

Lebanon Valley College
BULLETIN

Vol. XXXI OCTOBER, 1942 No. 7

Report of Finance Committee
For Fiscal Year
Ended June 30, 1942

ANNVILLE, PENNSYLVANIA

Presented to the Board of Trustees at their
Meeting November 7, 1942

A Supplement to this report giving figures for the
school year 1942-43, to May 1, 1943
will be submitted to the Board at its meeting on May 21, 1943

Entered as Second Class matter at Annville, Pa., under the Act
of August 24, 1912

To the Members of the Board of Trustees of Lebanon Valley College:

Since the Finance Committee presented its last complete report of the College finances a year ago, we note the death of the former chairman of the committee, J. Raymond Engle, whose passing was fittingly observed at the summer meeting of the Board. The chairmanship is now held by Lloyd A. Sattazahn of the Lebanon National Bank.

In as much as the committee was deprived of the continuous surveillance of the portfolio by Mr. Engle, and no other member of the committee was in a position to give it the constant attention it required, the members deemed it wise to procure the services of Lionel D. Edie & Company to do that work. The operations of this firm have thus far been very satisfactory.

In the last year, too, the country has been thrown into a state of war. No institutions have been affected more materially than the colleges and even now the extent to which they will be changed is not evident. Up to this time the loss of students because of their induction into the armed forces has not been so great but if the draft age is reduced, which is likely to be the case, many students now in college will be included in the number inducted. Naturally, this will affect the income of the college during the current year.

As has been the experience for several years the income for the year has been somewhat above the cost of operation. The income during the twelve months ending June 30 last was \$222,104.80, \$981.63 less than the previous year, and the expenses \$213,021.76, \$1,129.32 less than the last year. The net profit, before deducting additions to plant, was \$9,083.04. Plant additions paid out of current funds amounted to \$6,578.24 leaving the gain for the year \$2,504.80, the amount by which the deficit was reduced in the year covered by that report.

Income from endowment investments, in the general fund, show an increase over last year of \$1,900.42, making the total current income \$31,296.71, and an increase of \$3,843.38 is shown in the income from gifts and grants. Of this increase conference benevolences account for \$2,392.13.

The proportion of investments in the various types of securities is represented by the following percentages; investment in bonds has increased during the year from 43.92% to 44.19%; preferred stocks, from 12.36% to 13.75%; common stocks decreased from 35.56% to 34.08% of the total.

Lloyd A. Sattazahn, Chairman

COMPARATIVE BALANCE SHEET
JUNE 30, 1942 AND 1941

ASSETS					
	June 30, 1942	June 30, 1941	Increase	Decrease	
I Current Funds:					
A General:					
Cash	\$2,679.13	\$498.85	\$2,180.28		
Investments, Notes Rec'vble	11,245.53	11,268.53			\$23.00
Accounts Rec'vble, Students	27,715.03	24,812.06	2,902.97		
Advances Receivable, Endow- ment Fund		1,673.66			1,673.66
Dining Hall Supplies	2,375.93	1,490.42	885.51		
Laboratory Supplies	1,910.00	2,050.00			140.00
Power Plant Supplies	1,543.15	+	1,543.15		
Summer School Expenses-- Prepaid	407.29	179.65	227.64		
Prepaid Insurance	2,914.17	2,914.21			.04
Athletics, Field and Gymnas- ium, Prepaid		+ 69.74			69.74
Deficit	19,696.97	22,201.77			2,504.80
	<u>70,487.20</u>	<u>67,158.89</u>	<u>3,328.31</u>		
B Restricted:					
Cash	1,659.84	1,618.70	41.14		
	<u>72,147.04</u>	<u>68,777.59</u>	<u>3,369.45</u>		
II Loan Funds:					
Cash	3,141.04	3,190.08			49.04
Notes Receivable	8,089.65	7,270.44	819.21		
	<u>11,230.69</u>	<u>10,460.52</u>	<u>770.17</u>		
III Endowment and Other Non-Expendable Funds:					
Cash	10,585.79	341.59	10,244.20		
Bonds	401,739.58	404,533.99			2,794.41
Stocks	434,776.72	441,337.28			6,560.56
Mortgages	7,640.00	9,977.89			2,337.89
Notes Receivable	17,451.71	17,676.71			225.00
Real Estate (Farms)	47,476.25	47,476.25			
	<u>919,670.05</u>	<u>921,343.71</u>			<u>1,673.66</u>
IV Plant Funds:					
Lands	39,800.00	39,800.00			
Underground Heating and Plumbing System	17,851.69	17,089.39	762.30		
Buildings	514,912.18	513,798.32	1,113.86		
Equipment	136,060.36	131,358.28	4,702.08		
	<u>708,624.23</u>	<u>702,045.99</u>	<u>6,578.24</u>		
V Agency Funds:					
Cash	1,690.13	1,082.38	607.75		
Advances Receivable from Current Fund	183.19	183.19			
Farm Improvements	2,500.00	2,500.00			
Farm Deficit		+ 441.24			441.24
	<u>4,373.32</u>	<u>4,206.81</u>	<u>166.51</u>		
Total Assets	<u>1,716,045.33</u>	<u>1,706,834.62</u>	<u>9,210.71</u>		

COMPARATIVE BALANCE SHEET
JUNE 30, 1942 AND 1941

LIABILITIES AND FUNDS

	June 30, 1942	June 30, 1941	Increase	Decrease
I Current Funds:				
A General:				
Notes Payable	\$51,000.00	\$54,000.00		\$3,000.00
Accounts Payable	2,376.58	2,882.49		505.91
Accounts Payable, Agency Funds	183.19	183.19		
Students' Deposits	1,348.64	1,736.91		388.27
Student Accounts Paid in Advance	6,722.49	+	6,722.49	
Reserve for Doubtful Acc'ts	8,856.30	8,356.30	500.00	
	<u>70,487.20</u>	<u>67,158.89</u>	<u>3,328.31</u>	
B Restricted:				
Funds	1,659.84	1,618.70	41.14	
	<u>72,147.04</u>	<u>68,777.59</u>	<u>3,369.45</u>	
II Loan Funds:				
Funds	11,230.69	10,460.52	770.17	
III Endowment and Other Non-Expendable Funds:				
Endowment Funds:				
General	686,678.35	686,178.35	500.00	
Restricted	231,091.70	231,091.70	+	
	917,770.05	917,270.05	500.00	
Annuity Funds	1,900.00	2,400.00		500.00
	919,670.05	919,670.05		
Advances Payable, Current Funds		+ 1,673.66		1,673.66
	<u>919,670.05</u>	<u>921,343.71</u>		<u>1,673.66</u>
IV Plant Funds:				
Net Investment in Plant	708,624.23	702,045.99	6,578.24	
V Agency Funds:				
Farm Surplus	123.47	+	123.47	
Notes Payable, Farm Account Funds	4,000.00	4,000.00		
	249.85	206.81	43.04	
	<u>4,373.32</u>	<u>4,206.81</u>	<u>166.51</u>	
Total Liabilities and Funds	<u>1,716,045.33</u>	<u>1,706,834.62</u>	<u>9,210.71</u>	

CONDENSED COMPARATIVE STATEMENT OF CURRENT INCOME AND EXPENSES

(Excluding Receipts and Disbursements of Restricted Funds

Exhibit B-1

for Non-Educational Purposes)

INCOME				
	Year Ended 6/30/42	Year Ended 6/30/41	Increase	Decrease
I Educational and General:				
(1) Student Income:				
School of Liberal Arts and Sciences	\$59,510.91	\$67,645.20		\$8,134.29
Auxiliary Educational Schools	51,677.40	48,515.53	3,161.87	
	<u>111,188.31</u>	<u>116,160.73</u>		4,972.42
(2) Endowment Income	31,296.71	29,396.29	1,900.42	
(3) Gifts and Grants	11,997.96	8,154.58	3,843.38	
(4) Other Sources	3,592.35	3,828.51		236.16
Total Educational and General Income	<u>168,075.33</u>	<u>157,540.11</u>	535.22	
II Auxiliary Enterprises and Activities:				
(1) Dormitories	22,659.50	23,089.61		430.11
(2) Dining Hall	38,377.11	39,697.11		1,320.00
(3) Placement Bureau Income	29.00	42.00		13.00
(4) Leadership Training School Income	+	834.37		834.37
(5) Canteen	278.04	599.90		321.86
(6) Kindt Property	240.00	160.00	80.00	
Total Income, Auxiliary Enterprises and Activities	<u>61,583.65</u>	<u>64,422.99</u>		2,839.34
III Income for Non-Educational Purposes				
	<u>2,445.82</u>	<u>1,123.33</u>	1,322.49	
Total Income	222,104.80	223,086.43		981.63
Total Expenses, Forwarded	<u>213,021.76</u>	<u>214,151.08</u>		1,129.32
Net Profit before deducting additions to Plant from Current Funds	9,083.04	8,935.35	147.69	
Additions to Plant from Current Funds	<u>6,578.24</u>	<u>13,253.44</u>		6,675.20
Net Profit (+) or Loss (-) after deducting additions to Plant from Current Funds	<u>2,504.80(+)</u> <u>4,318.09(-)</u> <u>6,822.89(+)</u>			

CONDENSED COMPARATIVE STATEMENT OF CURRENT INCOME AND EXPENSES
(Excluding Receipts and Disbursements of Restricted Funds
for Non-Educational Purposes)

Exhibit B-1

EXPENSES				
	Year Ended <u>6/30/42</u>	Year Ended <u>6/30/41</u>	<u>Increase</u>	<u>Decrease</u>
I Educational and General:				
(1) General Administration and Expense	\$33,963.36	\$31,954.46	\$2,008.90	
(2) Instruction and Research: School of Liberal Arts and Sciences	66,049.80	67,452.13		\$1,402.33
Auxiliary Educational Schools	41,717.32	41,506.47	210.85	
	<u>107,767.12</u>	<u>108,958.60</u>		<u>1,191.48</u>
(3) Library	5,088.18	4,579.74	508.44	
(4) Operation and Maintenance of Physical Plant	11,456.61	10,944.55	512.06	
Total Educational and General Expenses	<u>158,275.27</u>	<u>156,437.35</u>	<u>1,837.92</u>	
II Auxiliary Enterprises and Activities:				
(1) Dormitories	11,121.10	13,177.89		2,056.79
(2) Dining Hall	39,698.17	39,335.70	362.47	
(3) Placement Bureau	51.25	30.00	21.25	
(4) Leadership Training School	+	873.90		873.90
(5) Canteen	229.10	499.95		270.85
(6) Kindt Property	49.57	45.08	4.49	
(7) Brunner Property	435.99	+	435.99	
Total Expenses, Auxil- iary Enterprises and Activities	<u>51,585.18</u>	<u>53,962.52</u>		<u>2,377.34</u>
III Other Non-Educational				
<u>Expenses</u>	<u>2,661.31</u>	<u>3,251.21</u>		<u>589.90</u>
Total Expenses before Reserve Provisions	212,521.76	213,651.08		1,129.32
Reserve Provisions: Provision for Doubtful Accounts Receivable	500.00	500.00		
Total Expenses, Forwarded	<u>213,021.76</u>	<u>214,151.08</u>		<u>1,129.32</u>

STATEMENT OF CURRENT FUNDS
YEAR ENDED JUNE 30, 1942

Balance at beginning of year		None
Add:		
(1) Current educational and general income, per Schedule B-1, Sec. I	\$158,075.33	
(2) Income auxiliary enterprises and activities, per Schedule B-1, Sec. II	61,583.65	
(3) Income non-educational purposes, per Schedule B-1, Sec. III	<u>8,671.15</u>	\$228,330.13
(4) Adjustments, per Schedule B-4		<u>603.58</u>
		<u>228,933.71</u>
Deduct:		
(1) Current educational and general expenses, per Schedule B-2, Sec. I	158,775.27	
(2) Expenditures of auxiliary enterprises and activities, per Schedule B-2, Sec. II	51,585.18	
(3) Other non-educational expenses, per Schedule B-2, Sec. III	9,197.72	
(4) General funds transferred to plant funds, per Exhibit E, Sec. I	<u>6,578.24</u>	
	<u>226,136.41</u>	
(5) Adjustments, per Schedule B-4	<u>292.50</u>	
		<u>226,428.91</u>
Gain for year ended June 30, 1942		2,504.80
Deficit July 1, 1941		<u>22,201.77</u>
Deficit June 30, 1942, to Exhibit A, Section I		<u>\$19,696.97</u>

STATEMENT OF CURRENT INCOME
YEAR ENDED JUNE 30, 1942

Schedule B-1

I Educational and General:

(1) Student Income:

A School of Liberal Arts and Sciences:

Tuition	\$64,454.54	
Less, Scholarships	<u>13,408.45</u>	\$51,046.09
Matriculation Fees		1,693.00
Biology Fees		1,748.00
Chemistry Fees		2,469.82
Physics Fees		394.00
Physical Science Fees--Music		34.00
Psychology Fees		156.00
Practice Teaching Fees		875.00
Graduation Fees		<u>1,095.00</u> \$59,510.91

B Auxiliary Educational Schools:

Aviation School	200.00	
Extension School	2,791.00	
Saturday School	3,906.00	
Music School	39,625.50	
Summer School	<u>5,154.90</u>	51,677.40

(2) Endowment Income (Schedule B-3)

Unrestricted	28,502.46	
Restricted	<u>2,794.25</u>	31,296.71

(3) Gifts and Grants:

Benevolence, Conference	9,921.71	
Other	<u>2,076.25</u>	11,997.96

(4) Other Sources:

Interest on Current Funds	448.22	
Library Income	2,233.13	
Group Insurance	881.00	
Rent for Chapel	<u>30.00</u>	3,592.55

Total Educational and General

Income, to Exhibit B

158,075.33

II Auxiliary Enterprises and Activities:

(1) Dormitories:

Cleaning Fees	612.88	
Rentals	21,564.66	
Breakage Fees	<u>481.96</u>	22,659.50

(2) Dining Hall:

Students' Board	38,108.75	
Sale of meals to others	200.35	
Sale of food and operating supplies	<u>68.01</u>	38,377.11

STATEMENT OF CURRENT INCOME
YEAR ENDED JUNE 30, 1942

II Auxiliary Enterprises and Activities:

(3) Placement Bureau Income	\$29.00
(4) Kindt Property	240.00
(5) Canteen	<u>278.04</u>
Total Income Auxiliary Enterprises and Activities, to Exhibit B	<u><u>61,583.65</u></u>

III Income for Non-Educational Purposes:

Day Students' Fees for Janitor Service and Breakage	\$1,186.53
Unexpended Student Activity Fees	334.05
Scholarship Funds (Schedule B-3)	5,567.85
Student Loan Funds (Schedule B-3)	500.73
Prize Funds (Schedule B-3)	61.75
Annuity Funds (Schedule B-3)	95.00
Miscellaneous	<u>925.24</u>
Total Income for Non-Educational Purposes, to Exhibit B	<u><u>8,671.15</u></u>
Total Income to Exhibit B	<u><u>\$228,330.13</u></u>

STATEMENT OF CURRENT EXPENSES
YEAR ENDED JUNE 30, 1942I Educational and General:(1) General Administration and Expenses:

A General Administrative Offices:

Miscellaneous	\$152.43		
Office Supplies	536.72		
Postage	350.34		
Salaries	16,939.98		
Stationery and Printing	448.55		
Telephone and Telegraph	272.62	\$18,700.64	

B General Expenses:

Advertising, General	505.50		
Advertising, Bulletins and Catalogues	544.00		
Alumni Expense	70.65		
Alumni Secretary, Salary and Expenses	525.04		
Auditing and Accounting Services and Expense	297.50		
College Car	299.50		
Commencement Expenses	341.66		
Educational Survey	64.28		
Compensation Insurance	87.02		
Group Life Insurance	2,612.16		
Investment Counsellor Service	500.00		
Lecture Expense	141.28		
Liability Insurance	43.08		
Membership Fees to Associations	258.50		
Miscellaneous	793.33		
Press Service	1,382.74		
Retirement	2,327.56		
Retirement Allowance	1,040.25		
Student Solicitation Expenses	2,357.61		
Travel and Entertainment:			
Faculty	241.74		
Officers	785.47		
Trustees	43.85		
Provision for Doubtful Accounts Receivable	500.00	15,762.72	\$34,463.36

(2) Instruction and Research:

A School of Liberal Arts and Sciences:

Salaries, Faculty		61,908.48	
Salaries, Student Assistants		1,379.25	
Salaries, Practice Teaching		227.50	
Departmental Expenses:			
Biology Laboratory	915.61		
Chemistry Laboratory	1,317.41		
English Department	13.53		
Physics Laboratory	261.34		
Psychology Laboratory	26.68	2,534.57	66,049.80

STATEMENT OF CURRENT EXPENSES
YEAR ENDED JUNE 30, 1942

Schedule B-2

I Educational and General: (Continued)

(2) Instruction and Research:

B Auxiliary Schools:

Music School:

Faculty Salaries	\$28,566.27	
Insurance	52.51	
Miscellaneous	110.50	
Music	142.37	
Practice Teaching, Salary and Expenses	820.00	
Stationery and Printing	175.50	
Tuning, repairs, etc.	<u>968.10</u>	\$30,835.25

Aviation School:

Miscellaneous		139.58
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Extension School:

Faculty Salaries	1,800.00	
Miscellaneous	<u>715.95</u>	2,515.95

Saturday and Evening School:

Faculty Salaries	3,353.63	
Miscellaneous	<u>161.77</u>	3,515.40

Summer School:

Faculty Salaries	3,039.90	
Miscellaneous	<u>1,671.24</u>	<u>4,711.14</u>
		41,717.32

(3) Library:

Books and Magazines	1,176.02	
Salaries	3,776.00	
Supplies and Binding Expense	<u>136.16</u>	5,088.18

(4) Operation and Maintenance of Physical

Plant:

Care and Maintenance of Grounds	677.10	
Care of Buildings and Furniture	2,252.92	
Heat	3,876.11	
Infirmary	8.40	
Light	1,047.91	
Miscellaneous	33.61	
Operating Supplies	222.41	
Property Insurance	791.76	
Repairs to Buildings and Equipment	2,134.90	
Taxes	219.92	
Water	<u>191.57</u>	<u>11,456.61</u>

Total Educational and General
Expenses, to Exhibit B

158,775.27

STATEMENT OF CURRENT EXPENSES
YEAR ENDED JUNE 30, 1942

Schedule B-2

II Auxiliary Enterprises and Activities:

(1) Dormitories:

Care of Buildings and Furniture	\$3,688.46	
Heat	3,876.11	
Light	1,195.93	
Miscellaneous	24.25	
Operating Supplies	337.27	
Property Insurance	453.36	
Repairs to Buildings and Equipment	1,080.18	
Telephone	69.83	
Water	395.71	\$11,121.10

(2) Dining Hall:

Food	25,312.20	
Gas	244.76	
Laundry	467.82	
Light	438.06	
Miscellaneous	102.61	
Operating Supplies	216.51	
Renewals and Repairs	547.87	
Rental	4,500.00	
Salaries and Wages	7,724.03	
Telephone	71.83	
Water	72.48	39,698.17

(3) Placement Bureau:

Expenses		51.25
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(4) Canteen Expenses

229.10

(5) Brunner Property:

Repairs		435.99
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(6) Kindt Property:

Repairs		49.57
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Total Expenses, Auxiliary Enterprises
and Activities, to Exhibit B

\$51,585.18

III Other Non-Educational Expenses:

Debating Expenses	42.76
Interest on Loans	2,618.55
Scholarships (Schedule B-3)	5,889.18
Student Loan Funds (Schedule B-3)	500.73
Prizes (Schedule B-3)	64.00
Annuities (Schedule B-3)	82.50

Total Non-Educational Expenses, to
Exhibit B

9,197.72

Total Expenses to Exhibit B

219,558.17

STATEMENT OF ENDOWMENT INCOME
FOR THE YEAR ENDED JUNE 30, 1942

Schedule B-3

	I N C O M E					
	Fund Principal June 30, 1942	Balance Income July 1, 1941	Income for Year (included in Sched. B-1)	Total	Expendi- tures (included in Sched. B-2)	Balance Income June 30, 1942 Exhib. A
I Unrestricted: For Educational Purposes	686,678.35		28,854.68	28,854.68	28,502.46	352.22
II Restricted:						
A For Educational and General Purposes:						
1. Printing Funds	600.00		25.00	25.00	25.00	
Rev. John P. Cowling Memorial Fund	600.00		25.00	25.00	25.00	
2. Professorship Funds:						
Chair of English Bible and Greek Testament	15,230.00		761.50	761.50	761.50	
Josephine Bittinger Eberly Professor- ship of Latin Language and Literature	40,000.00		100.00	100.00	100.00	
John Evans Lehman Chair of Mathematics	36,430.04		1,821.50	1,821.50	1,821.50	
Rev. J. B. Weidler Endowment Fund	200.00		10.00	10.00	10.00	
Total	91,860.04		2,693.00	2,693.00	2,693.00	
3. Library Funds:						
Library Fund of Class of 1916	1,325.00		66.25	66.25	66.25	
Total	1,325.00		66.25	66.25	66.25	
4. Maintenance Funds:						
Hiram E. Steinmetz Memorial Room Fund	200.00		10.00	10.00	10.00	
Total	200.00		10.00	10.00	10.00	
Total Restricted for Educational and General Purposes	93,985.04		2,794.25	2,794.25	2,794.25	

STATEMENT OF ENDOWMENT INCOME
FOR THE YEAR ENDED JUNE 30, 1942

Schedule B-3, Continued

	Fund Principal June 30, 1942	I N C O M E			Expendi- tures (included in Sched. B-2)	Balance Income June 30, 1942 Exhib. A
		Balance Income July 1, 1941	Income for Year (included in Sched. B-1)	Total		
II Restricted:						
B For Non-Educational Purposes:						
1. Scholarship Funds:						
Allegheny Conference C. E. Society Schol.	\$1,000.00		\$50.00	\$50.00	\$50.00	
Dorothy Jean Bachman Scholarship Fund	1,000.00		50.00	50.00	50.00	
Lillian Merle Bachman Scholarship Fund	1,000.00		50.00	50.00	50.00	
Baltimore Fifth Church, Otterbein Memorial Sunday School Scholarship Fund	3,000.00		150.00	150.00	150.00	
E. M. Baum Scholarship Fund	500.00		25.00	25.00	25.00	
Biological Scholarship Fund	2,517.00		125.85	125.85	125.85	
Eliza Bittinger Scholarship Fund	12,000.00	.09	+	.09	+	.09
Mary A. Bixler Scholarship Fund	500.00		25.00	25.00	25.00	
I. T. Buffington Scholarship Fund	2,000.00		50.00	50.00	50.00	
Alice Evers Rurtner Memorial Award	2,000.00		100.00	100.00	100.00	
Isaiah H. Daugherty and Benjamin P. Raab Memorial Scholarship Fund	1,500.00		75.00	75.00	75.00	
Senator James J. Davis Scholarship Fund	100.00		5.00	5.00	5.00	
Derickson Scholarship Fund	2,750.00	265.00	137.50	402.50	+	402.50
William E. Duff Scholarship Fund	600.00		30.00	30.00	30.00	
East Pennsylvania Branch W.M.A. Sch. Fund	3,000.00		150.00	150.00	100.00	50.00
East Pennsylvania Conf. C.E. Schol. Fund	5,000.00		175.00	175.00	175.00	
Samuel F. Engle Scholarship Fund	6,000.00	25.00	300.00	325.00	275.00	50.00
W. C. Fvinger and Wife Scholarship Fund	1,000.00		50.00	50.00	50.00	
Fred E. Foos Scholarship Fund	1,000.00		50.00	50.00	50.00	
C. C. Gingrich Scholarship Fund	3,000.00		150.00	150.00	150.00	
C. D. Gossard and Wife Scholarship Fund	3,300.00	330.00	165.00	495.00	495.00	

STATEMENT OF ENDOWMENT INCOME
FOR THE YEAR ENDED JUNE 30, 1942

Schedule B-3, Continued

	I N C O M E			
	Fund Principal June 30, 1942	Balance Income July 1, 1941	Income for Year (included in Sched. B-1)	Expendi- tures (included in Sched. B-2) Exhib. A
II Restricted:				
B For Non-Educational Purposes:				
I Scholarship Funds:				
Peter Graybill Scholarship Fund	\$1,000.00		\$50.00	\$50.00
Jacob F. Greasley Scholarship Fund	500.00		25.00	25.00
Harnish-Houser Publicity Fund	2,000.00	\$215.33	100.00	315.33
Harrisburg Otterbein Church Schol. Fund	2,120.00		106.00	106.00
Harrisburg Otterbein Sunday School Scholarship Fund	1,100.00		55.00	55.00
J. M. Heagy and Wife Scholarship Fund	500.00		25.00	25.00
Bertha Foss Heinz Scholarship Fund	1,000.00		50.00	50.00
Harvey E. Herr Memorial Scholarship Fund	1,000.00		50.00	50.00
Edwin M. Hershney Scholarship Fund	400.00		20.00	20.00
F. S. Immel Scholarship Fund	5,000.00		250.00	250.00
Henry G. and Anna S. Kaufman and Family Scholarship Fund	1,000.00		50.00	50.00
John A. H. Keith Fund	100.00		5.00	5.00
Barbara June Kettinger Scholarship Fund	1,020.00		51.00	51.00
Rev. and Mrs. J. E. and Rev. A. H. Kleffman Scholarship Fund	1,000.00		50.00	50.00
A. S. Kreider Ministerial Fund	15,000.00	315.45	750.00	750.00
W. E. Kreider Scholarship Fund	2,000.00		100.00	100.00
Mrs. Savilla Loux Scholarship Fund	1,000.00		50.00	50.00
Lykens Otterbein Church Scholarship Fund	1,000.00		50.00	50.00
Mechanicsburg U. B. Sunday School Schol. Medical Scholarship Fund	2,000.00		100.00	100.00
Elizabeth Meyer Endowment Fund	245.00		12.25	12.25
	500.00		25.00	25.00
				\$315.45

STATEMENT OF ENDOWMENT INCOME
FOR THE YEAR ENDED JUNE 30, 1942

Schedule B-3, Continued

	I N C O M E				
	Principal June 30, 1942	Balance Income July 1, 1941	Income for Year (included in Sched. B-1)	Total	Expendi- tures (included in Sched. B-2) Exhib. A
II Restricted:					
B For Non-Educational Purposes:					
1 Scholarship Funds:					
Elizabeth May Meyer Musical Scholar. Fund	\$1,550.00		\$77.50	\$77.50	
Mrs. Elizabeth H. Millard Memorial Sch.	5,000.00		250.00	250.00	
Bishop J. S. Mills Scholarship Fund	5,000.00	\$75.00	250.00	325.00	\$37.50
Elizabeth A. Mower Beneficiary Fund	225.00		11.25	11.25	
Grace U. B. Church of Penbrook Scholar.	3,000.00		150.00	150.00	50.00
Pennsylvania Conference C. E. Scholarship	4,350.00	71.07	217.50	288.57	88.57
Pennsylvania Branch W.M.A. Schol. Fund	2,500.00		125.00	125.00	
Rev. H. C. Phillips Scholarship Fund	1,300.00		65.00	65.00	
Sophia Plitt Scholarship Fund	6,380.00	319.49	319.00	638.49	300.99
Ezra G. Renck and Wife Scholarship Fund	1,000.00		50.00	50.00	
Levi S. Reist Scholarship Fund	300.00		15.00	15.00	
Harvey L. Seitzer Scholarship	3,000.00		150.00	150.00	
	125,857.00	1,616.43	5,567.85	7,184.28	1,295.10
2 Student Loan Funds:					
Mary A. Dodge Fund	9,500.00		475.00	475.00	
Daniel Eberly Scholarship Fund	514.66		25.73	25.73	
	10,014.66		500.73	500.73	
3 Prize Funds:					
Class of 1928 Scholarship Fund	835.00	2.27	41.75	44.02	.02
Max F. Lehman Fund	400.00		20.00	20.00	
	1,235.00	2.27	61.75	64.02	.02
4 Annuity Funds:					
S. H. Derickson and Wife	500.00		25.00	25.00	12.50

STATEMENT OF ENDOWMENT INCOME
FOR THE YEAR ENDED JUNE 30, 1942

Schedule B-3, Continued

	I N C O M E					
	Fund Principal June 30, 1942	Balance Income July 1, 1941	Income for Year (included in Sched. B-1)	Total	Expendi- tures (included in Sched. B-2)	Balance Income June 30, 1942 Exhib. A
II Restricted:						
B For Non-Educational Purposes:						
4 Annuity Bonds:						
Ida Eberly	\$1,000.00		\$50.00	\$50.00	\$50.00	
Elmer S. Eyler and Wife	200.00		10.00	10.00	10.00	
E. Roy Line and Wife	200.00		10.00	10.00	10.00	
	1,900.00		95.00	95.00	82.50	\$12.50
Total Restricted for Non-Educational Purposes	139,006.66	1,618.70	6,225.33	7,844.03	6,536.41	1,307.62
Total Restricted	232,991.70	1,618.70	9,019.58	10,638.28	9,330.66	1,307.62
Total Unrestricted and Restricted	919,670.05	1,618.70	37,874.26	39,492.96	37,833.12	1,659.84

*\$28,502.46 actually carried to Schedule B-1 to June 30, 1942. Balance of \$352.22 transferred subsequently thereto.

DETAILS OF CURRENT FUND ADJUSTMENTS
YEAR ENDED JUNE 30, 1942

1. Adjustments Adding to Current Funds:

Decrease in income balances:

G. D. Gossard & Wife Scholarship	\$330.00
Harnish-Houser Publicity Fund	215.33
Bishop J. S. Mills Scholarship Fund	37.50
Sophia Plitt Scholarship Fund	18.50
Class of 1928 Scholarship Fund	<u>2.25</u>

Total to Exhibit B, Section 4

\$603.58**2. Adjustments Deducting from Current Funds:**

Increase in income balances:

Derickson Scholarship Fund	137.50
East Pennsylvania Branch W.M.A. Scholarship Fund	50.00
Samuel F. Engle Scholarship Fund	25.00
Grace U. B. Church of Penbrook Scholarship	50.00
Pennsylvania Conference C. E. Scholarship	17.50
S. H. Derickson and Wife Annuity	<u>12.50</u>

Total to Exhibit B, Section 5

\$292.50

CONDENSED STATEMENT OF GENERAL FUND CASH
RECEIPTS AND DISBURSEMENTS FOR THE YEAR
ENDED JUNE 30, 1942

Schedule B-5

Balance July 1, 1942 \$498.85

Receipts

Income:

Students		\$176,962.61
Endowment Income		31,296.71
Gifts and Grants:		
Conference Benevolence	\$9,921.71	
Other	<u>2,076.25</u>	11,997.96

Other Sources:

Interest on Current Funds		448.22
Library Income		359.50
Group Life Insurance		881.00
Rent for Chapel		30.00
Placement Bureau		29.00
Canteen		278.04
Kindt Property		240.00
Unexpended Student Activity Fees		334.05
Sale of meals to others		200.35
Sale of food and supplies		68.01
Miscellaneous	<u>925.24</u>	<u>3,793.41</u>
		224,050.69

Balance Sheet Items:

Received from Churches on account of notes		23.00
Decrease in Advances Receivable, Endowment Fund		1,673.66
Decrease in Inventory of Laboratory Supplies		140.00
Decrease in Prepaid Insurance		.04
Decrease in Athletic Field and Gymnasium Expenses Prepaid	<u>69.74</u>	
		<u>1,906.44</u>
		225,957.13
		<u>226,455.98</u>

CONDENSED STATEMENT OF GENERAL FUND CASH
 RECEIPTS AND DISBURSEMENTS FOR THE YEAR
 ENDED JUNE 30, 1942

Schedule B-5

Disbursements

Expenses:

Educational and General:

General Administration and Expense	\$33,963.36	
Instruction and Research	107,767.12	
Library	3,214.55	
Operation and Maintenance of Physical Plant	<u>11,456.61</u>	
		\$156,401.64

Auxiliary Enterprises and Activities:

Dormitories	11,121.10	
Dining Hall	39,698.17	
Placement Bureau	51.25	
Canteen	229.10	
Brunner Property	435.99	
Kindt Property	<u>49.57</u>	
		51,585.18

Other Non-Educational Expenses:

Interest on Loans	2,618.55	
Debating Expenses	<u>42.76</u>	
		<u>2,661.31</u>
		210,648.13

Balance Sheet Items:

Increase in Inventory of Dining Hall Supplies	885.51	
Increase in Inventory of Power Plant Supplies	1,543.15	
Increase in Prepaid Expenses, Summer School	227.64	
Decrease in Notes Payable	3,000.00	
Decrease in Accounts Payable	505.91	
Decrease in Students Deposits	388.27	
Additions to Plant	<u>6,578.24</u>	
		<u>13,128.72</u>
		\$223,776.85

Balance June 30, 1942, per Exhibit A, Section I-A

2,679.13
226,455.98

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 ENDOWMENT INCOME ACCOUNT FOR THE YEAR ENDED
 JUNE 30, 1942

Schedule B-6

Balance July 1, 1941		\$1,618.70
Receipts		
Income from Endowment Investments	\$40,708.03	
Less, accrued interest on bonds purchased	<u>2,833.77</u>	
		37,874.26
		<u>39,492.96</u>
Disbursements		
Unrestricted:		
Transferred to General Fund for Educational Purposes		28,502.46
Restricted:		
Transferred to General Fund for Educational and General Purposes:		
Printing Funds	\$25.00	
Professorship Funds	2,693.00	
Library Funds	66.25	
Maintenance Funds	<u>10.00</u>	
		2,794.25
Used for Non-Educational Purposes:		
Scholarship Funds	5,889.18	
Student Loan Funds	500.73	
Prize Funds	64.00	
Annuity Funds	<u>82.50</u>	
		<u>6,536.41</u>
		9,330.66
		<u>37,833.12</u>
Balance June 30, 1942, per Exhibit A, Section I-B		<u>1,659.84</u>
		<u>39,492.96</u>

Exhibit C

STATEMENT OF LOAN FUNDS
YEAR ENDED JUNE 30, 1942

FUND PRINCIPAL					
Funds	Balance	Receipts for year	Other Additions	Deduc- tions	Balance
	July 1, 1941				June 30, 1942
					Exhibit A Sec. II
Alumni Annual Giving	\$2,247.15	\$302.75	-	\$50.00	\$2,499.90
Mery A. Dodge Fund	5,879.41	491.69	-	-	6,371.10
Daniel Eberly Fund	205.84	25.73	-	-	231.57
Henry B. Stehman Fund	1,951.12	+	-	-	1,951.12
Dr. Wagner Special Fund	177.00	+	-	-	177.00
	<u>\$10,460.52</u>	<u>\$820.17</u>	<u>-</u>	<u>\$50.00</u>	<u>\$11,230.69</u>
FUND ASSETS					
Cash					\$3,141.04
Notes Receivable from Students:					
Alumni Annual Giving Fund				\$2,188.39	
Mary A. Dodge Fund				4,860.02	
Henry B. Stehman Fund				900.00	
Dr. Wagner Special Fund				<u>141.24</u>	
					<u>8,089.65</u>
Total Loan Fund Assets June 30, 1942, to Exhibit A, Section II					<u>\$11,230.69</u>

Exhibit D STATEMENT OF ENDOWMENT AND OTHER NON-EXPENDABLE FUNDS
YEAR ENDED JUNE 30, 1942

FUND PRINCIPAL			
	Endowment Funds	Annuity Funds	Total
Balance July 1, 1941	\$917,270.05	\$2,400.00	\$919,670.05
Additions during year:			
Fanny Z. Hostetter Annuity	500.00	None	500.00
	<u>917,770.05</u>	<u>2,400.00</u>	<u>920,170.05</u>
Deductions during year:			
Fanny Z. Hostetter Annuity	None	500.00	500.00
		<u>500.00</u>	
Balance June 30, 1942, to Exhibit A, Section III	<u>\$917,770.05</u>	<u>\$1,900.00</u>	<u>\$919,670.05</u>

SUMMARY OF ENDOWMENT FUND ASSETS
JUNE 30, 1942

Schedule D-1

	Amount	Percentage of Total
Investments:		
Farms	\$47,476.25	<u>5.22</u>
Bonds:		
Government	\$5,000.00	.55
Industrial	11,392.67	1.25
Public Utility	181,866.69	20.01
Railroad	149,120.24	16.40
Real Estate	<u>54,359.98</u>	5.98
	401,739.58	<u>44.19</u>
Stocks:		
Preferred:		
Industrial	\$43,860.00	4.82
Utility	<u>81,142.30</u>	8.93
Total Preferred Stocks	125,002.30	<u>13.75</u>
Common:		
Agriculture	5,300.00	.59
Auto Accessories	6,900.00	.76
Automobiles	3,000.00	.33
Aviation	15,847.30	1.74
Bank	99,021.96	10.89
Building	23,900.00	2.63
Chemical	8,583.35	.95
Farm Machinery	2,700.00	.30
Industrial	1,200.00	.13
Insurance	7,550.00	.83
Metals	36,816.31	4.05
Oils	13,748.11	1.51
Railroad	3,000.00	.33
Railroad Equipment	7,400.00	.81
Rubber	13,300.00	1.46
Steel	52,048.16	5.73
Utility	<u>9,459.23</u>	1.04
Total Common Stocks	309,774.42	<u>34.08</u>
Total Preferred and Common Stocks	434,776.72	<u>47.83</u>
Mortgages	7,640.00	.84
Notes Receivable	<u>17,451.71</u>	1.92
Total Investments	909,084.26	<u>100.00</u>
Cash awaiting Investment	<u>10,585.79</u>	
Total Endowment Fund Assets, June 30, 1942, to Exhibit A, Section III	<u>\$919,670.05</u>	

SCHEDULE OF ENDOWMENT FUND INVESTMENTS
 JUNE 30, 1942

Schedule D-2

Amount	Description	Rate Per Cent	Maturity	Book Value	Income
	FARMS				
	Farm at East Berlin			\$9,776.25	+
	Farm at Shiremanstown			<u>37,700.00</u>	+
				<u>47,476.25</u>	
	GOVERNMENT BOND				
\$5,000	United States of America, Defense, Series G	2-1/2	1954	<u>5,000.00</u>	+
	INDUSTRIAL BOND				
9,000	Lehigh Coal and Navigation Company C	4-1/2	1954	<u>11,392.67</u>	<u>\$653.63</u>
	PUBLIC UTILITY BONDS				
15,000	American Gas and Power Company	3-5	1953	10,840.77	593.70
10,000	Cities Service Company	5	1950	8,952.30	500.00
10,000	Cities Service Company	5	1958	16,592.00	500.00
10,000	Consolidated Electric and Gas Company	3-6	1962	10,441.81	300.00
10,000	Florida Power & Light Company	5	1954	22,000.00	+
5,000	Indiana Service Corporation	5	1950	6,400.00	452.09
10,000	Interstate Power Company	5	1957	9,400.00	500.00
10,000	Lehigh Valley Transit Company	5	1960	13,180.42	250.00
10,000	Philadelphia Company	4-1/4	1961	19,300.00	+
15,000	Philadelphia and Garrettford Street Railway Company	5	1955	18,807.56	375.00
15,000	Philadelphia Transportation Company	3-6	2039	17,442.05	623.33
5,000	Public Service Company of Colorado	4	1949	10,514.65	+
10,000	Standard Gas and Electric Company Conv.	6	1948	11,595.13	300.00
5,000	Western Union Telegraph Company	5	1960	6,400.00	318.06
<u>140,000</u>				<u>181,866.69</u>	<u>4,712.18</u>

SCHEDULE OF ENDOWMENT FUND INVESTMENTS
JUNE 30, 1942

Schedule D-2 (Continued)

Amount	Description	Rate		Maturity	Book Value	Income
		Per Cent				
RAILROAD BONDS						
\$20,000	Baltimore and Ohio Railroad Company	4		1944	\$14,072.52	\$600.00
25,000	Buffalo, Rochester & Pittsburgh Railway Company	3-4 $\frac{1}{2}$		1957	20,932.43	1,193.75
12,000	Central Pacific Railway Company	5		1960	7,430.41	600.00
5,000	Chicago & Alton Railroad	3		1949	4,500.00	225.00
10,000	Cleveland, Cincinnati, Chicago and St. Louis Railway	4-1/2		1977	8,346.87	450.00
5,000	Colorado and Southern Railway Company	4-1/2		1980	4,600.00	+
10,000	Eric Railroad Company	4-1/2		2015	11,500.00	900.00
10,000	Illinois Central Railroad	4-3/4		1966	9,500.00	475.00
5,000	Illinois Central Railroad Company and Chicago, St. Louis and New Orleans Railroad Company	5		1963	4,950.00	250.00
10,000	Lehigh Valley Railroad Company	4		2003	8,873.82	550.00
10,000	New York Central Railroad Company	4-1/2		2013	17,628.74	700.00
10,000	New York Central Railroad Company	5		2013))
5,000	New York Central Railroad Company	4		1998	4,434.44	200.00
10,000	New York, Chicago and St. Louis Railroad Company	4-1/2		1978	8,824.59	225.00
10,000	Northern Pacific Railway D	5		2047	10,706.42	375.00
10,000	Southern Pacific Company	4-1/2		1969	8,000.00	225.00
5,000	Southern Railway Company	4		1956	4,820.00	490.00
<u>172,000</u>					<u>149,120.24</u>	<u>7,458.75</u>
REAL ESTATE BONDS						
8,500	Lemoyne Trust Company, Pennsylvania (Trust Agreement)	5		1929	8,500.00	437.78
5,000	Medical Building, Inc.	4		1950	5,000.00	200.00
57,000	United Brethren Publishing House	6		1934-1953	40,859.98	+
<u>70,500</u>					<u>54,359.98</u>	<u>637.78</u>
<u>396,500</u>	Total Bonds				<u>401,739.58</u>	<u>13,462.34</u>

SCHEDULE OF ENDOWMENT FUND INVESTMENTS
JUNE 30, 1942

Schedule D-2 (Continued)

Shares	Description	Rate Per Cent	Maturity	Book Value	Income
PREFERRED STOCKS					
INDUSTRIAL					
20	Armour and Company	6		\$1,660.00	\$90.00
50	Atlas Powder Company	5		12,000.00	+
25	Eastern Gas and Fuel Associates	6		2,000.00	79.22
50	A. S. Kreider Company	5-1/2		12,000.00	
70	A. S. Kreider Shoe Company	5-1/2			852.50
75	Merck & Company, Inc.	4-1/2		16,200.00	+
<u>290</u>				<u>43,860.00</u>	<u>1,021.72</u>
UTILITY					
150	American Power & Light Company	5		12,300.00	515.64
100	Electric Power & Light Company	6		9,700.00	120.00
100	Iowa Electric	7		9,200.00	175.00
100	New England Power Association	6		8,742.30	400.00
100	United Gas Improvement Company	5		20,000.00	+
100	West Penn Power Company	4-1/2		21,200.00	+
<u>650</u>				<u>81,142.30</u>	<u>1,210.64</u>
<u>940</u>	Total Preferred Stocks			<u>125,002.30</u>	<u>2,232.36</u>
COMMON STOCKS					
AGRICULTURE					
<u>100</u>	Gleaner-Harvester			<u>5,300.00</u>	<u>115.00</u>
AUTO ACCESSORIES					
50	Bendix Aviation Corporation			2,300.00	200.00
<u>100</u>	Houdaille-Hershey Corporation "B"			<u>4,600.00</u>	<u>125.00</u>
<u>150</u>				<u>6,900.00</u>	<u>325.00</u>

SCHEDULE OF ENDOWMENT FUND INVESTMENTS
JUNE 30, 1942

Schedule D-2 (Continued)

Shares	Description	Rate Per Cent	Maturity	Book Value	Income
COMMON STOCKS					
				\$3,000.00	\$300.00
AUTOMOBILES					
100	Mack Truck				
AVIATION					
50	Glenn L. Martin Company	75.00		1,717.77	75.00
100	North American Aviation, Inc.			3,400.00	200.00
200	Pollak Manufacturing Company, Inc.			6,905.43	130.00
50	Sperry Corporation			2,224.10	100.00
50	United Aircraft			1,600.00	165.71
				<u>15,847.30</u>	<u>670.71</u>
BANK					
200	Bank of Manhattan Company			3,733.34	220.00
200	Bankers Trust Company			13,775.00	120.00
600	Chase National Bank of New York			26,772.24	630.00
300	Chemical Bank & Trust Company			16,400.00	405.00
200	Corn Exchange Bank Trust Company			12,548.01	510.00
200	Manufacturers Trust Company			14,627.37	300.00
300	National City Bank of New York			11,166.00	650.00
				<u>99,021.96</u>	<u>2,835.00</u>
BUILDING					
100	Congoleum Nairn, Inc.			5,200.00	150.00
50	Crane Company			4,600.00	50.00
50	Florence Stove Company			3,000.00	125.00
100	General Refractories			6,600.00	135.00
50	The Glidden Company			4,500.00	100.00
				<u>23,900.00</u>	<u>560.00</u>

SCHEDULE OF ENDOWMENT FUND INVESTMENTS
 JUNE 30, 1942

Schedule D-2 (Continued)

Shares	Description	Rate Per Cent	Maturity	Book Value	Income
COMMON STOCKS					
CHEMICAL					
100	American Cyanamid B			\$3,583.35	\$349.85
100	Texas Gulf Sulphur			5,000.00	250.00
<u>200</u>				<u>8,583.35</u>	<u>599.85</u>
FARM MACHINERY					
<u>50</u>	Allis Chalmers Manufacturing Company			<u>2,700.00</u>	<u>61.54</u>
INDUSTRIAL					
<u>100</u>	Electric Boat Company			<u>1,200.00</u>	<u>50.00</u>
INSURANCE					
<u>200</u>	The Home Insurance Company			<u>7,550.00</u>	<u>160.00</u>
METALS					
100	American Smelting & Refining Company			6,100.00	400.00
100	Anaconda Copper			6,100.00	250.00
100	Inspiration Copper			3,500.00	100.00
200	Kennecott Copper Corporation			12,750.00	400.00
100	Phelps Dodge			3,066.31	180.00
100	Youngstown Sheet and Tube Company			5,300.00	150.00
<u>700</u>				<u>36,816.31</u>	<u>1,480.00</u>

SCHEDULE OF ENDOWMENT FUND INVESTMENTS

Schedule D-2 (Continued)

JUNE 30, 1942

Shares	Description	Rate Per Cent	Maturity	Book Value	Income
COMMON STOCKS					
OILS					
100	Phillips Petroleum			\$4,800.00	\$175.00
100	Standard Oil Company, Inc. of New Jersey			4,800.00	250.00
100	Texas Corporation of Delaware			4,148.11	250.00
<u>300</u>				<u>13,748.11</u>	<u>675.00</u>
RAILROAD					
100	Pennsylvania Railroad Company			<u>3,000.00</u>	<u>200.00</u>
RAILROAD EQUIPMENT					
100	The American Brake Shoe and Foundry Company			4,700.00	190.00
100	American Steel Foundries			2,700.00	250.00
<u>200</u>				<u>7,400.00</u>	<u>440.00</u>
RUBBER					
100	Firestone Tire and Rubber			5,100.00	150.00
100	Goodrich Rubber			3,200.00	175.00
100	Goodyear Tire & Rubber			5,000.00	137.50
<u>300</u>				<u>13,300.00</u>	<u>462.50</u>
STEEL					
100	American Chain & Cable Company			3,933.20	220.00
100	American Rolling Mills			5,100.00	120.00
100	Bethlehem Steel Corporation			9,732.97	1,050.00

SCHEDULE OF ENDOWMENT FUND INVESTMENTS
JUNE 30, 1942

Schedule D-2 (Continued)

Shares	Description	Rate Per Cent	Maturity	Book Value	Income
COMMON STOCKS					
STEEL, Continued					
300	Birdsboro Steel Foundry & Machine Company			\$6,434.79	\$375.00
100	Midland Steel Products Company			6,547.20	300.00
200	Republic Steel Corporation			5,550.00	100.00
100	Sharon Steel			5,100.00	100.00
100	United States Steel Corporation			9,650.00	700.00
<u>1,100</u>				<u>52,048.16</u>	<u>2,965.00</u>
UTILITY					
+	Associated Gas & Electric (Certificate)			+	+
300	European Electric Rights			100.00	+
100	Stone-Webster Company			5,201.92	60.00
200	United Gas Improvement Company			4,157.31	85.00
<u>600</u>				<u>9,459.23</u>	<u>145.00</u>
<u>7,000</u>	Total Stocks--Common			<u>309,774.42</u>	<u>12,044.60</u>
<u>7,940</u>	Total Stocks			<u>434,776.72</u>	<u>14,276.96</u>
MORTGAGES					
\$2,000	Jacob M. Baum	5		2,000.00	120.00
500	Union Trust Company of Pennsylvania, Harrisburg, Pa.	5		500.00	+
5,140	P. A. W. Wallece, Annville, Pa.			5,140.00	240.10
<u>7,640</u>				<u>7,640.00</u>	<u>360.10</u>
NOTES					
Notes from Churches and Individuals					
TRUST FUND					
	Mary F. Keller Estate--Carlisle Trust Company Trustee (1/4 interest in Trust Fund of \$5,578.46)			+	56.95
				<u>909,084.26</u>	<u>28,456.35</u>

STATEMENT OF PLANT FUNDS
YEAR ENDED JUNE 30, 1942

(1) Unexpended Plant Funds:		
Balance July 1, 1942		None
Additions during year:		
1. Amount transferred from Current Funds		\$6,578.24
		<u>6,578.24</u>
Deductions during year:		
a. Annie Brunner Property	\$1,037.30	
b. Underground Steam Line	762.30	
c. Plumbing Supplies for West Hall	76.56	
d. Pianos for Music Department	1,141.75	
e. Furniture for Day Student Room	260.84	
f. Reconditioned microscope for Biology Laboratory	70.00	
g. Apparatus for Physics Laboratory	146.58	
h. Stage micrometer for Physics Laboratory	24.00	
i. Library card unit, top and base for Library	70.50	
j. Books for library	2,500.00	
k. Cases for Chemistry Laboratory	204.41	
l. Apparatus for Chemistry Laboratory	258.00	
m. Mat for Dining Hall	26.00	
	<u>6,578.24</u>	
Balance June 30, 1942		<u>None</u>
(2) Invested in Plant		
Value of Plant July 1, 1941		\$702,045.99
Additions during year, as above		<u>6,578.24</u>
Value of Plant, June 30, 1942, Exhibit A, Section IV		<u>\$708,624.23</u>

PLANT FUND ASSETS

JUNE 30, 1942

Schedule E-1

		Book Value July 1, 1941	Increase	Book Value June 30, 1942
<hr/>				
Lands:				
Athletic Field		\$5,000.00		\$5,000.00
Campus		34,000.00		34,000.00
Hockey Field		800.00		800.00
		<u>39,800.00</u>		<u>39,800.00</u>
Underground Heating and Plumbing System		<u>17,089.39</u>	<u>\$762.30</u>	<u>17,851.69</u>
Buildings:				
Administration	1905	157,170.25	+	157,170.25
Brunner Property		6,009.85	1,037.30	7,047.15
Conservatory Annex		3,756.34	+	3,756.34
Engle Hall	1899	68,112.77	+	68,112.77
Heating Plant	1904	12,300.00	+	12,300.00
Kindt Property		2,792.62	+	2,792.62
Carnegie Library	1904	39,250.00	+	39,250.00
Men's Dormitory	1905	93,430.34	+	93,430.34
North Hall for Women	1904	87,111.91	+	87,111.91
President's Home	1900	9,145.60	+	9,145.60
South Hall for Women	1857	22,611.83	+	22,611.83
West Hall for Women		12,106.81	76.56	12,183.37
		<u>513,798.32</u>	<u>1,113.86</u>	<u>514,912.18</u>
Equipment:				
Auditorium		2,700.00	+	2,700.00
Dining Hall and Kitchen		6,928.80	26.00	6,954.80
Class Room Furniture		4,949.29	+	4,949.29
Conservatory Class Room Furniture and Apparatus		711.23	+	711.23
General Furniture and Apparatus		14,681.39	260.84	14,942.23
Athletic Field and Gymnasium		5,371.00	+	5,371.00
Heating Plant		3,000.48	+	3,000.48
Biology Laboratory		7,826.35	70.00	7,896.35
Chemistry Laboratory		9,171.90	462.41	9,634.31
English Department--Lantern slides and Equipment		1,000.00	+	1,000.00
Physics Laboratory		6,261.28	170.58	6,421.86
Psychology Laboratory		213.90	+	213.90
Library		1,722.44	70.50	1,792.94
Books in Library		27,800.00	2,500.00	30,300.00
Museum Furniture		4,472.10	+	4,472.10
Musical Instruments		29,106.40	1,141.75	30,248.15
Office Equipment		5,101.72	+	5,101.72
Y. M. C. A. Room		350.00	+	350.00
		<u>131,358.28</u>	<u>4,702.08</u>	<u>136,060.36</u>
Total Plant Fund Assets		<u>702,045.99</u>	<u>6,578.24</u>	<u>708,624.23</u>

EXTENSION DEPARTMENT
YEAR ENDED JUNE 30, 1942

<u>Income:</u>	
Registration	\$64.00
First Semester	1,793.00
Second Semester	<u>998.00</u>
Total Income	\$2,855.00
<u>Expenses:</u>	
Salaries paid to Faculty	1,800.00
Traveling and Miscellaneous Expenses	<u>715.95</u>
Total Expenses	<u>2,515.95</u>
Net Profit	<u>\$339.05</u>

SATURDAY SCHOOL REPORT
YEAR ENDED JUNE 30, 1942

<u>Income:</u>	
Registration Fees	\$86.00
Tuition:	
First Semester	\$1,953.00
Second Semester	<u>1,953.00</u>
Total Income	<u>3,906.00</u>
<u>Expenses:</u>	
Salaries paid to Faculty	3,353.63
Registration Fees retained by College	86.00
Miscellaneous Expenses	161.77
Ten per cent retained by college	<u>390.60</u>
Total Expenses	<u>\$3,992.00</u>

SUMMER SCHOOL REPORT
YEAR ENDED JUNE 30, 1942

Income:

Registration Fees	\$106.00
Tuition	4,256.00
Tuition--Specials	320.00
Practice Teaching Fees	391.00
Profit on sale of books	31.90
Hershey Demonstration School	<u>50.00</u>

\$5,154.90

Expenses:

Salaries paid to Faculty	3,039.90
Registration fees retained by college	106.00
Miscellaneous expenses	1,671.24
Ten per cent retained by college	<u>337.76</u>

\$5,154.90

STATEMENT OF MUSIC SCHOOL INCOME AND EXPENSES
YEAR ENDED JUNE 30, 1942

INCOME				
	<u>First</u> <u>Semester</u>	<u>Second</u> <u>Semester</u>	<u>Both</u> <u>Semesters</u>	
Instruction:				
Voice	\$3,471.00	\$3,231.50	\$6,702.50	
Piano	3,600.50	3,604.50	7,205.00	
Organ	1,000.00	1,001.50	2,001.50	
Violin	575.00	550.00	1,125.00	
Instruments of Band and Orchestra	781.50	953.50	1,735.00	
Theory	8,915.50	8,639.00	17,554.50	
	<u>18,343.50</u>	<u>17,980.00</u>	<u>36,323.50</u>	\$36,323.50
Use of Instruments for Practice:				
Piano	694.00	678.00	1,372.00	
Organ	612.00	592.00	1,204.00	
Instruments of Band and Orchestra	390.00	336.00	726.00	
	<u>1,696.00</u>	<u>1,606.00</u>	<u>3,302.00</u>	3,302.00
Total Income	<u>\$20,039.50</u>	<u>\$19,586.00</u>	<u>\$39,625.50</u>	\$39,625.50

EXPENSES			
Salaries			\$28,566.27
Insurance			52.51
Practice Teaching for Seniors, including transportation			820.00
Tuning, repairs and use of motor for organ			968.10
Miscellaneous			110.50
Music			142.37
Stationery and Printing			175.50
Total Expenses			<u>\$30,835.25</u>
Profit before Administration and Building Maintenance Expenses			<u>\$8,790.25</u>

STATEMENT OF DORMITORY INCOME AND EXPENSES
YEAR ENDED JUNE 30, 1942

INCOME

Rentals:		
Men's Dormitory	\$9,202.16	
North Hall	4,233.50	
South Hall	2,198.00	
West Hall	1,210.00	
Dining Hall	4,500.00	
Summer School	96.00	
Day Student Building	<u>125.00</u>	
		\$21,564.66
Breakage Fees		481.96
Cleaning Fees		<u>612.88</u>
Total Income		\$22,659.50

EXPENSES

Care of Buildings and Furniture	3,688.46	
Heat	3,876.11	
Light and Power	1,195.93	
Miscellaneous	24.25	
Operating Supplies	337.27	
Property Insurance	453.36	
Repairs and Maintenance of Buildings and Equipment	1,080.18	
Telephone	69.83	
Water	<u>395.71</u>	
Total Expenses		<u>11,121.10</u>
Profit before Administration Expenses		<u>\$11,538.40</u>

REPORT OF DINING HALL
YEAR ENDED JUNE 30, 1942

INCOME

Students' Board	\$38,108.75	
Sale of meals to others	200.35	
Sale of food and operating supplies	<u>68.01</u>	
Total Income		\$38,377.11
Cost of meals, materials and supplies only:		
Inventory July 1, 1941	1,490.42	
Purchases	26,197.71	
	<u>27,688.13</u>	
Inventory June 30, 1942	<u>2,375.93</u>	
Cost of meals, materials and supplies only		<u>25,312.20</u>
Gross Profit before Operating Expenses		13,064.91

EXPENSES

Operating Expenses:		
Salaries and Wages	\$7,724.03	
Gas	244.76	
Laundry	467.82	
Light and Power	438.06	
Miscellaneous	102.61	
Operating Supplies	216.51	
Renewals and Repairs	547.87	
Rentals	4,500.00	
Telephone	71.83	
Water	<u>72.48</u>	
Total Operating Expenses		<u>14,385.97</u>
Loss before Administration Expenses		<u>\$1,321.06</u>

STATEMENT OF LABORATORY INCOME AND EXPENSES
YEAR ENDED JUNE 30, 1942

	Biology	Chemistry	Physics	Psych- ology	Total
Income:					
Fees	\$1,748.00	\$2,469.82	\$394.00	\$156.00	\$4,767.82
Breakage Income	45.65	371.75	+	+	417.40
	<u>\$1,793.65</u>	<u>\$2,841.57</u>	<u>\$394.00</u>	<u>\$156.00</u>	<u>\$5,185.22</u>
Expenses:					
Inventory July 1, 1941	300.00	1,650.00	100.00	+	2,050.00
Purchases	861.26	1,699.16	211.34	26.68	2,798.44
	<u>1,161.26</u>	<u>3,349.16</u>	<u>311.34</u>	<u>26.68</u>	<u>4,848.44</u>
Inventory June 30, 1942	200.00	1,660.00	50.00	+	1,910.00
	<u>\$961.26</u>	<u>1,689.16</u>	<u>261.34</u>	<u>26.68</u>	<u>2,938.44</u>
Gain (+) or Loss (-) before Administration and Maintenance Expenses	<u>\$832.39+</u>	<u>\$1,152.41+</u>	<u>\$132.66+</u>	<u>\$129.32+</u>	<u>\$2,246.78+</u>

REPORT OF LIBRARY
YEAR ENDED JUNE 30, 1942

Income:	
Matriculation Fees	\$359.50
Endowment Fund	66.25
College Departments	<u>1,873.63</u>
	\$2,299.38
Expenses:	
Books and Magazines	1,802.39
Salaries	3,776.00
Supplies and Binding Expense	136.16
Specials for Departments	<u>1,873.63</u>
	7,588.18
Deduct, Items added to capital investment	2,500.00
	<u>\$5,088.18</u>
Loss before Administration and Maintenance Expenses	<u>\$2,788.80</u>

DONATIONS TO LEBANON VALLEY COLLEGE
FOR SPECIAL PURPOSES
YEAR ENDED JUNE 30, 1942

CASH CONTRIBUTED TO CURRENT ACCOUNT

For books, supplies, binding, etc. for Library,

from Departments:

Bible	\$5.25
Biology	16.92
Book Department	834.20
Business Administration	19.85
Chemistry	50.13
Economics	4.25
Mathematics	2.55
Music	3.00
Philosophy	5.00
Miscellaneous	32.58
	<u>32.58</u>

\$973.73

Clyde A. Lynch--Gift for Band	5.00
E. N. Funkhouser--Improvement Program	2,000.00
Ruth Engle Bender--Donation toward new pianos	71.25
	<u>71.25</u>

\$2,076.25

BOOKS PRESENTED TO LIBRARY

In addition to the above, books and periodicals were contributed to the Library by the following:

Books	<u>Number of Volumes</u>	<u>Value</u>
James Bachman	1	\$3.50
E. M. Salsbaugh	5	5.00
Baltimore Alumni Club	2	4.00
Bonebrake Theological Seminary	1	1.00
Rev. Rodney Brace	108	75.00
Alta Bucher	4	3.00
R. R. Butterwick	19	26.00
Dr. George Derickson	84	75.00
D. D. Durand	7	36.00
F. B. Emenheiser	1	1.00
S. C. Enck	2	3.00
A. R. Feust	1	4.00
E. F. Frank	62	10.00
Samuel Friedman	12	5.00
Dr. Gardiner	4	5.00
S. O. Grimm	2	2.00
J. C. Kunkel	1	1.50
V. E. Light	5	15.00
C. A. Lynch	15	20.00
Mrs. John Lyter	31	20.00
H. E. Miller	1	1.00
H. E. Myers	4	5.00
Stanley Oldham	1	1.00

DONATIONS TO LEBANON VALLEY COLLEGE
FOR SPECIAL PURPOSES
YEAR ENDED JUNE 30, 1942

Books, (Continued)	<u>Number of Volumes</u>	<u>Value</u>
H. A. Pruyn	2	\$1.50
R. B. Saylor	4	9.00
Earl Reber	1	.50
Charles Sharman	1	1.00
Mrs. J. L. Shearer	11	10.00
H. H. Shenk	31	95.00
Dr. P. O. Shettel	1	1.00
M. L. Stokes	1	2.50
Clyde Stine	2	2.00
Curtis Tracy	1	2.00
United Brethren Church	1	1.00
David Wallace	4	1.00
Gertrude Wood	21	25.00
Mrs. W. E. Wright	31	5.00
Edith Yingst	1	3.00
Y. W. C. A.	13	10.00
Associations	39	25.00
Government Publications	29	15.00
Miscellaneous	61	25.00
	<u>630</u>	<u>\$556.50</u>
 Periodicals:		
E. M. Balsbaugh	2	4.00
Andrew Bender	1	7.50
Bible Department	1	1.25
Book Department	20	37.50
Biology Department	4	80.00
Carnegie Foundation	6	13.00
S. H. Derickson	4	13.25
English Department	1	3.00
Federal Council of Churches	2	3.50
French Department	3	11.25
German Department	1	2.25
C. R. Gingrich	1	5.00
Hershey Junior College	1	1.00
History Department	2	6.50
J. C. Kunkel	1	5.00
C. A. Lynch	9	23.50
Lebanon Valley College Office	1	1.50
H. E. Myers	3	6.00
Philosophy Department	1	2.50
Physical Education Department	1	1.00
Psychology Department	2	16.75
United Brethren Church	8	9.15
Lieutenant Weirick	1	12.00
Miscellaneous	58	77.00
		<u>\$343.40</u>

ANALYSIS OF HEATING PLANT EXPENSES
YEAR ENDED JUNE 30, 1942

Fuel, including freight and drayage	\$6,383.81	
Less Inventory, June 30, 1942	<u>1,543.15</u>	
		\$4,840.66
Hauling ashes		36.25
Insurance		25.92
Light and Power		491.16
Miscellaneous		9.59
Repairs		846.49
Supplies		24.74
Telephone		63.18
Wages		1,331.40
Water		82.83
		<u>\$7,752.22</u>

Distribution of Heating Plant Expense

Heating Physical Plant		\$3,876.11
Heating Dormitories		3,876.11
		<u>\$7,752.22</u>

ANALYSIS OF FARM SURPLUS ACCOUNT
YEAR ENDED JUNE 30, 1942

EAST BERLIN FARM

Surplus, July 1, 1941	\$874.57	
Deduct, Net Loss for current year	<u>256.38</u>	
Surplus, June 30, 1942		\$618.19

SHIREMANSTOWN FARM

Deficit, July 1, 1941	\$1,315.81	
Deduct, Net Profit for current year	<u>821.09</u>	
Deficit, June 30, 1942		<u>\$494.72</u>
Total Farm Surplus June 30, 1942, Exhibit A, Section V		<u>\$123.47</u>

FARM REPORT, YEAR ENDED JUNE 30, 1942
EAST BERLIN FARM

INCOME

No Income \$0.00

EXPENSES

Aug. 1, 1941	Parker Fisher--Concrete, lumber, etc.	\$135.84	
Aug. 29, 1941	Lewis L. Smith--Plumbing supplies and labor	19.27	
Sep. 26, 1941	John Slaybaugh--School tax	59.14	
Apr. 17, 1942	Roy C. Garber--County, poor, and road tax, 1942	<u>42.13</u>	
	Total Expenses		<u>\$256.38</u>
	Net Loss before depreciation		<u><u>\$256.38</u></u>

FARM REPORT, YEAR ENDED JUNE 30, 1942
SHIREMANSTOWN FARM

INCOME

1941		
July 9	Frank Eberly--281 bu. barley at 56¢	\$154.55
Aug. 9	Frank Eberly--357-58/60 bu. wheat at \$1.00	357.97
Sept. 3	Frank Eberly--283-40/70 bu. ear corn at 80¢	226.90
1942		
Feb. 5	U. S. Government--Parity Payment	150.59
Feb. 18	U. S. Government--Parity Payment	43.84
June 23	H. C. Kistler--205 bu. corn at 70¢	143.50
June 23	Frank Eberly--25,525 lb. ear corn at \$1.25 per cwt.	344.59
June 23	W. W. Taylor--185-60/70 bu. corn at 89 ¹ / ₂ ¢ per bushel	166.34
Total Income		\$1,588.28

EXPENSES

1941		
July 7	Annville National Bank--Interest on note	\$25.00
Aug. 1	Countrymen's Mutual Fire Insurance Company-- Assessment	4.84
Aug. 1	Parker Fisher--Gates, glass, putty, etc.	102.83
Aug. 4	Annville National Bank--Interest on note	25.00
Aug. 14	Annie G. Witter--State and County Tax	26.60
Sep. 19	Mutual Fire Insurance Company--Assessment	4.84
Sep. 26	Annie G. Witter, Collector--School Tax	84.00
Oct. 6	Annville National Bank--Interest on note	25.00
Oct. 17	P. O. Sunday--6 tons Fertilizer, 4 tons at \$34.40 less 10%	123.84
Nov. 3	Annville National Bank--Interest on note	25.00
Nov. 7	Frank Eberly--1-1/4 bu. timothy seed	8.00
1942		
Jan. 5	Annville National Bank--Interest on note	25.00
Jan. 30	P. L. Wolfe--Pump repairs	1.00
Feb. 2	Annville National Bank--Interest on note	25.00
April 6	Annville National Bank--Interest on note	25.00
Apr. 10	P. O. Sunday--4 bu. hybrid seed corn - 2 bu. at \$8.00	16.00
May 4	Annville National Bank--Interest on note	25.00
May 15	Bernard Stansfield--Insurance	9.13
May 15	P. O. Sunday--1 ton fertilizer at \$35.30 less 10%	31.77
May 21	Annie G. Witter--Road tax	13.30
June 12	P. O. Sunday--2 tons 3-12-6 Fertilizer at \$35.30 less 10%	63.54
June 23	H. C. Kistler--Piping in kitchen and brooder house	77.50
Total Expenses		\$767.19
Net Gain before depreciation		\$821.09

FUNDS FROM THE N. Y. A.
(Not taken into College Account)
YEAR ENDED JUNE 30, 1942

October	\$95.30
November	657.94
December	656.63
January	259.82
February	399.68
March	440.78
April	399.92
May	399.56
June	<u>401.48</u>

\$3,711.11

Number of students helped - 78

AUDITING COMMITTEE REPORT

To the Board of Trustees of Lebanon Valley College:

Gentlemen:--As has been the case for a number of years past, your auditing committee secured the services of a certified public accountant to audit the accounts of S. H. Derickson, Treasurer of the College.

The audit was made by Charles E. Procasco, C.P.A., of Harrisburg.

We submit as our report his certification, which follows:

H. E. Schaeffer

I. S. Ernst

J. E. Oliver

Committee

REPORT OF THE AUDITOR

Board of Trustees,
Lebanon Valley College,
Annville, Pennsylvania.

Gentlemen:

I have made an examination of the accounts of Lebanon Valley College for the year ended June 30, 1942, also the balance sheet, statement of income and expenses and relative statements included in the foregoing report of your Finance Committee.

In connection therewith, cash receipts and disbursements for all funds were audited and cash balances confirmed. Notes and accounts receivable were not confirmed but verified, and are shown at book values, with adequate reserve provisions for uncollectibility of the latter. Investments were examined or otherwise accounted for, and are stated in the aggregate at an amount equivalent to the book value of the funds which they represent. Plant additions were determined to be proper capital funds which they represent. Plant additions were determined to be proper capital charges.

Notes payable were confirmed and all other ascertainable liabilities computed and included in the accompanying balance sheet.

In addition thereto, I made a review of the accounting procedures of the College and examined or tested accounting records and other supporting evidence by methods and to the extent deemed appropriate, but did not make a detailed audit of the transactions.

In my opinion, the accompanying balance sheet, statement of income and expenses and relative statements, present fairly the financial position of Lebanon Valley College at June 30, 1942, and the results of its operation for the year ended that date, in accordance with accepted principles of accounting applied on a basis consistent with that of the preceding year.

Respectfully submitted,

C. E. Procasco,

Certified Public Accountant

Harrisburg, Pennsylvania
August 22, 1942

