
UNITED STATES DEPARTMENT OF LABOR

Frances Perkins, Secretary

BUREAU OF LABOR STATISTICS

Isador Lubin, Commissioner (on leave)

A. F. Hinrichs, Acting Commissioner

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Student Cooperatives in the
United States, 1941



Bulletin No. 740

{Reprinted from the Monthly Labor Review, April 1943, with additional data}

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LETTER OF TRANSMITTAL

**UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., April 19, 1943.**

The SECRETARY OF LABOR:

I have the honor to transmit herewith a report on student cooperatives in the United States, a study made jointly by the University of Maryland and the Bureau of Labor Statistics.

A. F. HINRICHS, *Acting Commissioner.*

**Hon. FRANCES PERKINS,
*Secretary of Labor.***

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PREFACE

The present survey of campus cooperatives was initiated in the spring of 1941, when the Bureau of Labor Statistics was approached by members of the faculty of the College of Commerce of the University of Maryland, proposing a joint study by the Bureau and the University. In the University of Maryland, as in other schools, numerous students had to drop out each year because of insufficient funds to pay their necessary expenses. Knowing that the problem had been met, in other places, by the formation of cooperative associations which undertook to provide their members with board and room at very low costs, it was proposed to study the various types of organizations. It was thought that the data obtained should yield information on the basis of which it would be possible to draw up a set of guiding principles, procedures, and bylaws for use at the University of Maryland and also by student groups elsewhere.

At the time the study was undertaken the University of Maryland was offering a 4-year course in cooperation and, in order to afford the enrollees experience and first-hand data, it was agreed that their services would be utilized to the greatest possible extent. The students, under the direction of their instructors, sent out preliminary inquiries to approximately 1,700 colleges and universities throughout the United States to ascertain what, if any, cooperative activity was being carried on on their campus. Names of cooperatives thus obtained were added to the list of student cooperatives that had been compiled by the Bureau of Labor Statistics in the course of its work over many years. The Bureau's list also included the names of a considerable number of cooperatives in schools of less than college rank.

A series of three questionnaires was drawn up jointly by the Bureau and the University. One of these covered general information common to all student cooperatives and the other two called for supplementary data on points pertinent to the book and supply associations and to the rooming and boarding cooperatives, respectively. These were sent by the students to all of the organizations on the combined list in the spring of 1942, to obtain data on operations in 1941. Follow-up requests to nonreporting associations were sent out later.

It had been planned that the students would also do the work of checking in and editing the returns, determine the cooperative status of the reporting organizations, tabulate the data, and eventually help to draw up the final report. Unfortunately the school year drew to a close before this could be done, the professors who had been directing the study went into war activities, and the Bureau of Labor Statistics therefore undertook the tabulation of the collected data and the writing of the present report. The study owes its inception to Prof. Lincoln Clark, then at the University, now in the War Production Board. The work of obtaining the basic information was done under the direction of Professor Clark and Prof. Victor W. Bennett. The report itself was prepared by Florence E. Parker of the Bureau of Labor Statistics.

A. F. HINRICHS,
Acting Commissioner.

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United States Bureau of Labor Statistics*

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**STUDENT COOPERATIVES IN THE UNITED STATES,
1941**

Summary

THERE was comparatively little cooperative activity in American colleges until the depression that started in 1929. Prior to that time a number of college bookstores had been started—some dating back to the 1880's and 1890's—which operated on a more or less cooperative basis. Some of these had grown to considerable size but not, generally, as a result of any great student activity in the organization.

STUDENT COOPERATIVES IN THE DEPRESSION

The student working his way through college has always been common in most educational institutions in the United States. The plight of this type of student, as well as that of students whose parents were barely able to finance an education for their children, became more and more acute as the depression progressed. It was a situation that called for exercise of all the ingenuity that could be summoned and for trying new techniques to cut student living costs. This situation gave rise to the so-called cooperative house or "living" organization, whereby these needy students could pool their scanty funds and, by doing all the work themselves, provide board and shelter for the group.

One writer thus describes ¹ the situation out of which the earliest of the cooperative houses grew:

Incomes from home were shrinking away to nothing; worse, the jobs upon which so many of them depended to carry them through the college year were disappearing as the army of unemployed grew.

In 1933 some of these boys were putting up a desperate struggle. They lived in the cheapest of rooms, ate at the meanest lunch counters, and too many times went to class hungry. One of them had lived for 2 weeks on a diet of bread and apples. That spring a lot of these ambitious boys saw no chance of coming back the following fall.

The "cooperative house" provided an opportunity for the student with determination to continue. In one such case, the college—a vocational school—gave a group of students a 10-year lease on a plot of ground on the campus and the boys built themselves a house and made much of the furniture in it. As most of them came from farm homes where food was plentiful, though cash was not, they contributed fresh and home-canned fruits and vegetables and one boy

¹ Bertram B. Fowler in *Survey Graphic*, June 1939.

even brought a cow. Additional food was raised in the boys' own kitchen garden.

In another institution a group of 12 students acting on the suggestion of a faculty adviser rented a long-vacant dilapidated house, made an arrangement with the owner whereby he furnished materials, and not only put the house in repair but sank a well and made water connections. Furniture and furnishings either were made by the boys or were brought from home. This association was successful from the first and became the pattern for many other similar groups on the same campus, until finally all the suitable nearby housing was exhausted and the college itself undertook the construction of additional buildings which are operated on a semicooperative basis.

In a western university the student cooperative housing movement started during the worst of the depression (in 1933) when a small group of students pooled their meager resources, rented a house, and began to furnish their own meals, in order that they might continue their education. From that small beginning the group has expanded year by year, reaching a membership of over 650 in 1941. It has taken over, one after another, five apartment houses, converting the apartments into sleeping rooms for the members. All of the buying is done through one office and it is reported that the food for three of the houses is prepared in one kitchen.

DEVELOPMENT OF STUDENT COOPERATIVES

The movement thus started continued to expand through 1941, when it was halted by conditions arising out of the war. Some of the associations grew out of the economic necessity of the members as noted above. Others arose from the members' interest in the cooperative movement, resulting from their academic studies or from informal discussion groups of their own.

Some of the leaders in the campus cooperative movement were interested to find out what students at other schools were doing and made contacts by correspondence or personal visit. These early contacts led to several conferences of delegates from the student cooperatives in several areas, at which experiences were exchanged and common problems discussed. Out of these conferences grew the three regional leagues of campus cooperatives now in existence—the Midwest Federation of Student Cooperatives (1939), the Pacific Coast Student Cooperative League (1940), and the Central League of Campus Co-ops (1940).

At the end of 1941 there were nearly 300 active student cooperatives on 144 campuses in 44 States. In addition there were many educational institutions where the college itself provided so-called "cooperative houses" or dormitories, selecting as residents deserving students who "cooperated" to the extent of performing the necessary household duties and thus reducing their living expenses, but had no control over the actual management of the organization.²

On the basis of a study recently completed, made jointly by the University of Maryland and the Bureau of Labor Statistics, it is estimated that in 1941 about 50,000 students were members of campus cooperatives and that these student enterprises did a business of over \$6,000,000 in that year. Of the associations furnishing meals,

² The Bureau has record of 210 such cooperative groups. Schedules were received from 44 of these, with a membership of 4,165 in 1941; 30 of them had a combined business of \$360,149 in that year.

112, with 6,940 members, reported they had served over 138,000 meals per week during the school year.

In certain of the cooperative houses some of the members not only carried out their share of the work, but earned part of the cash cost of their board and room by performing extra tasks. In addition many of the students were working outside to earn at least part of their expenses. There is one student cooperative on the Pacific coast the function of which is to obtain paid jobs for the members. A student housing association in the Southwest reported that 40 percent of its members earned all of their expenses and 75 percent earned more than half. A Kansas association stated that most of its members have outside paid employment; in fact they have built up a local reputation for their reliable services, so that when anyone has some work to be done he calls upon the cooperative.

Social disadvantages that might attach to organizations so obviously designed for students on a lower-than-average economic level are dispelled by emphasis on character and scholarship and by a program of social and athletic events during the school year. Where there are several student cooperatives on the campus, social activities are generally carried on jointly and on a few campuses there are intercooperative councils. Joint purchasing of food and other supplies is also done for the purpose of economy in buying.

The levels of scholarship attained by the members of these houses—quite largely students who are earning all or part of their expenses—is a matter of justifiable pride to the associations. Report after report pointed out that on the basis of the average grade of the residents the association was at or near the top, among the various organizations represented on the campus.

Although the "living" associations are generally started by the needier students who must make every penny count, the 84 associations that reported as to equipment owned had accumulated furniture and other household equipment amounting to \$145,230. Assets totaling \$2,180,231 were reported by 87 associations, and the members of 49 cooperatives owned an equity (members' capital, reserves, surplus, and undivided earnings) amounting to \$1,141,429.

The 181 associations reporting in the study represented 114 educational institutions in the United States. These included cooperatives in 39 universities (of which 25 were State universities), 14 theological schools, 50 colleges (of which 6 were teachers' colleges), 2 institutes (other than theological), 5 junior colleges, and 4 schools of less than junior-college rank. Five Negro educational institutions were represented among the reporting associations.

Kinds of Cooperative and Joint Activity in Schools

The student cooperatives include not only the stores handling books and students' supplies, eating clubs (which do not run rooming houses), and associations providing both board and room, but also several credit unions, a valet association, and a few associations which (beginning as eating clubs, bookstores, etc.) have expanded into general supply associations serving the whole locality. Until the war intervened, the "living" association was the most rapidly growing form of student cooperative, for it provided assistance at precisely the point of heaviest expense and thus enabled many students to continue their education who would otherwise have had to leave college.

The organizations from which reports were received fell into three types, the organization and operation of which may be briefly described as follows:

1. In some cases the college provides the premises (house, dormitory, or store), undertakes responsibility for management, and provides services for a low, fixed fee (also meeting such deficits as may occur). If the enterprise is one providing living accommodations the residents are chosen by the college from among the needier students, on the basis of character and scholarship. Their "cooperative" activity consists of working together in the household tasks, thus earning at least part of their expenses. There may be an association of students in connection with the enterprise and it may have a certain leeway regarding household matters; however, final control on all points is vested in the college. In this survey all organizations of this type were discarded as not being genuinely cooperative.³

2. Organizations considerably more cooperative in nature and operation are found in some colleges where the students live in a building rented from the college, and operate the enterprise, under the general supervision of a college-appointed house mother. In these cases there is a student cooperative association with board of directors, and all the practical details and problems connected with the house are settled either by the board or by the members in membership meeting. The college, however, has majority representation on the board and a deciding voice (where it chooses to exercise it) in the selection of the resident members. There is usually some subsidy by the college (such as payment of house mother's salary, etc.). These associations were classed as semicooperative and were included in the tabulations.

3. The third type was cooperative in all respects. The students had initiated the enterprise, were operating it themselves on a self-supporting basis, and had final and complete control of the policies and actions. Many of these had some faculty members on the board. In some associations these were elected by the faculty members of the cooperative, in others they were elected by the total membership; in either case they served as representatives of the members, not of the college. In other associations certain members of the faculty were chosen by the students and served in an advisory capacity only.

A distinctly friendly and encouraging attitude on the part of most colleges toward the student cooperatives on their campuses is evident from the reports at hand. Often, individual professors or the faculty as a whole have been responsible for starting the organization or have given great assistance in getting it under way. In some cases the college itself has advanced loans as the original capital. Faculty advisers have done a great deal by their interest and advice to keep the local cooperatives operating on an even keel. Only one association reported a really unfriendly attitude on the part of the educational institution whose students it served, and only a few associations reported indifference or general lack of interest.

A few cooperatives were initiated by or suggested to the students by teachers in the school, with the idea of giving the pupils some experience in running a business enterprise.

Most of the cooperatives stand on their own feet, paying all of their own operating expenses. A few, as noted, are subsidized to a certain extent by the institution whose campus they serve. Thus, the college

³ See footnote 2, page 2.

may provide space and heat for a bookstore or eating club and possibly also furnish light. One college helps to pay the salary of the cooperative manager by offering a scholarship of \$100 each semester; the cooperative pays the rest of his remuneration. Such cases are infrequent, however, and even some of the favored associations feel that the arrangement restricts their independence and subjects them to too much college control.

In some schools one or more of the cooperative houses have had advice and assistance from groups or organizations outside the campus. Among the associations reporting in this study were houses sponsored by the Associated Students of the college, 4-H Clubs, Y. W. C. A. or Y. M. C. A., college alumni, Association of University Women, local business clubs, etc. At the University of Texas many of the houses have been built for the cooperatives by organized assistance from the people of the counties from which the residents have come; the associations incorporate in their names the name of the sponsoring county.

Geographical Distribution of Associations and Membership

Of 297 students' associations known to the Bureau, 181 furnished usable reports. As indicated in table 1, nearly 70 percent (124) of the reporting associations were eating clubs or associations furnishing rooms either with or without board, 47 were store associations handling books and students' supplies or other commodities, 4 were credit unions, 5 were educational bodies, and 1 was a cleaning and pressing association. Generally, each association had a single place of business. However, one of the bookstore associations has several branches, and a small proportion of rooming-house associations each operate a number of houses. Thus, in one university one association has 6 buildings and another runs 2. Associations in other places run 2, 5, 9, and 16 dwellings each. In the typical association providing lodging and board the membership consists of the residents of one house, and the average size (66) of these associations is therefore considerably below that of the other types. However, that average includes several associations operating more than one house and 4 associations operating from 5 to 16 each; in the individual associations membership ranged from 9 to 666. Among the book and supply cooperatives the range was from 10 to 14,345 and the average 1,006.

TABLE 1.—*Membership of Reporting Student Cooperatives, by Type, 1941*

Commodity or service provided	Total number of associations reporting	Membership		
		Associations reporting membership	Number of members	Average per association
All types.....	181	154	41,627	270
Books and students' supplies.....	43	32	32,194	1,006
Other supplies.....	4	4	360	90
Rooms and/or meals.....	124	116	7,642	66
Loans.....	4	1	281	281
Other.....	6	1	1,150	1,150

As indicated in table 2, the largest numbers of associations were found in Illinois (40), California (24), and Michigan (23). Five other States (New York, Ohio, Oregon, Texas, and Wisconsin) had over 10 associations each.

TABLE 2.—*Geographic Distribution of Student Cooperatives and of Membership, 1941*

State	Total number of known associations	Reporting associations				Membership	
		Total	Book and supply	Rooming and/or boarding	Other	Number of associations reporting	Members
Total	297	181	47	124	10	154	41,627
Alabama.....	3	1	1			1	140
Arizona.....	2	2	1	1		2	2,430
Arkansas.....	6	6		6		6	300
California.....	24	18	7	10	1	12	2,189
Colorado.....	10	4		4		3	77
Connecticut.....	2	2	2			2	3,950
District of Columbia.....	1	1	1			1	300
Florida.....	2	1			1	1	281
Georgia.....	8	4	1	1 ³		3	605
Idaho.....	2	1		1		1	118
Illinois.....	40	28	17	19	2	24	1,576
Indiana.....	5	5	1	4		5	633
Iowa.....	2						
Kansas.....	8	2		2		2	102
Kentucky.....	4	2	2			1	110
Louisiana.....	5						
Maryland.....	2	2	1		1	1	100
Massachusetts.....	8	4	3	1		4	15,265
Michigan.....	23	12		12		13	349
Minnesota.....	9	7		5	2	5	301
Mississippi.....	3	1	1				
Missouri.....	5	1		1		1	60
Montana.....	2	2		2		3	225
Nebraska.....	5	5		5		5	168
New Hampshire.....	1						
New Jersey.....	6	4	2	2		2	3,528
New Mexico.....	1	1		1		1	27
New York.....	13	6	3	3		4	169
North Carolina.....	5	2		2		1	25
North Dakota.....	2	1		1		1	36
Ohio.....	14	12	3	7	2	11	1,960
Oklahoma.....	3	2		2		2	394
Oregon.....	12	6	1	5		6	3,602
Pennsylvania.....	7	5	3	2		4	479
Rhode Island.....	1	1	1				
South Carolina.....	3	1	1			1	110
South Dakota.....	1	1	1			1	300
Tennessee.....	2	1		1		1	50
Texas.....	20	14	2	12		11	367
Utah.....	1	1		1		1	120
Vermont.....	1	1	1			1	388
Virginia.....	3	1			1		
Washington.....	2	2		2		2	321
Wisconsin.....	17	8	1	7		8	382
Wyoming.....	1						

¹ Includes 1 which also handles books, etc.

³ Includes 1 which also provides meals.

Age of Associations

The bookstores are a much older form of student cooperative than are the associations providing meals and lodging. Of 31 bookstores for which the year of formation is known, 4 had been in existence since

before 1900 and 3 were formed between 1901 and 1920. For the whole group the average age was 13½ years.

Among the lodging associations, the oldest reporting dated only from 1926, and it was not until the middle of the depression that these associations began to be formed in any number. Of 101 associations reporting year of formation, 74 had been started since 1936. For the whole group the average age was just under 4 years.

Kind and Amount of Business

Goods and services provided.—Practically all of the cooperatives dealing in books and students' supplies carried both new and second-hand books, nearly half also handled fiction, and about one-fourth sold magazines. Smokers' supplies, sports goods, and candy were also among the commodities more commonly handled. Less frequently these associations had a soda fountain or lunch counter, provided laundry or dry-cleaning service or shoe repair, and handled stationery, notions, etc. One of the oldest student-supply associations had become practically a department store, handling all the articles common to such a store.

Among the supply associations was one that had widened both its services and its membership until it was serving the whole community with groceries, books, and such services as shoe repair, laundry agency, and dry cleaning. Two associations provided free mail boxes and other post-office service for members.

Generally there is a clear-cut distinction between the book and supply cooperatives and the cooperative houses. However, as noted, several bookstores had started a lunch counter or cafeteria and a few of the rooming houses had started the sale of books and supplies on a small scale. Among the "other supplies" associations noted in the table are cooperatives which do purchasing of supplies for local fraternities, sororities, and student housing and eating clubs on the campus.

Most of the book and supply associations extend their services to nonmembers as well as members. Many of the eating clubs follow this practice also. The associations providing lodgings generally serve members only; however, if the association provides meals as well and if the dining-room facilities permit, it may have nonresident boarding members and may also serve nonmembers coming in from outside.

As to accommodations provided, some of the associations had only a single sleeping room—dormitory style—but provided study quarters in smaller rooms to each of which several students were assigned. At the other extreme were associations providing sleeping accommodations for several hundred members either in dormitories or in smaller rooms or both; all of these large associations were operating more than one house. Generally, among the reporting associations there were 2 to 4 students per sleeping room.

Only 35 associations reported that they had space for additional members; these could have accommodated 254 more persons. One

large association had a long waiting list from which new members were admitted, as vacancies occurred, in order of seniority on the list.⁴

Amount of business.—A business of \$4,674,092 was done in 1941 by the 132 student cooperatives that furnished reports on this point (table 3). Although the associations handling books and students' supplies accounted for nearly 74 percent of the total, this is mainly because of the inclusion of one very large association whose business formed nearly half of the whole students' supply total. Elimination of this association would reduce the average sales per association for the group from \$90,998 to \$55,071.

TABLE 3.—*Business, Earnings, and Patronage Refunds of Student Cooperatives, 1941*

Commodity or service provided	Business or gross income			Net earnings (after subtracting losses)		Patronage refunds	
	Number of associations reporting	Amount	Average per association	Number of associations reporting	Amount	Number of associations reporting	Amount
All types.....	132	\$4, 674, 092	\$35, 410	91	\$230, 331	48	\$133, 437
Books and students' supplies.....	38	3, 457, 925	90, 998	32	201, 892	15	124, 151
Other supplies.....	3	260, 749	86, 916	2	2, 187	3	2, 232
Rooms and/or meals.....	89	919, 544	10, 332	55	25, 001	29	6, 554
Loans.....	1	21, 941	21, 941	1	695	-----	-----
Other.....	1	13, 933	13, 933	1	556	1	500

Net earnings of \$230,779 were reported by 87 associations and losses aggregating \$448 by 4 associations (1 bookstore and 3 living associations)—a combined "net" of \$230,331 for the 91 associations. Fifteen associations reported that they just broke even. About 88 percent of the combined net was accounted for by the organizations selling books and students' supplies. The comparatively low net earnings shown by the associations providing room and board results from the practice in a large proportion of associations of setting the charges at as near cost as possible, so that there is little or no net margin.

Only 48 associations reported the return of patronage refunds on the 1941 business. The total returned by these associations amounted to \$133,437. This was largely from the book and students' supply group, and here, again, over 90 percent from one very large association.

Similar data, by States, are shown in table 4.

⁴ The situation as thus reported related to conditions in the spring of 1942. As this report is written (in the spring of 1943) the situation has changed considerably. Instead of having to find larger and larger buildings to accommodate an increasing membership, decreased college enrollments have changed the problem into one of finding a sufficient membership to keep the houses operating efficiently and to keep pro rata costs down to a sum which the remaining members can afford. Some associations have already discontinued operations for the duration of the war.

TABLE 4.—*Business, Earnings, and Patronage Refunds of Student Cooperatives, 1941, by States*

State	Business, or gross income		Net earnings (after subtracting losses)		Patronage refunds	
	Number of associations reporting	Amount	Number of associations reporting	Amount	Number of associations reporting	Amount
Total.....	132	\$4, 674, 092	90	\$230, 331	48	\$133, 467
Alabama.....	1	549	1	87	1	84
Arizona.....	1	61, 000	1	4, 000	.....	.....
Arkansas.....	3	15, 465	2	336	.....	.....
California.....	16	478, 932	10	22, 554	3	5, 604
Colorado.....	2	9, 526	1	400	.....	.....
Connecticut.....	2	509, 818	1	.....	.....	.....
District of Columbia.....	1	265	.....	.....	.....	.....
Florida.....	1	21, 941	1	695	.....	.....
Georgia.....	2	10, 862	2	1, 834	2	719
Idaho.....	1	13, 500	.....	.....	.....	.....
Illinois.....	21	130, 361	13	3, 416	8	1, 377
Indiana.....	4	63, 369	4	886	3	405
Kansas.....	.....	.....	1	145	1	145
Kentucky.....	1	1, 079	.....	.....	1	140
Maryland.....	1	1, 100	1	125	.....	.....
Massachusetts.....	4	1, 452, 040	3	133, 667	2	116, 048
Michigan.....	10	61, 783	4	100	.....	.....
Minnesota.....	4	29, 335	3	250	2	117
Missouri.....	1	12, 500	1	600	.....	.....
Montana.....	2	20, 810	2	792	2	45
Nebraska.....	3	14, 695	3	1250	4	183
New Jersey.....	3	483, 775	2	830	.....	.....
New York.....	5	218, 111	4	25, 180	1	304
North Carolina.....	1	6, 000	.....	.....	.....	.....
North Dakota.....	.....	.....	1	460	.....	.....
Ohio.....	9	310, 405	7	4, 233	4	3, 435
Oklahoma.....	2	44, 700	.....	.....	.....	.....
Oregon.....	7	246, 449	7	13, 754	.....	.....
Pennsylvania.....	4	29, 938	3	801	2	861
South Dakota.....	1	34, 216	1	1, 038	1	222
Texas.....	8	227, 968	4	8, 995	2	15
Utah.....	1	650	.....	.....	.....	.....
Vermont.....	1	32, 482	1	1, 046	1	928
Washington.....	2	79, 108	2	3, 531	2	518
Wisconsin.....	8	35, 356	5	1, 076	6	2, 287

1 Loss.

Price Policies and Charges

Service at current prices is practiced by a considerable part of the book and supply cooperatives and by some of the eating clubs. Some of the bookstores sold books at a specified discount from list prices but handled other goods at current prices.

The more common practice among the "living" associations was either to divide actual running costs among the residents or to set a fixed rate estimated as sufficient to cover the costs. In the latter case assessments might be made later, if the estimates proved to be too low. In the reporting associations the cost of board ranged from \$6 to \$30 per month per person, the most common amounts being \$9, \$15, \$16, and \$20. Room rents ranged from \$1.50 to \$13.67 per month. Some associations allowed the members to cut their food costs by making contributions of canned or fresh fruit and vege-

tables brought from home. In certain associations the individual members are expected to furnish their own bedding and towels (which are, however, laundered by the association). Considerable equipment and housefurnishings have been accumulated by the associations providing rooms or board or both.

Financial Resources

Many of the campus cooperatives are not capital-stock associations but operate with funds derived from membership fees. A larger proportion of the book and supply associations than of the rooming associations are capital-stock organizations; nevertheless in some of the older bookstores the only financial requirement for membership is a fee of \$1 per year. The associations providing board and room often charge a membership fee, as well as a returnable deposit levied to cover possible losses from breakage.

In general, more capital is required for the initiation of a supply association than for one operating a rooming place, but regardless of amount the raising of sufficient capital is one of the great problems of these student cooperatives. Some of the bookstore associations had been assisted in getting started by loans from the college or from individuals either on the faculty or outside the campus. In most cases however, such funds as were available had been contributed by the members in the form of shares, membership certificates, or refundable deposits. Three associations started without any capital whatever, their first stock of goods consisting of a supply of textbooks received on consignment.

Assets of over 2 million dollars were reported by 91 associations (table 5). The 50 associations which reported as to their share or membership capital had a combined total of \$102,895; members' equity or net worth (shares, reserves, surplus, and undivided earnings) amounted to \$1,141,929. The large margin of net worth over capital is explained largely by the surplus and reserves built up over 60 years' operation by the large association previously mentioned.

TABLE 5.—*Assets, Capital, and Members' Equity in Student Cooperatives, 1941*

Commodities or services provided	Total assets		Capital (shares and memberships)		Members' equity (net worth)	
	Number of associations reporting	Amount	Number of associations reporting	Amount	Number of associations reporting	Amount
All types.....	91	\$2,184,481	50	\$102,895	50	\$1,141,929
Books and students' supplies.....	29	1,818,663	17	58,944	10	1,011,385
Other supplies.....	2	72,110	2	220	2	30,012
Rooms and/or meals.....	58	271,686	28	26,720	36	81,166
Loans.....	1	18,072	1	16,723	1	18,072
Other.....	1	1,950	1	288	1	1,294

Data by States are given in table 6. Next to Massachusetts, the Florida, Ohio, and Washington associations actually own the largest proportion of the businesses which they run.

TABLE 6.—*Assets, Capital, and Members' Equity in Student Cooperatives in 1941, by States*

State	Total assets		Capital (shares and memberships)		Members' equity (net worth)	
	Number of associations reporting	Amounts	Number of associations reporting	Amount	Number of associations reporting	Amount
Total.....	91	\$2, 184, 481	49	\$102, 895	50	\$1, 141, 929
Alabama.....	1	110	1	140	1	12
Arizona.....	1	35, 000				
Arkansas.....	2	2, 125				
California.....	11	261, 702	2	3, 106	6	35, 474
Colorado.....	2	1, 897	1	200	2	1, 802
Florida.....	1	18, 072	1	16, 723	1	18, 072
Georgia.....	1	4, 855	1	493	1	3, 509
Illinois.....	19	29, 344	13	5, 641	7	3, 226
Indiana.....	2	4, 900	1	425	2	2, 417
Kentucky.....	1	315	1	200	1	126
Maryland.....	1	250				
Massachusetts.....	2	1, 032, 482	3	52, 320	2	934, 384
Michigan.....	2	2, 150	2	538	2	1, 681
Minnesota.....	2	3, 800			1	400
Missouri.....	1	2, 400	1	900	1	2, 000
Montana.....	3	16, 192	1	80	2	2, 945
Nebraska.....	2	5, 035	3	466	2	1, 235
New Jersey.....	2	318, 147			2	67, 926
New York.....	4	78, 249	1	160	1	505
North Carolina.....	1	740			1	440
North Dakota.....			1	700		
Ohio.....	6	79, 037	3	491	6	35, 088
Oklahoma.....	2	7, 100				
Oregon.....	4	53, 184			3	5, 936
Pennsylvania.....	4	12, 807	3	2, 115	2	5, 070
South Carolina.....			1	34		
South Dakota.....	1	13, 161	1	600		
Texas.....	6	150, 447			1	500
Vermont.....	1	7, 079	1	3, 880		
Washington.....	1	37, 433	2	11, 783	1	17, 319
Wisconsin.....	5	4, 648	5	1, 900	2	1, 862

Administration and Management

Directors.—A board of directors or its equivalent was universal among the associations but in only 1 book and supply association reporting was the board composed of students only; about one-third of the cooperative houses were in this class.

A mixed board, composed of students and faculty representatives (and in some cases including representatives of other interests—a sponsoring organization, alumni, local townspeople, etc.) was most commonly found among all the types of student cooperatives. In the most typical arrangement the students formed a majority. Among the associations providing board and room the faculty representatives were usually elected not by the faculty but by the students; in many cases faculty representatives served in an advisory capacity only. In a few cases—more generally among the bookstores—the faculty members elected their own representatives on the board.

President, secretary, and treasurer commonly serve for a school year. Other board members and officers may serve during the whole year or may (especially among the living associations) change every semester or every 6–9 weeks, in order to give each resident experience in the various duties.

In few cases do the directors receive any compensation for their work on the board. Among the bookstores one association allows the directors an extra 5-percent discount on the textbooks they purchase, and a few of the housing groups allow them meals or meals and room. One Wisconsin association specifically provides not only that no director shall receive any recompense for service on the board, but that no "pay-receiving employee" shall be eligible for election to the board.

Committees.—Membership, auditing, and educational committees are found among all types of student cooperatives. The cooperative houses usually have social and athletics committees as well, and may also have a house committee.

Manager.—Managers are always paid workers, receiving all or part of their wages in cash. They are commonly selected by the board of directors or by vote of the members on recommendation by the board. The manager may be one of the members or (especially in the larger associations) a worker hired from outside the group. Where he is a student, continuity of trained management becomes a major problem of the cooperative, because of the rapid turn-over in membership. Some of the associations have tried to meet the problem by electing an assistant manager, to serve all or part of a term as an understudy to the manager, succeeding him in that position when he leaves. Practically all of the reporting associations hold their elections for the ensuing period toward the end of the current year or semester.

HOUSE OPERATION

In a typical housing cooperative there are the usual directors and officers, but the actual business of running the house is the responsibility of the manager. As all or most of the work in these student houses is done by the residents, he is responsible for their direction. He organizes the work and assigns the various duties to the individual members. If he does the buying (and therefore the spending of the club's funds) he may also act as treasurer; however, this is feasible only in a small association, because the combined duties in a large association would be unduly onerous for one student to carry in addition to his school work.

In the larger associations the manager generally has several assistants working under his direction. These usually consist of a purchasing agent (who is ordinarily the understudy for the manager), one or more cooks, and a steward. The latter has charge of the preparation of the menus and submits to the purchasing agent orders for the requisite amounts of food and other kitchen supplies; he is responsible for cleanliness of kitchen and pantries and for the serving of the food. The cook may be a nonstudent paid employee, or simply a resident elected to do this work.

Under the direction of these persons the residents clean and prepare vegetables and other food, serve it, wait on table, tend the furnace, make beds, and do the household cleaning and any other tasks assigned. These chores may rotate among the members, in order to prevent any possible inequity in assignments of unpopular tasks, or may be done throughout a specified period by the same persons.

Students work part time in many of the cooperative bookstores, but such service is not required. In most of the rooming associations, however, work sharing is a condition of continued membership. The member receives no direct recompense except that by living in a house run in this way he is enabled to make a marked reduction in his school expenses. Hours of required work ranged, in the reporting associations, from 2 to 60 per month; the average was 16. Some of the associations, however, make provision whereby some or all of the members can do extra work around the house in return for all or part of their living. For such work a regular credit is allowed, ranging in the reporting associations from 20 to 60 cents per hour.

One organization which requires 6 hours' work per week points out that, in addition, each member is expected to attend the house meetings (usually once a week, but at least twice a month) at which all matters of house policy are thrashed out. "A complete picture of life in a student co-op would also include the participation of many house-members on committees for which they receive no house-work credit."

Aside from the manager, the cook is most likely to be the only outside paid employee. However, the larger associations reported the employment of several full-time paid workers, including not only cooks, but dieticians and accountants. In some of the associations—notably those in which there is a considerable amount of college participation (and control)—a house mother or dining-room hostess is employed full or part time.

Cooperative Practice Among Student Cooperatives

MEMBERSHIP PROVISIONS

Few limitations on membership were found among the bookstore associations in comparison with the room-and-board cooperatives. In a good many of the bookstores any person on the campus is admitted more or less automatically. The rooming-house associations naturally exercise some selection in order to insure a house population that will be congenial. Some of the cooperatives provide for a trial period after admission, during which the other residents can judge whether the new member will fit into the group. Membership limitations based on sex are, of course, general; usually only the associations operating several houses accept both sexes.

Among the common criteria upon which membership applications are decided in the associations providing rooms or meals is the financial status of the applicant. As the main purpose of a large proportion of these associations is to assist students of limited financial means to continue in school, many of them accept only members in this category. Attainment (and maintenance) of a specified scholastic level is another usual requirement and some associations provide for expulsion if a member's grades fall below a specified mark. Character and good habits were requirements in some cases, but racial bars were reported in only 7 organizations; all of these accepted only white students and one of them excluded Jewish students. On the other hand, a large proportion of the associations specifically provide that there shall be no exclusions on the basis of race, religion, or political affiliation; in fact several associations were formed to

counteract existing local prejudices in this respect. A New York association counted among its residents students from Algeria, Austria, British Guiana, Canada, China, India, Italy, Panama, and Russia. In one Michigan cooperative house members of eight denominations were living. Some of the eating clubs and living associations are primarily of one religious denomination but this is the result of the natural gravitation of persons of like beliefs, not of policies of exclusion by the associations.

Whereas in the bookstores there are almost no exclusions from membership, many of the living organizations depart from Rochdale practice in this respect. Most of them require adverse votes ranging from 51 to 100 percent of the members in order to bar an applicant, but in five reporting associations one negative vote and in one association five such votes were sufficient for rejection.

Voting.—The principle of “one member, one vote” appears to be almost universal among the reporting associations, irrespective of type, as was also the prohibiting of vote by proxy. Just one association (a bookstore organization), otherwise cooperative, allowed one vote per share; as the maximum number of shares allowed per member was 5, this meant that in practice the number of votes per member ranged from 1 to 5.

MEMBERSHIP PARTICIPATION AND CONTROL

Largely because of the differences in the nature of the business done and the method of operation, the associations providing meals and rooms are in general considerably more successful than the bookstores in obtaining active student interest. It is axiomatic that the more actively the members participate in carrying on the association, the more interested they are in its success. Most of the bookstore associations were formed long before the present student membership entered college and their policies have pretty well crystalized; thus, given an efficient manager, they run without the necessity of much activity on the part of the student members. Also, faculty members always constitute a considerable part of the board of directors in the bookstores and undoubtedly whatever guidance is needed in running the business is expected from them rather than from the students. Furthermore, under the form of government under which some of the older bookstore associations operate, the student participation provided for is only nominal.

The lodging associations, on the other hand, are young and struggling and, as they are for the most part composed of students with small resources, must have the active participation of every member if they are to survive at all. Their policies and practices are still in process of formulation—largely by trial and error—and it generally requires the combined mental and physical efforts of the members to meet the problems that arise from day to day.

Generally speaking, actual and effective membership control is far more pronounced in the living associations than in the bookstores. The conduct of a cooperative house is something that touches the member in nearly every aspect of his everyday life, whereas the bookstore represents only a small part of his budget and is apt to be considered as a thing apart, only remotely affecting him; therefore as long as it appears to be running smoothly he is likely to take little active interest in its operation.

Poor attendance at membership meetings is a common complaint of book and supply associations. The cooperative houses often hold their meetings at the lunch hour and in such cases quite generally report that meetings are well attended. It is noticeable, also, that whereas the bookstore associations provide for one or not more than two membership meetings a year, the housing cooperatives hold them much oftener—once a month or even once a week. The fact that the members in a cooperative house are close at hand and do not have to assemble from scattered places aids in the ease with which meetings can be held.

PATRONAGE REFUNDS

Refunds on patronage seem to be a fairly general practice among the associations, except where operation is on a cost or cost-plus basis. This latter qualification of course applies to a large proportion of the student-operated houses and eating clubs. Further, many of the book and supply associations make a practice of retaining in the business all or a large part of the year's earnings; in some of these the operating capital has been largely built up in this way. Some of the rooming associations use any net surplus at the end of the year for the purchase of new equipment or furnishings.

BYLAWS OF STUDENT COOPERATIVES

Of the 103 student living associations that reported the manner of adoption of bylaws, only 7 stated that these were not voted into effect by the members. None of these 7 reports indicated the source of the bylaws, but probably they emanated from the educational institution itself. Altogether 33 book and supply associations reported as to the method of adoption of bylaws. In 24 (about 73 percent) they had been adopted by vote of the members. In the remainder it was reported that they had not been so voted; however, as the bookstores are among the older organizations and as the entire membership changes during every 4-year period, it is probable that this simply meant that the bylaws had not been voted upon by the present membership but had been inherited from previous years.

The bylaws of some of the older bookstores leave something to be desired, from the cooperative viewpoint, and some of them need revision. Also, partly because some of them were formed long before the enactment of the State cooperative law (or are in States which still have no such law) and partly in order to insure continuity of operation in spite of a rapidly shifting membership, a few place more power in the hands of the faculty than in those of the student members.

Harvard Cooperative Society,⁵ the oldest of the college cooperative bookstores, has a rather complicated arrangement of the trusteeship type under a constitution described as "a model of obscurity." The organization actually consists of two bodies by the same name—one an unincorporated association, the other an incorporated company. Any officer, student, or "past member" of Harvard University, Radcliffe College, or the Episcopal Theological school can become a participating member upon payment of a fee of \$1. These members constitute the unincorporated society. However, only those who are officers or students in Harvard University are entitled to vote. The

⁵ All data in this description of the society are from *Harvard Cooperative Society, Past and Present, 1887-1942*, by N. S. B. Gras, Cambridge, Mass., Harvard University Press, 1942.

actual business is carried on by the incorporated company, the \$50,000 capital stock of which is held by 10 "stockholders" (actually trustees). When the association was reorganized, in 1903, these stockholders (then 5 in number) were chosen by the general membership. Since then they have been a self-perpetuating group, co-opting their members for 5-year terms from the students, faculty, and alumni of the various colleges of the university. In theory the participating members can nominate and elect these directors. In practice the stockholders do so, for the reason that nomination requires petition by 25 participants and election requires a majority vote at a meeting at which 10 percent of all participating members are present and voting. In 1941-42, this would have required an assembly of at least 614 participating members, all voting. Members' apathy is explained by the complex machinery involved, by the lack of cooperative understanding among the members, and by the eminent business success of the present arrangement. Through nomination, then, the stockholders control the selection of the board of directors and officers; however, they cannot themselves serve in these places. The whole organization is described as "an instrument of business in which one body checks another and in which there is a residual ownership but no man can find the owners."

In contrast to the Harvard association is the University of Texas Cooperative Society, started in 1896, whose bylaws provide for a non-stock association, \$1 membership fee, a single vote for each member, and a board of directors elected by the members and consisting of the president of the university, three faculty members (one elected each year) serving 3-year terms, and four student members serving 1-year terms. All of its clerks are students.

EDUCATIONAL WORK

As to educational work, 41 cooperative living associations reported that they had among the members one or more cooperative study or discussion groups which met regularly. These associations had a total of 81 such groups. A periodic, definite appropriation from earnings, to be used for educational work in cooperation, was reported by 32 associations. Of these latter associations one reported that 5 percent of the net earnings and all of the \$1 membership fee was used for educational work and another appropriated 3 percent of earnings for this purpose. Some of the cooperative houses have a regular schedule of speakers on cooperation and other subjects.

Comparatively few of the bookstores, especially of the older associations, manifest any awareness of the social implications of their enterprise or do any educational work along cooperative lines. Only 7 had any study or discussion groups going on (1 each), and 10 made some regular appropriation for educational work. Only 1 bookstore reported as to amount used for this purpose; that association set aside a sum equal to 1 percent of net sales.

Employment and Wages in Student Cooperatives

Nearly \$563,000 was paid in cash wages in 1941 by student cooperatives, in addition to wages in kind (board or room or both). The 109 associations that reported employment of full-time workers had a total of 431 such employees, and 97 associations employed a total of 1,125 part-time workers to whom cash wages were paid. The

bookstores were more likely to have paid employees than the cooperative houses, and to have a larger number of such employees.

As already noted, in the associations providing rooms or meals or both, much or all of the work is done by the members themselves. In many, even the cook is elected from among the residents of the house, in which case this person, even though he may be paid partly in cash, is only a part-time worker. Among the 95 associations which reported paid full-time employees and which specified the jobs they performed, these workers always included a cook (or house mother or matron who also did the cooking). These 95 associations included 47 associations with 1 employee (cook or house mother), 25 associations which had 2 employees (cook and house mother or manager, 2 cooks, or cook and houseboy or helper), 8 which had 3 employees, and 4 which had more than 3 full-time paid workers. Among this last group one large organization had an accountant as well as 3 cooks, another had 3 cooks and a general manager, and a third had a cook, a dietitian, 2 house mothers, and a general manager. The paid labor force of the various types of student cooperatives in 1941 is shown in table 7.

TABLE 7.—*Employees and Wages in Student Cooperatives, 1941*

Goods or services provided	Employees				Cash wages paid	
	Full-time		Part-time		Number of associations reporting	Amount
	Number of associations reporting	Number	Number of associations reporting	Number		
All types	109	431	97	1, 125	114	\$562, 847
Book and students' supplies.....	11	230	23	101	20	387, 937
Other supplies.....	2	4	3	7	3	6, 810
Rooms and/or meals.....	95	196	70	1, 015	90	166, 783
Other.....	1	1	1	2	1	1, 317

Problems of Cooperatives

Each association was asked to report its major problems. Among those common to both the bookstores and the housing associations were (1) insufficient space in present quarters and the difficulty of obtaining suitable quarters elsewhere near the campus; (2) insufficient capital, for operation at present level or for needed expansion, (3) obtaining efficient management, (4) obtaining continuity of management and administration, (5) obtaining efficient paid nonstudent labor, (6) a student body (and therefore membership) too small to provide a volume of business large enough for profitable or efficient operation, (7) loss of members to war service, (8) extension of credit, and difficulties in collection of accounts, (9) success of organization dependent on a very small group of members, (10) lack of interest in the association, among the membership and/or among the students, and (11) obtaining a really effective program for inculcating the cooperative philosophy and viewpoint on the campus.

Problems reported only by the book and supply associations were (1) too high operating costs in proportion to volume, (2) getting funds to pay bills in time to obtain discount, and (3) obtaining stocks of goods.

The greatest problems peculiar to the rooming and boarding associations were (1) maintenance of house capacity, and consequently, of low pro rata costs, (2) rents for suitable quarters too high, (3) rising costs of food, (4) getting sufficient variety and balanced diet in low-cost meals, (5) maintaining decent living standards on what the members can afford to pay, (6) inability to estimate costs, in view of rapid membership turn-over and rising or fluctuating prices; and (7) getting the residents to cooperate fully in the duties of the house.

Aside from the practical problems connected with the actual carrying out of the enterprise, the lack of education in cooperation appears to be at the root of the difficulties experienced by a large proportion of the associations. All types of associations report that most of their members join in order to reduce school expenses rather than because of any knowledge of or interest in the cooperative movement. Some of the students may be of the irresponsible type or may not have reached the stage of interest in social questions. Although, as one writer noted, "the financial nonchalance of many college students frequently changes to penny discrimination"⁶ after a sojourn in a cooperative house, their interest may still be financial only, with no conception of the wider aspects of the association's activities. Further, in view of the many calls upon the individual student's time—especially if he is living in a cooperative house and sharing the work there, carrying his school subjects, and possibly earning part of his expenses by outside jobs—any activity necessitating the expenditure of further effort is likely to be neglected. And this appears to be the case regarding cooperative educational efforts in a very large segment of the student cooperative movement. Many of the associations have regular educational committees and some carry on sustained educational work, but these are decidedly in the minority. This, however, is not surprising, in view of the relative youth of the campus cooperative movement.

Relations With Other Cooperatives

Such relations with other cooperatives as are maintained are generally carried on by the housing cooperatives rather than by the bookstores. The study disclosed that some of the latter were affiliated with the National Association of College Bookstores, not a cooperative organization. A very few were buying some books—generally not textbooks—from the Consumers' Book Cooperative in New York City. In contrast, there is a well-defined trend on the part of the housing cooperatives toward affiliation not only with student federations of cooperatives, but also with federations in the consumers' cooperative movement proper.

Affiliation with student cooperatives.—In at least five universities (Chicago, Michigan, Missouri, Texas, and Wisconsin), where a number of student living organizations exist, intercooperative councils have been formed for educational purposes, exchange of experience, and working out mutual problems, or for undertaking specific services such as joint purchasing, making contracts for supplies or services, etc. To these some or all of the local campus cooperatives are affiliated.

At the University of Michigan the Inter-Cooperative Council, formed in 1937, serves a variety of purposes. It is a policy-making

⁶ Fred E. Luchs in *The Social Frontier* (New York), April 1938, quoted in *The Cooperative Consumer* (North Kansas City), May 23, 1938.

body, with standing committees on purchasing, personnel, education, accounting, and social and athletic affairs, as well as special committees formed from time to time to deal with specific problems or situations. Each committee is composed of the members of the corresponding committee of the member associations. Thus the purchasing committee deals with the large-scale purchasing of staple articles used in all of the houses, such as coal, soap, canned goods, sugar, household linen, milk, etc., and according to report has been able to make "substantial savings." The personnel committee handles all applications for membership in the member houses, conducts the interviews, and assigns the applicants to the various associations on the basis of the needs of the applicant and of the houses. It is said that this method eliminates undesirable competition for members by the associations and tends to equalize membership on the basis of house capacity. The social committee arranges intercooperative dinners, dances, and other parties as well as the annual picnic. The accounting committee assists the member associations in the book-keeping policies and also supervises a loan fund from which non-interest-bearing loans are made to member houses; this fund is made up of money from surpluses from the older and more prosperous associations, mainly for the purpose of aiding new associations to get started.

At the University of Texas a representative from each cooperative house serves on a central council, one of whose duties is to obtain bids from local suppliers and place orders for all the cooperatives. In Montana State College, there is no formal federation of cooperative houses, but orders are pooled and supplies bought together by the associations.

On several campuses the fraternities have a joint buying cooperative through which some of the housing cooperatives do their buying.

Some of the student associations are affiliated with the regional student educational leagues, of which there are three: The Pacific Coast Student Cooperative League, the Midwest Federation of Student Cooperatives, and the Central League of Campus Co-ops.

The Midwest Federation, dating from 1939, was the first regional league of student cooperatives to be formed. Its territory covers Illinois, Indiana, Michigan, Minnesota, and Wisconsin. The Pacific Coast Student Cooperative League traces its beginning to a conference held in March 1940. Its membership is drawn from universities and colleges in California, Oregon, Washington, Idaho, and Montana.⁷ In November 1940 the Central League of Campus Co-ops was formed with a territory covering 13 Central States. Its present membership consists of educational institutions in Missouri, Kansas, Texas, Iowa, and North Dakota.

These regional bodies are all loose federations of local cooperatives and are, in turn, affiliated with the National Committee on Student Cooperatives formed in 1935 as an aftermath of the Student Volunteer Convention of that year. The Committee has been carried on largely as the result of the efforts of Mr. William Moore.

Affiliation with cooperatives serving the general consumers' cooperative movement.—Apparently, relations between the student cooperatives and the general consumers' cooperative movement are still comparatively meager. This is probably due to the fact that students

⁷ This league has been admitted to membership in the Cooperative League of the U. S. A.—national educational body of the consumers' cooperative movement.

join cooperatives quite largely through economic necessity rather than from any awareness of cooperative philosophy or acceptance of it. A certain proportion of the student cooperative membership understands and is familiar with what is going on in the general consumers' cooperative movement and wishes to bring about closer relations with that movement. It is undoubtedly this segment of the student cooperative movement that is responsible for the group of associations reported as affiliated to general regional and other consumers' cooperative organizations.

Generally the campus cooperatives that had manifested their cooperative awareness by affiliation with the regional student leagues were also those that had joined general cooperative federations. Some of the consumers' cooperative wholesales are endeavoring to foster relations with the student cooperatives and are making available to them their services in the bookkeeping, legal, and educational fields.

Advantages of Student Cooperatives

Individual student cooperatives may or may not be meeting their individual problems successfully. Nevertheless, in every association, participation in the activities—especially in the varied experience connected with the operation of a cooperative house—offers values to the member. The most obvious, of course, is the economic advantage of enabling the members to make the most of their scanty funds and thus continue their education. Some of the other advantages, both practical and intangible, are noted below:

1. The cooperative houses provide practical training in household operation and management and in all the collateral activities. The residents learn food values and food combinations, and how to plan and cook meals and do canning and preserving. Not only do the students carry out all of the ordinary household tasks of food preparation and service, dishwashing, cleaning of rooms, making beds, tending furnace, etc., but they also do the odd jobs of repair of furniture, appliances, and other household equipment. In many cases they have actually made much of the furniture and equipment. All of these activities give all-round self-reliance and practical skills which are utilized even while they are at school by the students who must do paid work outside the cooperative house, in order to earn part of their expenses; and they form valuable experience for afterlife.

2. The cooperative houses provide business training. By serving in the various capacities required in running the enterprise the members learn thrift and how to handle not only their own money, but that of the association, to the best advantage; how to make various kinds of business contracts; how to purchase food and other supplies economically; how to organize the work for the most economical expenditure of time and energy; how to direct other persons; how to draw up reports; and the basic principles of bookkeeping and cost accounting. The necessity of obtaining the utmost values from their meager funds and of meeting the constantly arising problems and emergencies tend to develop ingenuity and resourcefulness.

3. The students get experience in their contacts with other people. They learn how to conduct meetings and present reports to the membership, the elements of parliamentary procedure, and gain the

ability to marshal their arguments and express their thoughts to other people in the give-and-take of the house meetings.

4. The cooperative houses promote high scholastic ambitions, by setting high standards of accomplishments not only in order to obtain entrance but in order to remain as a resident.

5. Knowledge of and experience in all these activities tends to develop a spirit of independence, resourcefulness, and self-help that will be invaluable to the members later in their lifetime business and social activities.

6. The close, intimate, day-to-day contacts entailed in living with 10 to 30 or more other students, each with his own ideas, prejudices, and opinions, tend to make the individual adaptable and to develop in him a spirit of give and take and of mutual tolerance. Further, altruism develops, because all the residents' interests are bound up together in the success or failure of the enterprise. The community of interests and the fellowship thus enjoyed during the students' university career lead to lasting friendships.

7. Finally, cooperative houses provide a practical lesson in democracy and training for the full citizenship which the students will enter upon their graduation. This is well described by a statement from one university, as follows: "We emerge as citizens of a democratic state. We enter into citizenship, having already practiced democracy, having already used the democratic tools. We in the co-ops know what democracy is, because we have lived it and breathed it. We are aware of its faults, we know its shortcomings. But we also know that democracy's advantages more than offset its imperfections."⁸

BOOK AND SUPPLY COOPERATIVES

Financial Structure

Original capital.—Among the associations reporting, the entire capital was raised, in slightly over 50 percent of the cases, entirely by the members, in the form of shares, membership certificates, or refundable deposits. In one association the members raised 90 percent, the remaining 10 percent coming from other undesignated sources. In another organization the members provided 80 percent, and 20 percent was contributed by others. Earnings from the association's sport events and from its refreshment stand produced 25 percent of the necessary capital in a third book and supply association, with the members' shares and certificates accounting for 75 percent. Half was raised by the members and half came from unspecified sources in one association. Only 10 percent was raised by the members in two associations, the other 90 percent being loans from the faculty in one case and a loan from the college in the other. In one case all of the original capital was borrowed from the earnings of the association's other activities. Three associations reported that they had had no capital to start with, as their first business consisted only of the sale of books which they had received on consignment.

Contributions from individuals (not members) formed the entire original capital of one organization, and in another the whole amount

⁸ Cooperatives at the University of Michigan, p. 2.

was provided by the first manager. The college donated the funds in a third case. Loans from the faculty provided the entire capital in one association and 40 percent of it in another; in the second association the other 60 percent was borrowed from undesignated sources.

Entrance and membership fees.—Few of the associations handling books and students' supplies charge fees of any kind. Of 40 reporting associations, only 9 levied an initiation fee; these ranged from 25 cents (3 associations) to \$10 (1 association). A membership fee of \$1 was charged by 4 associations. One association made a charge of \$1 per month for membership, 3 charged \$1 per year, and in 1 association a life membership cost \$2.50.

A larger proportion of the bookstores than of the boarding associations were capital-stock organizations. The shares of the 14 bookstores so capitalized ranged in value from 25 cents to \$10. The most common amounts were \$1 (3 associations) and \$5 (3 associations).

Membership Requirements

Altogether, 29 of the 40 reporting associations replied regarding membership requirements. Of these 6 had no limitation whatever, in 6 associations only students could become members, and in 7 both students and faculty were eligible; in 6, students, faculty, and college employees; and in 1 association, students, faculty, and alumni. One association was run by and for married students only and 1 was restricted to agricultural students. One association admitted only persons who are "in sympathy with the cooperative movement."

In most of the students' cooperative bookstores membership is more or less automatic, any student being eligible. In 5 associations, however, applications were passed upon by the whole membership, in 5 by the board of directors, and in 1 by board and members together.

In 2 associations a majority vote was necessary in order to bar an applicant from membership and in 2 others a two-thirds vote. The remaining associations did not report on this point.

Administration and Management

Board of directors.—Of 25 supply associations reporting, in 1 association the board consisted of four students. In 19 associations the board consisted of both student and faculty representatives, students being in the majority in 11 cases, equally represented in 2, and in a minority in 5; in the remaining association the faculty was represented in an advisory capacity only. In 5 associations not only students but others (alumni, local people, etc.) were represented, the students being in a majority in 1 and in a minority in 4.

Of 23 associations reporting, the board was selected by students only in 10, by students and faculty in 10, by all the members (students, faculty, and school employees) in 1, by the faculty alone in 1, and by the sponsoring organization in 1.

Few of the board members receive any compensation (except possibly a small fee) for their labor. In one association, however, directors are allowed an additional 5-percent discount on books purchased by them from the store.

Manager.—In 18 (62 percent) of the reporting associations, the manager was hired by the board of directors, in 6 (20 percent) by the

entire membership, and in 1 each by the faculty members, by the faculty advisory board, by the university or one of its representatives, and by the faculty and students jointly.

Two associations insure continuity of trained management by electing each year an understudy or assistant to the manager, who becomes manager in the ensuing year.

Goods Handled

Practically all of the cooperatives dealing in books and students' supplies carried both new and second-hand books. About 45 percent of those reporting handled fiction, and slightly over one-fourth handled magazines. One association in a theological college made a practice of obtaining the new books on religion. Nearly 30 percent provided smokers' supplies, and almost a third carried sports goods. Less than a fifth had a soda fountain, but practically half carried candy. Several associations furnished lunches or sandwiches, and soft drinks, and one association operated a cafeteria in connection with the bookstore. A few provided laundry, dry-cleaning, and shoe-repair service. Among the other commodities or services, each provided by only a few associations, were stationery, gift articles, dry goods and notions, newspapers, men's shirts, flowers, kodak films, and cosmetics.

Some of the larger and older associations provided all of the above-mentioned goods and services, as well as numerous others. Thus, the bookstore in one of the oldest universities in the country also handled dry goods, drugs, luggage, and shoes. Another carried custom and ready-to-wear clothing, men's furnishings, household supplies, furniture, electrical appliances, toys, and gasoline and oil.

Two associations provided a free post-office service, with individual mail boxes.

One association which began as strictly a student organization had widened its field to accept community residents as members. It not only carried books and student supplies but also provided laundry, dry-cleaning, and shoe-repair service.

One "book exchange" reported that the sellers set their own prices. When a book was sold the association deducted a fee, to cover cost of handling, fixed in proportion to the price. The fee was 5 cents for books priced up to \$1.50; 10 cents for those from \$1.50 to \$4.00; and 15 cents for those over \$4.00.

Two small supply cooperatives which did not handle either books or school supplies, carried candy; one also carried cosmetics and food-stuffs, and the other carried cigarettes and cigars. Another in this category handled candy, soft drinks, cakes, and sandwiches. A fourth, which although operating in a college group, had no restrictions on membership and handled books on consignment only, carried groceries, electrical appliances, household supplies, and cosmetics; it provided hospitalization on group contract, had a cooperative study club, and had made a contract arrangement with a private dealer whereby the members obtained gasoline at a discount.

Quite a few of the rooming and boarding associations also were carrying small stocks of various kinds of goods for sale to the members, such as magazines, newspapers, tobacco products, and some textbooks and school supplies.

Nearly 45 percent of the associations reporting, which carried second-hand books, bought them outright. About 18 percent handled them on consignment only, and a similar proportion operated on both bases—outright purchase and consignment. Some 45 percent reported that they did not deal in second-hand books at all.

Price and Credit Policy

Reporting as to their price policy over half stated that they sold at the same prices as their competitors, about one-fourth added a mark-up estimated as sufficient to cover expenses. About 35 percent sold their books at a discount of 5–10 percent from list prices, and in some of these the discount was given at the time the purchase was made. Others followed the Rochdale practice of making patronage refunds only at the end of the accounting period.

Altogether, 39 of the 40 book and supply associations reported as to their credit policies. Of these, 15 extended credit to all members, 2 extended limited credit, 1 gave credit to faculty members only, and 21 operated on a strictly cash basis.

Six associations gave credit to nonmembers as well as members, but one of these only if the purchaser was on the faculty. Twenty-five book stores required cash from nonmembers.

Services to Nonmembers

Of 28 associations reporting, all but 5 stated that their services are available to nonmembers as well as members.

Disposal of Net Income

Interest on share capital.—Among the bookstores six make a practice of paying interest on share capital; of these, the maximum in one was set at 1 percent, in two at 4 percent, in two at 6 percent, and in one at 20 percent. All of these paid interest at their maximum rate in 1941, except that association with a 1-percent maximum, which paid no interest that year. Two other associations which did not report their maximum paid 5 and 8 percent, respectively.

There were 24 associations which reported that they do not pay interest on shares.

Disposal of remainder of net income.—Of 35 associations reporting as to what disposition they made of net earnings, 10 placed the whole amount, and one 90 percent of it, in the reserves. The total net earnings were returned to the members in patronage refunds by 19 and to the members on their shares by 3. The other 2 donated their earnings to an unnamed cause. As already noted, a few bookstore associations, instead of paying patronage refunds at the end of the accounting period, allow a discount at time of purchase.

Six bookstores paid patronage refunds on nonmembers' as well as members' purchases, but 2 of these applied the money on the purchase of a membership share. The other 23 associations reporting on this point did not pay refunds to nonmembers.

Major Problems

To the question, what were the association's major problems, the following answers were received from the organizations handling books and students' supplies.

Lack of good location.
 Insufficient operating and/or storage space.
 Obtaining sufficient capital.
 Selection and training of student managers.
 Obtaining efficient manager.
 Obtaining full-time manager with cooperative training.
 Difficulty in obtaining continuity in management because of turn-over in student body.
 Obtaining trained workers.
 Student body and membership too small for efficient operation.
 Operating margins insufficient to keep out of the red.
 Labor cost too high in proportion to sales because of necessity of using part-time student workers.
 Expanding volume sufficiently to permit paid labor and removal to better location.
 Proper ordering and return of textbooks.
 Getting bills paid on time.
 Prompt collection of accounts receivable.
 Obtaining merchandise.
 Inculcating understanding of cooperative philosophy in the membership and the reasons for paying patronage refunds to nonmembers.
 Getting an effective education program.
 Success dependent on one or two people.
 Difficulty in expanding number of interested workers and leaders.
 Lack of time which members can devote to enterprise.
 Getting the girls as interested as the boys are in the association.
 Insufficient faculty advice.
 Effect of draft on association.

Three associations reported that they had no major problems and one added "association is satisfactory in every respect."

On the other hand, one association was so discouraged it had voted to dissolve. It had been struggling with an enterprise in a very small student body, situated in a poor location in premises which did not afford sufficient space either for operations or for storage of goods. The report from the association stated that very little advice or interest had been forthcoming from the faculty and the operation of the business had depended almost entirely on the efforts of one or two members.

ASSOCIATIONS PROVIDING ROOMS OR BOARD OR BOTH

Financial Structure

Of 111 rooming and boarding houses from which reports were received, only 33 required an initiation fee; this ranged from \$1 to \$20, with \$5 being the most usual amount. That some of the associations depended on this fee for a good share of their operating funds is indicated by the fact that in 13 of the 43 associations the fee was \$10 or more. Probably in most cases, this was really a membership fee.

Ten associations which had no initiation fee required the payment of a returnable deposit ranging from \$5 to \$25. In several cases it was stated that the purpose of this fee was to cover any breakage or other damage to equipment that might be attributable to the member during the year. In a Kansas association which required a \$20

deposit upon acceptance into membership, it was provided that \$5 of this should be used each year to purchase "furniture and equipment of a relatively permanent nature." A person who had been an active member less than 4 years at the time of his withdrawal from membership would be refunded the \$20 minus \$5 for every year of membership. A Texas association required each member to deposit \$20, representing his share of cost of the furniture owned by the association; this was returned upon his graduation or withdrawal, minus cost of any breakage.

Only four associations reported the use of membership certificates (of \$5 or \$10) and only 16 of the rooming and boarding associations were capital-stock associations. Among these 16 associations the value of the share ranged from 10 cents (in an elementary-school cooperative) to \$20; the most common values were \$5 and \$10.

Of these rooming and boarding associations about a third levied an annual fee, which in some cases, it was evident, represented the year's rent or cost of both board and room. In these associations the fees ran from \$90 to \$250. In the group for which the annual fee represented simply another form of membership fee from which a small supplementary income was drawn, the amounts ranged from 25 cents to \$45. One New York association's capital had been built up from \$5 membership fees and its consistent practice of retaining 5 percent of net earnings each year as "indivisible property" of the club.

Membership Provisions

In half of the reporting associations membership applications were passed upon by the entire membership, and in nearly a fourth by the board of directors. In the remainder various methods were used: Membership and board jointly, membership committee, board of sponsors, members and faculty, etc.

As in most of these associations the membership consists of the residents of a single house, the presence of congenial persons is important and therefore membership requirements are likely to be more strict than would be the case in a supply cooperative, for instance. In five associations one adverse vote was sufficient to bar an applicant, and in another association five votes. Altogether, in about 15 percent of the reporting associations an adverse vote of 50 percent or less would prevent the admission of a new member. However, the largest group, forming about 30 percent of the reporting associations, required a majority vote in order to exclude. Other associations required unfavorable votes from 60, 66%, and 75 percent of the voters, and in four associations a unanimous adverse vote was required. One association accepted any student, until the house was filled.

Membership limitations.—By far the largest proportion (nearly 90 percent) of the students' rooming and boarding houses were run by and for male students only. Seven of the reporting associations accepted women only. The six associations admitting students of both sexes ran one or more houses each, some for women only and some for men only. In addition to students, six associations admitted to membership members of the faculty, one admitted college employees, and two admitted both faculty and college employees. In three associations noncampus persons were also accepted.

Six associations were open only to students of small means (and one of these required also that they be approved by the sponsor of the

association), 11 others required the attainment of a specified level of scholarship, and 5 had both financial and scholarship conditions. Another association imposed financial and scholastic conditions and also required that the student be majoring in agriculture. Three associations were open only to students enrolled in a specified college or courses, and 3 only to postgraduate students.

One association, which accepted only students of limited means, also specified that they must neither smoke nor drink. One association had no special requirements except that they be "good workers and decent fellows," and another stated that applicants must be persons of good character and habits. A Kansas association required that applicants have read certain pamphlets on cooperative principles, and a Wisconsin organization required that the applicant "pass an examination on the cooperative movement."

Only 4-H Club members of small means were admitted into one association, and only married student ministers having their families with them were eligible for membership in another.

An Arizona association barred from membership any student who was a member of a social fraternity and provided for expulsion if he joined a fraternity after becoming a member of the cooperative.

Race was reported to be a consideration in seven associations, six of which specified that members must be white. The seventh specified that members must be "of the Caucasian race and non-Semitic."

In some cases, although there were no membership restrictions, congeniality and religious background more or less determined the membership. Thus, at one large State university there were several "eating clubs" the membership of each of which consisted mainly of students of a specific religious denomination, as Baptist, Catholic, Methodist, and Congregational. Several of these, however, provided in their bylaws that no person should be excluded from membership "because of his race, religion, or political creed."

Classes of membership.—An occasional association provided for more than one class of members. Generally there were two, designated as active and associate. In all cases the active members were full members living in the house or participating in the association's activities, and entitled to vote. In several associations the associate members were persons on probation for a specified period (generally 6 or 9 weeks) before being admitted to full membership. The purpose was, of course, to enable the other members to judge whether they would be compatible. In other cases the associate members were alumni who had been active members while in college; such members were generally accorded patronage and other rights but not the voting privilege.

Withdrawal and expulsion.—Commonly, withdrawal from membership in a cooperative house was allowed only after a specified period of notice or at the end of a semester, except in case of emergency.

Members could be expelled for various causes—refusal or failure to perform assigned duties, failure to meet expenses when due, etc. In some cases, however, vote by the board to expel could be appealed to a general membership meeting.

Administration and Management

Board of directors.—About three-fourths of the associations reported as to the administrative machinery. In 38 organizations the board

of directors was composed of students only, the number ranging from 2 to 15. In an additional association, all the members in the house acted as a board.

In 25 cases there was a mixed board, composed of faculty and students, in 19 of which the student members of the board were in the majority, in 1 there was equal representation, and in 6 the faculty representatives served only in an advisory capacity. In only 1 association were the faculty members a majority. In 11 associations the board contained not only faculty and students but representatives of other groups; in 4 of these the students were a majority, in 5 a minority, and in the 2 remaining cases the "others" were present only as advisors. Among the other groups represented were the alumni, college Y. M. C. A., sponsoring organization, community residents, business and professional people, ministers, and board of trustees of the college; in several cases the house mother and in one case the association's business manager were members of the board of directors. In one Ohio association there was an advisory board consisting of representatives from cooperative associations in the town.

In 90 percent of the associations reporting, the board of directors was elected by the students alone. Other methods, reported by only a few associations each, included the following: By students and faculty together; by students and alumni; student officers elected by students, faculty representatives appointed by college; board selected by sponsoring organization; and board elected by students, subject to approval by the college. In several cases the faculty advisors were elected by the students.

Elections were commonly held toward the end of each semester or of the school year, at which time the board of directors and officers were chosen who would serve during the following term or year. The terms of office varied. In some associations, president, vice president, and secretary served for a whole school year, in others for only a semester. In a few, one-third of the board members were elected every 3 weeks. Continuous service beyond two elected terms was forbidden in some associations.

Committees.—Generally, there were several permanent committees, attending to the interviewing of prospective members, social affairs, educational work, etc.

In some associations there was also a house committee which was responsible for the formulation of house rules to which every resident must conform. In some cases, however, the directors or the membership meetings made the house rules.

Compensation of officers and employees.—Commonly the officers and committee members served without pay, but in a few associations the officers received room and board as their compensation.

The manager was always a paid employee, though in some cases (generally small associations) his recompense was in the form of room and board.

Operation of house.—The board of directors usually had general direction of the running of the business but was commonly assisted by a number of committees and the usual officers (president, vice president, secretary and treasurer). In one association the "social secretary" was an officer.

The actual running of the house was under the supervision of the manager. In some cases the manager also acted as treasurer. In the larger organizations the manager was assisted by a "purchasing agent," or "provider." One organization operating several houses had (1) a house manager who was "especially responsible for promoting the purpose and spirit of the association," but who also must "integrate and coordinate the functions of all the officers," act as official representative of the association, administer the internal affairs of the house, supervise the living and food facilities, and assign members' house duties; (2) a purchasing agent, who also substituted for the manager in the latter's absence; and (3) a steward who was responsible for the menus, preparation of food, cleanliness of kitchen and pantries, and ordering of food (through the purchasing agent). In the smaller organizations all of these duties would be carried on by the manager alone or with one assistant.

The regular work of the household—preparation of vegetables, cooking, serving, dishwashing, cleaning, etc.—was done not by the above officers but by the residents of the house.

In order to insure competence in management some associations provided an understudy for the manager. Thus, there may be a line of promotion to the managership from the position of assistant manager or from purchasing agent. One association required the election of the next year's manager early in the spring, the person elected serving as the incumbent's assistant during the remainder of the term and thus acquiring experience.

In nearly 65 percent of the reporting associations the manager was selected by the vote of all the members and in nearly 20 percent by the board of directors. In several other cases the board made a recommendation, which was then approved or rejected by the members. In one case the outgoing manager selected his successor, and in another the "oldest resident" automatically became manager.

In a few cases the manager selected by the members had to be approved by the university, or by the dean of a specified college of the university.

Only five associations reported that the members had no voice in the selection of the manager; in one he was appointed by the faculty, in one by the university, in two by the faculty advisory board, and in one by the house mother (who was selected by the college).

Price Policies and Charges

The very small student living associations generally consist of a small group of students living together in a house, doing all the necessary work (except, possibly, the cooking) and sharing the expenses equally. It appeared to be the practice in the larger and better-established associations to operate on a fixed-charge basis, setting the amounts at levels that left very little margin above actual operating costs. The Rochdale store associations learned long ago that this is a very difficult basis on which to run an enterprise, as miscalculation may mean heavy losses and even failure for the association. This is one of the reasons why it is an accepted Rochdale practice to operate at current prices. The reason for the cost-plus operation of these student houses is that their primary cause of existence is to provide meals and living quarters at rock-bottom prices in order to enable needy students (who would otherwise have to drop

out) to continue their schooling. A few of the eating clubs, however, declare in their bylaws that "current retail prices shall be charged."

One Illinois association reported: "We set a definite amount and try our best to operate on that amount. If we run short we make assessments to cover the shortage."

A large proportion of the associations apparently rent both house and equipment, and in these cases the only need for a surplus over expenses would be to cover breakage, as the activities would lapse at the end of the school year and the organization might occupy a different house the next year.

However, as time goes on, an association may accumulate a certain amount of equipment and may manifest ambitions toward eventual ownership not only of furnishings but even of the house itself. This was the situation in many associations that reported to the Bureau. Lack of capital was the chief stumbling block reported.

COST TO STUDENT

Monthly charges.—Among these rooming and boarding associations nearly 75 percent restricted their services to members. About 25 percent stated that there was no such restriction, but two associations said that the only nonmembers served were the guests of members.

The extreme ranges in minimum and maximum charges for room per month were, in the reporting associations, respectively, \$1.50–\$13.00 and \$1.65–\$15.00. The most common charges were \$3, \$4, \$5, \$6, and \$8. The following statement gives the distribution of reporting associations, by minimum and maximum monthly room rents charged.

	<i>Percent of associations</i>	
	<i>Minimum</i>	<i>Maximum</i>
Under \$3.00.....	4.5	3.9
\$3.00 and under \$4.00.....	13.4	10.5
\$4.00 and under \$5.00.....	11.9	9.2
\$5.00 and under \$6.00.....	14.9	17.1
\$6.00 and under \$7.00.....	11.9	9.2
\$7.00 and under \$8.00.....	6.0	7.9
\$8.00.....	11.9	10.5
Over \$8.00 and under \$10.00.....	3.0	---
\$10.00 and under \$12.50.....	17.9	22.4
\$12.50 and under \$15.00.....	4.5	6.6
\$15.00 and under \$20.00.....	---	2.6
Total.....	100.0	100.0

In a great many cases there was no range of price, all the residents paying the same amount for rent; generally in these cases this meant that the boys simply divided among themselves equally the rental charge for the house. As the above tabulation indicates, even where there was a range in charges there was not a great deal of margin between minimum and maximum. In 62.6 percent of the associations the minimum room rent, and in 57.8 percent the maximum, was less than \$8 per month.

Costs of board ranged from \$6.00 to \$30.00 per month, the most common amounts being \$9, \$15, \$16, and \$20. The distributions for the associations are as follows:

	Percent of associations	
	Minimum	Maximum
\$6.00 and under \$7.50.....	1.4	2.4
\$7.50 and under \$10.00.....	1.4	-----
\$10.00 and under \$15.00.....	31.1	23.5
\$15.00.....	12.2	9.4
Over \$15.00 and under \$17.50.....	17.6	17.6
\$17.50 and under \$20.00.....	13.5	15.3
\$20.00.....	14.8	15.3
Over \$20.00.....	8.1	16.5
Total.....	100.0	100.0

Analysis of charges, on a geographical basis, indicates that Utah associations had the lowest average rental charges and New York associations the highest (table 8). Thus, the average minimum cost of room rent per person per month in the reporting associations ranged from \$1.50 in Utah to \$12.88 in New York, and the average maximum cost from \$1.65 to \$13.67 in the same States. For meals the minimum range was from \$11.83 per month in Michigan to \$27.00 in New Jersey; the maximum range was from \$12.97 to \$29.00 in the same States. In some cases a charge was made for room and board together, the range of minimum charges being from \$13.00 in Michigan to \$32.00 in Washington and the maximum from \$15.50 to \$32.00 in the same States.

No question was asked as to the costs in the cooperatives as compared with those in other rooming and boarding places; one association, however, stated that the cooperative's charge was \$25 per month, whereas the lowest outside charge (in college dormitory and commons) was \$35.38 per month.

TABLE 8.—Average Monthly Charges For Room and Board in Student Cooperatives, 1941, by States

State	Average rent per month		Average board per month		Average charge per month, room and board	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Arizona.....					\$18.00	\$25.00
Arkansas.....	\$5.83	\$5.83	\$15.75	\$16.76	18.50	19.50
California.....	8.21	9.60	17.11	17.40	27.00	27.00
Colorado.....	7.33	7.67	15.00	15.00		
Georgia.....	5.45	5.45	15.00	15.00		
Idaho.....	6.50	6.50				
Illinois.....	6.04	6.40	14.45	15.12	25.00	25.00
Indiana.....	7.00	8.25	19.00	19.00		
Kansas.....	3.50	3.50	16.00	18.00		22.00
Massachusetts.....					25.00	25.00
Michigan.....	7.47	8.40	11.83	12.97	13.00	15.50
Minnesota.....	7.50	8.67	18.00	18.25		
Missouri.....	7.50	7.50	18.50	18.50		
Montana.....	5.00	5.25	18.67	18.75		
Nebraska.....	6.00	6.00	18.75	19.19		
New Jersey.....	10.00	10.00	27.00	29.00		
New Mexico.....	4.00	5.00	13.50	20.00		
New York.....	12.88	13.67	24.00	24.00		
North Carolina.....	5.00	5.00	19.00	22.50		
North Dakota.....		7.00		20.00		
Ohio.....	10.57	10.81	15.79	16.54		
Oklahoma.....	3.00	6.50	13.00	24.75		
Oregon.....	4.50	7.60	17.75	18.00	20.00	20.00
Pennsylvania.....	11.40	11.40	21.00	21.00		
Texas.....	3.20	3.81	13.43	15.30		
Utah.....	1.50	1.65				
Washington.....	7.50	7.70	15.80	20.30	32.00	32.00
Wisconsin.....	11.00	11.00	12.40	14.46		

Individual contributions.—Some associations would accept canned goods, fruits, vegetables, etc., brought by the members from home, in part payment of cost of food. It is reported that in some of the Texas associations a large part of the food used in some of the houses was raised and canned by the members during the summer vacation; some of the meat also came from animals slaughtered on the farms. Boys have even been known to bring in a cow, for the fresh milk it could furnish. One difficulty in such cases lies in appraisal of the value of such contributions and the possibilities of ill-feeling in case of disagreement.

In one association each member brought his own bedding and such accessories for his room (rugs, draperies, etc.) as he desired.

COST OF RENT TO ASSOCIATION

Associations renting buildings.—The amount of rent paid by the association for the house or houses occupied was reported by 56 cooperatives. Each of these associations also reported the number of sleeping rooms in these buildings. Reduced to an average outlay per sleeping room, the amounts ranged from \$1.10 to \$60.00 (dormitory); for the whole group the associations were paying rent averaging \$7.70 per sleeping room.

Although some associations noted the difficulty of obtaining adequate housing near the campus, at prices they could afford to pay, few of the organizations appeared to be paying excessive rents. Those with average rents per room above \$20 were generally operating on the dormitory plan, so that although the number of sleeping rooms per house was small the number of students accommodated was considerably larger than average. The accompanying statement shows the distribution of associations by average rent paid per student accommodated, and the average rent paid by the association per occupant. As is evident from this statement, some of the groups paying the largest rentals per room were nevertheless obtaining very reasonably priced quarters in terms of persons accommodated. For all of the reporting associations combined, the cooperatives were paying an average rent of \$2.79 per resident.

Amount of rent paid per sleeping room:	Percent of associations	Average rent per occupant
Under \$5.00.....	5.4	\$0.54
\$5.00 and under \$7.50.....	10.7	2.32
\$7.50 and under \$10.00.....	21.4	3.59
\$10.00 and under \$12.50.....	21.4	3.79
\$12.50 and under \$15.00.....	12.5	4.95
\$15.00 and under \$20.00.....	7.1	3.50
\$20.00 and under \$30.00.....	8.9	4.34
\$30.00 and under \$40.00.....	1.8	2.92
\$40.00 and under \$50.00.....	5.4	3.70
\$50.00 and over.....	5.4	4.56
Total.....	100.0	2.79

Associations buying buildings.—Although numerous associations were buying the houses which they were occupying, only seven reported their average monthly payments. The monthly payments of these associations (average mortgage payments, plus taxes) ranged from \$65.00 to \$200.00. The average payment per student housed

ranged in the seven associations from \$3.03 to \$7.69; for the whole group the average was \$4.36, or nearly twice the average for the rented buildings.

METHOD OF COLLECTION

Of 107 associations reporting as to method of collecting charges, all but seven required payment in advance—35 by the week, 59 by the month (but in 1 case for room rent only), 1 by the fortnight, 2 by the quarter, and 1 for a 6-month period. Of the other 7 associations, 3 collected at the end of each week the cost of the previous week's meals, 1 divided among the members the costs of the previous period (length of period not reported), 1 collected twice a week, and 1 levied a charge for each meal to be paid for when eaten; 1 association required the payment of a half year's charges but allowed this to be paid in four installments. Still another reported that the bills were paid at the member's convenience.

One association had an understanding with the college authorities whereby no student could graduate into the next class who was in arrears on his bill.

No association reported the use of meal tickets.

CREDIT POLICY

Among the associations providing living accommodations, 47 associations and one of the two houses operated by another organization gave no credit to anyone, 9 associations allowed limited credit to members, and 40 associations and the second house of the association above mentioned extended credit to members without specified limit. One association specified that no member was allowed credit exceeding the amount of his paid-in share capital. All 58 associations reporting as to credit extension to nonmembers required cash from them.

Service in Enterprise by Members

As these houses are operated by and for students to whom low living costs are necessary, the members themselves do all or a large part of the housekeeping. In most of the associations such service is a required feature of membership. Of 110 associations reporting on this point, work around the house was required of the residents by 86. The number of hours' work required per month of each member by the reporting associations ranged from 2 to 60. The working hours most commonly scheduled were 12, 16, and 30 hours; the average was 16.

Hourly credit for members' work.—In 76 associations the charges for room and board were in addition to the contributed working time; but in 25 other associations members were allowed to work out part or all of the cost, 1 association allowed this practice "in isolated cases," and still another in case of a limited number of members. In 1 association each member in turn had the chance to earn the cost of his meals by waiting on table or washing dishes. Where work is substituted for cash payment, a limit may be placed upon the amount of time applicable to payment of costs; thus, one

association limited it to 1 hour per day, two to 2 hours per day, and four others to 3 hours per month, 4 hours per week, 9 hours per week, and 12 hours per week. For the time worked credit was given, at specified rates per hour, in reporting associations as follows:

Rate per hour:	Number of associations
20 cents.....	1
25 cents.....	4
30 cents.....	9
35 cents.....	7
36 cents.....	1
40 cents.....	8
50 cents.....	3
60 cents.....	2
Total.....	35

At one Chicago association, the cook was elected by the house residents; he also did the purchasing. This member received a salary. The officers received their meals free.

Three of the associations levied a fine for a missed shift, and one of these specified that the fine should be paid to the member who volunteered for the work.

Facilities of Associations

Sleeping accommodations.—A substantial part (35.9 percent) of the rooming houses for which reports were received were fairly small, having only 5 sleeping rooms or less. Equal proportions (25.8 percent) had 6 to 9 and 10 to 24 sleeping rooms each. All of the associations that had 25 or more sleeping rooms (12.4 percent) were organizations running several houses each.

Of the associations that reported as to total number of occupants, 5.3 percent had fewer than 10. The largest groups were those with sleeping quarters for 10–24 residents (34.0 percent) and 25–49 residents (42.6 percent). Some of the associations in the latter group and all of those with accommodations for 50 or more students had their residents in two or more buildings.

Meals served.—Over 138,000 meals per week were served in the school year, 1941–42, by the 112 associations that reported on this point (table 9). This group of associations included a number that were eating clubs only, and did not provide rooms.

Among the rooming associations (most of which also provided board) the 100 reporting associations had 4,444 residents, occupying 1,438 rooms. In most cases it appeared that 2–4 students shared a room, but some associations operated on the dormitory plan. Only 35 associations reported that they had space for any additional residents; these together could accommodate a total of 254 more persons.

A total of 91 associations reported as to the value of equipment owned by the organization. These were possessed of furnishings to the amount of \$149,900. One association reported equipment and furniture valued at \$22,659; this included a quick-freezing unit and a truck with containers designed to carry hot foods from its central kitchen to the various houses.

TABLE 9.—Extent of Eating and Rooming Facilities of Students' Cooperative Associations in 1941, by States

State	Number of meals served per week			Sleeping accommodations			Additional occupants who could be accommodated		Value of furniture and equipment		
	Associations reporting	Breakfast	Lunch	Dinner	Associations reporting	Number of rooms	Number of occupants	Associations reporting	Number	Associations reporting	Amount
Total.....	112	41,631	48,267	48,406	100	1,438	4,544	35	254	91	\$149,900
Arizona.....	1	189	189	162	1	1	128	1	4	1	200
Arkansas.....	6	2,526	2,562	2,459	5	47	155	4	29	3	2,625
California.....	10	8,582	8,873	9,269	9	455	895	2	40	7	22,082
Colorado.....	3	464	569	639	3	25	70			1	400
Georgia.....	2	196	196	196	2	15	28	1	5		(⁹)
Idaho.....	1	800	800	800	1	63	118				(⁹)
Illinois.....	17	2,798	3,096	3,060	12	59	263	2	5	13	8,115
Indiana.....	3	1,931	1,889	1,813	3	112	426	1	2	3	9,215
Kansas.....	2	298	298	322	2	4	129			1	400
Massachusetts.....	1	371	457	435	1	44	70	1	2		(⁹)
Michigan.....	12	2,634	2,816	2,773	13	171	344	5	15	12	10,107
Minnesota.....	4	1,353	1,383	1,314	3	86	180	3	66	3	6,500
Missouri.....	1	240	240	240	1	10	(⁹)	1	1	2	1,975
Montana.....	3	734	803	825	4	51	132	3	20	4	5,650
Nebraska.....	3	757	752	726	2	18	36			2	190
New Jersey.....	2	130	176	171	1	1	12				600
New Mexico.....	1	119	151	151	1	8	16	1	2	1	50
New York.....	2	328	328	328	3	27	90			3	7,700
North Carolina.....	1	145	150	150	1	8	15			1	200
North Dakota.....	1	180	245	245	1	16	48	1	6	1	2,000
Ohio.....	8	1,533	1,811	1,959	7	53	144	1	3	5	3,800
Oklahoma.....	2	540	2,065	1,655	2	88	156	1	15	2	7,100
Oregon.....	6	5,130	6,494	6,546	6	116	458	1	16	6	18,537
Pennsylvania.....	1	2,100	3,120	3,200	1	16	32	1	4	1	1,400
Texas.....	9	3,906	3,916	3,916	9	173	336	3	17	9	7,820
Washington.....	2	3,237	3,237	3,237	2	123	300			2	28,159
Wisconsin.....	8	410	1,651	1,815	4	48	90	2	2	6	4,575

¹ Dormitory.³ 4 associations.⁹ 9 associations.⁴ 8 associations.² 2 associations.⁶ No data.⁷ 13 associations.¹² 12 associations.⁶ 6 associations.¹⁰ 7 associations.¹¹ 5 associations.¹² 1 association.

Disposal of Net Income

Interest on share capital.—Only 2 of 54 reporting associations providing board and room had the policy of paying interest on share capital; the others either paid no interest or were not capital-stock associations. Of the two that paid interest, the maximum rate was 6 and 8 percent, but only 4 and 5 percent, respectively, was paid in 1941.

Disposal of remainder of net income.—Altogether, 86 associations, providing meals or living accommodations or both, reported as to their practice in disposing of net earnings. Of these, 43 put the whole amount into reserves, 5 returned it to members on their shares, and 30 paid it out in patronage refunds. Two associations operated at cost and therefore had no net earnings, 2 stated that if earnings were made the policy was to reduce prices, and 5 associations used the earnings for the purchase of equipment or replacements of furnishings, dishes, etc.

One association, operating several houses, retained the operating surpluses but credited them to the individual members in the form of shares. This it planned to do until sufficient capital was raised, after which the oldest outstanding shares would be retired in order of seniority, thereby keeping the ownership in the hands of the active members.

In 5 associations, nonmembers as well as members were entitled to share in earnings; 72 associations reported that they did not pay patronage refunds to nonmembers. However, as few of the students' living associations serve nonmembers anyway, this nonmember exclusion from patronage refunds was of little practical effect.

Two reporting associations provided in their bylaws for financial statements and distribution of net earnings every 8 weeks—2 percent to reserves, 5 percent in interest on share capital, 2 to 5 percent for education in cooperation, and the remainder for refunds on patronage.

Major Problems

Student cooperatives, like other types of associations, find their main difficulties to be membership and operating problems. As the war goes on and enrollment declines because of departures for military service or for war jobs,⁹ the student associations find it increasingly difficult to keep a membership sufficient for profitable operation. The difficulties reported most frequently were those connected with the war (rapid turn-over among members, reduction of enrollment, rising prices), lack of member interest, and lack of capital for operation or to permit expansion. Suitable quarters—houses of sufficient size or moderate rentals—were also noted as difficult to obtain. Maintenance of adequate living standards while at the same time keeping costs low, in the face of wartime increased costs, was a major problem in a number of cases.

One association reported that its members could afford to pay an average of only about \$4 per week; many would have to leave school if costs rose much above that amount. For this association rising food and other costs posed a real problem.

One problem frequently reported was lack of cooperative spirit and understanding among the members. Another problem was that of getting each member to take his share of responsibility instead of "exploiting a few willing workers."

The outstanding types of problems encountered are listed below:

- Maintaining residents at house capacity (especially since war).
- Reduction of or rapid turn-over in membership because of war.
- Insufficient capital for operation and expansion.
- Obtaining economical housing near college.
- Retail prices very high and cannot buy at wholesale.
- Getting efficient quantity buying.
- Food—getting sufficient variety and balanced diet in low-cost meals.
- Maintenance of decent living standards on what members can afford to pay.
- Nonprofit operation which leaves almost no cash for margin and emergencies.
- Poor accounting; operating in dark; do not know if income meets expenses.
- Collecting accounts from members.
- Obtaining continuity in management because of turn-over of membership.
- Getting full-time manager with cooperative training.

⁹ One association had also lost three members of Japanese descent, when they were sent to a War Relocation Center.

Getting members to share housework and other responsibilities as they should.

"Making the fellows conscientious."

Lack of understanding of cooperation on part of members.

So much time taken in membership discussion of proposed action, little time left for actual work.

Lack of cooperative interest on campus.

University opposes expansion of cooperatives.

Lack of cooperation among the various cooperatives on the campus; competition for members among groups.

Competition of fraternities for members.

In striking contrast to most of the associations were three cooperatives which reported that they had no problems, one in which the problems were "very minor," and another which reported that its experience had been very short but so far the enterprise had "moved along with incredible smoothness."

Another association which reported its main problem to be the collection of members' accounts, was planning to build and operate its own laundry after the war.

APPENDIX.—LIST OF EDUCATIONAL INSTITUTIONS IN THE UNITED STATES
HAVING STUDENT COOPERATIVES ¹

- Alabama:
Trinity School, Athens.
Calhoun School, Calhoun.
Tuskegee Institute.
- Arizona:
University of Arizona.
- Arkansas:
University of Arkansas (5).
Harding College, Searcy.
- California:
University of California, Berkeley (2).
University of California, Agricultural College, Davis.
Glendale Junior College, Glendale.
La Verne College, La Verne.
Chapman College, Los Angeles.
California College of Arts and Crafts, Oakland.
Sacramento Junior College, Sacramento.
Salinas Junior College, Salinas.
San Francisco Theological Seminary, San Anselmo (2).
San Jose State College, San Jose (3).
Santa Rosa Junior College, Santa Rosa.
Stanford University, Stanford University (3).
Stockton Junior College, Stockton.
University of California, West Los Angeles.
- Colorado:
University of Colorado, Boulder (3).
Iliff School of Theology, Denver (2).
Colorado State College, Fort Collins (2).
Colorado School of Mines, Golden.
- Connecticut:
Berkeley Divinity School, New Haven.
Yale University, New Haven.
- District of Columbia:
Wilson Teachers College, Washington.
- Florida:
University of Florida, Gainesville (2).
- Georgia:
University of Georgia, Athens.
Paine College, Augusta.
Fort Valley State College, Fort Valley.
Georgia State College, Industrial College.
Georgia State Woman's College, Valdosta.
- Idaho:
University of Idaho, Moscow.
- Illinois:
Southern Illinois Normal University, Carbondale (3).
Eastern Illinois State Teachers College, Charleston.
Bethany Biblical Institute, Chicago (2).
Baptist Missionary Training School, Chicago.
University of Chicago, Chicago (4).
Illinois Institute of Technology, Chicago.
Presbyterian Theological Seminary, Chicago.
Chicago Theological Seminary, Chicago (3).
Garrett Biblical Institute, Evanston.
Western Illinois State Teachers College, Macomb.
Theological Seminary of Evangelical Church, Maywood.
Monmouth College, Monmouth.

¹ Includes semicooperative associations as well as those cooperative in all respects, but not organizations dominated by the educational institution. Number of cooperative associations (where more than 1, number is shown in parenthesis) includes only those concerning which sufficient information was available upon which to judge as to cooperativeness.

Illinois—Continued.

Evangelical Theological Seminary, Naperville (2).
 Augustana College and Theological Seminary, Rock Island.
 University of Illinois, Urbana (12).
 Skokie School, Winnetka.

Indiana:

Indiana University, Bloomington.
 Wabash College, Crawfordsville.
 Franklin College, Franklin.
 St. Mary's College, Holy Cross.
 Purdue University, West Lafayette.

Iowa:

Iowa State Teachers College, Cedar Falls.
 Grinnell College, Grinnell.

Kansas:

Baker University, Baker City (2).
 University of Kansas, Lawrence (2).
 Kansas Agricultural College, Manhattan.
 Kansas Wesleyan University, Salina (2).
 Friends University, Wichita.

Kentucky:

Kentucky State College, Frankfort.
 Hindman Settlement School, Hindman.
 Pine Mountain Settlement School, Pine Mountain.

Louisiana:

Dillard University, New Orleans.
 Metairie Park Country Day School, New Orleans.
 Louisiana State University, University (3).

Maryland:

Blue Ridge College, New Windsor.
 Cardinal Gibbons Institute, Ridge.

Massachusetts:

Massachusetts School of Art, Boston.
 Boston University, Boston (2).
 Simmons College, Boston.
 State Teachers College, Bridgewater.
 Harvard University, Cambridge (2).

Michigan:

Albion College, Albion (2).
 University of Michigan, Ann Arbor (14).
 University of Detroit, Detroit (3).
 Michigan State College, East Lansing (2).
 Olivet College, Olivet.

Minnesota:

St. John's Seminary, Collegeville (2).
 University of Minnesota, Minneapolis (2).
 Hamline University, St. Paul (3).
 Bethel Institute, St. Paul.

Mississippi:

Southern Christian Institute, Edwards.
 Jackson College, Jackson (2).

Missouri:

University of Missouri, Columbia (4).
 University of St. Louis, Webster College, Webster Groves.

Montana:

Montana State College, Bozeman.
 Montana State University, Missoula.

Nebraska:

University of Nebraska, Lincoln (5).

New Hampshire:

Dartmouth College, Hanover.

New Jersey:

Rutgers University, New Brunswick.
 New Brunswick Theological Seminary, New Brunswick.
 New Jersey College for Women, New Brunswick.
 Princeton University, Princeton (2).
 New Jersey State Teachers College, Trenton.

New Mexico:

New Mexico College of Agricultural and Mechanic Arts, State College.

New York:

D'Youville College, Buffalo.
 Cornell University, Ithaca (2).
 Barnard College, Columbia University, New York.
 City College, New York.
 New York University, New York.
 Yeshiva College, New York.
 Vassar College, Poughkeepsie.
 Colgate-Rochester Divinity School, Rochester (2).
 Syracuse University, Syracuse (3).

North Carolina:

Asheville College, Asheville.
 University of North Carolina, Chapel Hill (2).
 Women's College, University of North Carolina, Greensboro (2).

North Dakota:

North Dakota Agricultural College, Fargo (2).

Ohio:

Ohio University, Athens.
 Bluffton College, Bluffton.
 Schauffler College, Cleveland.
 Western Reserve University, Cleveland.
 Ohio State University, Columbus (3).
 Capital University, Columbus (3).
 Kent State University, Kent.
 Oberlin College, Oberlin.
 Antioch College, Yellow Springs (2).

Oklahoma:

University of Oklahoma, Norman (3).

Oregon:

Oregon State College, Corvallis (7).
 University of Oregon, Eugene (5).

Pennsylvania:

Muhlenberg College, Allentown.
 Crozer Theological Seminary, Chester (2).
 Thiel College, Greenville.
 Allegheny College, Meadville.
 Pennsylvania State College, State College (2).

Rhode Island:

Rhode Island State College, Kingston.

South Carolina:

Avery Institute, Charleston.
 University of South Carolina, Columbia.
 Pennsylvania School, Frogmore.

South Dakota:

University of South Dakota, Vermillion.

Tennessee:

Fisk University, Nashville (2).

Texas:

University of Texas, Austin (4).
 Howard Payne College.
 Agricultural and Mechanical College of Texas, College Station (9).
 Texas State College for Women, Denton.
 Sam Houston State Teachers College, Huntsville (2).
 Texas College of Arts and Industries, Kingsville.
 Our Lady of the Lake College, San Antonio.

Utah:

Utah State Agricultural College, Logan.

Vermont:

Bennington College, Bennington.

Virginia:

Aberdeen Gardens School Cooperative, Hampton.
 Hampton Institute, Hampton (2).

Washington:

State College of Washington, Pullman.

University of Washington, Seattle.

Wisconsin:

University of Wisconsin, Madison (13).

Richland County Normal School, Richland Center.

State Teachers College, River Falls (2).

Evangelical Lutheran Theological Seminary, Thiensville.

Wyoming:

University of Wyoming, Laramie.

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