, deceased. You have already been advised that the law of Ohio rendered that bequest invalid.

As and when each respective payment is received, it shall be added to and held in your permanent endowment fund during a period of twenty-five years and only the income therefrom shall be used for your organization's work.

After the expiration of such twenty-five year period any part of all of the principal amount may be used for your organization's current expenses if your Board of Trustees or Directors then deem such action advisable and for the best interests.

Accordingly I ask your Board by formal action to advise me promptly whether you care to accept these contemplated payments upon the above outlined terms and conditions, addressing me at 1022 Union Trust Building, Cincinnati, Ohio.

Very truly yours,

/s/ SIDNEY D. GAMBLE

SDG-JM

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MINUTES OF VOTE BY CIRCULATION
EXECUTIVE COMMITTEE
TRUSTEES OF YENCHING UNIVERSITY

March 2, 1930

Members of Committee

- | | |
|---|-------------------------------|
| *Mrs. J.M. Avann | *Dr. G. T. Scott |
| *Dr. J. L. Barton | Prof. W.J.Thompson (Alt. for |
| *Mrs. John H. Finley | Mr. E.M. McBrier) |
| Mrs. Lucius O. Lee(Alt.for Mr. E.A.Evans) | *Dr. A.L.Warnshuis |
| Mr. C. T. Ludington (Alt.) | *Mr. F.H. Warner, Ex-officio. |

Ballots were received from those whose names are starred above.

Four ballots (a quorum of the committee) approved both of the following actions without comment.

One ballot approved both actions but commented "I think it a questionable procedure to determine items of such magnitude by a correspondence vote."

One ballot was returned without a vote, but with the notation that the member was willing to abide by a majority vote of the Executive Committee and with a further notation that the member feels strongly that certain of the actions listed in actions F2777 and F2778 should be emphasized because of their importance and should not be lost sight of in a larger campaign for an inclusive list of present and future needs.

No formal meeting of the Executive Committee was held because absence from the city of other factors made it impossible to secure a working quorum without indefinitely delaying a decision on the questions involved.

REVISED CONTRACT WITH PIERCE AND HEDRICK

E - 2780, VOTED that approval be given to the recommendation of the Committee on Finance, Property and Investment (F-2769) that the revised contract with Pierce and Hedrick attached to the minutes of the February 24th meeting of the Committee on Finance, Property and Investment as Appendix A be accepted by the Yenching Board of Trustees; and that the proper officers of the Board be, and they hereby are, authorized and instructed to execute this contract on behalf of the Board.

LIST OF PROMOTIONAL OBJECTIVES

E - 2781 VOTED that approval be given to the list of promotional objectives itemized in action F-2778 of the Finance Committee minutes, meeting of February 24, 1930, and that authorization be given to use any or all these items in the promotional appeals being made by the University.

B. A. GARSIDE
Secretary

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MINUTES OF JOINT MEETING
COMMITTEE ON FINANCE, PROPERTY AND INVESTMENT
EXECUTIVE COMMITTEE
TRUSTEES OF YENCHING UNIVERSITY

2:30 P. M., FRIDAY, MARCH 28, 1930

Room 606 150 Fifth Avenue. New York City

List of Members

- | | |
|-------------------------|--------------------------------|
| * George G. Barber | Miss Margaret Burton |
| * Sidney D. Gamble | * J. L. Barton |
| * Mrs. L. O. Lee | W. J. Thompson |
| * Leslie R. Rounds | Mrs. J. M. Avann |
| G. T. Scott | Mrs. J. H. Finley |
| * A. L. Warnshuis | Franklin H. Warner, ex-officio |
| * Mrs. O. R. Williamson | * J. Leighton Stuart. |
| C. T. Ludington | |

The meeting was opened with prayer by Dr. Stuart.

APPROVAL OF MINUTES

Minutes of the Finance Committee meeting held February 24, 1930 were approved as circulated with the exception of amending action F-2773 by omitting any reference to legatees of the Gamble Estate. The gift of \$25,000.00 is a personal donation by Mr. Sidney D. Gamble.

RESERVE FUND

Attention was called to a notice from the Central Hanover Bank and Trust Company that the $3\frac{1}{2}\%$ interest allowed on certificate of deposit representing the Reserve Fund is to be reduced to 3%, and the question was raised as to whether it is not the proper time to invest the amount or place it in a savings account. It was

EF-2782 VOTED to withdraw the \$10,000.00 Reserve Fund on Certificate of Deposit at the 18th Street Bank of the Central Hanover Bank and Trust Company.

EF-2783 VOTED to deposit the \$10,000.00 Reserve Fund in a savings account @ $4\frac{1}{2}\%$ interest in one or both of the following institutions as may be necessary or convenient:-
Emigrant Industrial Savings Bank
Bowery Savings Bank

FURLOUGH TRAVEL ALLOWANCE S. D. WILSON

It was reported that the American Board called attention to the understanding relative to travel allowance of Professor Wilson and family, who went to the field in 1924 on travel paid by the University. The American Board took over their support in 1928 (See E-2362, October 16, 1928). They are returning this summer (1930). It was assumed that outgoing travel expenses belongs to the first half of the period of service and the home coming to the latter three years, and thus Yenching should pay $\frac{1}{3}$ of the home coming cost. It was therefore

EF-2784 VOTED that the Treasurer be authorized to pay one third of home coming travel of Professor Stanley D. Wilson and family, provided they are returning this summer of 1930, or if later such proportion as time on the field bears to years under Yenching Trustees.

\$1,000.00 FOR CAMPUS IMPROVEMENTS

The following cable was received on March 17, from Dr. Galt:

"CAN YOU AUTHORIZE G\$1,000.00 NOW FOR CAMPUS IMPROVEMENTS."

Consideration was given to the fact that "Land Improvements and General Plants" on February 28, 1930 carried a debit balance of \$21,624.77 and that at the same time "Plant Funds" showed an overdraft of \$18,755.26. It was recognized that authorization for the above request would only increase the deficit \$1,000.00. Nevertheless, it was felt that the additional improvements were necessary, and it was

EF-2785 VOTED to authorize the expenditure of G\$1,000.00 for Campus Improvement and cable the field accordingly.

MRS. BLAIR'S TRAVEL CLAIMS

Communications from Mrs. Mary Barbour Blair and the World Acquaintance Travel Bureau were brought up for consideration. Mrs. Blair presented certain claims against the Bureau for rebates because of alleged failure to render service. The amount which the Bureau agreed to refund did not reach Mrs. Blair's claim by \$99.35, but as the latter suggested that Yenching collect the claim and credit her pledge, it was thought inadvisable to press any claim for the difference, and it was

EF-2786 VOTED to accept a check for \$882.00 from the World Acquaintance Travel Bureau and credit Mrs. Blair's pledge with \$981.35 charging the difference to the object designated for Mrs. Blair's gift.

INVESTMENT MATTERS

The following was presented as a report on the investment situation

"Since the authorization on February 3 to sell 1000 shares of Aluminum at 107 or better, the following has been accomplished:

| | | | |
|------|--|---------|--------------------|
| Sold | 100 shares Aluminum @ 107 $\frac{1}{4}$ | netting | \$10,696.00 |
| | 100 shares Aluminum @ 107 $\frac{3}{8}$ | " | 10,708.50 |
| | 300 shares Aluminum @ 107 $\frac{1}{2}$ | " | 32,163.00 |
| | 100 shares Aluminum @ 107 $\frac{1}{2}$ | " | 10,721.00 |
| | 200 shares Aluminum @ 107 $\frac{3}{4}$ | " | 21,492.00 |
| | | | <u>\$85,780.50</u> |
| | Additional cash available for investment | | 1,537.50 |
| | | | <u>\$87,318.00</u> |

| | | | |
|------------------------|---|-------------|-------------|
| Purchases | \$20,000 New England Power @ 95 | \$19,000.00 | |
| | \$20,000 International Tel & Tel. @ 96 $\frac{1}{2}$ | 19,300.00 | |
| | 200 shares Oklahoma Gas & Elec- tricity @ 112 | 22,342.00 | \$60,642.00 |
| Net cash available | | | \$26,676.00 |
| Brought forward | | | 226,676.00 |
| | 200 shares of Aluminum unsold @ 107 $\frac{3}{4}$ | | 21,492.00 |
| Balance to be invested | | | \$48,168.00 |

"Against this \$48,000.00 the Committee has approved the purchase of \$20,000 Guaranteed Mortgage or Participation Certificates and two preferred stocks which have so appreciated that they are no longer attractive as to price or annual yield. Other securities should be selected." It was

EF-2787 VOTED that the Investment of the balance of cash realized from sale of Aluminum Preferred, when available, be accomplished through consultation with the Advisory and Investment Committees.

CONTRACT WITH DR. CHESTER E. JENNEY

This matter was last considered by the Committee on February 24, 1930, when it was voted (F-2774) to postpone action until after Dr. Stuart returned from California. The matter was fully discussed, and the judgment of the Committee centered in the following motion:-

EF-2788 VOTED to approve the execution of a contract with Dr. Chester E. Jenney for a period of one year, but with the expression of hope that the contract shall be continued for a much longer period; such contract to be subject to cancellation after the expiration of one year on notice by either party amounting to at least six months or longer period not in excess of one year as may be necessary to be fair to Dr. Jenney and to the University; the financial arrangements to be substantially those prevailing under the agreement with Dr. Jenney approved by the Campaign Committee by action No C-2372 on November 7 1928; such contract to make suitable provisions whereby in case Yenching University's promotional work is combined in a joint promotional effort of the China colleges, Dr. Jenney's services may, by mutual consent, be transferred to such joint promotional effort; and further that the Chairman of Committee on Finance, Property and Investment be empowered, in consultation with the Assistant to the President and with the Secretary, to draw up a contract with Dr. Jenney in line with the above provisions.

CHINESE GIFT OF \$625,000.00 L. C.

The subject was introduced by the presentation of a letter from Mr. Van S. Merle-Smith wherein he discussed various possibilities of methods for handling the fund in China together with the \$250,000.00 Rockefeller Gift. The Committee did not feel that any hasty action should be taken and in view of having had no previous opportunity to consider the outlined plans, it was

EF-2789 VOTED that the method of handling the L.C.\$625,000.00 Chinese gift and Rockefeller gift of G\$250,000.00 be referred to a special committee consisting of the Chairman of the Finance Committee, Dr. Stuart, and Mr. Van S. Merle-Smith to draw up a definite form of suitable agreement which would seem proper for the Board to adopt and present same to the Trustees meeting on April 23, and that this committee be authorized to consult others as far as it is deemed necessary.

PROMOTIONAL MATTERS

Mr. Wannamaker made a brief report on promotional matters, summarizing the progress of the present efforts to secure funds for the University,

The meeting was dismissed with prayer by Dr. Barton.

C.A.EVANS

Assistant Secretary

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MINUTES OF JOINT MEETING
COMMITTEE ON FINANCE PROPERTY AND INVESTMENT
EXECUTIVE COMMITTEE
TRUSTEES OF YENCHING UNIVERSITY

1:30 P. M., Monday, April 14, 1930

Room 606, 150 Fifth Avenue, New York City

List of Members

| | |
|------------------------|--|
| George G. Barber | C. T. Ludington |
| *Sidney D. Gamblè | Mrs. William Boyd |
| Mrs. L. O. Lee | J. L. Barton |
| *Leslie R. Rounds | Mrs. J. M. Avann |
| *G. T. Scott | *Mrs. J. H. Finley |
| *E. M. McBrier | Franklin H. Warner, <i>ex-officio</i> |
| *A. L. Warnshis | *J. Leighton Stuart, <i>ex-officio</i> |
| *Mrs. O. R. Williamson | |

Those whose names are starred were present as well as Mr. O.D. Wannamaker, B.A. Garside, and C.A. Evans.

Mr. McBrier was elected chairman pro tem.

Meeting was opened with prayer by Dr. Stuart.

APPROVAL OF MINUTES

The minutes of March 2 and March 28 were approved as circulated.

INVESTMENT OF ENDOWMENT FUND FOR WORK IN NATURAL SCIENCES

The Committees gave consideration to the conditional gift by Mr. Chou Tso Min of L.C. \$625,000.00 as an endowment fund for Natural Sciences which would be considered by the donor and the Trustees as matching the Gold \$250,000.00 received from the Rockefeller Foundation for the same purpose. Study was given to the recommendation of the Special Committee on Gift from Chinese donor (attached hereto as Exhibit A) and to the memorandum prepared by Mr. Van S. Merle-Smith on January 24, 1930 (attached hereto as Appendix A). After thoroughly discussing the various viewpoints, it was

EF-2790 VOTED that the Executive And Finance Committee submit to the Board of Trustees, with their recommendation of its approval, the following resolution:-

RESOLVED (1) that the proposed gift of L.C. \$625,000.00 from Mr. Chou Tso Min to constitute one-half of an endowment fund of Gold \$500,000.00 for work in the Natural Sciences be accepted, provided that the terms of the gift can be mutually agreed upon,.

(2) (a) that there be created in China a special Committee on Investment of the above endowment funds, responsible to the Trustees of Yenching University, consisting of the following four members:- Dr. J. Leighton Stuart, Mr. C.R. Bennett, Mr. Dwight W. Edwards, and Mr. Roger S. Greene;

with the understanding that if and when any one of these four members may be temporarily absent from China the remaining three be empowered to choose a temporary substitute to serve during his absence; (b) that this special committee on Investment be authorized to negotiate with Mr. Chou Tso Min as to the arrangements which these endowment funds for work in the Natural Sciences shall be invested or deposited.

(3) that the Rockefeller Foundation be asked to give its approval or assent to placing in the hands of the special committee on Investment, created above, the ~~G~~\$250,000.00 received from the Rockefeller Foundation as endowment for work in the Natural Sciences; and that if and when the Rockefeller Foundation approves of or assents to this procedure the Treasurer of the Trustees of Yenching University is hereby authorized to place this Gold \$250,000.00 in the hands of this Special Committee on Investment.

JAMES W. PORTER ANNUITY

The Committee were notified that on March 29 communication was received from Sherman M. Goble representing the Porter interests wherein he reported that the transfer to Yenching University of 139 shares of Continental Illinois Bank and Trust Company (Chicago, Illinois) common stock to yield \$100,050.00 at \$725.00 per share.

The Advisory and Investment Committees were immediately communicated with and decided that the stock should be sold on the grounds that while this bank is one of the foremost in America, the yield on the present market price is exceedingly small (2.51), whereas 8% is guaranteed to the donor. The real justification for holding the stock would be anticipated appreciation for holding the stock would be anticipated appreciation which is not thought consistent with previous actions.

Previous actions of the Trustees (T2680) authorized the sale of the stock, and the Investment Committee reported its decision to sell.

In giving consideration to this action it was thought that other factors entered into the case and that it would be more advisable to sell a portion at this time and more later on. It was

EF-2791 VOTED to sell at once 38 shares of Continental Illinois Bank and Trust Company common stock and that duly authorized officers of the University be instructed to sign necessary papers incidental to the transfer.

EF-2792 VOTED that the minimum sale price on Continental Illinois Bank and Trust Company stock be 725, and that at a later date the sale of the balance be taken up with the Investment Committee.

BASHFORD ENDOWMENT FUND (ON FIELD)

The following quotations from a letter dated March 11, 1930 received from Mr. Stephen Tsai, Assistant to Dr. Galt was presented to the Committees:- "We have taken note of the action of the Trustees' Committee on Finance, Property and Investment, on February 3 with reference to the Bashford En-

dowment Fund,. We wish to report to you the present status of the fund so that you may deal with the question with up to date information on hand. As you know the original amount received was L.C. dollars eighteen thousand (L.C.\$18,000.00), of which \$2853.50 has been used on the field for current expenses; \$11643.93 has been invested in \$13,000.00 face value Chinese Government 14th Year 8% Bonds; and \$3502.57 has been invested in the Elementary School buildings for which a group of Chinese faculty members has underwritten to pay the interest at 8%.

"We have during this year accumulated a sufficient amount from various sources to replenish the fund for what we spent for current expenses, namely \$2853.50. Recently a drawing of the 14th Year 8% Bonds took place and two bonds of \$1000.00 each of our holding were drawn and will be redeemed and at par on March 31. So there will be only \$9,543.93 cash invested in the bonds by April 1." It was

EF-2793 VOTED that the Treasurer's office at Yenching be asked to consult with the Finance Committee on the Board of Managers in China and to make such investment of the Bashford Endowment Fund of \$4,853.50 as may be suggested, the unused portion to be used in an interest bearing account with the National City Bank in Peking, any two of the following being designated to sign the necessary papers: J. Leighton Stuart, Howard S. Galt Stephen Tsai.

Adjourned.

C. A. EVANS
Assistant Secretary

MEMORANDUM MINUTES OF MEETING
SPECIAL COMMITTEE ON GIFT FROM CHINESE DONOR
TRUSTEES OF YENCHING UNIVERSITY

MR. MERLE-SMITH'S OFFICE, 57 WILLIAM STREET, NEW YORK CITY

12 Noon, April 8, 1930

Members of Committee

*Mr. George G. Barber *Mr. Van S. Merle-Smith Dr. J. Leighton Stuart

Those whose names are starred were present, as were also Mr. O. D. Wannamaker and Mr. B. A. Garside, both of whom were requested by Dr. Stuart to be present and to present his views to the Committee.

The Committee gave careful consideration to the memorandum prepared by Mr. Merle-Smith on January 24, 1930. After a thorough discussion of the various factors involved, it was

VOTED that this Special Committee recommend that the Executive And Finance Committees submit to the Board of Trustees the following resolution:-

- RESOLVED (1) that the proposed gift of LC\$625,000. from Mr. Chou Tso Min to constitute one-half of an endowment fund of Gold \$500,000. for work in the natural science at Yenching University be accepted provided that the terms of the gift can mutually be agreed upon.
- (2) That the proper officers of the Corporation be and they hereby are authorized to establish, first having obtained the consent or approval of the proper authorities of the Rockefeller Foundation, a special trust to be set up and administered in general accordance with the the recommendations contained in the memorandum hereto attached and designated as Appendix "A", with such additional agreements and guaranties as shall be deemed necessary or advisable and shall be approved by counsel of the Corporation; and for that purpose said officers are authorized to prepare, negotiate and execute on behalf of the Corporation such trust agreement with trustees satisfactory to said officers and a contract or contracts with Mr. Chou Tso Min and/or his bank or banks or either of said trust agreement and contracts, as said officers shall deem necessary or advisable, each thereof to be in form approved by counsel of the Corporation, and said officers are authorized and directed by the parties thereto and upon the consent and approval of the proper officers of the Rockefeller Foundation to pay over in accordance with the terms of said agreements the principal amount of the said Gold \$500,000.

B. A. GARSIDE
Secretary

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CHOU TSO MIN has placed to the credit of Dr. J. Leighton Stuart \$635,000. local currency with the Peking office of the King Cheng chain of banks which he controls. On the basis of this credit, the China Medical Board of the Rockefeller Foundation have paid over to the Trustees of Yen-ching University \$250,000 gold dollars.

The Chinese donor desires that the aggregate amount of both of these donations be invested in China under his direction. There are sufficient moving reasons for agreeing to his request, first, because of the advantage of obtaining his cooperation and support for the University; second, because it is believed that he may persuade other bankers to lend their moral and financial support to the University; and, third, because it is believed that the support of the powerful banking interests in China may serve as a protection to the University in the event of further governmental difficulties. Further, that the evidence of Chinese participation in the financial support of the University would have the general effect of creating good feeling to the University on the grounds that it is becoming more and more an institution in which both Chinese and Americans are cooperating.

From a legal standpoint it would appear that the Trustees of Yen-ching University have the power to invest funds of the University in foreign securities and to loan money to foreigners provided the Trustees perform their fiduciary obligations of caring for the funds of the University with the care that would be exercised by reasonable men in the same position in the light of all the circumstances. It would be clearly unwise, however, to utilize the funds of the China Medical Board in such a proposition without their thorough understanding and consent.

It would seem advisable that the Chinese donors turn over the amount of funds donated by him absolutely to the University. It should be clearly understood that the transfer is not in the nature of a loan. The amount donated by the Chinese donor and the amount donated by the China Medical Board could then be put in a trust fund with the University as Trustee under an agreement providing that the Chinese donor should be permitted to manage the investment of the principal amount of the trust fund for a stated period of years providing that he would guarantee to the University a certain amount of income yearly and guarantee the University against loss of the principal amount. If the interest guaranteed was at a reasonably low rate in comparison to Chinese current interest rates, there would be ample consideration for the personal guarantee on the part of the Chinese donor. To protect the Chinese donor, provision should be made in the agreement that as manager he would be entitled to any profits earned by the fund over and above a certain interest rate which might be the same as that stated in the guarantee or perhaps somewhat above that rate.

It would seem that such an arrangement would be advantageous from the viewpoint of the Chinese donor or any other banker who might be willing to add to such a fund for the reason that the principal amount of the funds being foreign held would have a certain amount of protection on account of that fact in the event of Civil War. It might be wise to set up in connection with that agreement a Supervisory Committee made up of representatives of Yen-ching University in China and the China Medical Board and Mr. C.R. Bennett of The National City Bank of New York, to whom the Chinese donor would be reporting from time to time as to the transactions.

The provisions of the agreement would be carefully drawn as it may be that such a proposition in the nature of an investment trust might serve

as a pattern for future trust funds of the same character.

I suggest that the matter be discussed with the China Medical Board and any suggestions that they may have considered. After that, this office might make a draft of an agreement covering such trust fund which Dr. Stuart could take to China for negotiation with the Chinese donor. If he understood that such a trust fund might serve as a pattern for future trust funds of the same character, it is believed he would be willing to agree to a formal and carefully drawn document setting up the fund.

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MINUTES OF MEETING
COMMITTEE ON BUDGET
TRUSTEES OF YENCHING UNIVERSITY

2:00 P.M., April 21, 1930

150 Fifth Avenue, New York City

Members of Committee

- | | |
|-------------------|---------------------------|
| Mrs. J. M. Avann | *Pres. Ellen F. Pendleton |
| Mr. G. G. Barber | *Mr. E. M. McBrier |
| Mrs. William Boyd | *Pres. J. L. Stuart |
| Dr. G. T. Scott | *Mr. B. A. Garside |
| Mr. F. H. Warner | *Mr. C. A. Evans |

Those whose names are starred above were present.

Mr. McBrier presided.

BUDGET FOR 1930 - 1931

The Committee made a study of the budget for 1930-31 as presented by the field. This budget was submitted in balanced form, based on anticipated income for next year as reported from New York plus anticipated income on the field from fees or other local sources of support. In addition to this balanced budget the field submitted a supplementary list of extra budget items which the field earnestly hopes can be met next year if the necessary additional income can be secured. A summary of the balanced budget as submitted by the field is attached hereto as Appendix A, and the supplementary list of extra-budget items is attached as Appendix B. The Committee found the balanced budget to be in satisfactory form, and found that, with the exception of the one contingent item of income from the Natural Science endowments, the contributions which the field expects to receive from the Board of Trustees, or through the Trustees from the special designated current gifts, can be considered as assured. It was recognized, however, that certain minor modifications of estimated income may be made by the Committee of Yenching College for Women, or in other sections of the budget where anticipated income and expenditure are in balance, and that in case such modifications of income are made, similar adjustments of expenditure will be effected. After its study of the budget, the Committee

B-2794 VOTED that the Committee on Budget recommend:

(1) that the Board of Trustees inform the field that it will contribute toward the 1930-31 budget of the University the sum of L.C.\$166,852.79 to be derived from the following sources of general income (Class A):-

| | |
|-----------------------------------|-----------------------|
| Unrestricted endowment income | G.\$ 57,554.34 |
| Bashford maintenance funds | 1,351.70 |
| Cash contributions mission boards | 11,500.00 |
| Theological endowment income | 7,200.00 |
| | <u>G.\$ 77,606.04</u> |

@ 2.15 to 1 L.C.\$166,852.79

(2) that the Board of Trustees inform the field that the following income is expected to be received during 1930-31 from special gifts for specified purposes (Class B):-

| | |
|-------------------------------------|------------------|
| Harvard - Yenching Institute income | |
| from special trust funds | G.\$ 26,000.00 |
| Laura Spelman Rockefeller gift | |
| for Social Sciences | 25,000.00 |
| Princeton-Yenching Foundation | 25,300.00 |
| Special Gifts, Wm. Hung's salary | 1,800.00 |
| Special Gifts, School of Theology | |
| from Dr. Coffin | \$1,800.00 |
| from A.B.C.F.M. | 1,800.00 |
| | <u>3,600.00</u> |
| | G.\$ 81,700.00 |
| School of Journalism Gifts | L.C.\$ 16,620.00 |

(3) that the Board of Trustees transmit to the field such information as may be received from the Yenching College Committee, the Harvard-Yenching Institute and the China Famine Relief Committee as to the amount of income available from these sources during the coming year, for the use, respectively, of the Yenching College for Women, the Harvard-Yenching Institute (postgraduate) and the Department of Agriculture. (Class B).

(4) that if and when the Board of Trustees are able to complete the setting up of the \$500,000 endowment fund for work in the Natural Sciences, the Board inform the field that the income from this endowment fund, amounting probably to approximately G\$25,000.00 will be available for this designated objective.

The above proposals being considered as meeting the Trustees obligations toward the balanced budget submitted by the field, the Committee took up a study of the list of extra budget items submitted by the field. It was found that in addition to the list of extra-budget items some provision would have to be made for the expenses of home administration which, through an oversight was not allowed for in the budget submitted by the field, (During the current fiscal year 1929-30, G\$8,500.00 is being spent in home administration.) The Committee found that all assured income for 1930-31 had already been appropriated toward the regular budget in accordance with the above recommendations and that the only other possible sources of income would be the following:-

- (a) Surplus on hand at close of 1929-30. At present it appears that any such surplus if it exists at all, will not exceed G\$2,660.00.
- (b) Gain on exchange above 2:15 to 1. It is impossible to estimate what gain on exchange is likely to accrue, due to the wide fluctuations in exchange rates during recent months. A fluctuation of one point in exchange caused a variation of approximately L.6.\$1,000. in income.
- (c) Possible new sources of income not now known to the Committee.

The Committee believed, however, that in view of the urgent representations from the field concerning salary increases and the creation of some plan for annuities and insurance, these two items on the extra-budget list should be cared for if at all possible. It was therefore

B-2795 VOTED that the Committee on Budget recommend that the Board of Trustees approve an appropriation of G\$8,500.00 for home administration 1930-31, and that the Board inform the field that it will provide as the field may require, up to L.C.\$17,637.00 to cover

increases in the salaries of the Chinese and western staff; and up to L.C.\$14,000.00 to cover premiums on annuities and insurance for Chinese and western members of staff, it being understood that any plan for annuities or insurance will be approved by the Board of Trustees.

B-2796 VOTED that the Committee recommend to the Board of Trustees that the field be advised that they should not undertake any expenditures in connection with the remaining items on the extra-budget list unless and until the Trustees notify them that additional income is available to be applied toward these objectives, or the field is able to secure additional local income beyond that already estimated which might properly be applied toward such extra-budget objectives.

The Committee noted that the field has not yet succeeded in having the cost of operation and maintenance of the Power Plant borne by the various portions of the University making use of these facilities, rather than having a very large lump sum for the operation and maintenance made a general charge against the budget. The secretary was asked to call the fields attention to the suggestion of the Board of Trustees on April 11, 1929, relative to this matter, and to urge that the field take early steps to modify its procedure in line with this suggestion.

The Committee adjourned.

B. A. GARSIDE

Secretary

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SUMMARY OF YENCHING UNIVERSITY BUDGET, 1930-31

Paying General Administration and Maintenance from General Funds, and Apportioning Power Plant, Operation
(Figures of 1929-30 for Comparison)

| <u>ACCOUNT</u> | <u>EXPENDITURES (in Local Currency)</u> | | <u>RECEIPTS 1930-31</u> | | <u>BALANCE</u> |
|---------------------------------------|---|------------------|-------------------------|-----------------------|----------------|
| | <u>1929-30</u> | <u>1930-1931</u> | <u>Gold</u> | <u>Local Currency</u> | |
| | <u>Total</u> | <u>Total</u> | | | <u>Surplus</u> |
| | | | | | <u>Deficit</u> |
| I. ADMINISTRATION | | | | | |
| Chancellor's Office | \$ 3600 | \$ 6340 | | | |
| President's Office | 9400 | 9100 | | | |
| Comptroller's Office | 13840 | 12324 | | | |
| Treasurer's Office | 10500 | 10940 | | | |
| Registrar's Office | 9390 | 9400 | | | |
| Medical Office | 8884 | 8833 | | | |
| Committee on Students' Welfare | 4335 | 9027 | | | |
| University General | 9700 | 12900 | | | |
| O&M of Grounds & Buildings | 36500 | 29348 | | | |
| Library | 12358 | 14732 | | | |
| Contingent Fund | 5000 | 5000 | | | |
| Special Items not Strictly Edu. | 2705 | 2705 | | | |
| | | 126212 | | | 130685 |
| Bashford Maintenance | | | | | |
| Hall Estate, general | | | G\$ 1351.70 | | |
| General Endowment | | | 52504.34 | | |
| | | | 5050.00 | | |
| | | | G\$58906.04 @ 2.15 | \$126,648.00 | \$ 4037.00 |
| II. GRADUATE DIVISION | | | | | |
| Office Expenses | | | | | 100.00 |
| III. UNDERGRADUATE COLLEGES | | | | | |
| 1. <u>College of Arts and Letters</u> | | | | | |
| Dean's Office | 795 | 770 | | | |
| Chinese Department | 16900 | 22370 | | | |
| Education Department | 8185 | 7900 | | | |
| English Department | 18528 | 21036 | | | |
| European Languages, Dept. | 2100 | 4800 | | | |
| History Department | 7940 | 9180 | | | |
| Journalism Department | | 16620 | | | |
| Music Department | 100 | 100 | | | |
| Carried Forward | 54548 | 82776 | | | |

Summary of Yenching University Budget

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RECEIPTS 1930-31
Gold Local Currency Surplus Deficit

EXPENDITURES (in Local Cur.)
 1929-1930 1930-1931
Total Total

| | | | |
|-----------------------|-------|---------|---------------|
| Brought Forward | | \$82776 | |
| Philosophy Department | 3300 | 5550 | |
| Physical Education | 6540 | 6840 | |
| Psychology Department | 6800 | 7040 | |
| Furlough, etc. | 3600 | 11734 | |
| Mission Staff | 26000 | 26000 | 139940 |
| | | | <u>139940</u> |

2. College of Natural Sciences

| | | | |
|----------------------------|-------|-------|--------------|
| Dean's Office | 795 | 620 | |
| Biology Department | 18330 | 19874 | |
| Chemistry Department I | 17688 | 17868 | |
| II | 4000 | 4240 | |
| Geology & Geography Dep't. | 850 | 2700 | |
| Mathematics Dep't | 6276 | 6276 | |
| Physics Department | 19620 | 18349 | |
| Furloughs | | 4000 | |
| Mission Staff | 16000 | 16000 | 89818 |
| | | | <u>89818</u> |

3. College of Applied Social Sciences

| | | | |
|--------------------------------|-------|-------|---------------|
| Dean's Office and General Exp. | 4000 | 4000 | |
| Economics Department | 33000 | 37800 | |
| Political Science Dept. | 35700 | 42000 | |
| Sociology Department | 36000 | 42000 | |
| Mission Staff for Economics | 4000 | 4200 | 130000 |
| | | | <u>130000</u> |

4. 9/14 of Power Plant

| | | | |
|--------------------------------------|--------|-------|---------------|
| Total for 3 Undergraduates Colleges. | 346547 | 49500 | 409258 |
| | | | <u>409258</u> |

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| ACCOUNT | EXPENDITURE (in Local Cur.) | | RECEIPTS 1930-31 | | BALANCE | |
|--|-----------------------------|--------------|--------------------|----------------|---------|---------|
| | 1929-1930 | 1930-1931 | Gold | Local Currency | Surplus | Deficit |
| | <u>Total</u> | <u>Total</u> | | | | |
| H. Y Institute Trust Fund | | | 6\$26000.00 @ 2.50 | 65000 | | |
| Mission Boards, Salaries and Cash | | | | | | |
| Cash | | | | | | |
| Staff Salaries | | | 11500.00 @ 2.15 | 24735 | | |
| Income on Field | | | | 42000 | | |
| Endowment Contingent (National Sciences) | | | | 87600 | | |
| Special Contribution | | | 25000.00 @ 2.15 | 53750 | | |
| Journalism | | | 1800.00 @ 2.50 | 4500 | | |
| L. S. R. Fund | | | | 16620 | | |
| Princeton in-Peking | | | 25000.00 @ 2.15 | 53750 | | |
| London Missionary Society | | | 25300.00 @ 2.15 | 54395 | | |
| Reserve Fund | | | | 4200 | | |
| | | | | <u>9355</u> | | |
| | | | <u>Total</u> | 415895 | 6637.00 | |
| IV. AGRICULTURAL EXPERIMENT STATION | 29702 | 26165 | | | | |
| V. H-Y-I RESEARCH SCHOOL | 108500 | 115170 | | | | |
| VI. SCHOOL OF RELIGION | | | | | | |
| Dean's Office | 4500 | 3700 | | | | |
| Biblical Literature Dept. | 10080 | 10380 | | | | |
| History of Religion Dept. | 1600 | 1600 | | | | |
| Philosophy of " | 4350 | 1800 | | | | |
| Religious Education & Psy. Dept. | 1800 | 600 | | | | |
| Christian Theology | 1800 | | | | | |
| Worship & Church Adm. Dept. | 100 | 400 | | | | |
| Special Items | 3200 | 3000 | | | | |
| Mission Staff | 6000 | 6000 | | | | |
| 1/14 of Power Plant | 5500 | 5500 | | | | |
| | 38930 | 32980 | | | | |
| Harkness Endowment | | | 6\$ 7200.00 @ 2.15 | 15480.00 | | |
| Special Contribution | | | 1800.00 @ 2.50 | 4500.00 | | |
| H. S. Coffin Gift | | | 1800.00 @ 2.50 | 4500.00 | | |
| Salaries Paid by Mission Boards | | | | <u>6000.00</u> | | |
| | <u>Total</u> | <u>Total</u> | | 30480.00 | | 2500.00 |

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Summary of Yenching University Budget

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| <u>ACCOUNT</u> | <u>EXPENDITURE (in Local Cur.)</u> | | <u>RECEIPTS 1930-31</u> | | <u>BALANCES</u> | |
|-----------------------------------|------------------------------------|------------------|-------------------------|-----------------------|-----------------|----------------|
| | <u>1929-1930</u> | <u>1930-1931</u> | <u>Gold</u> | <u>Local Currency</u> | <u>Surplus</u> | <u>Deficit</u> |
| | <u>Total</u> | <u>Total</u> | | | | |
| Carried Forward | | | | | 6637.00 | 6637.00 |
| VII. College for Women | | | | | | |
| Administration | 12085 | | | | | |
| Maintenance | 8987 | | | | | |
| 2/7 if Power Plant | 22000 | | | | | |
| Instruction: | | | | | | |
| College of Arts and Letters | 13265 | | | | | |
| " " Natural Sciences | 5000 | | | | | |
| " " Applied Social Sciences | 2900 | | | | | |
| Library, Contingent & Special | 1900 | | | | | |
| Mission Staff | 91430 | 26688 | | | | |
| | | | | | | 92825 |
| Income on Field | | | 31252.50 | | | |
| Special Contributions | | | 15475.00 | | | |
| Income through Yenching Committee | | | 14620.00 | | | |
| Gymnasium Maintenance | | | 2332.00 | | | |
| Yenching Committee | | | 2457.50 | | | |
| Salaries from Mission Boards | | | 26688.00 | | | |
| | | | <u>\$92825.00</u> | | | |
| | | | Total | | | |
| | | | | | \$ 6637.00 | \$ 6637.00 |
| GRAND TOTAL | \$741321 | \$807183 | | \$807183.00 | | |

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EXTRA BUDGET ITEMS ARRANGED IN PREFERENTIAL ORDER

| | | |
|-------------------------------------|---------------|-----------------|
| 1. Salary Increases | | |
| Chinese (Proposed) | \$13,000 | |
| Western | 4,637 | L. C. \$17,637. |
| 2. Annuity and Insurance | | |
| | | 14,000. |
| 3. Library Books | | |
| | | 13,718. |
| 4. O. & M. of Physical Plant | | |
| | | 11,536. |
| 5. Additional Housing for Faculty | | |
| | | 5,000. |
| 6. Department of Physical Education | | |
| | | 4,300. |
| 7. Laboratory Needs | | |
| Chemistry | \$2,100. | |
| Biology | 1,700. | |
| Physics | 2,050. | |
| Psychology | 200. | 6,050. |
| 8. (A) Individual Salary Increases | | |
| | \$8,022. | |
| (B) Additional Department Expenses | | |
| | <u>9,077.</u> | <u>17,099.</u> |
| TotalL. C. \$89,340. | | |

MINUTES OF THE MEETING
OF THE COMMITTEE OF THE TRUSTEES OF
YENCHING UNIVERSITY

FOR

YENCHING COLLEGE FOR WOMEN

April 22, 1930 - New York

10:00 A. M.

The Annual Meeting of the Yenching College Committee for Women was held at 150 Fifth Avenue, on Tuesday, April 22, 1930.

| | |
|----------------------------|---------------------|
| <u>Present:</u> Mrs. Avann | Professor Kendrick |
| Mrs. Boyd | Mrs. Lee |
| Mrs. Cavert | Dr. North |
| Mrs. Finley | President Pendleton |
| Dean Franklin | Mrs. Roys |
| Mr. Garside | Mrs. Speer |
| Miss Kendall | Mrs. Williamson |

Also President Stuart

Mrs. Avann presided.

Dean Franklin led in prayer.

Miss Clark's regret at not being able to be present was presented and Miss Goulby's being still in China was mentioned.

Miss Roberta White and Miss Augusta Wagner were introduced.

The minutes of the November 5th, 1929 meeting were approved as previously circulated.

Mrs. Boyd reported on her visit to Yenching in the fall, speaking of the large representation of Chinese educational and welfare institutions as well as of the Chinese government and the government of the Province at the Formal Opening. She paid a fine tribute to Chancellor Wu and emphasized the dignity of the program, the fitness and beauty of the campus, and the emphasis on Christian living in Yenching. She also spoke of the spread of coeducation in China.

Mr. Garside, for the Treasurer, presented a statement of the current cash situation of Yenching College for Women as of April 1st, 1930, and a forecast of the situation as of June 30th, 1930. This statement showed an estimated total of budget receipts, exclusive of receipts from mission boards of \$9,525.57, with an underwritten budget for the academic year 1929-30 of \$7,399.00. Mr. Garside reported the income from the Promotional and Expense Fund as slightly overdrawn at present, but anticipated that the income up

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to June 30 would be sufficient to care fully for the expenses of the Committee. The total Endowment Fund of the Woman's College is now about \$39,300.00, with pledges that bring the endowment up to nearly \$54,000.00.

Y - Action 445 - VOTED that the Treasurer's statement be accepted and placed on file.

Mrs. Williamson reported for the Promotional Committee, speaking of the revision of the mailing list and the issuance of two leaflets, and of a cablegram received this morning from Mrs. Frame saying that the College had just received a \$500. gift from Miss Gouldy which she wished to be counted on the amount the Yenching College Committee undertook to raise for Current Expenses of the year 1929-30. It was

Y - Action 446 - VOTED that the Committee continue its efforts to secure money for the Current Expenses of the University the coming year but that no definite amount should be named as a goal.

President Pendleton reported for the budget Committee, recommending the adoption of a total budget for 1930-31 of L.C.\$95,684.25. The anticipated income for the academic year 1930-31 was also reported as making the same total. After discussion of the proposed budget and further possible income, It was

Y - Action 447 - VOTED to amend the recommendation by adding Gold.\$700. to provide the annuity and insurance of the Chinese staff.

It was further

Y - Action 448 - VOTED to amend the recommendation by adding L.C.\$1,000. to the contingent fund as provision for part salary of a foreign teacher, if needed.

Y - Action 449 - VOTED to adopt the budget as amended and to recommend to the the Trustees of the University approval of a total budget for the College for Women of L.C.\$98,189.25 for the academic year 1930-31.

Dr. North reported briefly on the work of Harvard-Yenching Institute, speaking especially of the very valuable library of Chinese books recently secured for Yenching.

The Candidate Committee's report was presented by Professor Kendrick. The Committee recommended to the Yenching College Committee that Miss Roberta White, now studying at Johns Hopkins University, be nominated to the Trustees as a three-term teacher in the Department of Sociology; also that Miss Lucy M. Burt of London, England, be nominated as a three-year term teacher of the Department of History. It was explained that the Friends Service Council of Great Britain is ready to meet the cost of Miss Burt's travel to China and to carry her support for some months thereafter. The recommendation of the Candidate Committee was approved and it was

Y - Action 450 - VOTED to present the two above nominations for appointment to the Trustees.

Y - Action 451 - VOTED that the Committee express to the Friend's Service

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Council of London its appreciation of the cooperation of the cooperation of that Board in supporting Miss Burt, and its hope that the relationship of the Friends Service Council with Yen-ching may become permanent.

A cablegram from Miss Maude H. Cherry of Dublin, Ireland, requesting that the question of her appointment to Yen-ching be reconsidered, was presented. It was, after some discussion

Y - Action 452 - VOTED to approve the nomination of Miss Cherry for appointment to Yen-ching provided further correspondence makes it clear that there is a vacancy for which she is qualified, and that her salary can be provided within the budget.

The functions of the Candidate Committee of the Yen-ching College for Women Committee were discussed, and it was

Y - Action 453 - VOTED to recommend to the Board of Trustees that hereafter all women members of the University staff be appointed by the Board of Trustees upon nomination from the Woman's College Committee and that their living quarters be arranged by the Dean and faculty of the Women's College.

Y - Action 454 - VOTED that Miss White be given an outfit grant of \$150.

Mrs. Boyd, as Chairman of the Nominating Committee made the following nominations for the coming year.

Chairman - Mrs. Williamson
 Secretary - Mrs. Lee
 Chairman of Promotion Committee - Mrs. Cavert
 " " Candidate Committee - Professor Kendrick
 " " Budget Committee - President Pendleton
 " " Nominating Committee - Mrs. Avann

Y - Action 455 - VOTED that the Chairman be authorized to cast one ballot for the nominees.

The vote was cast and the officers as nominated were duly elected. Mrs. Williamson took her seat as Chairman.

Mrs. Boyd and Mrs. Williamson voiced the appreciation of the Committee for the faithful and efficient service of Mrs. Avann as Chairman of the Yen-ching College Committee during the Nine years of its existence.

Y - Action 456 - VOTED to coopt Miss Alice Keep Clark as a member of the Yen-ching College Committee for a period of three years from April 1930, and to suggest Miss Mabel L. Gillespie as alternate in case Miss Clark should be made representative of the American Board.

The Chairman announced the membership on the various standing committees as follows:

Y - April 22, 1930

- 4 -

Candidates Committee

Professor Kendrick (Ch.)
Mrs. Finley
Mrs. Lee

Nominating Committee

Mrs. Avann (Ch.)
Mrs. Roys
Dean Franklin

Promotional Committee

Mrs. Cavert (Ch.)
Mrs. Boyd
Mrs. Speers
Miss Clark

Budget Committee

President Pendleton (Ch.)
Mrs. Roys
Mrs. Boyd
Dr. Eric North

Y - Action 457 - VOTED: to make a monthly grant of \$25 as an aid to Miss Wagner in realizing her desire for a second year of Study in America.

Notice was given of a correction that should be made in the By-laws of the Committee as follows:

ARTICLE VIIAdministration in China

Section 1. The Administration Committee of the Woman's College shall consist of the women members of the Board of Managers, the President and Secretary of the Board of Managers and the Dean of Woman's College, and these persons shall be empowered to coopt three members, from within or without the Board of Managers or the Alumnae, as members of the Committee.

Correction

.....and these persons shall
be empowered to coopt five others,

After prayer by Mrs. Speer, the Committee adjourned.

Eula B. Lee - Secretary.

The By law relating to the membership on the Committee of Yen-ching College for Women reads:

ARTICLE II

Membership of the Committee

Section 1. The President, Secretary and all women members of the Board of Board of Trustees shall be ex-officio members of the Committee. One additional Trustee shall be elected by the Trustees to membership of this committee for a term of three years.

Section 2. Additional members of the Committee to serve three years shall be chosen by boards or colleges cooperating in the College on the following basis:

- (1) Boards which furnish (a) salaries, allowances, travel, etc., of three teachers annually; (b) a contribution of \$2,000. gold annually to current expenses, and (c) initial gift of \$100,000 gold toward plant and equipment are entitled to appoint two members.
- (2) Boards which furnish (a) salaries, allowances, travel, etc., of five or more teachers annually, and (b) \$2,500 gold annually, in addition to an initial gift of \$100,000 gold toward plant and equipment, are entitled to appoint an additional member.
- (3) Boards contributing the salary and allowance of at least one teacher annually and not less than \$500. gold annually are entitled to appoint one member.
- (4) Colleges contributing the salary and allowance of at least one teacher annually and not less than \$500 gold annually are entitled to the appointment of one member, and one affiliated member to represent their alumnae. These appointments may be made by the College Committee.

Section 3. The Committee thus constituted may elect each year at its annual meeting one person to serve on the Committee for three years.

Section 4. It is desirable that the Committee have men and women members in the ratio of about one to two.

MEMBERSHIP OF THE YENCHING COLLEGE COMMITTEE

| <u>Officers of the Board of Trustees</u> | | <u>Terms Expire</u> |
|--|---|---------------------|
| | Mr. Franklin Warner - Chairman | |
| | Mr. B. A. Garside - Secretary | |
| <u>Women Trustees</u> | Mrs. J. M. Avann | 1930 |
| | Mrs. William Boyd | 1932 |
| | Mrs. Helen H. Jenkins | |
| | Mrs. Lucius O. Lee | 1930 |
| | Mrs. O. R. Williamson | 1931 |
| <u>Additional Trustee</u> | Dr. Eric M. North | 1930 |
| <u>Representatives of Mission Boards</u> | | |
| <u>A.B.C.F.M.</u> | Miss Marion A. Kendall | 1929 |
| | Professor Eliza H. Kendrick (Vacancy) | 1931 |
| <u>Presbyterian Board</u> | Mrs. John H. Finley | 1932 |
| | Mrs. Charles K. Roys | 1932 |
| <u>W.F.M.S.</u> | Miss Jennie A. Gouldy | 1931 |
| | Dean Lucy Jenkins Franklin | 1932 |
| <u>Representatives of Wellesly College</u> President Ellen F. Pendleton | | |
| <u>Representative of Wellesly Alumnae</u> | Mrs. Charles C. Parlin (elected by Y.C.C. in 1929) | 1932 |
| <u>Coopted</u> | Mrs. Samuel McCrae Cavert | 1932 |
| | Miss Alice Keep Clark | 1933 |
| | Mrs. Robert E. Speer | 1930 |

Members of the Yenching College Committee

Mrs. J. M. Avann, 4949 Indiana Avenue, Chicago, Illinois

Mrs. William Boyd, 250 West Tulphocken Street, Germantown, Penn.

Mrs. Samuel McCrea Cavert, 105 East 22nd Street, New York City

Miss Alice Keep Clark, 1217 Forest Avenue, Evanston, Illinois

Mrs. John H. Finley, 1 Lexington Avenue, New York City

Dean Lucy Jenkins Franklin, 675 Boyleston Street, Boston, Mass.

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

Miss Jennie A. Gouldy, 169 Montgomery Street, Newburgh, New York

Mrs. Helen H. Jenkins, 655 Park Avenue, New York City

Miss Marion A. Kendall, 32 Highland Street, Cambridge, Mass.

Professor Eliza H. Kendrick, 6 Midland Road, Wellesley, Mass.

Mrs. Lucius O. Lee, 14 Beacon Street, Boston, Mass. (Secretary)

Dr. Eric M. North, American Bible Society, Bible House, Astor Place
New York City.

Mrs. Charles C. Parlin, 275 Engle Street, Englewood, New Jersey.

President Ellen Fitz Pendleton, Wellesley College, Wellesley, Mass.

Mrs. Charles K. Roys, Wells College, Aurora-on-Cayuga, New York

Mrs. Robert E. Speer, 24 Gramercy Park, New York City

Mr. Franklin H. Warner, 30 Ridgeview Avenue, White Plains, New York

Mrs. O. R. Williamson, The Wellington, Room 1411, Phila, Penn.

MINUTES OF MEETING
COMMITTEE ON FINANCE, PROPERTY & INVESTMENT
TRUSTEES OF YENCHING UNIVERSITY

1:00 P. M. April 23, 1930

150 Fifth Avenue, New York City

Members of Committee

- | | |
|-------------------|---------------------|
| *George G. Barber | *E. M. McBrier |
| *Sidney D. Gamble | *A. J. Stock |
| Mrs. L. O. Lee | C. T. Ludington |
| Leslie R. Rounds | Mrs. William Boyd |
| *G. T. Scott | *J. Leighton Stuart |

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

REQUEST FOR FUNDS FOR RESIDENCES
AND POWER PLANT RESERVE MACHINERY

The Secretary reported that within recent weeks correspondence from the field has stated that there will be an urgent need in the autumn for additional residences to house the staff members required for the work of the University as now conducted. A cable gram had just been received stating that the minimum need is for five new residences at a cost of \$5000 each, and for renovation of six residences not now occupied at a cost of G\$500. each, a total of \$28,000.

Mr. McBrier also stressed the great urgency of the need for reserve machinery in the Power Plant to provide for emergencies and to allow periodic overhauling of the present machinery. Estimates submitted by the field indicate that such reserve power plant machinery will cost about G\$25,000.

The Assistant Treasurer reported that at the present time the Residence Account, including outstanding authorizations, shows a deficit of approximately G\$44,000.00. This is being reduced slowly by the receipt of designated contributions for residences, and of undesignated contributions assigned to residences by the Finance Committee.

The Committee also gave consideration that the Account Receivable from the Board of Foreign Missions of the Methodist Episcopal Church, amounting to G\$97,398.15 on which this Board is now paying interest at the rate of 5%, and which is held in the Plant Section, might be purchased, in part at least, by funds held in the Endowment Section, thus making additional cash available in the Plant Section. In particular it was suggested that the G\$27,034.09 of funds received from the Methodist Board as a Bashford Maintenance Fund recently transferred from the Plant to the Endowment Section; might be used to purchase an equity in the Account Receivable from the Methodist Board. It was

F-2797 VOTED that in order to meet the urgent need for additional residence facilities, the Treasurer of the Board of Trustees be authorized to disburse to the field as may be required, up to G\$28,000. for the construction of new residences and the renovation of any available residences not already occupied by members of the Yenching staff.

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F-2798 VOTED that the Treasurer of the Board of Trustees be authorized to disburse, as may be required, up to G\$25,000.00 to provide needed reserve Power Plant Machinery.

F-2799 VOTED that if necessary in order to provide plant funds to meet the above appropriations, the Treasurer of the Board of Trustees be authorized to purchase from the Plant Section for inclusion with the endowment investments of the University, an equity in the Account Receivable from the Board of Foreign Missions of the Methodist Episcopal Church, now held by the Plant Section; to whatever amount may be required up to G\$40,000.00.

F-2800 VOTED that the field be asked to reduce its budget estimates for 1930-31 by the amount of saving in rental charges which can be effected as a result of the construction of the residences authorized by Action F-2798.

The Committee adjourned.

B. A. Garside

Secretary.

MINUTES OF ANNUAL MEETING
TRUSTEES OF YENCHING UNIVERSITY

10:00 A. M., Wednesday, April 23, 1930

Room 300, 150 Fifth Avenue, New York City

Members of Board

| Terms expire | 1929 | 1930 | 1931 | 1932 | 1933 |
|--------------|-----------------|-----------------|---------------------|-----------------|------------|
| A.B.C.F.M. | *J.L.Barton | *Mrs. L.O.Lee | *L.R.Rounds | F.H.Warner | |
| Methodist | | *E.M.McBrier | *W.J.Thompson | *Mrs. Wm.Boyd | *A.J.Stock |
| Presbyterian | | *G.T.Scott | *Mrs.O.R.Williamson | *G.G.Barber | *G.M.Duff |
| L.M.S. | Miss M.E.Burton | F.H.Hawkins | S.P.Cadman | *A.L.Warnshuis | |
| Coopted | | *E.M.North | *F.D.Gamewell | Mrs.H.H.Jenkins | |
| | | *V.S.MerleSmith | E.A.Evans | *S.D.Gamble | |
| | | *Mrs. J.M.Avann | *Miss.E.R.Pendleton | C.T.Ludington | |

Ex-officio: *J.Leighton Stuart

Those whose names are starred above were present as were the Secretary and the Assistant Secretary, together with the following guests: Dr. H.W.Luce, Dr. Courtenay H.Fenn, Mr. F.T.Cartwright, Dean Lucy Jenkins Franklin, Mrs. John H.Finley, and Mr. E. H. Cressy.

Mr. George G. Barber, the Acting President of the Board, presided.

The meeting was opened with prayer led by Dr. North, Dr. Barton, and Dr. Stuart.

Apologies for absence were presented on behalf of Miss Burton, Mr. Evans, Mr. Rounds, Dr. Cadman, Mrs. Jenkins, and Mr. Ludington.

CHANGE IN ROSTER

The Board extended a hearty welcome to Rev. George M. Duff who was present for the first time as a representative of the Presbyterian Board, having been elected to fill the vacancy created by the retirement of Dr.A.J.Brown from the Presbyterian Board last year.

APPROVAL OF MINUTES

T-2801 VOTED to approve the minutes of the following meetings: p the Committee on Finance Property and Investment, November 26, December 23, 1929, January 10, January 17, February 3, February 17, and February 24, 1930; the Executive Committee, January 14, and March 2, 1930; the Committee on McBrier Foundation for Religious work, January 29, 1930; joint meetings of the Executive and Finance Committees, March 28, and April 14, 1930.

REPORT BY PRESIDENT STUART

Dr. Stuart presented to the Board a report discussing the work of the University. A summary of this report is attached to these minutes as Appendix A. After hearing Dr. Stuart's report and discussing a number of the points referred to therein, it was

T-2802 VOTED that the Board of Trustees receive the report of President J. Leighton Stuart with an expression of its warmest appreciation

of the splendid work Yenching University is doing under Dr. Stuart's leadership, and with assurances to Dr. Stuart, the Board of Managers, the faculty, and the student body, that the Board of Trustees will seek at all times to cooperate fully in the work and development of the University.

T-2803 VOTED that the Secretary be requested to send to Chancellor Wu Lei Chuan a letter expressing the heartiest appreciation of the Board of Trustees for the distinguishing service he is rendering the Yenching University, and recording the hope that Chancellor Wu may find it possible to take up his residence at the University where he would be available for consultation at any time on matters of University policy.

REPORT BY MR. WANNAMAKER

Mr. Wannamaker presented a report of the work done by the Promotional Office during the past year. This report is attached to these minutes as Appendix B. After a discussion of the report, of promotional costs, and of possible methods of meeting the cost of the promotional work, it was

T-2804 VOTED to accept the report of Mr. O.D. Wannamaker with an expression of appreciation by the Board of Trustees for the gratifying results accomplished during the past year.

STATEMENT BY DR. H. W. LUCE

The Chairman expressed to Dr. Luce the Board's pleasure at his presence, and invited him to address the Board

Dr. Luce spoke of his gratification over the remarkable progress Yenching has made during the last decade, and praised those who have been responsible for this growth both in China and in America, for the faith, courage, and conviction they have always manifested in spite of difficulties and obstacles. Dr. Luce also spoke of the developments now going on in China in the efforts being made to formulate and apply a correlated program for Christian higher education throughout all China, and expressed the hope that Yenching would find it possible to cooperate in this nation-wide educational undertaking.

REPORT OF COMMITTEE OF YENCHING COLLEGE FOR WOMEN

On behalf of the Committee of Yenching College for Women Mrs. Lucius O. Lee summarized such actions taken by the committee meeting on April 22 as required confirmation or approval by the Board of Trustees.

As regards the Women's College section of the budget, Mrs. Lee reported that the Women's College Committee had approved a balanced budget for a total of L.C.\$98,189.25. Further consideration of this portion of the budget was deferred until after the presentation of the report of the Committee on Budget.

Mrs. Lee stated that the Yenching College Committee nominated Miss Roberta S.White for appointment to Yenching College for Women for a three-year term in the Department of Sociology, and Miss Lucy M.Burttt for a three-year term in the Department of History. She summarized briefly the qualifications of both young women. It was

T-2805 VOTED that the Board of Trustees approves appointment to the staff of Yenching College for Women of Miss Roberta S. White for a term of three years in the Department of Sociology.

T-2806 VOTED that the Board of Trustees approve appointment to the staff of Yenching College for Women of Miss Lucy M. Burttt for a term of three years in the Department of History.

T-2807 VOTED that the Board of Trustees warmly concurs in the action of the Committee of Yenching College for Women in expressing to the Friends Service Council of London its appreciation of the cooperation of the Board in supporting Miss Burttt, and its hope that the relationship of the Friends Service Council with Yenching may become permanent.

T-2808 VOTED to approve the recommendation of the Yenching College for Women that hereafter all Western members of the women's University staff be appointed by the Board of Trustees upon nomination by the Committee of Yenching College for Women, and that their living quarters be arranged by the Dean of and the faculty of the Women's College.

REPORT OF THE COMMITTEE ON AUDIT.

Mrs. O. R. Williamson, who in the absence of Mrs. Boyd served as Chairman of the Committee on Audit, presented the report of Lybrand, Ross Brothers and Montgomery covering the audit of the Yenching accounts for the fiscal year 1928-29. It was

T-2809 VOTED to accept the report of the Committee on Audit and to refer to the Finance Committee the report of Lybrand, Ross Brothers and Montgomery for the consideration of any points within this report which may require study or action.

T-2810 VOTED to recommend to the Committee on Audit that the Committee arrange for the audit of the Yenching books as soon as possible at the close of the current fiscal year on June 30, 1930, so that the auditors' report may be in hand in time for consideration by the Trustees at the time of the autumn meeting.

REPORT OF HARVARD YENCHING INSTITUTE

Dr. Eric North presented the following report from the Yenching members of the Harvard-Yenching Institute Trustees:-

"Several meetings of the Trustees of the Institute or of the Executive Committee have been held. Little by little the program of the Institute's development becomes clearer but the policies are only slowly being formulated.

"The appropriation for 1930-31 totals U.S.\$177,500. Of this amount approximately \$40,000 will be spent in Yenching University itself, not including approximately \$20,000 for the researches of Baron Von Stael-Holstein, who is resident in Peking under a Harvard appointment, nor of approximately \$6,000 for the preparation of indexes and concordances to

"the Chinese classics, nor several thousand dollars that are available for publication in China, and for scholarships for foreign students there. Within the \$40,000 is L.C.\$30,000 for the purchase of books in China to which is added, outside of the \$40,000 the sum of US\$10,000 for the purchase of publications of learned societies and Sinological works in Japan, America, and Europe, all to be placed in the Library of Yenching University. It is worth noting that the appropriations for the Library in the last four years have amounted to L.C.\$110,000, not including several thousand dollars used for the purchase of valuable manuscripts. As a result of the University is reported to have the finest collection of Chinese books of any institution in China.

"The Institute is supporting in part a survey of the whole field of Sinological studies in Europe, America and Asia under the auspices of the American Council of Learned Societies. In Cambridge Professor Hung has been resident during the year giving full time services in the Department of History and the Yenching University Librarian has also been in Cambridge part of the year. Professor Hung will return to China this summer and Professor De Vargas will take his place. The development of the Library collection at Harvard is steadily going forward. The appointment of a chief Sinologist has been delayed until the appointee sought can be freed from his present work.

"The Institute Trustees have also approved an annual grant for five years of so much of U.S.\$12,500 annually as may be necessary to insure the receipt of a like sum from a conditional gift of the Rockefeller Foundation with the expectation that in the five year period Yenching will raise the necessary principal sum to match the conditional capital grant offered by the Rockefeller Foundation".

It was

T-2811 VOTED to receive the report of the work of Harvard-Yenching Institute with an expression of the Trustees' sincere appreciation for the important and growing service being rendered by the Institute in the field of Sinological study and research.

RELATIONSHIP WITH PRINCETON-YENCHING FOUNDATION

The Trustees made a study of the terms of the relationship between the Yenching University and the Princeton-Yenching Foundation as adopted at a meeting of the Executive Committee of Princeton-in-Peking held on January 6, 1930. In the discussion attention was called to the fact that the development of the last few months have necessitated certain minor changes in the proposed agreement, and suggestions were also made for minor changes in phraseology. It was

T-2812 VOTED to give approval in principle to the terms of relationship between Yenching University and the Princeton-Yenching Foundation in accordance with the proposals adopted by the Executive Committee of Princeton-in-Peking on January 6, 1930, but to request the Princeton-Yenching Foundation to make a further study of these proposals in order to effect any changes that may be found desirable, and when these changes have been made to refer these terms of relationship to the Executive Committee

Executive Committee of the Yenching Board of Trustees with power, or to the next meeting of the Yenching Board of Trustees.

APPROVAL OF APPOINTMENTS BY PRINCETON-YENCHING FOUNDATION

Mr. Wannamaker reported that the Princeton-Yenching Foundation nominates Professor Robert M. Duncan for appointment to the faculty of Political Science at Yenching University for a three-year term, and Mr. Matt. Taylor for a one-year teaching fellowship to the Department of Economics, both under support by the Princeton-Yenching Foundation. It was

T-2813 VOTED to approve the appointment of Professor Robert M. Duncan for a three-year term of service in the Department of Political Science of Yenching University under support of the Princeton-Yenching Foundation.

T-2814 VOTED to approve the appointment of Mr. Matt Taylor for a one-year teaching fellowship in the Department of Economics of Yenching University under support by the Princeton-Yenching Foundation.

CORRELATED PROGRAM

There were distributed to all members of the Board copies of "The Correlated Program, 1930" as adopted by the Council of Higher Education at the meeting held in Shanghai in January. On invitation of the Chairman, Mr. Cressy led the Board's discussion of the correlated program, summarizing the developments which have taken place in recent years and outlining briefly the correlated program as adopted by the Council of Higher Education. The Secretary presented copies of Dr. Galt's letter of March 27, 1930, quoting the action of the Board of Manager's as follows:

"The asking of the Yenching University as presented to the Council of Higher Education meeting in Shanghai January 27 to 31, 1930, were brought before the meeting of the Board of Managers by Dr. Galt.

"Voted that this plan for approximately a three million dollar fund for Yenching University in a proposed united campaign for Christian colleges and universities in China be approved."

After a thorough discussion it was

T-2815 VOTED that the Board of Trustees approve the cooperation of Yenching University in the correlated program and joint financial campaign in harmony with the general plan as outlined by the Council of Higher Education in China, and the following action of the Board of Managers of the Yenching University:-

"Voted that this plan for approximately a three million dollar fund for Yenching in a proposed united campaign for Christian colleges in China be approved."

The Secretary reported that at a meeting held on April 22 the Committee for Christian Colleges in China adopted the provisional budget amounting

to \$2,000 to care for the expenses of the Committee until December 31, 1930 or such earlier date as approval of the correlated program would make it possible for the Committee to enter upon a stage of more active work. Yenching's share for this budget amounts to \$551.41. By adopting this provisional budget the Committee is postponing for approximately a year its requests to the various colleges for their contributions to the larger budget of \$17,300 approved by the Committee and agreed to by the various colleges during the spring of 1929. It was

T-2816 VOTED to approve the request of the Committee for Christian Colleges in China that Yenching University provides its share of \$551.41, in the provisional budget to care for the expenses of the committee to December 31, 1930, or such earlier date as the adoption of the correlated program would make it possible for the Committee to enter upon a stage of more active work.

REPORT OF THE COMMITTEE ON SALARIES AND PENSIONS

In the absence of Mr. Rounds, Mr. Evans presented the preliminary report of the Committee on Salaries and Pensions. This report is attached to these minutes as Appendix C. After a discussion of this report it was

T-2817 VOTED that the report of the Committee on Salaries and Pensions be approved in principle, in so far as this report applies to the question of pensions and insurance, and that the Executive Committee of the Board of Trustees be empowered to take final action on these matters of pensions and insurance after the Committee on Salaries and Pensions has reported its proposals to the field and has received comments and suggestions from the field as to the details of the plans proposed.

T-2818 VOTED to approve the recommendations of the Committee on Salaries and Pensions that the salary of University supported missionary members of the staff be revised to provide for flat salaries regardless of the length of service, as follows:-

| | |
|-----------------|-------------------|
| Married members | G\$1,800 per year |
| Single " | 950 " |

Plus allowances for children as follows:

| | | |
|----------------------------|-----|---|
| Six years of age and under | 200 | " |
| Ages 7 to 12 | 300 | " |
| " 13 to 17 | 400 | " |
| " 18 to 21 | 500 | " |

Furlough salaries -

| | |
|---------------|---------|
| Married | \$2,000 |
| Single | 1,000 |

Rent up to G\$50.00 a month for families, G\$25.00 a month for single persons on application to the Trustees.

That all salary payments be made in gold with a guaranteed ratio of exchange of not less than two for one.

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ENDOWMENT FUND FOR WORK IN THE NATURAL SCIENCES

The Board of Trustees gave consideration to the recommendations of the joint meeting of the Executive Committee and the Committee on Finance, Property and Investment held on April 14, 1930, relative to the acceptance of a gift of L.C.\$625,000.00 from Mr. Chou Tso Min, and the investment of G\$250,000 received from the Rockefeller Foundation for the endowment of work in Natural Sciences. After discussion, it was

T-2819 VOTED that the Board of Trustees approve the following resolution:-

- (1) that the proposed gift of L.C.\$625,000 from Mr. Chou Tso Min to constitute one-half of an endowment fund of G\$500,000.00 for work in the Natural Sciences be accepted provided that the terms of the gift can be mutually agreed upon between the donor and the Special Committee on Investment in China appointed as hereinafter provided.
- (2) (a) that there be created in China a Special Committee on Investments of the above endowment funds, responsible to the Trustees of Yenching University, consisting of the following four members:- Dr. J. Leighton Stuart, Mr. G. R. Bennett, Mr. Dwight W. Edwards, and Mr. Roger S. Greene with the understanding that if and when any one of these four members may be temporarily absent from China the remaining three be empowered to choose a temporary substitute to serve during his absence; (b) that this Special Committee on Investment be authorized to negotiate and conclude with Mr. Chou Tso Min arrangements and/or agreements for the investment of the endowment referred to, and to deposit it and/or invest the same from time to time, in accordance with such arrangements and/or agreements as may be made, which shall include necessary provisions for the safeguarding of the securities of said Committee in their discretion shall deem necessary and advisable.
- (3) that the Rockefeller Foundation be asked to give its approval or assent to placing in the hands of the special Committee on Investment created as above the \$250,000 received from the Rockefeller Foundation as endowment for work in Natural Sciences; and that if and when the Rockefeller Foundation, after consultation, do not dissent from this procedure, and the above named special Committee on Investment have agreed with Mr. Chou Tso Min regarding the investment, both of his gift of L.C.\$625,000 and of the G\$250,000 received from the Rockefeller Foundation, the Treasurer of the Trustees of the Yenching University is hereby authorized to place the \$250,000 received from the Rockefeller Foundation in the hands of this special Committee on Investments.

The Secretary reported the receipt of the following letter from the Rockefeller Foundation:-

"April 16, 1930

"My dear Mr. Garside:

I have the honor to inform you that the Trustees of the Rocke-

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"feller Foundation, at their meeting of April 16, 1930, adopted the following resolutions:

"RESOLVED: that the sum of Two Hundred and Fifty Thousand Dollars (\$250,000) be, and it is hereby appropriated to YENCHING UNIVERSITY toward the ENDOWMENT of the SCIENCE DEPARTMENTS; on condition that the University shall secure cash from other sources prior to June 30, 1935, an equal amount for the same purpose.

"RESOLVED: that Sixty-two thousand five hundred dollars (\$62,500.), or so much thereof as may be necessary, be, and it is hereby appropriated to Yenching University in SUPPORT of the work of the SCIENCE DEPARTMENTS during the five years period July 1, 1930, to June 30, 1935, payments to be made on annual installments of \$12,500, provided that, and so long as, the University secures an equal sum each year from other sources, including income on new endowment received subsequent to this action, for the same purpose these payments to continue only until such time as the capital sum of \$250,000 provided in this resolution shall be paid.

"Yours very truly

/s/ Norma S. Thompson

Secretary"

Dr. Eric North reported that on January 20, 1930 the Trustees of Harvard-Yenching Institute took the following action:-

"Voted: although it is the primary objective of the Institute
T-108 the development of cultural studies, nevertheless, in view of the possibilities reported by President Stuart of obtaining additional endowment of \$250,000. for the development of the scientific departments at Yenching University conditional upon the raising of a like sum, to approve an appropriation to Yenching University of not to exceed \$12,500 a year for a period not more than five years from current or accumulated income, the same to be used for the development of the scientific departments of the Yenching University, this appropriation being provisional upon the securing of a like sum from other sources over the same period, and on the understanding that the University will use its best efforts within the period named to raise the additional capital amount of \$250,000. referred to."

After listening to these two communications it was

T-2820 VOTED that the Trustees of Yenching University express to the Rockefeller Foundation a very warm appreciation of the conditional grant of \$250,000. for natural sciences and of the arrangements that make possible the payment of the interest on the amount during the period of five years in which the conditions as to the principal sum are to be met.

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T-2821 VOTED that the Trustees of Yenching University express to the Trustees of the Harvard Yenching Institute their warm appreciation of the readiness of the Institute to aid the University in realizing upon the value of a large conditional gift for the Natural Sciences by its annual appropriation of up to \$12,500 (U.S.) a year for five years for this purpose.

The University thanks the Institute most cordially for thus contributing to the strength and stability of the University and will use its best endeavor to secure the capital sum as soon as possible.

BUDGET FOR 1930 - 1931

The Board gave consideration to the recommendations of the meeting of the Committee on Budget held on the afternoon of April 21. In this same meeting attention was called to the report of the Yenching College Committee that it had approved a balance for the Yenching College for Women section of the University budget at a total figure of L.C.\$98,189.25. It was

T-2822 VOTED to approve the following recommendations of the Committee on Budget:-

- (1) that the Board of Trustees inform the field that it will contribute toward the 1930-31 budget of the University the sum of L.C.\$166,852.79 to be derived from the following sources of general income (Class A):-

| | | |
|-----------------------------------|---------------------|------------------|
| Unrestricted endowment income | G\$57,554.34 | |
| Bashford maintenance funds | 1,351.70 | |
| Cash contributions mission Boards | 11,500.00 | |
| Theological endowment income | 7,200.00 | |
| | <u>G\$77,606.04</u> | |
| | @ 2.15 to 1 | L.C.\$166,852.79 |

- (2) that the Board of Trustees inform the field that the following income is expected to be received during 1930-31 from the special gifts for specified purposes (Class B):-

| | | |
|---|----------------|---------------------|
| Harvard-Yenching Institute income from special trust fund | G\$26,000.00 | |
| Laura Spelman Rockefeller gift for Social Sciences | 25,000.00 | |
| Princeton-Yenching Foundation | 25,300.00 | |
| Special gifts, Wm. Hung salary | 1,800.00 | |
| Special gifts, School of Theology:- | | |
| From Dr. Coffin | \$1,800.00 | |
| From A.B.C.F.M. | 1,800.00 | 3,600.00 |
| | | <u>G\$81,700.00</u> |
| School of Journalism Gift | L.C\$16,620.00 | |

- (3) that the Board of Trustees transmit to the field such information as may be received from the Yenching College Committee, the Harvard Yenching Institute, and the China Famine Relief Committee as to the amount of income available from these sources during the coming year, for the use, respective-

ly, of the Yenching College for Women, the Harvard-Yenching Institute (postgraduate work) and the Department of Agriculture. (Class B).

- (4) that if and when the Board of Trustees are able to complete the setting up of the \$500,000 endowment fund for work in the Natural Sciences, the Board inform the field that the income from this endowment fund, amounting probably to approximately G\$25,000.00, will be available for this designated objective.

T-2823 VOTED to approve the following recommendation of the Committee on Budget:-

"That the Board of Trustees approve an appropriation of G\$8,500.00 for home administration, 1930-31, and that the Board inform the field that it will provide, as the field may require, up to L.C. \$17,637.00 to cover increases in the salaries of the Chinese and western staff; and up to L.C.\$14,000.00 to cover premiums and annuities and insurance for Chinese and western members of staff it being understood that any plan for annuities and insurance will be approved by the Board of Trustees."

T-2824 VOTED to refer to the Budget and Finance Committees with power for further consideration items 3 to 8 of the extra budget list of needs submitted by the field, together with the allocation of any additional income not included in the preceding actions, and the question of distribution of charges for operation and maintenance of the physical plant.

T-2825 VOTED to approve the adoption of the budget for 1930-31 as presented by the field, subject to revisions contemplated by the preceding actions.

T-2826 VOTED to approve the minutes of the meeting of the Committee on Budget of April 21, 1930, with the revisions contained in the preceding actions.

ADDITIONAL FUNDS FOR RESIDENCES AND POWER PLANT
RESERVE MACHINERY

The Secretary reported that at a special meeting of the Committee on Finance Property and Investment held on April 23, in accordance with urgent requests received from the field for additional funds to provide residences for members of the staff who cannot be accommodated in existing residences, and in accordance with the recommendations of members of the Board of Trustees who were present at the formal opening of the University that additional machinery should be provided for the power plant at the earliest possible moment, the following actions were taken:-

"F-2797 VOTED that in order to meet the urgent need for additional residence facilities, the Treasurer of the Board of Trustees be authorized to disburse to the field, as may be required, up to G\$28,000.00 for the construction of new residences and the renovation of any available residences, not already occupied by members of the Yenching staff.

"F-2798 VOTED that the Treasurer of the Board of Trustees be authorized

to disburse, as may be required, up to G\$25,000.00 to provide needed reserve Power Plant Machinery.

"F-2799 VOTED that if necessary in order to provide plant funds to meet the above appropriations, the Treasurer of the Board of Trustees be authorized to purchase from the Plant Section for inclusion with the endowment investments of the University, an equity in the Account Receivable from the Board of Foreign Missions of the Methodist Episcopal Church, now held by the Plant Section; to whatever amount may be required up to G\$40,000.00.

"F-2800 VOTED that the field be asked to reduce its budget estimates for 1930-31 by the amount of saving in rental charges which can be effected as a result of the construction of the residences authorized by Action F-2798. "

It was

T-2827 VOTED to approve actions F-2797, F-2798, F-2799, and F-2800 of the Committee on Finance, Property and Investment.

T-2828 VOTED to approve the minutes of the meeting of the Committee on Finance, Property and Investment held on April 23, 1930.

ELECTION OF OFFICERS

The Nominating Committee presented nominations for officers of the Trustees of Yenching University for the coming year. It was

T-2829 VOTED that the Secretary be instructed to cast the ballot of the Board of Trustees for the following officers for the coming year:-

| | |
|-------------------------------|-----------------------|
| Chairman | Franklin H. Warner |
| Vice Chairman | George G. Barber |
| | Mrs. O. R. Williamson |
| Treasurer | E. M. McBrier |
| Secretary and Asst. Treasurer | B. A. Garside |
| Asst. Treas. and Asst. Secy. | C. A. Evans |

The Committee on nominations also reported that it had gone over the appointments proposed by Mr. Warner as to committees for the coming year and on the basis of these recommendations presented its proposal for the personnel of the committees during the coming year. These proposals were approved by the Trustees on the following action:-

T-2830 VOTED to approve membership of the standing committees during the coming year as follows:-

Executive Committee -

| | |
|----------------------------------|--|
| J. L. Barton | A. L. Warnshuis (Miss Burton Alt.) |
| E. M. McBrier | Mrs. O. R. Williamson |
| G. G. Barber | Mrs. L. O. Lee |
| G. T. Scott (S. D. Gamble, Alt.) | F. H. Warner, ex-officio (L. R. Rounds, Alt.) |

Committee on Finance, Property and Investment

G. G. Barber, Chairman
 L. R. Rounds, Vice-Chairman
 E. M. McBrier
 S. D. Gamble
 A. L. Warnshuis

G. M. Duff (General Alternate)
 A. J. Stock(" ")
 Mrs. Wm. Boyd
 Mrs. J. H. Finley
 F. H. Warner, ex-officio

Committee on Audit -

Van S. Merle-Smith, Chairman
 C. T. Ludington, Vice-Chairman
 W. J. Thompson
 J. L. Barton

E. M. North
 Mrs. J. M. Avann
 Mrs. R. E. Speer
 F. H. Warner, ex-officio

Committee on Instruction -

Frank D. Gamewell, Chairman
 G. T. Scott
 W. J. Thompson
 G. M. Duff

Mrs. O. R. Williamson
 Mrs. Lucius O. Lee
 Miss Eliza H. Kendrick
 F. H. Warner, ex-officio

Representatives of Yenching Trustees on Harvard-Yenching Institute-

J. L. Barton
 G. G. Barber
 E. M. North

As regards the Committee on Budget, Mrs. Williamson reported that the Committee of Yenching College for Women has nominated as their two representatives on this Committee President Ellen F. Pendleton and Mrs. Lucius O. Lee, The other members of the Committee on Budget serve in ex-officio capacities.

It was

T-2831 VOTED to re-elect Dr. Eric M. North, Mr. Van Santvoord Merle-Smith and Mrs. J. M. Avann as coopted trustees in the class of 1933.

T-2832 VOTED that in case any vacancy occurs during the year in the coopted group of Trustees the Executive Committee be empowered to fill such vacancy.

The Board adjourned with prayer.

B. A. GARSIDE

Secretary

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REPORT OF PRESIDENT STUART
TO YENCHING BOARD OF TRUSTEES
April 23, 1930

One advantage of being in America is that of getting to know the members of the Board of Trustees. It has always been a source of great satisfaction to me that Yenching has here in America a body of men and women who combine conservative stability of judgment with a vision of the opportunities confronting the University and appreciation of the changing conditions in China under which we are working. You can rest assured that we in China understand and appreciate that the Board of Trustees are always backing us up and cooperating with us.

On the expiration of the first decade of the present administration I sent the Trustees a report covering that period. Therefore, no further report along that line is necessary at this time. There are, however, three matters of recent occurrence to which I would call your attention.

First, the new Chancellor. I am anxious that the Trustees shall realize what an asset we have in Chancellor Wu Lei Chuan. He is a scholar who has taken the highest possible honors in the old China, and all but the highest honors in the new China. He has a deep seated Christian character and a winsome personality that charms all with whom he comes in contact. He is always happy to cooperate with us in all our relationships with the Chinese people.

Dr. Wu accepted the Chancellorship on the understanding that he would be a non resident chancellor. For a long time I have been trying to make him feel that we want him to reside among us, not only because of his help in administrative matters, but even more for his own sake. It seems to me that it would be peculiarly fitting if the Trustees would send him a formal letter of appreciation, and would urge that he reside at the University. During recent months his physicians have warned him against over-exertion, so it is necessary that he carry no more than a light schedule. I wish very much that he might be persuaded to live quietly and comfortably in the Prince's gardens, keeping only light office hours, and free from routine duties, but always ready for consultation and assistance in determining matters of University policy. I personally would be most happy to work thus with the Chancellor and under his guidance.

Second, the formal opening. I need not discuss the formal opening of the University last fall, as we may more fittingly hear from the other trustees who were present for those ceremonies.

Third, the present session at the University. Thus far the present academic year at the University has gone forward without disturbances. The one immediate problem now causing difficulty on the campus is that of salaries and provisions for pensions and insurance. This problem has already been brought to the attention of the Trustees and you have appointed a special committee to deal with it. I am very anxious that our staff shall be adequately provided for so that they can pursue their work of instruction and research without the constant strain of personal financial difficulties.

I should like to discuss briefly with you the two University problems

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which still continue to be primary importance:- religion, and money. These are the only two real problems we have ever had. I have not been greatly disturbed over the possibilities of student troubles or political or military disturbances, or maintenance of academic standards.

First, the Christian purpose of Yenching and how it can best function. At the present time the Chinese government will not permit required religious instruction or attendance on religious worship. If we should make any effort to enforce such requirements, the results would inevitably be serious, and might result in closing the University.

Yet long before the government adopted its present attitude toward required religious instruction and worship, Yenching voluntarily chose to adopt a plan of entire freedom in electing courses in religious instruction and attendance at religious services. The natural result has been comparatively small attendance in religious courses, and at religious services. But we have known that those who do attend do so from a deep religious conviction and with the realization of being helped. The Yenta Christian Fellowship carries on almost wholly under Chinese direction. We should be able to build up slowly and steadily the intellectual and worshipful aspects of Christian life through this organization, the School of Religion and other administrative processes.

But we have a superb opportunity at the present time to bear witness to the reality and value of our Christian ideals in ways that count infinitely more than do nominal profession of Christianity or required observance of Christian practice. This is to bear witness in our corporate life to the Christian faith in action. Such a witness as this ought to be convincing, and if it is not convincing all our other efforts are unavailing. If, because of the way we live as a group, the Chinese people will describe us as Christians, with a realization that we are living better than we could without our religion, we are presenting to the Chinese people a striking object lesson of the meaning and essence of Christianity. Perhaps no other people are so quick to grasp and appreciate such an objective presentation of Christianity as are the Chinese.

This conception of the Christian influence of Yenching offers us a tremendous challenge. In other words of one of their own proverbs, the Chinese people "having tasted the water of a spring, will seek its source".

It seems to me, therefore, that there is no need for concern as to the fundamentally Christian character of Yenching, or its opportunity to serve in China. The only limitation of the University has is the limitation of our own ability to meet this challenge to objective service which now confronts the University.

This Christian purpose of the University must be carried on increasingly under Chinese leadership. It is a cause for profound satisfaction that Yenching has gathered together on its staff such a remarkable group of Chinese teachers and administrators, who are distinguished as much for their deep-seated Christian convictions and their earnest Christian lives, as they are for their excellent professional qualifications in their own specialized fields. Except for a very few teachers, chiefly classical Chinese literary courses, all the Chinese members of the staff

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are professing Christians.

Second, problems of Finance. Yenching has now practically completed its present stage of building operations, and no further large-scale construction will be necessary for some time to come. We need only one further academic building, especially to meet new library needs. The present library has already been outgrown. There is need for a few additional men's dormitories to relieve the overcrowding within the present student body; and also need for one more women's dormitory. A few additional residences are needed to provide for the needs of the present staff. A few other minor needs also exist.

The chief financial problem is that of stabilizing the current budget on its present basis. I have no desire to carry out at this time any further expansion of the University's program. We seek to secure a stabilization of work on the present basis so that we can carry on our work modestly, economically, and without frills, but efficiently. We should have adequate salaries, equipment, and facilities for teaching and research. In particular, we should make more adequate provisions in the whole field of student welfare. In seeking the greater welfare of our students we should make better provision for their physical education, for assistance in their financial problems, in helping them with their social adjustments to new conditions, and in impressing on them the highest ideals of Christian life and character.

The budget for the coming fiscal year would have been in extremely difficult condition except for certain factors:-

(1) the gift of \$250,000 from the Rockefeller Foundation and a matching gift from a Chinese donor; and (2) a second grant from the Rockefeller Foundation of \$250,000 on which they will pay us the income at 5% for five years, plus an equal grant of \$12,500 by the Harvard-Yenching Institute for a period of five years, or until endowment funds have been secured to match this second Rockefeller Foundation gift. It would have been impossible to gain the second stage without completing the first.

There is one other aspect of this endowment for work in the natural sciences to which I would like to direct your attention. With this added income for work in this field, Yenching will be able to do the best work in natural science of any educational institution in China. This means that at this time when there is an impression among intellectuals in China that only science is necessary, and that religion is superfluous, the silent testimony of a Christian institution taking the lead in the field of science will exert a tremendous influence.

During my present trip to America I have found financial promotion exceedingly difficult. This is not due to lack of interest in, or sympathy for, the appeal Yenching is making, so much as to the growing multiplicity of appeals. The actual new money obtained to match the Rockefeller Foundation gift is extremely small.

During the next few years there should be only a comparatively small increase in the current budget so as to bring the total to between \$900,000 and \$1,000,000 local currency. I hope some process can be developed whereby this income can be secured and maintained without necessitating my presence in this country for promotional work; as for

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Yenching Trustees
April 23, 1930

Appendix A.
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example by having Dr. Jenney supplementing in the field the excellent work Mr. Wannamaker is doing in the promotional office.

There are always comments and criticisms when the overhead expenses of promotional work must be met out of gifts received. If we could find some process whereby this could be avoided in our Yenching promotional work, so that donors could be assured that the entire amount of their gifts would be used for the object they designate, it would be of great assistance to our promotional work.

As you know there has been a most gratifying change in our relationship with Princeton, whereby that University has given formal recognition to the work being done in the Princeton Yenching School of Public Affairs.

In time, further funds will be needed by the School of Religion, but these can be sought gradually.

The amount we need as listed in our recently printed statement are not large in relation to what has already been secured, and by united and persistently hopeful efforts, ought to be secured without serious difficulty, or delay.

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YENCHING UNIVERSITY

Synopsis of Promotional Activities
between annual meetings April 1929
and April 1930.

The campaign of 1928 closed officially on December 31 of that year with all essential objectives reached. The intensive work was prolonged however, in order to secure funds still required for the Department of Journalism. In January 1929 the Finance Committee discussed and adopted certain additional objectives towards which the promotional work should be especially directed. The usual kinds of promotional effort were continued; with Dr. Chester E. Jenney still giving his entire time to the University. Considerable success resulted from these efforts even after the close of the intensive campaign.

Unfortunately, Dr. Jenney found it necessary to offer his resignation to take effect on September 30, 1929, to re-enter the active ministry. The loss of Dr. Jenney naturally weakened the promotional organization.

President Stuart returned to America in December 1929. After conferences with the Finance Committee arrangements were made for engaging the services of the professional organization of Pierce & Hedrick under a very flexible contract permitting the promotional office to call at any time for the service of one or more field representatives of this organization, and also to request a discontinuance of activity by any or all of these representatives upon brief notice. This contract entitles the University to expert counsel and assistance of the entire organization. The Finance and Executive Committee re-affirmed certain objectives previously adopted and added certain new objectives suggested by President Stuart. Intensive efforts were set on foot immediately.

The financial situation in the country has rendered the raising of funds not only for this institution but for all others, extraordinarily difficult. The result of efforts in this new campaign have thus far been amaller than under the campaign of 1928. Nevertheless, a careful watch of these results indicates that the contract is fully justified. Not only has the University strengthened its position with the public but it is actually securing an ample amount in new pledges and contributions to justify the expenditure even regardless of future prospects. The promotional office is convinced that the present form of contract with an able and reliable professional organization will prove to be a steady and enriching means of promotion for the University.

It is gratifying to be able to announce that Dr. Jenney will re-enter the service of the University in the coming autumn.

The following tabular exhibit shows without minute classifications on the total results of promotional efforts by the office and by President Stuart since the annual meeting of April 1929.

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Yenching Trustees
 April 23, 1930

Appendix B.
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I. Payments received since annual meeting of
 April 1929 on pledges made prior to that date \$94,274.00

 II. New pledges and cash contributions secured
 since annual meeting of April 1929.

| | | |
|-----------------------|-------------------|--------------|
| 1. Cash contributions | \$282,956.72 | |
| 2. Pledges | <u>467,025.00</u> | \$749,981.72 |

(Already collected on these
 pledges \$30,033)

 3. In addition, an annuity gift in
 stock worth approximately 100,000.00

4. In addition, a second conditional pledge
 with five years in which to match this
 amount from another source 250,000.00

 Comment: Under II, (1) above is included \$250,000,
 from the Rockefeller Foundation given on
 condition that an equal amount be secured
 elsewhere. Under II, (2) is included the
 gift of a Chinese banker which meets this
 condition. But details of negotiation are
 not yet completed.

PRELIMINARY REPORT - COMMITTEE ON SALARIES AND PENSIONS

Since receiving from the field the recommendations of the staff concerning salary adjustments and retirement allowances there has not been sufficient time to reach a final conclusion and render a complete report. Attached will be found, however, a report covering all of the points raised, which represents the present view of your committee. Since this report was prepared your committee learns that the Equitable Life Assurance Society will be willing to underwrite a retirement plan for the entire staff both Chinese and American under conditions very similar to those outlined in the attached report. Your committee has not yet had opportunity for comparing costs and would like, therefore, to defer its commendation as to the company to be selected in case the board decides to approve the report.

The following will indicate the approximate additional annual cost to the University if all of the committee's recommendations should be accepted.

| | |
|---|------------------|
| For a group insurance | \$ 250.00 |
| For salary increases and children's allowances | 1244.00 |
| Furlough salary increase and Rent allowance.... | 1950.00 |
| For retirement allowances - | |
| Disregarding past service..... | 860.00 |
| If all staff members should elect to take | |
| full benefits for past service..... | 1584.00 |
| Difference in exchange between arbitrary exchange | |
| ratio fixed by board and payment in gold..... | 1240.00 |
| | <u>\$7128.00</u> |

This last item is based upon the average rates of exchange which have prevailed for the last four years. In connection with the above figures it should be borne in mind that the additional expense resulting from exchange perhaps should not properly be considered as added expense to the University since there must necessarily be some question as to the advisability of continuing to profit on this exchange particularly when the difference between the power of exchange and quoted rates is as great as it has been during recent months.

If the recommendations contained in the attached report meet with the general approval of the Board in principle, it is suggested that they be approved in principle and that the treasurer's office be authorized to put them into effect, subject to the approval by the finance committee of the final report to be submitted by this committee.

Very sincerely yours,

/s/ L. R. Rounds

Chairman

REPORT OF SUB-COMMITTEE ON SALARIES AND PENSIONS

This committee was appointed to make a general study of the salary questions and also of the possibility of providing some plan for pensions. Since its appointment there has been received from the field recommendations of the staff which have had the consideration of the committee. The field recommendations are briefly as follows:

1. LIFE INSURANCE.

That there be provided at the cost of the University life insurance with disability clause equal to one year's salary for each staff member.

2. SALARIES.

That the salary scale be revised to provide for flat salaries regardless of length of service, as follows:

Married members G. \$1,800.
Single " " 950.

plus allowances for children as follows:

Under six years of age 200.
Ages 7 to 12..... 300.
" 13 to 17..... 400.
" 18 to 21..... 500.

Furlough salaries -

Married..... 2,000.
Single 1,000.

Rent up to G. \$50.00 amonth for families. G. \$25.00 a month for single person on application to the Trustees.

That all salary payments be made in gold with a guaranteed ratio of exchange of not less than two to one.

3. RETIREMENT ALLOWANCES.

That retirement allowances be provided in such amounts as a contribution of 10% of salary would purchase, such contribution to be made equally by the staff member and the University.

After consideration of the entire subject your committee recommends as follows:

1. LIFE INSURANCE.

Present indication points to the possibility of securing group insurance for the foreign staff at approximate cost of G. \$250,00. If this can be done at about this figure we recommend that it be

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authorized. Term, Payment, and Endowment are all too expensive to be considered.

2. SALARIES.

Salary schedule as adopted by the field is recommended for acceptance but we believe that the flat rate should apply to all of the Foreign staff with the exception of the President whose salary has not been altered in this attached schedule. There will be a few recessions on the gold basis but the gain in local currency will more than offset this discrepancy.

3. RETIREMENT ALLOWANCES.

The committee has investigated the possibility of providing retirement allowances through the Teachers Annuity & Insurance Fund (of the Carnegie Foundation) and also through some one of the larger insurance companies, many of which now operate retirement systems on the basis of annuities. So far as we can learn no other New York Insurance company would undertake the setting up of a retirement plan for a staff in China, and particularly for the Chinese portion of the staff. The Sun Life Assurance Company of Canada is willing to set up a plan for the University and there will be found attached, Appendix A, an outline of such a plan as your committee would recommend. It is possible to get a greater degree of flexibility in the plan set up by this company than is afforded by the Teachers Annuity & Insurance Fund. Also it has been found that the plan of the Sun Life Assurance Company is less costly than that of the Teachers Annuity Fund.

The recommended plan does not conform in all particulars to the outline submitted by the field as representing its views, but it is the view of your committee that the plan recommended would accomplish its purpose and represent an adequate retirement allowance. In its consideration of various plans the committee has sought to find such a plan as would accomplish the purpose of providing reasonably adequate retirement allowances for the staff and at the same time represent a real contribution to the problem of staff development and management. Your Committee feels that an adequate retirement allowance would provide at the retirement age an annuity to somewhere from one-half to two-thirds of salary. A contribution of 10% will accomplish this purpose assuming that retirement age is fixed at 65 after approximately twenty-five years of service. Since it may be anticipated that some staff members will enter the service at sufficiently young ages to permit of a longer service, and since the University could hardly justify the cost of retirement allowances which would be much if any in excess of two-thirds of salary, the plan it will be noted includes a provision that contributions by the University to the fund shall cease if and when its contributions, together with interest to be added thereafter, shall be sufficient to provide a retirement allowance of one-third of salary. This provision would in effect place a maximum on that portion of the retirement allowance to be pro-

Yenching Trustees
April 23, 1930

Appendix C.

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vided by the University.

Fortunately the University has on its staff comparatively few who have served more than a very few years. In fact, the longest period of service of any member of the staff is ten years. It is the view of your committee that if possible due credit be given in computing retirement allowances to this past service, and since the cost of so doing is not prohibitive the Committee is recommending that in addition to the payment of its 5% of salary, it should also contribute such additional amount as may be necessary to provide one-half of the retirement allowance which would be represented by service already rendered at the time of the plan becoming effective, provided that the staff member makes a like contribution.

It will also be noted that the plan provides that in case of resignation or other separation from the service for any cause other than death or total disability, the staff member shall be entitled to receive his contributions together with the accrued interest and interest dividends thereon, but the staff member will **not** receive any portion of the contribution of the University upon retirement prior to the age fixed. This provision seems to your committee important since one of the primary functions of a retirement plan is to provide stability of service. If it were possible for the staff member upon separation from the service to withdraw not only his own contribution, but that of the University as well, such provision would in effect place a premium upon a separation from the service. It is not the proper function of a retirement plan to provide bonuses or additional salary consideration, and therefore, your committee recommends against any plan which would give to the staff member any part of the University's contribution at any time prior to the retirement age fixed in the plan.

TABLE I

Income at 65
Based on 3 1/2% Guarantee, Present Dividend Scale and Present Annuity Rates

| Name | Age 7/1/30 | Sex | Annual Salary | Past Service | Standard Plan | | | Total Income | | |
|-----------------|---------------|-----|------------------|-----------------|-------------------------------------|-------------------------|------------------|-------------------------------------|-------------------------|------------------|
| | | | | | Combined Monthly Contribution | Monthly Income at 65 | | Combined Monthly Contribution | Monthly Income at 65 | |
| | | | | | | 3 1/2% Basis | Present Rates | | 3 1/2% Basis | Present Rates |
| J. L. Stuart | 54 | M | \$ 1,506. | 10 | \$ 12.55 | \$ 17.13 | \$ 19.77 | \$ 23.96 | \$ 32.50 | \$ 37.74 |
| H. Hague | 42 | F | 950. | 9 | 7.92 | 25.39 | 42.88 | 11.02 | 47.34 | 63.80 |
| L. Conover | 54 | F | 950. | 0 | 7.92 | 9.68 | 11.23 | 7.92 | 9.68 | 11.23 |
| B. L. Learmonth | 63 | M | 1,800. | 4 | 15.00 | 3.16 | 3.32 | 45.00 | 9.49 | 9.95 |
| L. W. Faucett | 38 | M | 1,800. | 2 | 15.00 | 68.18 | 95.57 | 16.11 | 73.21 | 102.64 |
| G. R. Loehr | 38 | M | 950. | 4 | 7.92 | 35.99 | 50.46 | 9.09 | 41.31 | 57.91 |
| H. E. Shadick | 28 | M | 1,800. | 4 | 15.00 | 114.45 | 184.11 | 16.62 | 142.35 | 203.99 |
| E. K. Smith | 57 | M | 1,800. | 0 | 15.00 | 14.10 | 15.75 | 15.00 | 14.10 | 15.75 |
| A. M. Poring | 47 | F | 950. | 6 | 7.92 | 17.93 | 22.70 | 10.56 | 20.20 | 30.26 |
| E. O. Wilson | 40 | M | 1,800. | 8 | 15.00 | 60.67 | 82.88 | 19.80 | 80.09 | 109.40 |
| E. L. Konartz | 56 | F | 950. | 9 | 7.92 | 7.60 | 8.76 | 15.84 | 15.38 | 17.32 |
| William Band | 24 | M | 950. | 0 | 7.92 | 72.82 | 124.14 | 7.92 | 78.82 | 124.14 |
| T. M. Barker | 45 | M | 950. | 8 | 7.92 | 23.62 | 29.83 | 11.09 | 32.57 | 41.77 |
| D. M. Bent | 30 | F | 950. | 1 | 7.92 | 48.65 | 77.12 | 5.15 | 50.80 | 79.35 |
| M. S. Stewart | 30 | M | 1,800. | 3 | 15.00 | 103.87 | 162.42 | 16.29 | 112.80 | 176.39 |
| V. Nash | 38 | M | 1,800. | 5 | 15.00 | 68.18 | 95.57 | 17.78 | 80.81 | 113.28 |
| Total | | | 21,706. | | 108.91 | | | 251.94 | | |
| G. M. Boynton | 40 | F | 950. | 11 | 7.92 | 28.56 | 39.39 | 11.40 | 40.50 | 56.69 |
| E. M. Hancock | 51 | F | 950. | 8 | 7.92 | 13.04 | 16.62 | 12.45 | 20.36 | 27.27 |
| Augusta Wagner | 31 | F | 950. | 5 | 7.92 | 46.34 | 72.43 | 9.08 | 53.17 | 83.40 |
| Total | | | | | 23.76 | | | 32.93 | | |

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APPENDIX A

OUTLINE OF RETIREMENT PLAN

It is proposed that arrangements be made with the Sun Life Assurance Company of Canada for the setting up of a retirement plan for the staff of Yenching University as follows:

1. MEMBERSHIP IN PLAN

It shall be optional with all members already in the employ of the University at the time the plan becomes operative as to whether or not they shall join the plan. In the case of election not to join, it should be understood that the University assumes no responsibility for the retirement of such members.

For all members joining the staff after the plan becomes effective, membership in the plan should be a part of the contract and should be compulsory.

2. COST OF THE PLAN

Payments will be made to the Sun Life Assurance Company of Canada equaling 10% of the salary (without children's allowances) of each staff member. One-half of this amount, or 5% to be deducted from the salary of the staff member, the other half to be contributed by the University.

Provision would be made so that any staff members whose services with the University antedates the date of inauguration of the plan, shall have the opportunity of making such larger contributions as they may desire up to the amount necessary to provide the same retirement allowance that the member would have been entitled to had the plan been in operation from the beginning of employment; and to the extent that the staff member elects to make these additional payments, the University will make equal additional payments.

It is to be understood that contributions to this plan by the University will cease if and when the contributions made by the University together with interest and anticipated interest dividends will reach such an amount as would be sufficient to purchase a retirement allowance equaling one-third of salary. At this point the staff member would have the option of either discontinuing or reducing payments, or of continuing them.

In the case of separation from the service prior to retirement age for any cause other than death or total disability, the contributions of the University together with interest and interest dividends will be returned to it or credited upon its payments to the Sun Life Assurance for the current year. There is attached a schedule showing what would be the cost and also the benefits of this plan and which, based upon the salary scale at present proposed for the foreign staff, shows a cost to the Uni-

versity of \$90.45 per month if past service is disregarded, or a cost of \$126.47 per month if all staff members should elect to secure the full benefits for past service. In the case of all subsequent additions to staff the cost of course would be 5% of salary (exclusive of children's allowances).

3. BENEFITS

a. Retirement Allowances

Each staff member would be entitled to receive upon retirement age 65 such a monthly annuity as the contributions made by himself and by the University in his behalf, together with interest and interest dividends, would purchase. The table attached shows what these benefits would be for each present member of the staff, on the basis of the proposed revised salaries, these figures being straight life annuities. These allowances are shown on the basis of the guaranteed interest return of $3\frac{1}{2}\%$ compounded annually and also on the basis of the continuance of the present scale of interest dividends as paid by the Sun Life Assurance Company of Canada. There can of course be no guarantee as to the continuance of the present relatively high dividend payments. The $3\frac{1}{2}\%$ is guaranteed and it is unlikely that the actual annuities would not be at least equal to a figure halfway between those shown but since compound interest is so important a factor in such a plan and there can be no certainty as to the future course of interest rates over a long period of years, there can of course be no guarantee except to the extent shown under the $3\frac{1}{2}\%$ table.

At the time of retirement each staff member shall have the option to decide the form of annuity which he may elect to take, that is either a straight life annuity covering either one life or two lives, or a refund annuity. The amount of the annuity will of course be determined by the type selected, and in case it covers two lives, by the age of the second person. While retirement will be compulsory at age of 65, if by mutual consent and upon request of the University any staff member should serve beyond that age, the annuity payments would be correspondingly increased according to the annuity tables.

b. Death or Total Disability

In the event of total disability the staff member will be entitled to receive the sum of the combined contributions made by himself and the University, together with interest thereon and interest dividends.

In the event of death the beneficiary of the staff member will be entitled to receive the amount of the staff member's contributions together with interest and interest dividends thereon, and if such beneficiary be a person who is dependent upon the staff member, he or she shall also receive the contributions of the University with interest dividends thereon.

c. Withdrawal Benefits

In the case of separation from the service by resignation or otherwise prior to the age of retirement for any cause other than death or total disability, the staff member will be entitled to receive full amount of contributions made together with interest thereon and interest dividends, but shall not receive any portion of the amount contributed by the University.

d. Method of Payment

All benefits to staff members who have retired will be paid in equal monthly amounts.

Benefits to those entitled to receive them as a result of the death or total disability of a staff member, or as a result of separations from the staff, will be paid according to the election of the beneficiary either in one payment or in certain number of payments at fixed intervals, or in the form of a refund or straight annuity, all such deferred payments to be made in accordance with the interest and annuity tables of the Sun Life Assurance Company of Canada.