



Wholesome recreation for students, regardless of their financial status, is one of the aims of the Union. On the left, students enjoy pingpong in one end of the Pine Room. The picture on the right shows part of the Main Lounge where all popular magazines are supplied and every student has the use of fine clubroom facilities

Financing a Union Program

AUDITOR'S reports do not make light reading, but when they concern the operation of the Oklahoma Memorial Union—the center of O. U. student activities, an institution that was made possible by the loyal work and support of many alumni—the reports have a direct interest for *Sooner Magazine* readers.

Audits for the last fiscal year, ending July 31, 1938, and for the present fiscal year to date, shows the financial policies followed since the completion of the Union Building and the enlargement of its program of non-profit services to the student body.

During the fiscal year ending last July 31, the Union showed a net operating profit of \$3,337.81 after deducting all expenses for overhead and for financially non-productive services to students.

However, new problems arose at the beginning of the present school year. The building had finally been completed with the finishing of the Pine Room and other facilities on the first and second floors of the south wing of the building.

The addition of many new services to students during the last two years had caused a great increase in the number of persons using the building, and also called for additional employees. At the beginning of the year, a check of persons entering the building showed an average count of more than 6,000 per day.

The Board of Governors of the Union decided, as a matter of policy, that the Union's program of non-profit services to the student body had increased to such an extent that it would be unwise to expect the profit-making departments to bear the entire load. It was agreed, in fact, that the margin of profit in the financially productive departments should

be held as close as possible to actual cost of operation.

The board, decided, therefore, that a limited amount from the Stadium-Union's student fee income would be used this year to support the financially non-productive services of the Union.

The audit for the present fiscal year up to March 31, 1939, shows that operating costs for the entire Union Building amounted to approximately \$5,000 in excess of revenues. Since operating overhead will be somewhat less during the latter part of the fiscal year, it is expected that the total amount of Union operating costs to be paid out of student fee income for the year will be not much more than \$5,000—which amounts to less than \$1 per student.

THE balance of the fee income is the means of paying off indebtedness against the Stadium and the Union.

"Union officials feel that to make students pay the entire cost of operating the Union by charging them high prices at the cafeteria and news stand and so on would be defeating the objective of making it a service institution—it would make it purely a commercial affair," comments T. M. Beard, '21, manager of the Union.

"It would be quite possible to operate the Union on that basis, and not give the students anything for their Union fee except an interest in the capital investment on the Stadium and the Union. But we feel that part of the fee revenue should be used to give the student body more free services in the Union. That is the policy that is being followed."

Whether this policy can be continued after this year remains to be seen. The Board of Regents has reduced the Union

fee from \$5.50 per semester to \$4.00 per semester.

Of the \$400,000 in bonds issued to make possible the construction of the Stadium and the Union, \$146,000 remains unpaid. The principal and interest payments due in the next year amount to \$47,045. Payments also are due on the notes that were issued to obtain funds for completion of the Union Building with federal WPA aid during 1937 and 1938. A total of \$16,100 is still due on these notes.

If the notes and bonds are retired as they become due, the entire indebtedness against the Stadium and Union will be paid off by April 1, 1943.

In order to meet the annual payments on the building debt, with the student fee income reduced, it might become necessary for the Union to go back to the basis of financing its whole operations program on profits it makes from students, and put every cent of the fee income into payments on the debt.

The general picture of Stadium-Union finances is like this. The Stadium-Union Fund Trustees receive the income from student fees, and also a small amount of miscellaneous income from interest on bank deposits, payments on long overdue pledges, and so on.

The Stadium-Union trustees expend most of this income in payments on the bonds and notes representing the capital indebtedness against the Stadium and the Union. Comparatively small sums are spent for miscellaneous business expenses.

Any surplus may, at the discretion of the trustees, be transferred to the Union operating fund to be used for purchases of equipment or for general operation of the building.

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Financing a Union Program

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The administrative officials and employees of the Union are paid out of the Union operating fund. The administrative salaries are remarkably low for an institution doing as much business as the Union. The manager's salary is \$150 per month (part of which is paid from the Stadium-Union Fund for his services as secretary of the fund); assistant manager, \$50; financial clerk, \$115; auditor, \$60; and janitor, \$75. The manager and assistant manager are employed on a part-time basis and devote part of their time to other duties.

The only other full time employees are those in the various financially productive departments, who are paid out of the income of their own departments. The work of directing student activities in the Union is done by the assistant counselor of women who is a member of the University staff.

Control of the Union and the Stadium is in the hands of the Trustees of the Stadium-Union Memorial Fund of the University of Oklahoma, Inc., a corporation that on April 15, 1925, took over all the assets and activities of the predecessor organizations which were: the Stadium Advertising Fund, the Student-Union Fund, and the Stadium-Union Memorial Corporation.

The charter was taken out for the purpose of erecting the Stadium and the Student Union building.

A separate corporation, the Board of Governors of the Oklahoma Student Union, was formed to direct the operations of the Union Building. This corporation is under the control of a Board of Governors, which is composed of the same persons as the Board of Trustees of the Stadium-Union Memorial Fund. The Board of Governors appoints a manager of the Union Building, who is accountable for the results obtained directly to the Board of Governors.

To aid the manager, there is a committee of five, known as the Board of Managers of the Oklahoma Student Union. This committee is composed of three members appointed from the Board of Governors, one student selected by the Men's Council, and one student selected by the Women's Self-Governing Association of the University.

Student Unions have taken a rapidly increasing position of importance in student life at nearly all of the major universities in the country in recent years.

The University of Minnesota recently received a \$1,000,000 WPA grant from the federal government and is planning to construct a Union plant that will cost \$2,250,000. Purdue is making additions to its Union plant which will bring the total valuation to \$2,000,000. Wisconsin also is enlarging its Union.

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