

President Lee's Financial Impact on Washington College



BY CATHERINE ROACH



Key Takeaways



- The Endowment more than tripled during Lee's tenure
- Washington College went from operating in a deficit to operating in a surplus

Why Lee and Finances?



- At Washington and Lee, Lee is known as the man who started the honor system and shaped the culture of the school
- His other contributions to the school are not talked about
- I wanted to see how Lee affected the finance's of Washington College in his time here

What Was Used?



- Treasure's T-Accounts and Daybook
- Financial Reports to the Board
- Lee's Reports to the Board
- Newspaper Advertisements

The Failing College



- Received damage from the Civil War
- Enrollment only at 65 students (1864 Annual Report)
- \$21,608.20 worth of the Endowment was worthless
- \$69,050.49 of the Endowment was left, but it was in the form of securities that were not paying interest and could not be sold (Flood, 1981, p.79)
- Balance of \$1,176.07
 - \$1,850 owed to professors
 - \$2,000 due to professors in January
 - \$500 estimated for repairs (1865 Financial Report)

To the Board of Trustees of Washington College:

The Committee on Finance report that they have carefully examined the Treasurer's report for the fiscal year ending July 1st 1865 and find the same correct and the disbursements sustained by satisfactory vouchers. The report shows a balance in the hands of the Treasurer of \$2,458.20 in Confederate currency. The following statements exhibit the financial condition of the institution.

Student Investments

Virginia State Stock (Cincinnati)		\$20,181.23
Do (Scholarship)		1,495.00
Old James River Stock (College)		50,000.00
J. R. & K. Bonds	"	13,100.00
Virginia State Stock	"	3,982.00
Rockbridge County Bonds	"	1,600.44
S. R. Nav. Bonds	"	2,500.00
Lynchburg Bonds	"	1,000.00
Sale of Lambert Land	"	900.00
		<u>\$94,758.67</u>
Product debt due Bond	\$1,700.00	
" " Loans	400.00	
" " Library Fund	2,000.00	4,100.00
Net Investment		<u>\$90,658.67</u>

The following investments may be regarded as worth less

James River & Kanawha Stock	\$10,000.00
Harmon Bank Stock	1,000.00
Bank of V. Stock	3,550.00
Confederate 7 per cent bonds	2,600.00
" " " "	1,700.00
Balance in Treasurer's hands	2,458.20
	<u>\$21,608.20</u>

Lee Rides Traveller to Lexington



- August 13, 1865-Lee was elected president by the Board of Trustees
- August 24-Lee sends his letter of acceptance
- September 18- Lee arrived in Lexington on Traveller (Flood, 1981, 80,84 &91)



Not Just a Figurehead



- Lee did not want to be only a name
- He wanted to be involved with the school
 - Learned the student's names
 - Observed examinations
- Came up with new ideas for Washington College
 - Journalism Department
 - Modern Languages
- Not only involved with students and academics, but with finances (Crenshaw, 1969)

- Under Lee, Washington College advertised in papers across the country
- Stanton Spectator in 1869

List of Newspapers whose Bills advertising have been rendered.

1867

June 30	Synchburg Daily Republican
July 1	National Intelligencer, Washington D.C.
"	Land we Love, Charlotte, N.C.
"	Charleston Courier
"	Baltimore Gazette
"	Synchburg News
"	Petersburg Daily Express
July 2	Richmond Dispatch
July 2	Charleston, So. Ca., Mercury
" 3	Valley Virginian, Staunton, Va.
"	Louisville Kentucky Democrat
"	" " Journal
"	Winchester Va., Times
"	" " "

Schools.

WASHINGTON COLLEGE,
Lexington, Virginia.

FACULTY:

GENERAL R. E. LEE, PRESIDENT.
 CARTER J. HARRIS, Prof. of Latin.
 JAMES J. WHITE, A. M., Prof. of Greek.
 EDW. S. JOYNS, A. M., Prof. Mod. Languages.
* Prof. English.
 REV. J. L. KIRKPATRICK, D. D.,
 Prof. Moral Philosophy.
 WM. PRESTON JOHNSTON, A. M.,
 Prof. History and English Literature.
 ALEX. L. NELSON, A. M., Prof. Mathematics.
 WM. ALLAN, A. M., Prof. Applied Mathematics.
 RICHARD S. McCULLOCH, A. M.,
 Prof. Natural Philosophy.
 JOHN L. CAMPBELL, A. M., Prof. Chemistry.
† Prof. Applied Chemistry.
 HON. J. W. BROCKENBROUGH, L.L.D., Pr. Law.
 M. W. HUMPHREYS, A. M.,
 Ass't Prof. Latin and Greek.
 RODES MASSIE, A. M.,
 Ass't Prof. Modern Languages.
 DUNCAN C. LYLE, A. M.,
 Ass't Prof. Mathematics.
 CHARLES A. GRAVES, A. M.,
 Ass't Prof. English.
 JOSEPH B. WALKER, Ass't Prof. Chemistry and
 Principal of Business School.

*For the present, the instruction in English is
 divided among the Professors of Moral Philoso-
 phy, Modern Languages, and History, with the
 aid of an Assistant Professor.
 †The duties of this Chair are discharged by the
 Professors of Chemistry and Natural Philosophy.

I. ACADEMIC COURSE.

The College is divided into distinct Schools—
 each fully organized and complete in itself—so as
 to afford the best facilities for rendering the in-
 struction in the several branches of education
 extensive and thorough. The student selects his
 own course of study, under the direction of his
 parent or of the Faculty; but that no motive
 may be wanting to a complete and systematic
 course of education, the separate Schools are so
 arranged that they may be combined into the
 following departments:

1. DEPARTMENT OF ARTS.—This embraces the
 subjects of Latin, Greek, English, Moral Philo-
 sophy, Mathematics, with two others to be elec-
 ted, one from the Literary and one from the Sci-
 entific Schools. The Degree of Bachelor of Arts
 is conferred on the student who successfully com-
 pletes this course.

2. DEPARTMENT OF SCIENCE.—This embraces
 Mathematics, Applied Mathematics, Natural
 Philosophy, Chemistry, French, with one other
 to be elected from the Literary Schools. To this
 course is attached the Degree of Bachelor of Sci-
 ences.

3. DEPARTMENT OF PHILOSOPHY.—This em-
 braces English, Modern Languages, Moral Phi-
 sophy, History and English Literature, with
 two others to be elected, one from the Literary
 and one from the Scientific Schools. To this
 course is attached the Degree of Bachelor of
 Philosophy.

The Degree of MASTER OF ARTS is conferred
 on Students who have completed the course of
 study in nine of the Schools, and have taken dis-
 tinctions in seven of these.

II. PROFESSIONAL COURSE.
 The Departments of Engineering were organ-
 ized after the war to meet a want long felt in
 the South of the highest grade of scientific in-
 struction in these important professions. They are
 now in full and successful operation.

1. DEPARTMENT OF CIVIL ENGINEERING.—
 This embraces Mathematics, Applied Mathemat-
 ics, Physics, Mechanics, Chemistry, French, En-
 glish, Drawing and Astronomy. Students who
 successfully complete this course, receive the di-
 ploma of Civil Engineer.

2. DEPARTMENT OF MINING ENGINEERING.—
 This embraces Mathematics, Applied Mathemat-
 ics, Physics, Chemistry, Mineralogy and Geolo-
 gy, Metallurgy, Mining, German and English.
 To this course is attached the diploma of Mining
 Engineer.

It is proposed still further to extend the Prac-
 tical and Scientific Departments in the direction

Increase in Student Body



Year	Student Body
1864	65
1866	146
1867	399
1868	411
1869	348
1870	345

1864 Annual Report, Special Collections of Leyburn Library, Board of Trustee Papers, Folder 158

Lee, Robert E. 1866 Report to the Board of Trustees. Special Collections of Leyburn Library. Trustee's Papers, Folder 163.

Lee, Robert E. 1867 Report to the Board of Trustees. Special Collections of Leyburn Library. Trustee's Papers, Folder 168.

Lee, Robert E. 1868 Report to the Board of Trustees. Special Collections of Leyburn Library. Trustee's Papers, Folder 172.

Lee, Robert E. 1869 Report to the Board of Trustees. Special Collections of Leyburn Library. Trustee's Papers, Folder 178.

Lee, Robert E. 1870 Report to the Board of Trustees. Special Collections of Leyburn Library. Campbell Collection Box 2, Folder 13

Fundraising



- Donations because of Lee's name, his efforts, agents, or a combination of the three
- George Peabody gave \$60,000 because of his admiration of General Lee (Crenshaw, 1969,p.170)



- Cyrus McCormick gave \$10,000 because Lee was named President
 - This was used to create “The McCormick Professorship of Experimental Philosophy & Practical Mechanics” (Crenshaw, 1969, p.170)

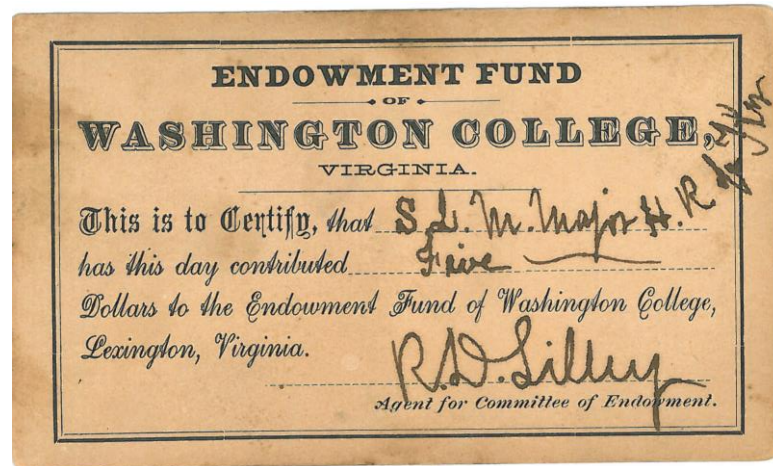
The selection you have made of a President and head of the Institution is more than worthy of the position and of the Trustees who made it. His name, fame and merits will doubtless prove a tower of strength to the cause.

I have concluded to propose to you now a donation of Ten Thousand Dollars reserving the privilege of adding to it hereafter as proposed by you should it be found "convenient" to do so when it shall become more clear that the full compliment of Professorships embraced in your plans will be met by corresponding contributions. And this, as General Lee kindly suggests, may so far apply in stimulating others.

C. H. McCormick

Endowment Growth

- Agents including R.D. Lilley were sent across the country and to England to fundraise
- Endowment Account in the Treasurer's T-accounts show who gave money
 - Include people from New Orleans, Texas, Memphis, Rockbridge County



Dr. Indentment Account Cr.

1866			1867		
July 15	To Co. Allow No 1	500 00	July 1	By bal. last Rept.	10.584 12
Aug. 4	" Rev. Walton " 2	200 00	" 18	" Rev. Walton	500 00
July 6	" Meiler & Franklin	4983 00	Aug 1	" Do	1000 00
Aug. 1	" Rev. Walton, Bond	100 00	" "	" D. White	100 00
" 15	" John T. Lilly	800 00	" 30	" D. T. Chandler	150 00
" "	" D. White - Bond	100 00	Sept 12	" E. C. Morby	200 00
" 21	" W. D. Cooke " 3	250 00	Oct 31	" Rev. Stuart	3.183 12
Sept 5	" W. Allow " 4	500 00	" "	" Rev. Walton	
" 29	" Robt. E. Beeton	300 00	Nov 5	" Dr. Jackson's bond	500 00
Oct. 31	" Rev. Stuart " 5	183 12	" "	" Dr. McKibbins "	500 00
" "	" E. P. Walton " 6	200 00	1867 July	" Lilly, Leavenworth "	250 00
Nov 21	" " W. D. Cooke " 7	50 00	" 18	" Dr. Williams "	400 00
" "	" " Same for Walton " 8	10 00	" "	" Do	250 00
1867 Jan'y 16	" " Mrs. M. Langhlin " 9	121 50	Apr 25	" Do	125 00
" "	" " Rev. Walton		May 17	" Do	250 00
" "	" " Dr. Jackson's Bond	500 00	" 31	" McCampbell debt	265 00
" "	" " Dr. McKibbins "	500 00	June	" Lilly	100 00
July	" " Lilly - Leavenworth "	250 00	" 11	" Do	75 00
" 18	" " Dr. Williams "	400 00	May 1	" Rockbridge Co.	1400 00
	Balance	9.060 52	June 17	" Lilly for Christian	50 00
			" 18	" E. C. Morby "	250 00



In this case around
\$740 given to the
school

Gave to the school
because of Lee

Felt allegiance to Lee
and wanted to
support him

WHEREAS, the Trustees of WASHINGTON COLLEGE, are endeavoring to establish under the direction of GEN. R. E. LEE, a complete Institution of learning for the benefit of the youth of the country, and are greatly in need of funds to carry out their plans, we, the undersigned, Confederate Soldiers and their friends, contribute the sums opposite our names, as a donation to the "Lee Endowment Fund" of said Institution, and respectfully designate that the fund thus raised be set apart to endow the Presidency of the same.

Though the amounts are not large, we give them to manifest our interest in the success of this great educational institution, presided over by our noble leader, the christian soldier, and gentleman of the age.

W. J. Whitthouse, private Co. H 1st Tenn. V. I., Columbia, Tenn.,	\$11 00
Jno Pickard, 1st Lt. 4th Tenn., Columbia, Tenn.	10 00
J. M. Potts, Columbia, Tenn.,	5 00
D. E. Love, Nashville, Tenn.,	5 00
Terry H. Cahal, A. A. Q. G., Stuart's Corps, A. T., Nashville Tenn.,	5 00
F. E. Ritchie, 2d Ky. Cav., Louisville, Ky.,	5 00
Thomas Darden, 23d Va., Memphis, Tenn.,	5 00
D. P. Faulds, Louisville, Ky.,	5 00
Wm. L. Jackson, Brig. Gen. A. N. V., Louisville, Ky.,	10 00
John D. Morris, Col. A. N. V., Louisville, Ky.,	5 00
S. B. Buckner, Lt. Gen'l. C. S. A., Louisville, Ky.,	5 00
A. E. Richards, Maj. "Mosby's Partisan Rangers," Louisville, Ky.,	5 00
J. S. Harrison, Capt. Co. D, 2d V. Infantry, Stonewall Brigade, A. N. V., Louisville, Ky.	5 00
A. B. Snell, Capt. Com. Sharp Shooters, Claborne's Division, Louisville, Ky.,	5 00
Jas. M. Kennard, Col. & Chief Ord. Officer, Army Tennessee, Louisville Ky.,	1 00
Moses Gibson, Co. G. 2d Va. Reg., Jackson's Division, Louisville, Ky.,	10 00
J. L. Deppen, 4th and Market, Louisville, Ky.,	5 00
D. B. Harris, Louisville, Ky.,	10 00
J. J. Clemens, Louisville, Ky.,	5 00
W. A. Owen and Wife, Louisville, Ky.,	5 00
James Hunter, Louisville, Ky.,	5 00
Fayette Hewitt, Q. M. Gen. of Ky., Frankfort, Ky.,	10 00
James T. Berry, Newport, Ky.,	5 00
John B. Pirtle, Capt. & A. A. G., Army Tennessee, Louisville, Ky.,	5 00
F. G. Allen, Maj. 2d Tenn. Infantry, Louisville, Ky.,	3 00
	5 00

Confederate Soldiers donate



Lee wrote multiple letters to fundraise and encourage others to fundraise for the school

In this particular letter he describes the state of the school and the state of the Endowment

The College suffered much in its buildings, libraries, and laboratories during the war; and its friends are laboring diligently to repair its losses. Its buildings have been restored, and the Chemical and philosophical apparatus partially replaced. The shelves of its libraries are still unfilled. The College is in successful operation, however; and I have no apprehension as to its future prosperity, or "permanent existence." Notwithstanding the difficulties under which it labors, and the embarrassment of the times, it has now more students than it has ever numbered. In addition to the buildings and grounds of the College, the permanent funds constituting its endowment, and invested in Virginia State securities, amount to one hundred thousand dollars (\$100,000). One half this amount was given to the College by Genl. Washington; the

Lee the Fundraiser

The Endowment more than Triples



- 1865- Endowment is at \$69,050.49 (1865 Financial Report)
- 1870- Increased to \$216,312.09 (1870 Financial Report)
 - That is a 213% increase in 5 years
- The increased Endowment resulted in more investments that paid interest and a larger fund that the school could draw from if it needed to

Endowment Change



Year	Endowment	Percent Change
1865	\$69,050.49	-
1866	\$166,082.76	141%
1867	\$234,207.36	41%
1868	\$251,857.20	8%
1870	\$216,312.09	-14%
Change from 1865 to 1870	+147261.60	213%

Washington College Virginia

June 22^d. 1870

Rev. John W. Brockmeyer O. Rector;

The Finance Committee report that they
have carefully examined the Treasurer's report and
find it correct.

The following statement shows the amounts
of the College which may be regarded as secured

W. State securities	\$ 91,758.23
Equalling bonds	7,720.00
J. R. & K. Co.	3,200.00
Patent law	1,000.00
Murphy City	500.00
Murphy & Ohio R. R.	1,000.00
Sum of Lexington	3,260.00
Public securities	\$ 109,438.23
Bonds in W.	17,245.47
" in St. Louis	9,200.00
" mortgage notes in St. Louis	2,870.00
" in Little Rock	1,000.00
" in Lucas	20,500.00
" in N. C.	2,709.39
" in Kentucky	5,100.00
" in Colerainville Tenn	500.00
" in Kentucky	8,730.00
" Mo.	22,295.00
" in Ohio, New York &c	12,625.00
" S. W. M. Council	5,000.00
	\$ 246,312.09

Financial Reports



Year	Amount of Funds
1866	-\$1237.37
1867	\$2,039.59, but it was used for building projects
1868	\$2,330.00.
1870	\$2,011
Change from 1866 to 1870	+\$3,248.37

To the Hon: John W. Brockenough Rector
of Washington College:

The Committee on Finance deem it
unnecessary to submit to the present meeting a
detailed statement of the financial operations of
the present year. The following statement will
show the probable receipts and disbursements
for the remainder of the current year.

Receipts

18 mt. ind. state securities	\$7,988.76
6 mt. int ⁿ on Rockledge land	118.00
6 mt. int ⁿ on N. P. lands	75.00
12 mt. int ⁿ on Lynellow land	60.00
6 mt. int ⁿ on Private lands	207.00
5 ¹ / ₂ year int ⁿ on \$1500. " State bonds	495.00
2 mt. int ⁿ on \$26,977. ⁰⁰ to be received	269.77
	<u>\$9,635.03</u>

Liabilities

Unw. Pres ^t & Prof. salaries	\$4,150.00
Same tuition	1,366.50
int ⁿ to Library fund	180.00
int ⁿ to Debt & Interest	276.00
Secy & Treas ^r	80.00
Endowment fund	3,487.20
Library fund	556.70
Students' deficits	102.00
Repairs	66.00
Salaries	94.00
Notes rec ^d	30.00
Secy's salary 1862-3-4	90.00
Advertising	90.00
	<u>\$10,872.40</u>

leaving a deficiency of \$1,237.37 which will be
regarded a gratifying result when it is recalled
that we commenced the year without a dollar in

1870 Surplus



The income of the College for minister may be stated at \$13,000.00

There is charged there

Principals salary	\$3,000.00
4 Prof.	3,200.00
4 Prof.	4,000.00
Secy & Treas.	3,000.00
Wages	90.00
	<u>\$10,990.00</u>
	\$2,010.00

Reasons for change



- A 62.5% change in funds from 1866-1870
- Expenses stay around the same, around \$11,000
- Receipts increase
 - \$9,635.03 in 1866
 - \$13,000 in 1870
- Endowment increase resulted in more investments and bonds which paid interest
 - The interest payments were a main source of income for Washington College

Financial Impact



- The increased Endowment and enrollment allowed for new academic programs, professorships, and buildings
 - Lee Chapel was built
 - Lee House Built
 - Journalism program
 - Cyrus McCormick Professorship

