

350 5378

UBCHEA ARCHIVES
COLLEGE FILES
RG 11

Yenching
Corres
Rockefeller Foundation
1930 Jan-Aug

3

5

0

5

3

7

8

05 14

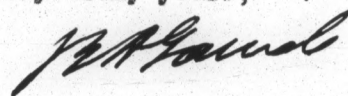
January 4, 1929

The Rockefeller Foundation,
Treasury Department
New York, N.Y.


Gentlemen:

We thank you sincerely for your check No. 9849 for \$6,250
to Yenching University in payment of the third quarterly install-
ment for the year beginning July 1, 1929, on Appropriation
No. LS 946 to Yenching University for strengthening the work in
the Division of the Social Sciences.

Very truly yours,



BAG-H

CC: Promotional Office 

card memo book

05 15

3
5
0
5
3
7
8

January 5, 1930

The Rockefeller Foundation,
61 Broadway,
New York, N.Y.

Gentlemen:

We thank you for your remittance of check for \$6,250 to
Yenching University, covering the third quarterly installment
on account of Appropriation LS 946 to the University for work in
the department of the Social Sciences for the fiscal year 1930-31.

Very sincerely yours,

BAG-H

CC- Promotional Office

card marked
1-12-31

05 16

3
5
0
5
3
7
8

January 24, 1930

My dear Doctor Mason:

I am very happy to be able to report to you that my Boston friend has acted on your suggestion, regarding the matter which we recently discussed together. He has secured a guarantee of \$12,500 a year interest, or whatever part of this may be necessary, during a period not to exceed five years within which we shall undertake to raise a capital sum of \$250,000, provided the same amount (\$12,500) can be secured annually from some other source until this will have been replaced by a capital sum of \$250,000. It is understood that this is for the purpose of strengthening the advanced work in natural sciences at Yenching University as described in the appeal made to the Rockefeller Foundation through Mr. H. G. Gee.

Very sincerely yours,

Dr. Max R. Mason
Rockefeller Foundation
61 Broadway
New York City

JLS:KK

0517

3
5
0
5
3
7
8

COPY

APPENDIX A
24, January 1930 - VSM-S

CHOU TSO MIN has placed to the credit of Dr. Leighton Stuart, \$625,000. local currency with the Peking office of the Kin 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 Yenching University \$250,000. gold dollars.

The Chinese donor desires that the aggregate amount of both 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 feelings to the University on the ground that 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 Yenching 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 obligation 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 donor 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 provided 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 guaranty 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 guaranty 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

0518

on account of that fact in the event of Civil War. It might be wise to set up in connection with the agreement a Supervisory Committee made up of representatives of Yenching University and the China Medical Board and Mr. C. R. Bennett of the National City Bank of New York, to whom the Chinese donor manager would report from time to time as to the transactions.

The provisions of the agreement should 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 they may have considered. After that, this office might make a draft of an agreement covering such trust funds 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.

F

YENCHING

TRANSFER

January 31, 1930

The Rockefeller Foundation,
61 Broadway,
New York, N.Y.

Gentlemen:

We acknowledge with thanks the receipt of Hongkong and Shanghai Banking Corporation Draft No.0817 for L.C.\$7,188.25 to the order of Trustees of Yenching University, covering the third quarterly payment for the year 1929-30 on account of Appropriation No.CM 2717 to Yenching University for the Science Department of the University.

Yours very truly,

BAG-H

Asst.Treasurer

CC: Promotional Office

0520

3
5
0
5
3
7
8

YENCHING UNIVERSITY
Peping, China

February 7, 1930

Mr. N. Gist Gee,
The Rockefeller Foundation,
Peiping.

Dear Mr. Gee:

I am writing you at this time in regard to the request for further aid from the Rockefeller Foundation for the Science Department at Yenching University. The grant of G.\$250,000.00 which the Foundation has recently made together with an equal sum obtained locally will be used for the support of undergraduate work of Premedical standard in Biology, Chemistry and Physics. The new grant is needed to support the advanced undergraduate work and a modest program of graduate courses and research in the three departments mentioned above and also in Mathematics and Geography and Geology. There is great need for strengthening the work in Mathematics in order to support the work in Chemistry and Physics. There is also an excellent opportunity to develop high class work in the Earth Sciences with a rather small increase in expenditure in this field. Professor Barbour already has an enviable reputation for the work which he has done here in the Orient.

This grant which we are asking for at the present time would enable the five departments to strengthen their advanced undergraduate courses and to offer a very much needed opportunity for graduate work up to a master's standard. At the present time Biology has 8 graduate students, Chemistry 12 and Physics 3. 7 are on fellowships provided by the Rockefeller Foundation. It should be pointed out that Yenching is one of the very few places where students can obtain such opportunities here in China. It should also be observed that such work is much less expensive for students here than if they are obliged to go abroad for it. We would also wish to emphasize that the present faculty of the science departments form a very satisfactory nucleus for such advanced work.

If the University cannot obtain further funds which can be set aside for the support of such work it will certainly be unable to expand along these lines and will perhaps be obliged to curtail somewhat the work already under way. Should this happen it would perhaps be impossible for Yenching to keep its present excellent science faculty. We therefore request the Rockefeller Foundation to make another grant of G.\$250,000.00 for the support of this advanced work with the understanding that the University will obtain a like sum from other sources for the same purposes.

Very sincerely yours,

(Signed by) Stanley D. Wilson

0521

Subject: Yenching University

February 20, 1930

Dear Dr. Mason:

I am enclosing with this a letter which has just been handed to me by Dr. S. D. Wilson, Dean of the College of Natural Sciences of Yenching University, asking for a further grant of US\$250,000 from the Rockefeller Foundation on the condition that a similar sum be raised by the University. This sum would be used as an additional endowment for the College of Natural Sciences to provide for the support of advanced undergraduate work and a modest program of graduate courses and research in that college.

Yenching University took over the Peiping Union Medical College Premedical School classes when that school was closed and it has ever since that time been the source of the large majority of medical school students who have entered the Peiping Union Medical College. This condition of affairs is likely to continue for some time.

When the premedical school closed the Rockefeller Foundation made a grant of Mex.\$28,753 per annum for a period of five years, to Yenching University in order to enable the departments of Biology, Chemistry and Physics to continue the same high standards of work in these subjects as had been maintained before the Peiping Union Medical College Premedical School was closed. The Rockefeller Foundation grant was made with a view to

0522

3
5
0
5
3
7
8

To: Dr. Mason

-2-

February 20, 1930

its covering one-half of the University budget for these three sciences and was based upon figures presented by these departments at that time. Actually, however, this sum has never covered one-half of the cost of these departments. For the budgets for the years from 1926-27 to 1929-30 see Exhibit A. These budgets have been as follows: 1926-27, Mex.\$60,297.47; 1927-28, Mex.\$70,767.67; 1928-29, Mex.\$82,004; 1929-30, Mex.\$85,455.60. Even though the Rockefeller foundation grant was fixed, yet the departments have continued to grow and have been an increasing expense to the institution.

Just recently the Rockefeller Foundation has capitalized its grant by a gift of US\$250,000 and Yenching has had the gift of an equal amount from a Chinese friend of the institution. These gifts do not provide an endowment with an income large enough to actually meet the growing needs of these three departments and to take care of the demand for graduate work in these subjects. The plan proposed for the development and expansion of the three premedical departments (see columns 1,2 and 3, Exhibit B) would call for an annual expenditure of Mex.\$131,860 and this does not include either the operation and maintenance costs, about Mex.\$13,690, for the two present science buildings, or does it cover the house rentals for the teachers which are estimated at twenty per cent of the salaries (S.D.W. to N.B.G. December 2, 1929, Exhibit C). In the application to the Rockefeller Foundation for an additional grant of US\$250,000 which was sent to you some time ago, it is distinctly stated that the University wishes to put not only the three premedical sciences, but also the other sciences, - Geography, Geology and Mathematics, - in the College of Natural Sciences, upon a sound basis of support which will enable the institution to secure and hold the very highest type of teachers and to do a very high grade of

0523

To: Dr. Mason

-3-

February 20, 1930

work. In order to insure such a condition of growth it will be necessary to have a minimum endowment of US\$1,000,000 and even this will not cover the total cost as estimated.

Exhibit B	Mex.\$168,276.00
Rent, 20% of Salaries	24,775.52
Operation & Maintenance	<u>13,690.00</u>
Total	Mex.\$206,741.52

Even counting that the endowment might yield an average of six per cent interest and that exchange keeps at the present high level of 2.75+ the income on US\$1,000,000 would be only Mex.\$165,000. It is quite evident that the University would still have to make provision for a considerable additional sum to meet the regular annual needs of this college. Being relieved of the larger part of this financial burden, however, it would be easier to secure from the current income the balance needed annually for the budget of the College of Natural Sciences.

The Rockefeller Foundation has already expressed in a very substantial way its faith in the future of Yenching University and it gives me much pleasure to recommend that the additional endowment requested for the College of Science be granted upon the condition that a similar sum be raised by the University from other sources for the same purpose.

Yenching University is the outstanding foreign supported institution in North China in its physical plant, and it is making an increasingly strong appeal to Chinese for support. The recent unique gift to Yenching of a sum by a Chinese banker to match the Rockefeller Foundation gift of a quarter of a million gold dollars has remarkable significance, I think.

Yenching is setting high standards in scholarship in all of

0524

3
5
0
5
3
7
8

To: Dr. Mason

-4-

February 20, 1930

its work and is registered with the Ministry of Education and has received high rating by this Ministry.

Especially thorough work is done in the College of Natural Sciences. While the equipment is not so extensive or highly specialized as that of one or two of the largest government institutions, yet for purposes of undergraduate instruction it is well chosen. Some equipment is also provided for advanced work and this is gradually being added to as the demands arise. The teaching staff in the various departments is not so large as in some of the schools mentioned above but they are equally as well or better trained and have been chosen to fit into special fields of work, thus giving a splendidly balanced lot of courses. The spirit of the staff and their methods of instruction are unsurpassed in any institution with which I am familiar in China.

Yenching is at present equipped and staffed to carry a few graduate students but with larger numbers of applicants for this work, more specialized equipment and more teachers will be needed. In the new budgets (Exhibit B) provision is made for such growth.

Yenching is doing a great deal toward supplying young teachers for the sciences in Middle Schools and Colleges over the whole of China. Already the other less well staffed colleges are sending their young graduates to Yenching for graduate work with a view to their returning to hold teaching positions in their Alma Maters. Through this means Yenching is likely to exert a constantly growing influence upon the type of instruction in the Natural Sciences in schools of China. Most of the Rockefeller Foundation local fellowship grants have been made to students who wished to study at Yenching.

0525

To: Dr. Mason

-5-

February 20, 1930

Yenching is in need of stable support for its College of Natural Sciences. Other colleges of Yenching University are gradually being provided with adequate endowments to carry them and to allow them to plan for a normal growth. This college has only that endowment secured through the recent gifts of the Rockefeller Foundation and the Chinese banker, and it needs at least another equal endowment to put it on a stable basis. If the million is secured now, other endowment gifts may be added later on.

Very sincerely,

N. Gist Gee

N. Gist Gee

Dr. Max Mason
The Rockefeller Foundation
New York

NGG:ER

Enclosures:

- S.D.W. to N.G.G. February 7, 1930
- Exhibit A - Summary of Cost of Science Departments
- " B - Summary of Estimated Annual Expenses
- " C - S.D.W. to N.G.G. December 2, 1929

0526

Exhibit a.

Summary of Cost of Science Departments

	1926-27	1927-28	1928-29	1929-30
Biology	\$14749.69	\$17918.50	\$22904.00	\$21992.00
Chemistry	22816.94	25015.17	25664.00	31009.60
Physics	14193.47	17834.00	23176.00	22154.00
Geology	11046.29	10340.88	12891.39	12684.00
Mathematics	9188.74	8742.21	12713.37	9691.20
Operation & Maintenance	8537.37	10000.00	10260.00	10300.00
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	\$80532.50	\$89850.76	\$107608.76	\$107830.80

0527

3
5
0
5
3
7
8

Exhibit B.

SUMMARY OF ESTIMATED ANNUAL EXPENSES IF NEW FUNDS ARE OBTAINED

	Biology	Chemistry	Physics	Geology & Geography	Mathematics	Totals
Salaries	\$31,100	\$33,760	\$27,000	\$20,140	\$11,776	\$123,776
Supplies and Equipment	\$10,000	\$15,000	\$12,000	\$ 3,000	\$ 500	\$ 40,500
Library	\$ 1,000	\$ 1,000	\$ 1,000	\$ 500	\$ 500	\$ 4,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$42,100	\$49,760	\$40,000	\$23,640	\$12,776	\$168,276

0528

3
5
0
5
3
7
8

COPY

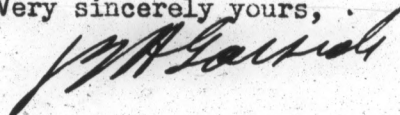
March 24, 1930

The Rockefeller Foundation

Gentlemen:

We wish to acknowledge with sincere thanks receipt of your check to Yenching University in the amount of \$6,250, being the fourth quarterly installment for the year ending June 30, 1930, on account of Appropriation No. LS 946 to Yenching University for strengthening the work of the University's Division of Social Sciences.

Very sincerely yours,



BAG-H

CC: Promotional Office ✓

0529

3

5

0

5

3

7

8

GEORGE E. VINCENT
PRESIDENT
EDWIN R. EMBREE
VICE PRESIDENT
SELSKAR M. GUNN
VICE PRESIDENT
IN EUROPE
ROGER S. GREENE
VICE PRESIDENT
IN FAR EAST
NORMA S. THOMPSON
SECRETARY
L. G. MYERS
TREASURER
GEORGE J. BEAL
COMPTROLLER

JOHN D. ROCKEFELLER, JR.
CHAIRMAN OF THE BOARD OF TRUSTEES

THE ROCKEFELLER FOUNDATION

INTERNATIONAL HEALTH DIVISION
FREDERICK F. RUSSELL, M.D.
DIRECTOR

DIVISION OF MEDICAL EDUCATION
RICHARD M. PEARCE, M.D.
DIRECTOR

61 BROADWAY, NEW YORK

MEMBERS

JOHN G. AGAR
JOHN W. DAVIS
DAVID L. EDSALL
SIMON FLEXNER
RAYMOND B. FOSDICK
HERBERT S. HADLEY
CHARLES EVANS HUGHES
VERNON KELLOGG
JOHN D. ROCKEFELLER, JR.
WICKLIFFE ROSE
JULIUS ROSENWALD
MARTIN A. RYERSON
FREDERICK STRAUSS
GEORGE E. VINCENT
GEORGE H. WHIPPLE
WILLIAM ALLEN WHITE
RAY LYMAN WILBUR

FAR EASTERN OFFICE
PEKING, CHINA

Dear Dr. Stuart:

I understand that there is some confusion of understanding as to the uses to which the additional grant, which has been requested from the Foundation, is to be put in case it is granted.

In order that you may know what has been done out here I am sending you with this a copy of the material which has gone to our New York office.

We learn that the Harvard Yenching Corporation has granted a sum of US\$12,500 for a period of five years to the science work at Yenching and that at the end of that period of time US\$250,000 will be granted as an endowment for that work. This raises the question in my mind as to whether or not you are approaching the Rockefeller Foundation for an annual grant over a period of five years or for a full grant of US\$250,000. It is a pity that there has not been a clear understanding in this matter since uncertainty as to the use of this fund may create doubts in the minds of the officers in New York.

I trust that my enclosure will give you a clear understanding of just what we have asked for. This was done in close consultation with your Science Faculty through the Dean, Dr. S. D. Wilson.

Dr. J. Leighton Stuart
Peiping University
160 Fifth Avenue
New York

Very sincerely,
N. Gist Gee
N. Gist Gee

*noted by
OSW
4-10-30*

0530

Stev



THE ROCKEFELLER FOUNDATION

61 BROADWAY, NEW YORK

OFFICE OF THE SECRETARY

TRANSFER

April 16, 1930

My dear Mr. Garside:

INDEXED

I have the honor to inform you that the Trustees of the Rockefeller Foundation, at their meeting of April 16, 1930, adopted the following resolutions:

RE 30019

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 in cash from other sources prior to June 30, 1935, an equal amount for the same purpose.

RE 30020

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 in the SCIENCE DEPARTMENTS during the five-year period July 1, 1930, to June 30, 1935, payments to be made in 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 above shall have been paid.

Yours very truly,

Noema S. Thompson
Secretary.

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

NST:BB

0531

3
5
0
5
3
7
8

RECEIVED
UNIVERSITIES
APR 22 1930
JOINT OFFICE

3
5
0
5
3
7
8

0532

Rockefeller Foundation

61 Broadway

New York City

Apr. 23, 1930

Pledge \$250,000 - for 1930 Camp. -
Endowment for
Natural Sciences

Gift received	4-23-30
Receipt slip #	
Entered on control record	✓
" " acct. card	
" " cont. card	
Serial No. on L. & T. card	977
Pledge signal attached	
X-file cards	
Letter n.k. sent	
Checked for O. L.	
" " class card	
" " stencil	

The following two resolutions were approved by the Trustees of the R.F. at their meeting of Apr. 16, 1930:

"RESOLVED that the sum of \$250,000 be, and it is hereby, appropriated to YENCHING UNIVERSITY to 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 \$62,500, or so much thereof as may be necessary, be, and it is hereby, appropriated to Y. U. in support of the work of the Science Departments during the five year 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 above shall have been paid."

0533

Rockefeller Foundation

COPY

April 24, 1930.

TRANSFER

Dear Doctor Mason:

This is to confirm my verbal report regarding the action of our trustees in the matter of the endowment for our pre-medical work. The grant of the Rockefeller Foundation for this purpose Gold \$250,000 was matched, as you will recall, by a Chinese banker, Mr. Chou Tso-Min, who at the same time made the request that this total amount be invested in China for reasons which I outlined to you in our recent conversation. The exact text of the trustees action is as follows:

"(1) that the proposed gift of L. C. \$625,000 from Mr. Chou Tso Min to constitute one-half of an endowment fund of \$500,000 for work in the Natural Sciences be accepted, provided that the terms of the gift can mutually be agreed upon between the donor and the special Committee on Investment in China appointed as hereinafter provided.

(2) 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. 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 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 safe guarding of the security of said funds as 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. Cho 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

0534

Dr. Mason

#2

April 24, 1930.

Treasurer of the Trustees of Yenching University is hereby authorized to place the \$250,000 received from the Rockefeller Foundation in the hands of this special Committee on Investment."

I might say in explanation that this matter has been under very careful consideration by our Finance Committee for some weeks past and was recommended by that committee unanimously to the Trustees at their meeting yesterday, who again gave thorough discussion to unanimous action. In addition to Mr. Greene and myself, the two members of the committee are Mr. G. R. Bennett, who for some seventeen years has been manager of the National City Bank of New York in Peiping, and Mr. Edwards, who is the senior secretary of the Y. M. C. A. in that city.

Very sincerely yours,

President

Mr. Max Mason
61 Broadway
New York City

JLS.KK

0535

3
5
0
5
3
7
8

April 24, 1980

President of the Trustees of Yeshiva University is hereby authorized to place the \$250,000 received from the Rockefeller Foundation in the hands of this special committee on investment.

I want say in explanation that this matter has been under very careful consideration by our Finance Committee for some weeks and was recommended by that committee unanimously to the trustees at their meeting yesterday, who again gave thorough consideration and unanimous action. In addition to Mr. Greene and myself, the two members of the committee are Mr. G. R. Bennett, who for some seventeen years has been a member of the National City Bank of New York in Piquette and Mr. Thomas, who is the national secretary of the Y. U. in that city.

Very sincerely yours,

Enclosure

Mr. [Name] [Address] [City]

Ms. 14

RECEIVED
BETHLEHEM
MAY 3 1980
JOINT OFFICE

0536

E
S
O
S
E
7
8

Boq

THE ROCKEFELLER FOUNDATION

61 BROADWAY, NEW YORK

OFFICE OF THE PRESIDENT

April 28, 1930.

YENCHING

Dear Dr. Stuart:

TRANSFER

Thank you for your letter of April 24 in which you quote the action of the Trustees of Yenching University in regard to investment in China of some of the University's funds. The information and request will be presented to the Executive Committee at its meeting in May.

Sincerely yours,

174 174

Dr. J. Leighton Stuart,
Yenching University,
150 Fifth Avenue,
New York.

0537

3
5
0
5
3
7
8

RECEIVED
UNIVERSITIES
APR 30 1930
POST OFFICE

3
5
0
5
3
7
8

0538

C O P Y

THE ROCKEFELLER FOUNDATION

61 Broadway, New York

May 8, 1930.

Office of the President

*orig. letter handed
to B.A.G.*

Dear Dr. Stuart:

I presented to the Executive Committee at its meeting today your communication relative to the action of the Trustees of Yenching University in regard to the investment of endowment funds.

I was authorized by the Executive Committee to acknowledge the receipt of this information, to thank you for it, and to reply, in answer to the specific request by the Trustees of Yenching University, that the Foundation as a matter of policy does not express its approval or disapproval of the financial management by institutions of appropriations which have been made to such institutions by the Foundation.

I may add personally that the aims and desires of the Trustees in proposing investment of the funds mentioned in China seemed to have the understanding appreciation of the members of the Executive Committee.

Sincerely yours,

(signed) Max Mason

President J. Leighton Stuart
Yenching University
150 Fifth Avenue
New York.

MM:AEB

0539

YENCHING

TRANSFER

May 9, 1930

Miss Norma S. Thompson, Secretary
The Rockefeller Foundation,
61 Broadway,
New York, N.Y.

My dear Miss Thompson:

I presented to the annual meeting of the Trustees of Yenching University held on April 23 the welcome news contained in your letter of April 16 that the Trustees of the Rockefeller Foundation at their meeting on April 16 had adopted a resolution appropriating for Yenching University toward the endowment of its work in Natural Science the sum of \$250,000 on condition that the University shall secure an equivalent amount prior to June 30, 1935; and that the Foundation will meantime make annual appropriations of up to Gold \$12,500 to provide income for Natural Science to complement income received from any portion of this endowment fund which may be secured from year to year.

The Yenching Trustees expressed in the warmest terms their profound gratitude to the Rockefeller Foundation for this second generous gift toward the endowment of the University's work in Natural Science. Their formal action was as follows:-

"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 this amount during the period of five years in which the conditions as to the principal sum are to be met.

The University is anxious to maintain high standards of scientific work and is deeply grateful to the Rockefeller Foundation for this support."

I can assure you that the Trustees of the University will devote themselves whole-heartedly to the task of securing, at as early a date as they can, the \$250,000 required to meet the conditions of the Rockefeller Foundation grant, and that meantime we will keep you informed of the progress being made.

Faithfully yours,

BAG-H

Secretary

0540

Roeh

May 21, 1930

My dear Doctor Mason:

Doctor Stuart will see upon his return here next week from the Pacific Coast your letter in reply to his dealing with the investment of funds in China. He would wish me to thank the Directors of the Foundation in his name for their understanding consideration of the problem so carefully discussed by the Finance Committee and the Board of Trustees of Yenching University in connection with this matter.

Please accept our thanks for your own personal courtesy and interest.

Sincerely yours,

Assistant to the President

Dr. Max Mason
Rockefeller Foundation
61 Broadway
New York City

ODW*KK

0541

THE ROCKEFELLER FOUNDATION

61 BROADWAY, NEW YORK

OFFICE OF THE COMPTROLLER
GEORGE J. REAL, COMPTROLLER
H. M. GILLETTE, ASSISTANT COMPTROLLER

YENCHING

June 20, 1930.

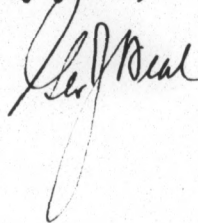
TRANSFER

Dear Mr. Garside:

Our appropriation RF 30020 to Yenching University for the support of work in the Science Departments during the five-year period July 1, 1930 to June 30, 1935, becomes effective on July 1, 1930. As payments under this appropriation are to be made in annual installments of \$12,500, provided that and so long as, the University secures an equal sum for the same purpose from other sources each year, we shall be pleased to make payments upon notification from you that the conditions of the grant have been met.

These payments are to continue only until such time as the endowment of \$250,000 provided under our appropriation RF 30019 shall have been paid to you.

Very truly yours,



Mr. B. A. Garside
Yenching University
150 Fifth Avenue
New York

GJB:RS

0542

3

5

0

5

3

7

8

RECEIVED
UNIVERSITIES
JUN 27 1930
JOINT OFFICE

3
5
0
5
3
7
8

0543

C O P Y

June 26, 1930

The Rockefeller Foundation,
61 Broadway
New York, N.Y.

Gentlemen:

We thank you sincerely for your check for \$6,250 covering
the first quarterly installment for the year beginning July 1, 1930,
on account of Appropriation No.LS 946 to Yenching University for
the strengthening of the work in Social Sciences.

Very sincerely yours,

CAE-H

0544

3

5

0

5

3

7

8

LETTER TO ROCKEFELLER FOUNDATION BY N. GIST GEE

August 5, 1930

Subject: Yenching University

Dear Dr. Carter:

Since Dr. J. L. Stuart's return to China it has developed that the conditions of the gift from the Chinese banker to match the grant of the Rockefeller Foundation for \$250,000.00 U.S. currency do not satisfy the Committee appointed by the Board of Trustees of Yenching University in New York. This being the case the proposed arrangement for the local investment of this money will not be recommended by the Committee. The Chinese contribution will therefore not be available, and consequently the Trustees of Yenching in America will presumably be returning the Rockefeller grant. I understand that President Stuart is recommending to his Trustees that this be done, and that a new application be made to the Foundation for an unconditional grant of the same sum for endowment of the Science departments.

I regret very much that Yenching has not been able to secure an unconditional gift of this much needed local money and the fact that both this and the Rockefeller grant are now unavailable for immediate use creates a crisis in the finances of the University which will necessitate very serious cuts in the present science budgets. These cuts will not only cripple the work of the departments concerned for the present, but will make it impossible for the institution to hold its present strong staff of teachers. This will then bring about the disintegration of one of the strongest science groups in China. I feel very strongly that the Rockefeller Foundation should come in at this critical time and prevent such a calamity.

I therefore recommend that the grant of U.S. \$250,000, already made to Yenching upon the condition that it be matched by an equal gift from another source now be made an unconditional gift. It of course would be understood by all concerned that Yenching would continue to strive to raise an equal sum as soon as possible from other sources, though they would have at once the quarter of a million available for the continuation of the development of the work in science as already planned. President Stuart is confident that in the course of a few years he will be able to secure, if not all, at least a part of the supplementary funds required.

I make this recommendation for the following reasons:-

1. Because through the Rockefeller Foundation cooperation during the past few years there has been built up one of the best, if not the best, science colleges in China today.
2. Because the best all around preparation for medicine in China can be had at Yenching. The Peiping Union Medical College might well find itself crippled if the science departments of Yenching were compelled to effect such a drastic economies as the failure to secure the Rockefeller Foundation grant would entail.
3. Because already Yenching is being looked to for the further training of local college graduates for assistants in the science work all over China.

0545

To: Dr. W. S. Carter
Subject: Yenching University

- 2 -

August 5, 1930

4. Because by bringing young teachers from other schools to Yenching for a year or two the methods and ideals can be sent back to those schools.
5. Because the spirit of investigation is actively developing at Yenching under the inspiration of a strong staff of teachers who feel that the financial future of the institution is assured. Some of these men are being sought elsewhere but are satisfied to remain at Yenching with the ideal of a capable teaching staff with some time for individual research.
6. Because the Rockefeller Foundation can give its fellows an opportunity to secure Masters' degrees there before sending them abroad and thus more carefully select applicants and also save at least a year abroad.

At such an abnormal time as the present in China I believe that the somewhat unusual action which we are recommending in suggesting a change in the form of the appropriation is justified. On account of the present extremely favorable rate of exchange it is probable that the income of the proposed endowment, can be made to cover the greater part of the routine budgets of the science departments.

Dr. Stuart in his letter to Mr. Garside, a copy of which I am enclosing advises that if the grant is made by the Foundation that this money be remitted to China for investment. Of course, the Rockefeller Foundation would not be willing to express any opinion or give any advice concerning the investment of the endowment of Yenching. Yet I believe that it is altogether possible to so safeguard the investment of the funds out here by a good committee that a satisfactory income at a higher rate than at home could be secured.

Early action on this application will be very helpful to Yenching.

Very sincerely,

/s/ N. Gist Gee

Dr. W. S. Carter
The Rockefeller Foundation
New York

0546

YENCHING UNIVERSITY

Peping, China

Office of the President

August 5, 1930.

Mr. B. A. Garside,
Secretary of Board of Trustees of Yenching University,
New York City.

Dear Mr. Garside:

Since returning to China I have been in frequent conference with those concerned in the proposal to transfer the grant from the Rockefeller Foundation of gold two hundred and fifty thousand dollars (G\$250,000) to be invested together with the equivalent in silver (Local Currency \$625,000) promised by Mr. Chow Tso-min of the Kincheng Bank. At least one of the members of the special committee appointed to consider the matter feels quite definitely that the arrangements proposed for the investment of the funds make it impossible to regard Mr. Chow's contribution as being a cash gift in the sense that would be necessary to meet the conditions of the grant of the Rockefeller Foundation, and he further doubts whether the plan of investment could be regarded as in accord with wise policy in the administration of institutional funds. Since the vote of the Executive Committee of our Trustees conditioned the acceptance of Mr. Chow's proposal upon un-animously favorable recommendation by the special committee, this development seems to make it necessary to return to the Rockefeller Foundation the sum of G\$250,000 already received, and I recommend that this be done at once, together with whatever interest may have accrued since we received it.

I have discussed with Mr. Gee and Mr. Greene the very difficult situation thus created, and they have advised that Yenching University apply to the Rockefeller Foundation for a revision of the terms of the original grant so that the contribution of G\$250,000 might be available to the University unconditionally. At present rates of exchange the income on such a sum would go a long way toward meeting our needs. I therefore recommend that immediate application be made to the Foundation for such a revision of the grant.

Mr. Gee and Mr. Greene are unable to forecast what action would be taken on such an application but they at least seem to have a sympathetic appreciation of the urgency of our need.

While we have prospects for considerable contributions from Chinese sources within a few years, it is clear that no substantial sums can be secured either in China or in the United States at this time, and therefore unless the condition is removed our financial situation will be desperate. It seems that it would not be possible for Mr. Chow substantially to modify his conditions in order to meet our point of view.

If this request is approved, I further recommend that the entire sum be remitted to China for investment under the direction of our Board of Managers, subject

0547

if the Trustees so desire to the approval of such a committee as was appointed to deal with Mr. Chow's proposal. At the present favorable rate of exchange this would yield an amount not much less than could have been realized during the first years of the original arrangement. I have reason to believe that all the members of the Advisory Committee will join in this recommendation, although because of the absence of two from the city I cannot at this writing quote their **views**. A statement from them on this matter will be sent to you soon.

It may be that Mr. Bennett can be reached for consultation through the Head Office of the National City Bank.

Very sincerely yours,

/s/ J. Leighton Stuart

1

0548

3
5
0
5
3
7
8

Appendix C

COMMUNICATION FROM DR. STUART
DATED AUGUST 18, 1930

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

Dear Mr. Garside:

I am enclosing herewith a copy of the letter Messrs. Greene and Geo have sent to the Rockefeller Foundation on the matter of the premedical endowment. Also a letter from Mr. Greene which points out that the Executive Committee of the Trustees should formally approve of the changes in personnel of the Advisory Committee. As soon as the Rockefeller Foundation acts favorably on the new request I hope the Trustees will cable authorization to invest the money in China under the arrangements proposed in my last letter. If so, not only will our budget interests be maintained as would otherwise be impossible, but the delicate personal relationships can probably be resumed on a basis that will be satisfactory to all concerned. I shall not attempt in a letter to describe in detail the various negotiations, the change of attitude on the part of our Chinese banker friend which I had feared all along, and the consequent effect on at least one American concerned, and the final agreement of the Chinese banker and all others to the present procedure. If, therefore, the Rockefeller Foundation and our own Trustees do as requested, the essential values of all that I had in mind can be conserved.

Very sincerely yours,

/s/ J. Leighton Stuart.

COMMUNICATION TO DR. STUART
FROM ROGER S. GREENE
DATED AUGUST 5, 1930

Dear Dr. Stuart:

I have received your letter of August 1st quoting the action taken by the Finance Committee of the Yenching University Board of Trustees on June 11th recommending the appointment of Rev. W.H. Gleysteen and Mr. Lennig Sweet as alternates on the Committee in China to serve during the absence of Mr. Bennett and Mr. Edwards.

In view of the turn which matters have taken, I presume that the constitution to this committee is not a matter of urgent importance. I should point out, however, that in spite of the fact that the Finance Committee has a personnel similar to that of the Executive Committee, we cannot take any official action based on the resolution quoted in your letter until the Executive Committee itself has formally acted upon the matter.

Yours sincerely,

/s/ Roger S. Greene.

RSGERP

1

0549