

Pacific Lutheran College Bulletin

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VOL. XVIII

AUGUST, 1938

No. 2

WE HONOR AND PLEDGE

We honor NILS JOSEPH HONG, who retired on July 31, 1938, after thirty-one years of service here, twenty-one as Principal of Pacific Lutheran Academy (1897-1918) and ten as Principal of the High School Division of Pacific Lutheran College (1928-1938).

We honor PETER JEREMIAH BARDON, retired on July 31, 1938, after fourteen years of service here, five at Pacific Lutheran Academy (1912-17) and nine at Pacific Lutheran College (1929-1938).

We love them for their labors and their love. May the grace of God abide with them forever!

We pledge our loyalty to Elvin Martin Akre, Dean of Men, who succeeds Mr. Hong in the principalship as acting Principal of the High School Division of Pacific Lutheran College.



N. J. HONG



E. M. AKRE



P. J. BARDON

PAID-UP ENDOWMENT PLEDGES

List No. 12

Previous lists have made public the names of the donors of 1,230 paid-up endowment pledges. Pacific Lutheran College hereby gratefully acknowledges the full payment of 5 additional pledges, which bring the total number of fully paid-up pledges to 1,235.

Name	Date Paid in Full	Amount of Pledge
Benson, Olga	May 16, 1938	\$ 75.00
Breum, Andrew	November 29, 1937	100.00
Foss, Rev. & Mrs. Carl L.	June 15, 1938	250.00
Jernstrom, Arthur	November 29, 1937	50.00
Nelson, Emil A.	June 14, 1938	100.00
Pledges paid in full since July 31, 1937		\$ 575.00
Pledges paid in full to July 31, 1937		105,471.69
Pledges paid in full to July 31, 1938		\$106,046.69
Partial payments, all other pledges		40,552.18
Total paid, July 31, 1938		\$146,598.87

ANNUAL REPORT TO THE PACIFIC LUTHERAN COLLEGE ASSOCIATION, JUNE 11, 1938

In presenting this annual report to the corporation meeting the writer is conscious of the many blessings that have been ours this year. Problems have been manifold, but we have faced them together as Christians and by reasoning together have become clearer in our thinking, and able to make better progress toward the goals set up as a result of our educational philosophy. God has been good to us. The school year 1937-38 has been richly blessed.

One of the many problems confronted by your Board of Trustees and the College administration came as the result of President O. A. Tingelstad's accident, which occurred November 11, last. For months he was confined to the hospital. Now he is able to get around only with difficulty. It was natural and commendable, therefore, that the Board of Trustees at its December meeting relieved him of his regular college duties until September 1, 1938.

During President Tingelstad's vacation, an administrative council, composed of the Reverend Alf M. Kraabel, Chairman of the Board of Trustees, Mr. Theodore Nelsson, Business Manager, and Mr. Philip E. Hauge, Dean, was appointed by the Board of Trustees. The Reverend Kraabel was designated as chairman, and Dean Hauge as the point of contact in matters pertaining to the College as an educational institution. It is for this reason that the undersigned has been asked by President Tingelstad and the Board of Trustees to write and submit this report.

The enrollment during the school year has reached a grand total of 363. The High School Division accounts for 53, the remainder being in the College Division. An analysis of the enrollment figures during the last six years shows that the High-School enrollment has remained practically static. In 1932-33 the High School enrolled 50 students. At no time during the last six years has the total enrollment exceeded 56.

In the light of our rapid and steadily increasing enrollment on the college level the high-school situation requires thoughtful consideration. Are we to believe that our constituency is unaware of the service which the College can render on this level? Or are we to interpret it as an indication there is no longer any felt need of such service?

During the first semester the class schedule provided for 56 different courses in the College Division, and 25 courses in the High School Division. During the second semester 52 courses were given in the College Division, while in the High School Division 19.

The graduating class numbers 75, of which 51 are from the Normal Department, 16 from the Liberal Arts Department, and 8 from the High School Division. On May 29 the Baccalaureate service was conducted by the Reverend E. G. Wuest of Oregon City, Oregon. The Commencement exercises were held

on the evening of June 3. The Reverend Carl E. Rydell of Tacoma, Washington, delivered the Commencement address.

Of last year's graduating class, all the graduates of the Normal Department, 48 in number, were placed in teaching positions. Of the 37 graduates of the Liberal Arts Department and the High School Division, 27 are continuing their studies in some educational institution.

For some time the citizens of Parkland have advocated the establishment of a junior high school. This spring this sentiment crystallized, and pressure was brought to bear upon the local public school officials to establish a junior high school, beginning in the fall of 1938. The Board of Trustees, recognizing the importance of the favorable local sentiment toward the College, and with the hope of eliminating any possible local misunderstanding, passed a resolution at its April meeting authorizing the elimination of the 9th grade at Pacific Lutheran College if and when said 9th grade becomes an actuality in the Parkland Public School offering. Since that time a special election has been called for June 25 to determine whether or not such a reorganization of the public school is to take place this fall.

The Association of Collegiate Schools of Nursing and the League of Nursing Education have both placed themselves on record as favoring advanced entrance requirements for admission to the Schools of Nursing. Many Schools of Nursing now recommend at least a one year's pre-professional course beyond high school. For the last two years negotiations have been taking place toward the establishment of such an accredited course at Pacific Lutheran College. Beginning in the fall of 1938, such a course will be offered. The College is now affiliated with the School of Nursing of the Tacoma General Hospital and will give in the one-year course such subjects as the hospital shall recommend.

The financial problem of the College is not a new one. Last year at the Pacific District meeting your attention was called to a possible \$8,000 deficit for the year 1936-37.

This important resolution was passed:

"The Pacific District as a whole, its District officers, its Circuit officers, its Home Mission Board, together with the College Board of Trustees, shall and do hereby accept as their primary and immediate responsibility the raising of funds with which to meet the estimated deficit by July 31, 1937."

The Committee elected to carry out this resolution was not successful in raising the required amount. This to a great extent was the determining factor in the deficit of \$6217.12 for 1937-38.

At the beginning of this school year the administration came face to face with the following resolutions, passed by the Norwegian Lutheran Church of America at its regular meetings in 1934 and 1936:

"Whereas, The Report of the Board of Education (page 38) calls attention to the increasing indebtedness of our educational institutions, necessitating the closing of some and threatening the security of others, therefore,

Be It Resolved, That the Church request all departments to ascertain the financial status of their respective institutions, and that the Board concerned be given full power to prevent further accumulation of debt even if it should mean the closing of institutions."

—Annual Report 1934, p. 337.

"Resolution 11. Resolved, That at the close of their respective fiscal years each of the colleges shall submit to the Board of Education detailed reports covering finance, reductions in tuition, registration, and religious affiliation in addition to monthly financial reports and such other reports as shall be requested by the Board of Education.

"Resolution 12. Be It Further Resolved, That no further payment of appropriation shall be made to any college until the required reports have been received.

"Resolution 14. Resolved, That where reports show that a college is increasing its indebtedness the Board of Education must take steps to see that the institution can continue to operate in the future without violation of the regulations of the Church. To this end the institution must submit its plans for meeting the situation the following year and have them approved by the Board of Education."

—Annual Report 1936, p. 88.

In the light of these resolutions, and because of the business recession, the College was faced with the necessity of taking such action as would insure a balanced budget for the school year 1937-38. After effecting all possible savings, the faculty members agreed to have 12% of their salaries withheld for the purpose of guaranteeing a balanced budget. This was commendable, but does Pacific District wish to have the faculty carry this load?

On February 2, last, an unofficial group composed of Dr. E. Poppen, Dr. Henry F. Schuh, Dr. Wm. G. Sadt, and Dr. G. P. Krebs, from the American Lutheran Church, Dr. P. O. Bersell, Dr. Emil Swenson, Dr. Victor Spong, of the Augustana Synod, and Dr. J. A. Aasgaard, Mr. J. G. Norby, and Dr. J. C. K. Preus, of the Norwegian Lutheran Church of America, met in Chicago with Rev. Alf M. Kraabel, Chairman of the Board of Trustees of the College. The purpose of the meeting was to establish closer cooperation for the maintenance and development of the College.

Dr. J. C. K. Preus has been asked to present the recommendations of this group to the General Convention of the Norwegian Lutheran Church of America for approval. The Northwestern District of the American Lutheran Church at its meeting held in Portland, Oregon, approved the so-called Chicago plan. This plan was also approved by the Columbia Conference of the Augustana Synod.

For many years the College administration and the Board of Trustees have considered the feasibility of adopting a retirement policy. The faculty has

proposed it, the accreditation authorities have advised it, and the Board of Trustees has now authorized the establishment of such an annuity and retirement plan. The retirement age has been placed at seventy.

In accordance with the established plan, the Board of Trustees, at its April meeting, found it necessary to retire two teachers who had reached the retiring age. These were Mr. N. J. Hong and Mr. P. J. Bardon. Mr. Hong has been connected with the present institution for 31 years, twenty-one as principal of Pacific Lutheran Academy and ten as principal of the High School Division of Pacific Lutheran College. Mr. Bardon has been connected with the school fourteen years, five with the Pacific Lutheran Academy and nine with the College.

It is fitting, we believe, that the corporation make proper recognition of these men's services in the form of a resolution.

Owing to changes in organization and personnel Mr. Michel N. Franck and Mrs. Ruth S. Franck were not re-elected. While both have been on part time until this year, when Mr. Franck was given full-time contract, we recognize the important part they both have played in the work of the College.

We congratulate the committee in charge of the new publication, *The Western Lutheran*, which we view as a forward step in inter-synodical cooperation. We especially wish to compliment Rev. Elmer Johnson and his staff for the fine paper they are publishing. The College is vitally interested in the success of this venture. We feel it is playing an important part in the development of the church work on the coast. It certainly has been an effective medium for promoting the interests of the College. It is our earnest and sincere wish that the Pacific District be able to act favorably on the requests made upon it by the Western Lutheran Publishing Committee.

During the summer of 1936 a total of \$100,839.42 was pledged by citizens of Greater Tacoma for the Library Building. Of this amount \$50,268.04 had been paid on April 2, 1938, and \$50,571.38 was outstanding. The actual investment in the building is \$48,620.90. The third payment is due June 20, 1938.

Excavation for the Library was begun July 22, 1937, and the building was fully inclosed December 15 the same year. The corner-stone was laid October 23, 1937, Rev. A. M. Kraabel, President of the Board of Trustees, presiding. A brief summary of the ceremony is given in the *Saga*, the College Annual, from which we quote:

"The principal address was delivered by President O. A. Tingelstad, who reviewed in detail the history of the Library Campaign and explained the significance of the library to the College and its constituency. He thereupon introduced Prof. N. J. Hong, the oldest teacher at the College, who read the following list of the historical documents to be placed in the stone:

1. The *Bible*, *Lutheran Hymnary*, *Book of Concord*, and President Tingelstad's address.
2. Copies of *Lutheran Herald*, *Lutheran Companion*, and *Lutheran Standard*.
3. Copies of *Pacific Herald*, containing accounts of the

dedication of the College, October 14, 1894, and the celebration of its fortieth anniversary, October 14, 1934.

4. The last issue of *Pacific Herald* and *The Columbia Lutheran* and the first three issues of their successor, *The Western Lutheran*.
5. Copies of *Budbaereren* and the *Journal of the American Lutheran Conference*.
6. A copy of the Constitution of the Pacific Historical Society of the Baltic Peoples.
7. The program of the day, local papers, etc.
8. A complete list of all donations, from 10 cents to \$10,000.

"Thereupon President Tingelstad read the prescribed ritual and declared the corner-stone laid in the name of the Triune God."

That the dormitory facilities for the girls have been very inadequate has long been recognized. This has now at least to some extent been remedied by the acquisition of the Paul A. Preus home, which has been purchased on a self-liquidating plan. The Pacific Lutheran College Auxiliary has made available the first payment in the amount of \$1650. The dormitory will be ready for occupancy at the opening of school next fall.

Several changes were made in the personnel of the faculty of 1937-38. The Reverend Mikkel Lono was added as Vice-President in charge of congregational support in the Pacific District. Mr. Elvin M. Akre was appointed new Dean of Men. Mr. Gunnar J. Malmin replaced Mr. Joseph O. Edwards as Director of Music, with Mrs. Malmin as his assistant in piano. With the resignation of Mr. Ludvig Larson as Business Manager, Mr. Theodore Nelsson was appointed to assume the responsibilities as Business Manager. Mrs. Adah Dapper, director of girls' physical education, has resigned, and Miss Rhoda Hokenstad, a graduate of Pacific Lutheran College and of the University of Washington, will take her place.

The following special matters should also receive the attention of the corporation:

1. The election or re-election of three members to the Board of Trustees. The Board members whose terms expire are the Reverend O. K. Davidson of Portland, Oregon, Mr. A. A. Mykland of Issaquah, Washington, and the Reverend H. J. Thorpe of Eugene, Oregon.
2. The election or re-election of the Board of Visitors.
3. The election or re-election of the auditing committee. The present is composed of Mr. A. Leknes of Stanwood, Washington, and Mr. A. T. Elmer of Tacoma, Washington.
4. The ratification of real estate sales and purchases made during the year.
5. Proper recognition of the services of Mr. Victor Elvestrom, whose connection with the College will terminate on July 31, 1938.

May God bless you in your deliberations.

PHILIP E. HAUGE, Dean.

NOTES ON THE DEAN'S REPORT

1. In compliance with action taken by the Board of Trustees by mail as of June 4, 1938, and approved by the Board in regular meeting on August 2, 1938, President O. A. Tingelstad resumed the full responsibilities as President of Pacific Lutheran College on June 15, 1938, instead of waiting till the termination of the voted leave of absence on September 1, 1938. He still labors under partial disability as a result of his accident. He desires in this connection to express his gratitude to the Board of Trustees for the leave of absence, to the members of the administrative council and others for the lifting of many burdens from his shoulders, and to many friends for kindnesses innumerable shown to him and to Mrs. Tingelstad during the months of incapacitation.

2. To the list of graduates for the year 1937-38 should be added the name of Niels Erik Thorlaksson, of Kobe, Japan, who finished the requirements for graduation from the High School Division on August 12, 1938, thus increasing the membership of the year's graduating class to 76.

3. In the matter of the proposed elimination of the ninth grade in the High School Division of Pacific Lutheran College, the Pacific Lutheran College Association, in annual meeting assembled at Minneapolis, Minnesota, on June 11, 1938, resolved that "the elimination of the ninth grade be referred to the Board of Trustees of the College" (Annual Report, p. 435). On June 25, however, the citizens of Parkland, at the special election, voted down the proposal to establish a junior high school in Parkland. Therefore Pacific Lutheran College continues to offer the ninth grade work.

4. In connection with the one-year pre-nursing course, Miss Katherine Hoffman, R. N., will teach the history of nursing during the first semester and home nursing during the second. The other pre-professional work will be given by regular members of the College staff.

5. In order to balance the operating budget for the year 1937-38, the members of the College staff surrendered \$2,047.94, a voluntary contribution of approximately four per cent. of the year's pay. The Pacific District of the Norwegian Lutheran Church of America had allocated to its constituent congregations the sum of \$4,000.00 for the support of Pacific Lutheran College; but of this amount only \$1,641.16 was paid in during the year; hence the sacrifice by the teachers and other workers at the College.

6. It is planned to report the final disposition of the "Chicago Conference Plan" after action has been taken by the American Lutheran Church in its biennial convention in Sandusky, Ohio, October 14-20, 1938. The other two participating bodies gave their approval in June. The corporate owners of Pacific Lutheran College, on June 11, 1938, adopted the following resolution: "Resolved that the P. L. C. Association acquiesce in and approve of the action of the Norwegian Lutheran Church of America in regard to the so-called Chicago Plan." (Annual Report, p. 434.) The action referred to is embodied in the following resolution:

"Whereas the American Lutheran Church and the Augustana Synod have continued to give indispensable support toward the maintenance of Pacific Lutheran College, and

"Whereas representative officials of these synods have indicated their interest in working out a plan for more complete cooperation, therefore be it now

"Resolution 9. Resolved, that the Norwegian Lutheran Church of America in convention assembled express its sincere appreciation of this spirit of brotherly cooperation, and be it further

"Resolution 10. Resolved, that the so-called Chicago Conference Plan of February 2, 1938, embodied in the report of the Board, be approved by this convention and put into effect when accepted and endorsed by the American Lutheran Church and the Augustana Synod." (Annual Report, p. 49.)

The Chicago Conference Plan is reported in full on pages 39 and 40 of the Annual Report of the Norwegian Lutheran Church of America and contains three main points, as follows:

1. "A closer cooperation in the operation of Pacific Lutheran College to be evidenced by the appointment of a committee as hereinafter provided to carry out such policy."
2. "An advisory Committee is hereby appointed with power to represent the three cooperating church bodies in approving matters submitted by the Board of Trustees in regard to policy, finance, courses, budget, and staff." Dr. Victor Spong, Dr. Henry F. Schuh, and Dr. J. C. K. Preus are named members of this Committee, with the three synodical presidents as advisory members.
3. "That adequate subsidy for the support of the same be equitably distributed among the cooperating bodies."

The above provision for adequate subsidy is, however, followed by five other provisions, as follows:

(a) "Above subsidy to be contingent upon the resolutions of the N. L. C. A." (for the control of indebtedness), as found recorded in two places:

(1) Annual Report, 1934, page 337:

"Whereas, the Report of the Board of Education (page 38) calls attention to the increasing indebtedness of our educational institutions, necessitating the closing of some and threatening the security of others, therefore

"Be It Resolved, That the Church request all departments to ascertain the financial status of their respective institutions and that the Board concerned be given full power to prevent further accumulation of debt even if it should mean the closing of institutions."

(2) Annual Report, 1936, page 88:

"Resolution 11. Resolved, That at the close of their respective fiscal years each of the colleges shall submit to the Board of Education detailed reports covering finance, reductions in tuition, registration, and religious affiliation in addition to monthly financial reports and such other reports as shall be requested by the Board of Education.

"Resolution 12. Be It Further Resolved, That no further payment of appropriation shall be made to any college until the required reports have been received.

"Resolution 14. Resolved, That where reports show that a college is increasing its indebtedness, the Board of Education must take steps to see that the institution can continue to operate in the future without violation of the regulations of the Church. To this end the institution must submit its plans for meeting the situation the following year and have them approved by the Board of Education."

(b) "No capital investment to be made unless cash is on hand and approved by said committee."

(c) "All general solicitations for funds to be approved by above committee."

(d) "An annual and fixed amortization of indebtedness charge to be adopted, which shall be a prior lien upon all income."

(e) "The Board of the College to set up a Budget Committee to establish the annual operating budget and to administer the same."

The minutes of the 1938 convention of the Norwegian Lutheran Church of America (Annual Report, p. 402) for Friday, June 10, 1938, also show that

immediately prior to the adoption of the resolutions concerning the Chicago Conference Plan it was moved, seconded, and carried "that Dr. Preus consult the other participating synods in order to clarify the statement in Resolution 14 (c), page 40."

7. In interpretation of its adopted retirement policy, the Pacific Lutheran College Board of Trustees, on August 2, 1938, adopted the following resolution: "Resolved that it is our interpretation that Professors Hong and Bardon are retired as a result of the application of our retirement policy, and that they shall not be held to render any service to the College except such as they shall voluntarily assume without additional compensation." In view of this interpretation, and in view of the unaltered scope of the curriculum of Pacific Lutheran College (no junior high school having been established in Parkland), and in view of the prospect of continued growth, the question of teaching personnel for 1938-39 may be considered not yet fully settled.

8. The Pacific District, in annual meeting assembled, voted **The Western Lutheran** a subsidy of \$30.00 a month for one year, beginning July 1, 1938; commended the managing editor, the Reverend Elmer M. Johnson, for his fine work, and promised continued support; and elected as members of the Board of Publication of **The Western Lutheran** Mr. E. Tingelstad for two years and the Reverend O. L. Haavik for one year. The Columbia Conference of the Augustana Synod has also voted an annual subsidy.

9. On recommendation of Mr. H. E. Anderson, Treasurer of the Pacific Lutheran College Endowment Fund, the Board of Trustees on August 2, 1938, engaged Mr. C. S. Fynboe to collect endowment and library pledges and to do such other work as may be specified from time to time. He arrived from Dana College, Blair, Nebraska, August 19, and entered upon his new duties promptly on August 22. The Library Building project will accordingly be carried forward as rapidly as possible.

10. The Pacific Lutheran College Association, on June 11, 1938, elected Mr. H. L. J. Dahl, of Parkland, Washington, Mr. A. A. Mykland, of Issaquah, Washington, and the Reverend M. K. Hartmann, of Oakland, California, as trustees for a term of three years; re-elected Mr. A. L. Leknes and Mr. A. T. Elmer as auditing committee; and re-elected all members of the Board of Visitors: the Reverend Theo. Hokenstad, the Reverend Mikkel Lono, the Reverend L. J. Floren, Mrs. R. Bogstad, and Mrs. H. Holte. The Board of Trustees, meeting at Des Moines, Washington, on August 2, 1938, chose its officers for the year 1938-39, as follows: President, the Reverend Alf M. Kraabel (re-elected); Vice-President, Mr. A. A. Mykland (re-elected); Secretary, the Reverend S. J. N. Ylvisaker (re-elected); Treasurer, Mr. F. C. Mason (re-elected); Executive Committee, the Reverend Alf M. Kraabel (re-elected), the Reverend L. Ludwig (re-elected), the Reverend Dr. C. R. Swanson (re-elected), the Reverend S. J. N. Ylvisaker (re-elected), and Mr. H. L. J. Dahl. On the special committee on the reduction or elimination of indebtedness the Board replaced Mr. Paul A. Preus with the Reverend Alf M. Kraabel, as Mr. Preus has moved to Huntingdon, Pennsylvania; on the special Budget Committee the Board named Mr. H. L. J. Dahl in place of the Reverend H. J. Thorpe, the other two members being Mr. A. A. Mykland and the Reverend L. Ludwig. The Board also elected a committee of three from the Pacific District to cooperate with the committees from the Northwestern District and the Columbia Conference in regard to ownership, control and scope of the College; the three elected members of this committee are District President H. L. Foss, Board President Alf M. Kraabel, and Board Vice-President A. A. Mykland, with the first-named as the convener of the three committees.

BIENNIAL REPORT TO THE AMERICAN LUTHERAN CHURCH

In response to official request the Board of Trustees of Pacific Lutheran College respectfully submits the following report for the biennium 1936-1938. God has been good to Pacific Lutheran College and to the Churches represented on its Board of Trustees. To Him all glory and honor!

1. *Personnel*

The Board of Trustees consists of fifteen members, three elected by the Northwestern District of the American Lutheran Church, three elected by the Columbia Conference of the Evangelical Lutheran Augustana Synod, and nine elected by the Pacific District of the Norwegian Lutheran Church of America in corporation meeting assembled as the Pacific Lutheran College Association. The present representatives of the Northwestern District are District President Rev. L. Ludwig (since 1930, with term expiring in 1940), Rev. E. C. Knorr (since 1934, with term expiring in 1944), and Rev. A. R. M. Kettner (since 1936, with term expiring in 1942). The Columbia Conference representatives are Rev. C. R. Swanson (since 1933), Rev. Elmer M. Johnson (since 1935), and Rev. C. S. Odell (since 1936). The Pacific District members are Rev. L. Rasmussen (since 1931), Rev. P. J. Luvaas (since 1933), Rev. S. J. N. Ylvisaker (since 1933), Rev. A. M. Kraabel (since 1934), Mr. F. C. Mason (since 1934), Mr. M. T. Hokenstad (since 1934), Mr. A. A. Mykland (since 1935), Rev. M. K. Hartmann (since 1938, replacing Rev. H. J. Thorpe), and Mr. H. L. J. Dahl (since 1938, replacing Rev. O. K. Davidson, who replaced Mr. R. C. Birkelo in 1937). Officers of the Board (and of the Corporation) are the following: President, Rev. A. M. Kraabel, 1317 N. E. Grand Ave., Portland, Oregon; Vice President, Mr. A. A. Mykland, Issaquah, Washington; Secretary, Rev. S. J. N. Ylvisaker, Stanwood, Washington; Treasurer, Mr. F. C. Mason, 2402 N. Union Ave., Tacoma, Washington; Executive Committee, Rev. L. Ludwig, Dr. C. R. Swanson, Rev. A. M. Kraabel, Rev. S. J. N. Ylvisaker, and Mr. H. L. J. Dahl.

2. *Activities*

The present scope of the work at Pacific Lutheran College includes four years of high-school work, and, in Junior College, two years of Liberal Arts and three years of state-accredited Normal Training. The Corporation (The Pacific Lutheran College Association) in 1931 authorized expansion into a four-year college on certain conditions which have not yet been fully met: \$500,000 productive endowment, definite financial support from the constituents of the American Lutheran Conference, and a satisfactory building expansion program. During the past biennium the Board has authorized a summer session each year in addition to the regular sessions, and, beginning this fall, a one-year pre-nursing course in cooperation with the Tacoma General Hospital.

The enrolment has increased each year without interruption since 1925-26, the yearly figures being 143, 157, 178, 187, 214, 237, 262, 264, 281, 290, 302, 348, 363. The operating budget, on the other hand, has fluctuated widely; it rose steadily, under pressure of state accreditation demands, till it reached \$60,187.58

in 1931-32, then declined under economic pressure to \$40,666.22 in 1933-34, then increased under Northwest Association accreditation requirements to \$60,112.74 in 1936-37, since which time the trend has again been downward to an authorized figure of \$56,200.00 for 1937-38 and \$54,700.00 for 1938-39. Supplementary budgets for field service, interest, and debt service have increased these budget figures to \$70,281.38 in 1931-32, \$50,643.41 in 1934-35, \$69,393.94 in 1936-37, and \$65,700.00 for 1938-39. During the past ten years the College has raised about \$82,000.00 by its own efforts under the auspices of the Pacific Lutheran College Development Association to supplement Church appropriations, endowment income, and income from students, toward a balanced budget, the largest figure for a year being \$16,747.73 for 1929-30, and the smallest being \$3,158.49 for 1935-36. The College thus succeeded in balancing its budget in seven of the ten years, the three exceptions being 1932-33 and 1933-34 (deep depression years) and 1936-37 (the year of the library building campaign); but the College has not yet found it possible to balance its operating budget in cash because of the heavy overhang of open accounts. When permanent accreditation in the Northwest Association of Secondary and Higher Schools had finally been achieved in 1937, the Board of Trustees of the College (in August, 1937) accordingly resolved "that the reduction or elimination of indebtedness be made the next major objective."

The growth of the College with the corresponding need for increased facilities and equipment has resulted in rather heavy indebtedness. The high point of such indebtedness was reached in July 31, 1934, (\$142,248.00). On July 31, 1937, it was \$137,863.64, the latest available audited figure. The total valuation of Pacific Lutheran College on July 31, 1937, was \$276,901.87; the surplus of assets over liabilities was \$139,038.23; and the total capital invested in Pacific Lutheran College (including endowment and building funds) was \$424,464.37. Funds collected for the new Library Classroom Building (demanded by accreditation authorities in 1936) during 1937-38 will bring this capital investment figure near the half-million mark.

The cooperating groups in the Pacific Northwest have found the time ripe for more intensive study of the Pacific Lutheran College situation with respect to finances, ownership, control, scope, and more effective cooperation. The special committees elected for this purpose are constituted as follows: from the Columbia Conference of the Augustana Synod, Dr. C. R. Swanson, Rev. C. S. Odell, Rev. Elmer M. Johnson; from the Northwestern District of the American Lutheran Church, Rev. L. Ludwig, Rev. E. C. Knorr, Rev. A. R. M. Kettner; from the Pacific District of the Norwegian Lutheran Church of America, Rev. H. L. Foss, Rev. A. M. Kraabel, Mr. A. A. Mykland.

Prior to this action the so-called "Chicago Conference Plan" for closer cooperation in the maintenance and development of Pacific Lutheran College was prepared on February 2, 1938, by an unofficial group composed of Dr. E. Poppen, Dr. Henry F. Schuh, Dr. Wm. G. Sadt, and Dr. G. P. Krebs, of the American Lutheran Church, Dr. P. O. Bersell, Dr. Emil Swenson, and Dr. Victor Spong, of the Augustana Synod, and Dr. J. A. Aasgaard, Mr. J. G. Norby, and Dr. J. C. K. Preus, of the Norwegian Lutheran Church of America. Dr. J. C. K. Preus has been asked to present this plan to the 1938 Convention of the American Lutheran Church for the same approval already given it by the other two coop-

erating Church bodies, the three cooperating Pacific Northwest groups, and the Board of Trustees of Pacific Lutheran College.

Other notable events of the biennium 1936-38 include the election and installation (1937) of Rev. Mikkel Lono as Vice President (of the College) in charge of congregational field service in the Pacific District; the development of the annual Institute for Lutheran pastors on the Pacific Coast; the successful completion of the \$100,000 Library campaign in 1936, the corner-stone laying in 1937, and the progress in construction of the "Pacific Lutheran College Library" building to the point of full enclosure; the acquisition of an 18-hole golf course as an addition to the campus; and the adoption of a retirement policy, effective August 1, 1938, for College staff members.

A greater source of encouragement is the healthy spiritual atmosphere in the school and the acceptableness of the product. The service and influence of Professor J. P. Pflueger, teacher of Christianity and philosophy, deserve special recognition here. The influx of students from the American Lutheran Church, represented by 17 students in 1936-37 and by 27 in 1937-38, promises further increase for 1938-39. The teaching staff has remained almost intact through years. Added during the biennium were Miss Gladys Gilbertson, formerly Dean of Women at Wartburg College, as teacher of English (1936); Elvin M. Akre, onetime Dean of Men at Pleasant View Luther College, as Dean of Men (1937) and also as Acting Principal of the High School Division (1938); and Gunnar J. Malmin, of Dana College, who replaced Prof. J. O. Edwards as Director of Music in 1937.

Respectfully submitted on behalf of the Board of Trustees of Pacific Lutheran College.

August 4, 1938.

O. A. TINGELSTAD.

NOTES ON THE ABOVE REPORT

1. The 1937 Summer Session, June 13-August 26, enrolled 54 students. In charge during the first term was Mr. E. Tingelstad; during the second term, Mr. N. J. Hong. The 1938 Summer Session enrolled 58 students. Mr. N. J. Hong was in charge during both terms, June 13-August 12. Dean Philip E. Hauge, Director of the Summer Session, organized the work, but spent both summers in Alaska. Mrs. Irene Dahl Hageness, assisted by Miss Marion Johnson in 1937 and by Miss Esther M. Olson in 1938, had charge of the Registrar's office. In addition to regular members of the teaching staff, special teachers gave courses during the Summer Sessions: Mrs. Katherine M. Grimstead and Mr. Elmer Theron Thune in education both summers, Miss Florence E. Richardson in art and Dr. Marie Malmin Meyer of St. Olaf College in English in 1938.

2. As will be seen from the financial statement for 1937-38, printed elsewhere in this BULLETIN, the total current budget expenditures for 1937-38 amounted to \$70,221.49. This budget was balanced through faculty sacrifice of \$20,477.94, as stated also elsewhere in this Bulletin.

3. Mainly because of the purchase of the Paul A. Preus residence for dormitory purposes, the indebtedness rose to \$145,961.79, the highest figure ever; but said purchase is expected to be a self-liquidating project. The total valuation of Pacific Lutheran College has risen to \$286,717.86; the surplus of assets over liabilities was \$140,756.07 on July 31, 1938, and the total capital investment was \$472,566.88.

4. Because the Library Building is not yet completed to the point of usefulness, the funds invested in it are not yet listed among the fixed assets but are counted in the library building fund as capital investment.

FINANCIAL STATEMENT FOR 1937-38

Current Income for Year Ending July 31, 1938

Tuition (General and Music)	\$ 29,711.07
Room Rent	6,214.62
Physical Education	1,327.73
Book Store	620.06
Laboratory Fees	467.29
Typewriter Rent and Repairs	251.78
Placement Service	245.90
Library Fees	201.93
Sundry	150.00
Transcripts and Credentials	64.00

Net Operating Income	\$ 39,254.38
Norwegian Luth. Church of America Appropriation	12,000.00
P. L. C. Development Association	5,452.28
American Lutheran Church Appropriation	4,104.16
Endowment and Trust Fund Interest	3,596.04
Augustana Synod Appropriation	2,200.31
Pacific Dist. (N. L. C. of A.) Appropriation	1,641.16
Columbia Conference (Augustana) Appropriation	1,600.00
Other Income	324.95
15 per cent of Endowment Collections	36.60
Brown Legacy Interest	11.61

Total Current Income \$ 70,221.49

Current Expenses for Year Ending July 31, 1938

Teachers' Salaries	\$ 43,828.16
Office Expense	6,619.59
Heat, Janitor, and Night Watchman	5,503.83
Advertising	1,658.31
Repairs and Replacements	797.40
Light and Water	661.75
Campus Up-keep	659.33
General Expenses	627.44
Golf Course Up-keep	620.00
Campus Improvement Projects	522.25
Board of Trustees	418.65
Insurance	271.65
Taxes	247.63

Net Operating Expense	\$ 62,435.99
Interest	5,729.48
Traveling Expenses	2,056.02

Total Current Expenses \$ 70,221.49

Increase in Assets

During the Year Ending July 31, 1938

Increase in Cash	\$ 2,066.17
Increase in Inventories	261.47
Increase in Other Current Assets	17.53
Total Increase in Current Assets	\$ 2,345.17
Less Decrease in Accounts and Notes Receivable	983.03
Gross Increase in Current Assets	\$ 1,362.14
Less Increase in Fund Assets	104.79
Net Increase in Current Assets	\$ 1,257.35
Increase in Fixed Assets:	
Library Additions	\$ 1,534.16
Furniture, Fixtures, and Equipment	316.23
Buildings (Girls' Dormitory)	6,464.25
Real Estate	244.00
Total Net Increase in Assets	\$ 9,815.99
Surplus Increased	1,717.84
	<u>\$ 8,098.15</u>

Increase in Liabilities

Increase in Notes Payable	\$ 9,461.71
Increase in Mortgages Payable	3,546.49
Increase in Other Liabilities	375.46
	<u>\$ 13,383.66</u>
Less Decrease in Liabilities:	
Accounts Payable	\$ 4,830.70
Funding Plan Loans	454.81
Total	5,285.51
Total	<u>\$ 8,098.15</u>
Surplus of Assets over Liabilities, July 31, 1937	\$139,038.23
Surplus Increased	1,717.84
Total	<u>\$140,756.07</u>
Surplus of Assets over Liabilities, July 31, 1938	\$140,756.07
Indebtedness Due to Investment in Assets	\$ 84,044.79
Indebtedness Due to Operation	61,917.00
Total Indebtedness, July 31, 1938	145,961.79
Total Valuation of Pac. Luth. College, July 31, 1938	\$286,717.86
Permanent Endowment Fund, July 31, 1938	145,510.24
Library Building Fund	60,649.64
Other Funds	590.34
	<u>\$493,468.08</u>
Trust Fund Investors	\$ 20,210.25
Ferris & Hardgrove	690.95
Total Capital Invested in Pacific Lutheran College	<u>\$472,566.88</u>

Status of Endowment Fund, July 31, 1938

Total Amount Pledged for Five-Year Period		
Beginning 1927	\$290,000.00	
Less Pledges Converted to Library Building Pledges	20,126.89	
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Net Endowment Pledges	\$269,873.11	
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Amount Paid in, July 31, 1937	\$146,354.87	
Amount Paid in During Year Ending July 31, 1938	244.00	
Total Amount Paid in, July 31, 1938	\$146,598.87	
Loans to Pacific Lutheran College	\$ 62,553.82	
Mikkel Lono Real Estate	1,650.50	
Invested in Bonds	56,862.74	
Endowment Expenses in Process of Amortization	23,908.27	
Transferred to Operation (15%)	21,989.83	
Cash Awaiting Investment	534.91	
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	\$167,500.07	
Less Other Funds Invested:		
Trust Fund	\$ 20,210.25	
Ferris & Hardgrove	690.95	20,901.20
	<hr/>	<hr/>
Total Endowment Fund to July 31, 1938		\$146,598.87
		<hr/>
Interest Received on Bonds During Year		
Ending July 31, 1938	\$ 858.44	
Interest on Loans to Pac. Luth. College	3,780.84	
Real Estate Rental	40.00	
Interest on Savings & Loan Accounts	4.90	
	<hr/>	
Total Interest Income for Year		\$ 4,684.18
Distributed to Trust Fund Investors		624.35
		<hr/>
Total Endowment Income for Year		\$ 4,059.83
Interest Paid on Annuities and Loan	\$ 297.20	
Applied to Payment of Life Insurance Premium	207.36	
Applied to Current Operating Expense	3,555.27	\$ 4,059.83
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Please note. After one depression and one recession the endowment fund collection will finally receive its due attention in the coming year, according to latest plans. Cooperation appreciated.



FYNBOE ENTERS OUR FIELD

Mr. Carl S. Fynboe, A. B., (Luther College), after seven years at Dana College and four years in business, took up field work at Pacific Lutheran College on August 22, 1938, for the endowment and the library building project.

ELVESTROM MOVES TO OREGON

After ten years on the field staff of Pacific Lutheran College, the last year and a half on leave, Mr. Victor A. Elvestrom found the claims of business compelling. Headquarters: Portland and Mount Angel, Oregon.



HOKENSTAD SUCCEEDS DAPPER

Miss Rhoda M. Hokenstad, A. B. (University of Washington), 1935 P. L. C. graduate, will direct physical education for women, live in the new dormitory for girls, and be Assistant Dean of Women after summer experience on the staff at Grand Mound.

DAPPER MAKES OREGON HOME

Mrs. Adah H. Dapper, to whom the 1938 SAGA was dedicated after four years' service as director of physical education for women at P. L. C., heeds the call of duty to be homemaker at Eugene, Oregon.



DEBERRY SUCCEEDS HAGENESS

Mrs. Linka Preus DeBerry, 1938 P. L. C. graduate, returns from Minneapolis, Minnesota, on September 1 to be secretary in the Registrar's office, in which she worked in student days, and to be assistant to the Dean of Women in the Main Building.

HAGENESS STILL WILL HELP

Other duties claim Mrs. Irene Dahl Hageness, valued member of the secretarial staff since her graduation from P. L. C. in 1930 and most recently Assistant to the Registrar; but she will not be far away, and P. L. C. will claim her loyal help in emergencies.

