

Pacific Lutheran College Bulletin

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VOL. XV

AUGUST, 1935

No. 2



Pioneers of forty years ago saw a vision—now fulfilled.
A rare picture of the group which attended the laying
of the corner-stone.

There is inspiration here for the present vision.

ANNUAL REPORT OF THE PRESIDENT OF PACIFIC LUTHERAN COLLEGE—1935

"I know thy works: behold, I have set before thee an open door, and no man can shut it; for thou hast a little strength, and hast kept my word, and hast not denied my name." Rev. 3, 8.

"Behold, I have set before thee an open door." This year's convention of the Pacific District of The Norwegian Lutheran Church of America opened with a courageous and inspiring sermon on this theme by the College pastor. Also before us God has set an open door to His Kingdom. Through this open door there is opportunity for ourselves to enter and to bring others with us. All-important is the challenge: How are we as individuals and as a church responding to this call of the Lord's open door? Because Pacific Lutheran College is one important measure of our response to the challenge voiced by Pastor Svare's sermon, the undersigned is glad to begin his seventh annual report by citing the text of the Convention sermon and underscoring its message.

In spite of the complaints and bitterness evident on every hand in these days, the past year has surely been a good year at Pacific Lutheran College. It has been an inestimable privilege to associate daily with cheerful people, many of them truly consecrated unto the Lord, in a time when our other associations tend so frequently to depress the soul. The undersigned feels that it may truly be said that never have we had a finer spirit at the College. The usual imperfections and shortcomings recede into the background when we consider the blessings which the Lord bestows upon us in and through our young people.

Fundamentally the maintenance of a Christian school is a spiritual struggle. Therefore, even as days of prosperity have their peculiar spiritual dangers, so have days of adversity and depression their special temptations. Only through steadfast allegiance to the Word of God and trustful confidence in its promises can a true perspective be maintained. Therefore the undersigned felt constrained, in last November's BULLETIN, to take stock, so to speak, and in particular to reiterate fundamental principles, as follows: A. First things first. (Matt. 28:19-20; Matt. 6:31, 33). B. Accredited work only. (Rom. 14:18). C. Pitiless publicity. (John 18:20). D. Rumor-destroying field service. (Prov. 18:21; James 3:8; Prov. 15:4). E. Lutheran co-operation. (Rom. 12:18; Heb. 13:1). F. No backward step. (Matt. 28:19; Luke 9:62; Jer. 7:23-24). In the light of these principles, the undersigned asks the Pacific Lutheran College Association to face certain questions.

The first question that the undersigned therefore places before the corporation at this time is this: Will the Pacific Lutheran College Association now again endorse the principles upon which the present administration has based its actions during the past seven years?

The second question is the following: Will the Pacific Lutheran College Association endorse the decision of the College Board of Trustees on April 8, 1935, to apply for accreditation by the Northwest Association of Secondary and Higher Schools in 1936? The undersigned feels keenly that we owe it to that

part of our constituency which is outside of the State of Washington to secure this accreditation as soon as possible. The Northwest Association of Secondary and Higher Schools covers the Pacific Slope and enjoys full reciprocity with the North Central Association of Colleges and Secondary Schools. Dr. Frederick E. Bolton, chairman of the accreditation commission of the Northwest Association, unofficially inspected the College recently. He urges the refurbishing of the Main Building and the laboratories, the erection of a library building as soon as possible, and the addition of two or three well-trained teachers to our hard-working and self-sacrificing staff. He definitely states that any further sacrifices on the part of our staff will put even our present accreditation in jeopardy; and he is one of our most sympathetic friends. The first of the above three items we shall probably take care of in any event, for we regularly try to keep things as spick and span as possible. As for the library building, Mr. Paul A. Preus, at the request of your President, has made preliminary arrangements for a campaign to secure this building from the citizens of Tacoma by the fall of 1936. And the almost certain further increase in our enrollment this fall will of itself make a larger staff necessary.

This brings us to the third question: Will the Pacific Lutheran College Association register confidence in the present administration by authorizing the addition of at least \$5000 to the present operating budget of the College? The undersigned takes the responsibility of insisting that this be done. Circumstances have combined to precipitate this test of confidence in the President of the College at this time. He can not undertake the responsibility of carrying on without this support.

The College has never under its present administration had the opportunity to operate on a cash basis. There has always been an overhang of open accounts and of delayed or discounted appropriations. Nevertheless the College, because of its friends, whom it now numbers by the thousands, and because of the wonderful loyalty of its staff, has been able to carry on from year to year and to grow apace. A refinancing plan, initiated by a special committee consisting of District President H. L. Foss, District Financial Secretary Theo. Hokenstad, pastor T. O. Svare, pastor S. J. N. Ylvisaker, and Mr. Victor A. Elvestrom, has been approved by the Board of Trustees. This plan is an outgrowth of the so-called "150-man plan" of last fall, and an effort is now being made to carry this plan into effect. This plan, if successful, will make it possible for the College to operate on a cash basis. District President Foss outlined this plan in his Report to the 1935 Pacific District Convention, as follows:

A plan has been devised whereby the committee hopes to refinance the debts of the school. A Trusteeship for Interest and Debt Service has been set up. Funds received from certain specified sources are set aside in a special depository over which the trusteeship has control. 10-year, 4½ per cent debentures will be offered to our people. The proceeds from the sale of these debentures will be used solely to refinance debts. The trusteeship will pay interest out of the Debt Service fund on the specified date, and as much of the principal will be retired as possible.

The committee seeks the whole-hearted cooperation of our pastors and people that this financial problem of the school may, within a reasonable time, be solved.

The demands of the depression have reduced the operating budget for the whole school to a figure below the \$40,000 originally required by the State accreditation authorities for the Junior College work alone, and this in the face of an enrollment increase from 187 in 1928-29 to 290 in 1934-35. The salaries of the teachers and of the other workers have been reduced voluntarily from the state-approved schedule of \$44,188.27 to \$29,645.48, a 33 per cent drop; and there is a willingness to serve at minimum cost also for another year; but the undersigned is in candor compelled to state that he does not believe it possible to continue the present salary and wage scale through the coming year. There are at least three reasons for this: 1. The inability of several members of the staff to make both ends meet at present; 2. the rise in living costs, as evidenced by Federal Government figures which show that food which cost 90c two years ago costs \$1.25 this year, as of April 15 each year; 3. the increasingly heavier burden which a steadily growing enrollment imposes upon the members of an unaugmented staff.

Reference may also be made in this connection to the Endowment Fund. Of the total of \$290,000 pledged in 1927, about \$144,000.00 has been paid in. The fund was originally invested in high grade bonds and one real estate mortgage. Even these high grade bonds depreciated greatly in value by 1932. Meanwhile the Board of Trustees had felt constrained to pledge these bonds as collateral for bank loans in excess of \$40,000. To liquidate this indebtedness the Board, on the advice of high Church officials, took a loss of about \$30,000 on these securities in 1932. Since that time our main concern has been for the rehabilitation of these funds. By careful investment on a lower level under professional guidance and daily vigilance, with the assistance of certain trust funds loaned to the College by intimate friends for the specific purpose of carrying out this experiment, an average daily investment of \$2145.90 has been increased 196 per cent from August 1, 1932, to June 15, 1935, and the annual interest income on this modest sum at least trebled. The Endowment Management Committee has the expectation that the Fund may in time be completely rehabilitated by this investment policy, which was approved by the Board in 1932.

While the financial problem remains undeniably difficult, it is certainly easier than it was. If Church appropriations are paid in full by July 31, 1935, our indebtedness will be approximately \$15,000.00 less than on July 31, 1934. This reduction was made possible by the granting of the special appropriation of \$15,000.00 by the Board of Trustees of the Norwegian Lutheran Church of America and the Board of Education last February. The stipulation was made in this connection, however, that "no requests from henceforth shall be made for special emergency appropriations or loans." The resolution of the two Boards reads as follows:

In view of the fact that representatives of Pacific Lutheran College have insisted on a different interpretation of the resolution of the 1930

convention in appropriating a special sum to Pacific Lutheran College, not to exceed \$17,500.00, the said representatives holding that it was a guarantee for each of the two years of the biennium, while the Boards of the Church have construed the resolution to mean only one appropriation for the biennium;

Therefore, Be It Resolved, by the Board of Trustees, jointly with the Board of Education, that there be voted Pacific Lutheran College the sum of \$15,000.00, of which \$10,000.00 is to be a cancellation of loans already advanced, and \$5,000.00 additional cash appropriation out of the budget of 1934—(less the amount now due the Church for interest and the amount owed the Publishing House).

It is the definite understanding of said Boards that the appropriation of the said \$15,000.00 will take care of situations which have been claimed to have arisen from not receiving this \$15,000.00, and that they will be able from henceforth to finance their maintenance without any additional appropriation except the regular amounts allowed by the Board of Education.

The Boards in granting this appropriation feel that they are entitled to state that they cannot put a different interpretation on their decision, but at the same time, because we have been assured by Pres. Foss that this amount will place the school in position to balance its budgets and to continue for the future, said sum is voted, with the distinct understanding that no requests from henceforth shall be made for special emergency appropriations or loans.

This stipulation puts it squarely up to the congregations and pastors of our Pacific District to shoulder definitely the responsibility for the maintenance of the school of which they still are the legal owners. For this reason the undersigned makes the earnest plea that the District heartily endorse and support the plan and efforts of President Foss and his committee to provide \$4,000 by the end of this fiscal year (July 31).

The District, in its corporate capacity, ought also most cheerfully endorse the loyal support of the Women's Missionary Federation in relation to the work of President Foss' committee, and also in relation to the Federation's sponsorship of the Pacific Lutheran College Development Association. About 9300 members of this Association have at various times made contributions of "at least a dollar at least once a year" (the slogan of the Association); but, because of drouth, depression, and special circumstances, only 1017 of these members now have their names on the active list. These 1017 active members are distributed as follows, as of June 18, 1935:

EAST and MIDDLE WEST

Colorado	1	Pennsylvania	1
Illinois	10	So. Dakota	32
Iowa	51	Wisconsin	89
Michigan	3		
Minnesota	154	Port Arthur, Can.	2
Nebraska	9	China	3
No. Dakota	24	Africa	3
Ohio	1	Alaska	4

PACIFIC COAST

California	41	Montana	17
Idaho	6	Oregon	148

WASHINGTON by Cities

Aberdeen	4	Lawrence	4
Anacortes	3	Longview	2
Arlington	3	Manette	5
Auburn	1	Marysville	2
Bellingham	15	Mt. Vernon	11
Bothell	3	Norman	2
Bow	2	Orting	1
Burlington	11	Parkland	51
Camas	3	Pearson	1
Cathlamet	19	Port Orchard	1
Chinook	6	Port Townsend	1
Cromwell	2	Poulsbo	12
Dupont	1	Puyallup	1
Ellensburg	1	Ritzville	1
Endicott	1	Seattle	56
Everett	21	Snohomish	3
Farmington	2	South Bend	2
Fir	2	Spanaway	1
Fort Wright	1	Spokane	12
Gig Harbor	5	Stanwood	14
Kennewick	3	E. Stanwood	17
Kent	14	Tacoma	85
Lakewood	2	Winlock	7
Lakota Beach	1		

Summary

East and Middle West	375
Foreign and Canada and Alaska	12
California	41
Idaho	6
Montana	17
Oregon	148
Washington	418
Total	1017

The largest single gift of the year was \$500 from Mr. K. O. Livedalen, of Spokane, Wash.

People continually ask: Where is the money coming from? We can only answer: As long as we do the Lord's will, the Lord will provide. The record of the past seven years at Pacific Lutheran College is sufficient proof of this statement. Each year, in August, the College publishes a detailed financial summary for the year in its quarterly BULLETIN, which is sent free to all active members of the Development Association. This statement shows in detail whence the money came and for what it was spent. More pertinent to the individual supporter's needs is the following summary of current ways in which support is actually forthcoming from friends of the cause:

1. Intercessory Christian prayer.
2. Support of the budget of the Church.
3. Support of the efforts of the congregations and subsidiary organizations for our cause.
4. Membership in the P.L.C. Development Association.
5. Payment of pledges to the Endowment Fund.
6. Loans to the Trust Account of the Endowment Fund.
7. Purchase of 4½ per cent 10-year debentures.
8. Donations for special projects or purposes.
9. Support of Alumni Association projects, the Choir, and similar activities.
10. Protection of the good name and reputation of the College.
11. Recruiting of worthy students for P.L.C.
12. Subscription to the "Pacific Lutheran Herald," the "Mooring Mast," the "Saga," and the regular Church papers.

What people need is correct information, personal contact with the school, and the vision which supports the policy of Lutheran cooperation at Pacific Lutheran College. In connection with this last point attention may be called to the following:

1. On April 8, 1935, the College Board of Trustees resolved that the administration be encouraged to make the necessary arrangements for a P.L.C. conference of pastors and laymen of the American Lutheran Conference of the Pacific Northwest, preferably next fall in connection with foundation-day exercises.

2. The sympathetic endorsement of the work of the Lutheran Student Service Association of Oregon, in harmony with such policy as the cooperating Church bodies may espouse from time to time.

3. The maintenance of a sympathetic attitude toward the Spokane Bible School movement, with prayer for the Lord's guidance. Let us view our P.L.C. problem constantly in the larger setting of the Kingdom-vision!

4. Among the aspirations which the College must respect are the many prayerful hopes which members of our Churches have for the successful solution of the home mission problem on the Pacific Slope. Out of a sense of this stewardship is born the desire for a joint American Lutheran Conference publication in the Pacific Northwest. Even though the Columbia Conference of the Augustana Synod has postponed definite action in this matter for another year, and the

PART OF THE P. L. C. FACULTY
From the 1935 Saga



Top Row: F. E. Theodore Nelsson, Dean of Men, Field Agent, (will be Acting Business Manager, 1935-36, during Ludvig Larson's leave of absence); Peter J. Bardon, Social Sciences; Philip E. Hauge, Dean of the Junior College, Education, Psychology; Nils P. Hong, Principal of the High School, English; Joseph O. Edwards, Director of Music.

Bottom Row: E. Arthur Larson, Swedish; Mrs. Lora B. Kreidler, Dean of Women, Art; Miss Vivian Johnson, Normal Supervisor, Education; Mrs. Elizabeth H. Bondy, French, German; Paul R. Highby, Biology, (on leave, 1935-36).

Not in the pictures: Ludvig Larson, Field Agent; Alvar J. Beck, History, Economics; Mrs. Adah Dapper, Ph

PART OF THE P. L. C. FACULTY

From the 1935 Saga

Top Row: John U. Xavier, Librarian, Latin; Ole J. Stuen, Norse, Mathematics; Oscar A. Tingelstad, President; Anders W. Ramstad, Chemistry, Bible; Edvin Tingelstad, Editor "Pacific Lutheran Herald," Latin, History.

Bottom Row: Jesse P. Pflueger, Christianity, Philosophy; Mrs. Louise S. Taylor, Assistant Registrar, English, Home Relations, (becomes Superintendent of Schools, Pierce County, Wash., Sept. 1, 1935); Clifford O. Olson, Physical Education; Miss Geo Reneau, History; W. D. Keith Reid, Commerce.



Business Manager; Victor A. Elvestrom,
conomics, (resigned); Paul A. Preus, Field
ysical Education for Women.

Northwestern District of the American Lutheran Church could only record its sympathetic interest, the Pacific District will, no doubt, give careful consideration to the special report of the intersynodical committee on publication in this matter.

It is a pleasure to report in this connection that the Western District of the Lutheran Free Church at its 1935 convention in Tacoma appointed the Reverend John A. Houkom of Seattle its unofficial representative on our standing committee on intersynodical cooperation. The United Danish Evangelical Lutheran Church in America has been officially invited to similar representation.

Certainly Pacific Lutheran College is marked by fidelity to the open door which the Lord sets before us. Therefore the College succeeds in retaining its staff from year to year, with few changes. Changes during the past year were as follows: Mrs. Adah Dapper was added as director of physical education for women; Miss Vivian Johnson succeeded the late Miss Sophia R. Fowler as normal supervisor; and Mr. Theodore Nelsson of the field staff became Dean of Men, succeeding Mr. Clifford Olson, who remained as director of physical education on a part-time basis. Pastor E. Arthur Larson again taught a class in Swedish. Mr. Alvar J. Beck, on leave this year, recently tendered his resignation, effective August 1, 1935. The College has a deep and sincere regard for all these efficient workers, as well as for its whole staff.

The College Board of Trustees now consists of fifteen members, since the addition last year of the Reverend John M. Groschupf (Spokane) and the Reverend E. C. Knorr (Seattle), of the American Lutheran Church, and the Reverend Dr. Joseph A. Anderson (Sedro-Woolley) and the Reverend N. Wm. Anderson (Spokane), of the Augustana Synod. The last-named was replaced by the Reverend Elmer M. Johnson (Olympia) at this spring's meeting of the Columbia Conference. Pacific District will take proper cognizance of the passing of the vice-president of the Board, Mr. M. H. Forde (Everett), who died in a hospital at Rochester, Minn., late last summer. Mr. M. T. Hokenstad (Snohomish) has taken Mr. Forde's place as a member of the Board. The term of the following members expires this year: The Reverend O. L. Haavik (Sattle), Mr. G. R. Haukeli (Aberdeen); Mr. Knute B. Norswing (Fullerton, Calif.).

This convention should also elect an auditing committee and consider the status of the Board of Visitors.

The year 1935 is marked by many encouraging features in P.L.C. history: the all-time high enrollment of 290; the largest graduating class in its history, numbering 72; the wonderful cooperation of the student body and its leaders, notably Mr. John G. Van Leuven, president of the student body, Miss Thelma Daniels, vice-president of the student body and editor of the "Saga," Miss Mary Nash, secretary of the student body, Mr. Bertrum Myhre, treasurer of the student body and its president-elect, Mr. Roland Swanson, president of the Class of 1935, and Mr. Milton Nesvig, editor of the "Mooring Mast." This was also the first year in which P.L.C. graduates were members of the graduating classes of all four of our Colleges. And from our Seminary Gerhard Lane, '29, has just been ordained on a call to the China Mission Field, and C. Arthur Olsen,

'30, will be ordained July 7, 1935, God willing, on a call to Port Arthur, Ontario, Canada, to relieve Pastor Pernie C. Pederson, one-time teacher at Spokane College, now going as missionary to South Africa.

Of special interest to many is the fact that five students, after having completed a special course of Christian instruction by the College pastor, publicly received Christian baptism, one on Decoration Day and four on the Sunday following.

And so the work of Christian education, by the grace of God, goes on. The first term of the summer session began June 10, 1935, and will end July 17; the second term extends from July 18 to August 23, 1935. The enrollment also in the summer session is larger than a year ago. The usefulness of the College is on the increase.

Impressive commencement exercises were marked by the baccalaureate sermon of the Reverend Dr. C. R. Swanson, veteran Augustana Synod pastor of Seattle on June 2, and the commencement address of the Reverend Dr. J. C. K. Preus, Executive Secretary of the Board of Education of the Norwegian Lutheran Church of America, on June 3. Each of these speakers has a son in the graduating class of 1935.

In spite of great difficulties and heavy sacrifices by the teachers and others, this year has been an anniversary year of rejoicing. The Fortieth Anniversary of the dedication of the Main Building was celebrated on the 14th of October, 1934, the venerable Dr. L. C. Foss delivering the festival sermon, and on the 23rd and 24th of February, 1935, Dr. Carlo A. Sperati, our first director of music forty years ago, being the chief speaker. Surely the good Lord, Who has guided the destinies of His oft-times wayward children through these forty years in the wilderness, will not fail us as we in faith and hope together face our common tasks in this Western land of promise.

Yours in the Master's service,

O. A. TINGELSTAD,

June 22, 1935

NOTES ON THE ABOVE REPORT

1. The Pacific District of The Norwegian Lutheran Church of America, in convention assembled and organized as the Pacific Lutheran College Association, at Bellingham, Washington, on June 22, 1935, after separate discussion in each case, endorsed the following principles, one by one: the principle of "first things first" (by rising vote), the principle of accredited work only, the principle of honest and open publicity as practiced by the President of the College, the principle of field service, and the principle of Lutheran co-operation; also, by a rising vote, voiced its confidence in the President.

2. The Pacific District also adopted the following resolution: "Resolved, that the Association endorse the decision of the Board of Trustees of the College on April 8th, 1935, to apply for accreditation by the Northwest Association of Secondary and Higher Schools in 1936."

3. Similarly, the Association authorized an addition of \$5,000.00 to the operating budget of 1935-36. On August 7, 1935, the Board of Trustees of Pacific Lutheran College accordingly passed the following resolution: "Resolved,

that in view of the resolution adopted by the Pacific Lutheran College Association at its meeting at Bellingham, authorizing an increase of \$5,000.00 to the operating budget of 1935-36, we, the Board of Trustees, increase the item under salaries and wages by \$5,000.00."

4. The District expressed its recognition of the fact that Pacific Lutheran College is an essential factor in its work. The District endorsed the efforts being made to raise funds necessary to enable the school to operate on a balanced budget. In particular the District heartily endorsed the efforts of the P. L. C. Special Committee to gather \$4,000.00 in the Pacific District so as to balance the budget for the current school year; it likewise endorsed the work of the Women's Missionary Federation in behalf of the Development Association.

5. The District elected a committee of three, namely District President H. L. Foss, Dr. O. A. Tingelstad, and the Reverend R. Bogstad, to serve on the American Lutheran Conference Joint Committee for Lutheran Students' Work at state institutions of the Pacific Northwest, as proposed by the Columbia Conference of the Augustana Synod.

6. The District continued the standing committee working toward the publication of a joint American Lutheran Conference paper in the Pacific Northwest.

7. By rising vote, and in his memory, the Association gave expression to its appreciation of the splendid service rendered by Mr. M. H. Forde as a member of the Board of Trustees for many years. Mr. J. M. Arntson, of Tacoma, Washington, succeeds Mr. Forde as attorney for the College.

8. The Association gave a rising vote of thanks to the retiring trustees, the Reverend O. L. Haavik, Mr. G. R. Haukeli, and Mr. K. B. Norswing, and elected the following new members of the Board: Mr. A. A. Mykland, of Everett, Washington, (superintendent-elect at Issaquah, Washington), Mr. R. C. Birkelo, of Bremerton, Washington, and the Reverend H. J. Thorpe, of San Francisco, California. Mr. A. L. Leknes, of Stanwood, Washington, and Mr. George Fisher, of Tacoma, Washington, were elected as the Auditing Committee. On the Board of Visitors all the members were re-elected: the Reverend Theo. Hokenstad, of Bremerton, Washington, the Reverend Mikkell Lono, of Tacoma, Washington, the Reverend L. J. Floren, of Poulsbo, Washington, Mrs. R. Bogstad, of Eugene, Oregon, and Mrs. H. Holte, of Seattle, Washington.

9. An August 7, 1935, the Board of Trustees, meeting at Covenant Beach, Des Moines, Washington, chose its officers for the year 1935-36, as follows: President, the Reverend Alf M. Kraabel; Vice-President, the Reverend L. Rasmussen; Secretary, the Reverend S. J. N. Ylvisaker (re-elected); Treasurer, Mr. F. C. Mason (re-elected); Executive Committee, Mr. F. C. Mason (re-elected), the Reverend Dr. C. R. Swanson (re-elected), the Reverend E. C. Knorr (re-elected), the Reverend Alf M. Kraabel, and the Reverend S. J. N. Ylvisaker (re-elected).

10. The Summer Session, with Prof. N. J. Hong in charge during the absence of Dean Philip E. Hauge (who spent the summer in Alaska), came to a successful close on August 23. The enrollment was 62, as compared with 52 a year ago. The regular session will begin, God willing, on September 9, 1935, and the prospects for a capacity enrollment are excellent.

FINANCIAL STATEMENT FOR 1934-1935
Current Income for the Year Ending July 31, 1935

Tuition (General and Music)	\$ 21,110.67
Room Rent	4,792.07
Physical Education	907.55
Laboratory Fees	584.34
Book Store	262.38
Sundry	217.72
Typewriter Rent and Repair	174.13
Placement Service	116.37
Piano Rent and Repair	51.25

Net Operating Income	\$ 28,216.48
Norwegian Luth. Church of Am. Appropriation	9,418.65
P. L. C. Development Association	5,191.03
American Lutheran Church Appropriation	2,847.31
Augustana Synod Appropriation	2,082.37
Endowment Interest	1,769.86
Columbia Conference (Augustana) Appropriation	1,300.00
Pacific District (N.L.C. of A.) Appropriation	700.00
15 per cent of Endowment Collections	220.50
Real Estate Sales (Profit)	156.34
Women's Missionary Federation, Pacific District	103.50
Other Income	45.00

Total Current Income	\$ 52,051.04
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Current Expenses for the Year Ending July 31, 1935

Teachers' Salaries	\$ 26,700.66
Heat, Janitor, and Night Watchman	6,308.45
Office Expense	4,773.16
Repairs and Replacements	1,008.14
Advertising	939.11
General Expense	838.03
Light and Water	809.36
Insurance	322.55
Board of Trustees	54.45
Taxes	15.14

Net Operating Expense	\$ 41,769.05
Interest	6,006.33
Traveling Expense	2,868.03

Total Current Expense	\$ 50,643.41
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Net Operating Gain for Year Ending July 31, 1935	\$ 1,407.63
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Decrease in Assets

During the Year Ending July 31, 1935

Decrease in Accounts and Notes Receivable	\$ 2,686.28	
Decrease in Other Current Assets	781.00	
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	\$ 3,467.28	
Less Increase in Cash	508.21	\$ 2,959.07
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Less Increase in Fixed Assets:		
Library Additions	\$ 236.51	
Furniture, Fixtures, and Equipment	40.00	
Real Estate	665.46	941.97
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Total Net Decrease in Assets		\$ 2,017.10
Reduction in Accumulated Operating Deficit:		
Net Operating Gain for the Year 1934-1935	\$ 1,407.63	
N. L. C. A. Emergency Appropriation Revived	14,581.35	15,988.47
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Surplus Increased		\$ 18,005.57

Decrease in Liabilities

During the Year Ending July 31, 1935

Decrease in Accounts Payable	\$ 8,767.88	
Decrease in Notes Payable	4,095.46	
Decrease in Funding Plan Loans	637.85	
Decrease in Other Current Liabilities	4,504.38	\$ 18,005.57
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Surplus of Assets over Liabilities, July 31, 1934	\$121,486.76	
Surplus Increased, 1934-1935	18,005.57	
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Surplus of Assets over Liabilities, July 31, 1935		\$137,475.23
Indebtedness Due to Operation	\$ 49,576.57	
Indebtedness Due to Investment in Assets	68,538.77	
Indebtedness Due to Pac. Luth. Herald Operation	6,127.09	
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Total Indebtedness, July 31, 1935		124,242.43
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Total Valuation of Pac. Luth. Col., July 31, 1935		\$261,717.66
Permanent Endowment Fund, July 31, 1935		122,747.54
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		\$384,465.20
Trust Fund Investors		10,953.75
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Total Capital Invested in Pac. Luth. College		\$395,418.95

Net Increase in Endowment Fund	\$ 1,249.50	
Increase in Trust Fund Investments	2,740.17	
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Total Increase in Endowment Fund Assets		\$ 3,999.67
Total Net Decrease in Assets		2,017.10
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Net Increase in Capital Invested during Year End- ing July 31, 1935		\$ 1,972.57
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Status of Endowment Fund, July 31, 1935

Total Amount Pledged for Five-Year Period Beginning 1927		\$290,000.00
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Amount Paid in, July 31, 1934	\$142,938.87	
Amount Paid in during Year Ending July 31, 1935	1,470.00	
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Total Amount Paid in, July 31, 1935		\$144,408.87
Transferred to Operation (15 per cent)	\$ 21,661.33	
Invested in Bonds	\$43,637.12	
Invested in Mortgage	2,500.00	
Invested in Real Estate	485.70	46,622.90
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Endowment Expense in Process of Amortization	23,908.27	
Special Trust Fund Service	251.68	
Bond Interest	153.98	
Cash Awaiting Investment	1,308.68	
	<hr/>	
	\$155,362.62	
Less Trust Funds Invested	10,953.75	
	<hr/>	
Total Endowment Funds to July 31, 1935		\$144,408.87
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Interest Received on Bonds during Year Ending		
July 31, 1935	\$	1,018.92
Interest on Loans to Pacific Lutheran College		3,574.59
Interest on Real Estate Mortgage		150.00
Interest on Savings and Loan Accounts		5.68
<hr/>		
Total Interest Income for Year	\$	4,749.19
Earnings Due to Accretion of Value of Bonds Sold		1,284.28
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Total Endowment and Trust Fund Income for Year	\$	6,033.47
Distributed to Trust Fund Investors		835.47
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Total Endowment Income for the Year	\$	5,198.00
Interest Paid on Annuities	\$	374.00
Applied on Amortization of Endowment Expense		1,769.86
Applied to Current Operating Expense		1,769.86
Applied to Payment of Life Insurance Premium		388.32
Applied to Rehabilitation of Endowment Capital	895.96	\$ 5,198.00
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PAID-UP ENDOWMENT PLEDGES

List No. 9

Previous lists have made public the names of the donors of 1,202 paid-up endowment pledges. Pacific Lutheran College hereby gratefully acknowledges the full payment of 2 additional pledges, which bring the total number of fully paid-up pledges to 1,204.

<i>Name</i>	<i>Date Paid in Full</i>	<i>Amount of Pledge</i>
Hendriksen, Henry A.,	June 8, 1935	\$500.00
Larsen, Rev. Ditman,	July 31, 1935	100.00
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Pledges paid in full since February 28, 1935		\$ 600.00
Pledges paid in full to February 28, 1935		101,400.69
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Pledges paid in full to July 31, 1935		\$102,000.69
Partial payments, all other pledges		42,408.18
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Total paid, July 31, 1935		\$144,408.87