### CHAPTER V

# FINANCIAL SUPPORT AND ADMINISTRATION<sup>2</sup>

HE quality of library service is dependent to a very large measure, as is the quality of any other public service, on the financial support of the institution and the administration of the funds provided. Unfortunately, complete and accurate statistics of the expenditures for public library service to Negroes in the South are not available. Over 80 per cent of the places offering service provide it by some means within the framework of one public library system. Very often this has meant that there has been little or no separation as to race in the allocation of funds or the setting-up of budgets and accounts. Therefore, when an attempt is made to determine what public library service for the Negro is costing the South, the result is unsatisfactory.

Neither this chapter nor the following will include the practices of independent Negro libraries or libraries which give service to Negroes at the main library. Only those units will be discussed which are Negro branch and station affiliations.

### BUDGETARY AND ACCOUNTING PRACTICES

Budgets.—The value of budgets has long been recognized as a factor in good library administration. So far, however, little importance has been attached to the worth of sepa-

<sup>1</sup> In this chapter, when authority is not otherwise cited, information was obtained from questionnaires or personal visits to libraries.

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rate budgets for Negro library service. In view of the unquestionable separateness of the main library and Negro branch activity, good administration would seem to advise that separate budgets be kept.

Complete separate budgets for Negro service were reported by libraries in only ten cities. Libraries in twenty-four cities reported that funds were allocated as a separate item in the general library budget. In some instances the funds allocated were to cover the total cost of operation, while in other cases the sums set aside were to cover only particular expenditures, such as salaries, books and periodicals, telephone service, rent, and electricity. By far the most common item in this group was that of salaries—eight of the twenty-four budgeted it separately. Five budgeted the book fund as a separate item, and one budgeted the periodical fund separately.

Accounting.—Practices differ as to the accounting procedure employed in reckoning the cost of Negro service, just as they do in regard to the budget. In some instances separate detailed accounts are kept for practically all phases of the service except for the cost of overhead, which would include such items as the preparation of materials. However, in some instances materials are prepared by the branches themselves, and in these cases the additional cost would have to be applied directly to branch expenses. The information for all library units for which relatively complete financial statistics were obtainable is utilized in the charts appearing in the section entitled "Expenditures for Negro Library Service in Particular Cities" (p. 119).

### METHODS OF GENERAL LIBRARY SUPPORT

The income of municipal libraries from public funds is ordinarily derived from one of two sources: (1) from a spe-

cial library tax on property and (2) from an appropriation from the general funds of the municipality.<sup>2</sup> In the South this is also generally true of county libraries, and the majority<sup>3</sup> of the institutions under discussion receive their main support from one of these two methods.

The question of special interest here is: From which of the two methods is Negro library service likely to receive the greatest benefits? Unfortunately, there is not sufficient evidence to show whether a tax levy or an appropriation makes an appreciable difference in the support of Negro service. One might argue from the point that where the largest allotments for library purposes are found it might follow that in those places the Negro percentage would be higher. Joeckel found that in cities of over 30,000 up to 1930 "libraries supported by special tax rates fared better than those whose funds came from appropriation." In that year tax-supported municipal libraries received on the average of 2.0 per cent of the operating expenses of their cities, while the average proportion of those supported by appropriations was only 1.3 per cent. Joeckel comments, however, that the good results of the tax levy, from the library point of view, were perhaps due fully as much to the powerful indorsement this system had had among the relatively strong groups of libraries which favored this method as to the method itself.4 There is, however, some reason to believe that a special tax levy makes more money available for library purposes. If this is true and if the assumption that more money in general means more money

for all services, then it might follow that the tax levy provides more money for Negro service.

Despite the above point, it would not be recommended that the special tax levy for the maintenance of public libraries be rated too highly in regard to the support of public library facilities for the Negro. It, no more than an appropriation, guarantees anything like adequate support for Negro institutions.

# METHODS OF ALLOCATION OF FUNDS FOR NEGRO LIBRARY SERVICE

The methods employed to determine the amount of money which is to be made available for the operation of public libraries for the Negro are of extreme importance, and these will next be considered. Though the total amount appropriated for the maintenance of the entire system may be small, all groups of citizens have the right to expect that a just distribution be made of the amount available. All the methods of allocation discussed do not cover total costs of operation, and this in itself is an indictment. Though certain phases of a library's activities are highly important, such as the purchasing of books, planning must be operative in all phases of the library's organization if unified service is to be obtained.

No specific method of allocation.—The majority of the seventy-five library systems with Negro branch or station affiliations reported no specific method for the allocation of funds for Negro library service. The conclusion is reached from this state of affairs either that a plan is in effect which is too vague and variable to state or that no plan is in effect. Service based on a policy, or lack of policy, of this nature can never hope to be uniform or complete. Two interesting examples of this method are the practices found

<sup>&</sup>lt;sup>2</sup> C. B. Joeckel, *The Government of the American Public Library* (Chicago: University of Chicago Press, 1935), p. 217.

<sup>&</sup>lt;sup>3</sup> There are a few libraries in the area, such as the Rosenberg Library of Galveston, Texas, and the Jones Memorial Library of Lynchburg, Virginia, which receive their main support from private endowment.

<sup>4</sup> Op. cit., p. 220.

in Beaufort, South Carolina, and in Meridian, Mississippi. In Beaufort there is a library tax of 1 mill on the dollar, and one-fourth of whatever the amount this tax yields is used for Negro library purposes. In Meridian the situation is quite different, but it nevertheless falls under this same method of allocation. The maximum amount which may be specified for Negro library service has been fixed by ordinance at \$800.

Allocation based on taxes paid by the Negro population.— Three cities-Georgetown, Kentucky, and Henderson and Weldon, North Carolina-maintain their Negro library service through a proportion of the money the Negroes pay in taxes. In Georgetown this procedure usually yields approximately \$100.00 per year or \$0.08 per capita. Though the per capita rate is higher than that found for Negro library service in many cities of the South, it is obvious that \$100.00 per year will not provide adequate library service for the 1,184 Negroes in Georgetown. Figure 1 (p. 120) shows that for the period 1934 to 1937, the average amount spent by the library unit at Henderson, North Carolina, for Negro library service was \$276.00 per year, or \$0.02 per capita. This amount must be considered as very low. In Weldon the situation is even worse. Though no statistics are available to show the amount spent from year to year, the total results have been so poor that this study has not recognized the service at Weldon as that given by a branch and consequently has not listed it as such.

The examples of service to Negroes financed by a certain percentage of the money Negroes pay in taxes are too few to draw inferences as to the results one could usually expect under this system, but it is of interest to note that for no one of these examples is there sufficient money to pay for the services of a trained librarian or even an untrained

full-time attendant. All are located in schools—a practice which is open to grave question—and two are closed entirely during the summer months. In the case of public schools for Negroes, also a public service, the courts have ruled against their being financed exclusively by a percentage of the money the Negroes pay in taxes on the basis that the procedure was discriminatory and in violation of the Fourteenth Amendment to the Constitution of the United States as interpreted by the Supreme Court. 5 Since Negroes hold title to comparatively little property, any method of producing revenue to support Negro services based on a tax levied only on real estate owned by Negroes would be discriminatory. The same facts would hold true for public library service just as they do for public school service; and, if equalization and general adequacy are the desired ends in the program of public library provision for Negroes, an allocation of funds based on a proportion of the money Negroes pay in taxes cannot be considered equitable.

Allocation based on circulation.—Only two libraries mentioned circulation specifically as the basis for the distribution of the book fund, but in reality circulation plays a much larger part. In conferences with branch librarians attention was usually called to the fact that the library administration had advised that more books would be bought when the circulation increased. Though gross circulation statistics have been used for years as a basis for many practices of the public library, there is some question as to whether these statistics per se will serve as a reliable basis for the allocation of book funds. Several assumptions which may or may not be true are taken for granted when this procedure is employed. First, it is assumed that the

<sup>5</sup> Dawson v. Lee, 83 Ky. 49 (1885).

book collection is entirely representative, that it contains material of excellent quality, classic and contemporary, pertaining to varied interests, and present in sufficient quantity to meet the demands of potential patrons. Further, it is implied that adequate material is available to give service to those whose techniques of reading have not been developed to the point where they are able to assimilate ideas from the average printed page, though they may have an undeniable interest in those same ideas. It also assumes that capable personnel is in attendance at all times to interpret the facilities of the library to its public. It is entirely questionable, from the standpoint of funds available for operation, if from no other standpoint, whether or not the aforementioned assumptions may be taken for granted.

If, however, these assumptions were proved true, there is still another reason for distrusting the theory underlying the use of raw circulation statistics as a basis for the allocation of book funds. Granting that the collection and the personnel leave nothing to be desired, too little is known of the value to the community at large which ensues from the reading of a few important books by a relatively small number of individuals, to decide that low circulation is indicative of a trivial contribution made by the public library and that a more limited number of titles should be purchased in the future. This point was brought out by Carnovsky in his stimulating article, "Book Collections, Library Expenditures, and Circulation." Though Carnovsky used gross circulation figures as a measure of the quantitative aspect of library performance, he was fully aware that they could never tell the whole story, stating that "low figures may inadequately provide for conceivable social good resulting from the reading in limited quantities of material so profound as to affect not only the reader but through him the community with which he comes in contact."6 Thus it seems logical to conclude that other factors, including the breaking-down of circulation figures so that they may present more than a general picture, must be considered in an effectual allocation of book funds.

Allocation based on other branch units.—One library stated that its Negro branch was given the same amount of money for books as were its other branches; two other libraries indicated that the sum received by the Negro branch for books was determined largely by the amount that was given to other branches and that an equitable distribution was always made. Without ascertaining the basis for the distribution to the other branches, it may be seen immediately that this method is unsatisfactory from the standpoint of the Negro branch. In a previous chapter it was pointed out that a Negro branch was not entirely comparable to a white branch, as the Negro branch acted in the capacity of both main library and branch for the entire Negro group in most southern communities. In a later chapter it will be shown that exchange of books is not always possible between the main library and the Negro branch, and, even though this same regulation might be in effect in regard to the white branches, it is still possible for the prospective white borrower to visit the main library. The greatest inconvenience, therefore, is to the prospective Negro patron. Thus any method of distribution of book funds which ignores this phase of the problem must be considered as unsatisfactory.

Allocation based on a combination of factors.—One library, that of Knoxville, Tennessee, stated that its bases for de-

<sup>&</sup>lt;sup>6</sup> Leon Carnovsky, "Book Collections, Library Expenditures, and Circulation," Library Quarterly, VI (January, 1936), 36.

termining the amount of the book fund its Negro branch was to receive were: present collection, past use, and population. This method for the allocation of book funds has possibilities if the possibilities are utilized. It incorporates three important items, and, if "present collection" may be construed to mean the adequacy of the collection judged by objective criteria and if "past use" takes into consideration the reading abilities and interests of the group served and if "population" is meant to incorporate size, with an adjustment for extremes in either direction, it may be acknowledged that an acceptable basis for the allocation of book funds has been derived.

Significant points in the allocation of funds.—No method cited for the general allocation of funds has proved acceptable. Two points are, therefore, suggested which are believed to be extremely important in the allocation of funds for public library purposes. Joeckel has suggested for library support in general that some principle be worked out on the basis of a minimum amount per capita.7 This same suggestion is incorporated here, that the minimum per capita figure be included in any formula which is to provide a sound basis for the support of public library facilities for the Negro. But even this must be carried a step further, as substantial studies have shown that cost of service does not always vary directly with the number served but may vary inversely with the size of the group.8 The inference is that institutions serving populations of differing sizes re-

quire different amounts per capita for a program of a given quality. In financing the library there is probably a minimum below which the operating expenses may not fall regardless of the size of the potential population to be served unless the quality of service is to be seriously impaired. There must, therefore, be introduced into any formula which intends to provide an adequate basis for support, some means by which the inverse variation of cost to size may be offset.

### EXPENDITURES FOR NEGRO LIBRARY SERVICE IN PARTICULAR CITIES

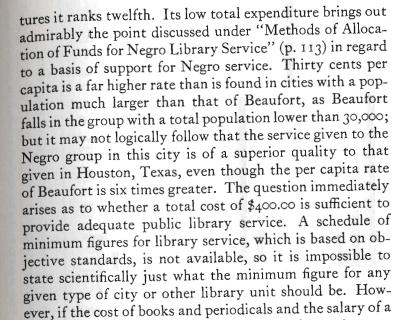
The charts and analyses which follow are an attempt to put into graphic form and to clarify the financial information which was available. Reference is made to all cities for which accurate and comparable statistics as to the cost of Negro library service were obtainable.

Total expenditures.—The average total and per capita annual cost of operation of Negro branch libraries in sixteen cities for the three-year period 1934-37 are shown in Figure 1. The median was \$0.09, and the range in per capita expenditures was from \$0.02 in Henderson, North Carolina, to \$0.30 in Beaufort, South Carolina, showing that there was wide variation in the amounts spent for Negro service, just as Wilson found that there was wide variation in the amounts spent for library service in the United States as a whole.9 It may also be seen from Figure I that the highest figures for total cost do not correspond with the highest figures for per capita cost. Beaufort, South Carolina, leads with an average per capita annual expenditure of a little over \$0.30, but in total expendi-

<sup>7</sup> Op. cit., p. 221.

<sup>8</sup> F. E. Reeves and J. D. Russell, The Measurement of College Excellence ("Bulletins of the Bureau of School Service," Vol. I, No. 4 [Lexington, Kentucky: University of Kentucky, 1929]), p. 33; North Central Association of Colleges and Secondary Schools, The Evaluation of Higher Institutions, Vol. VII: Finance, by J. D. Russell and F. W. Reeves (Chicago: University of Chicago Press, 1935); see also Vol. IV, The Library, by Douglas Waples, chap. iii.

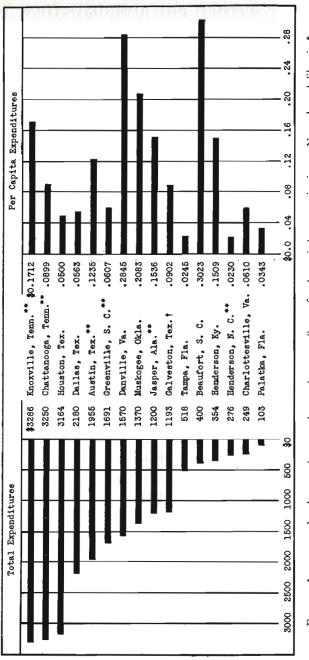
<sup>9</sup> Louis R. Wilson, Geography of Reading (Chicago: American Library Association and University of Chicago Press, 1938), chap. iii.



It is well to point out again that the figures for total operation do not include accurate estimates for overhead. Few accounting systems are sufficiently detailed to isolate the proportion of the total budget which goes into this item of expense for Negro branch service. Under these circumstances, certain of the totals might be slightly higher.

branch librarian is to come out of a figure as low as \$400.00, it is scarcely logical to conclude that the amount is ade-

In a comparison of the average per capita expenditures for the three-year period 1934-37, for the cities listed in Figure 1, with the expenditures for the year 1937 for the same cities, as shown in Figure 2, it is of interest to note that in the majority of cases the averages deviate only slightly from the actual amounts spent in 1937. Danville,



\* Per capita figures are based upon the Negro population within the incorporated area of the city except for those cities where county libraries are located, in which cases the Negro population for the county is used; all population figures are from the U.S. Bureau of the Census, Fifteenth Census of the United States: 1930.

\*\* County libraries. Fig. 1.—Average total and per capita annual operating expenditures for the period 1934-37 in sixteen Negro branch libraries\*

Greenville,

400

1934 1839

2196

Expenditure

\* Per capita figures are based upon the Negro population within the incorporated area of the city except for those cities where county libraries are located, in which cases the Negro population for the county is used; all population figures are from the U.S. Burau of the Census, Filternth Census of the United States: 1930.

\*\* County libraries. in nineteen Negro branch libraries\* -Total and per capita operating expenditures for the

Beaufort, S.

90

Tampa, Fla.

607

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Virginia, Henderson, Kentucky, and Knoxville, Tennessee, show the widest variation-\$0.07, \$0.05, and \$0.03, respectively, while the greatest deviation in the thirteen remaining cities is scarcely more than \$0.01.

TABLE 17\* THE RELATIONSHIP OF PER CAPITA EXPENDITURES AND CERTAIN OTHER FACTORS SHOWN BY GROUP RANKINGS

City	Expendi- tures per Capita (Group)	Total Population (Group)	Total Negro Population (Group)	Percentage of Negro Population (Group)	Per Capita Wealth (Group)
Beaufort, N.C.	I	4	4	ı	3
Danville, Va	I			2	2
Muskogee, Okla	1	3 3	3 3 2	3	2
Knoxville, Tenn	I	I	2	4	3
Jasper, Ala	2	2	3	4	4
Henderson, Ky	2	4	4	4	4
Austin, Tex	2	2	2	3	2
Galveston, Tex	2	3	2	3 2	I
Chattanooga, Tenn	3	1	1	2	3
Charlottesville, Va	3 3 3 3	4	4	1	I
Greenville, S.C.	3	2	1	2	4
Dallas, Tex	3	1	1	4	1
Houston, Tex	4	r	1	3	r
Palatka, Fla	4	4	4	ī	3
Tampa, Fla	4	2	2	3	2
Henderson, N.C	4	3	3	I	4

<sup>\*</sup>Sources for Figure 1: U.S. Bureau of the Census, Fifteenth Census of the United States: 1930; U.S. Bureau of Internal Revenue, "Individual Income Tax Returns for 1936" (May, 1938) (Mimeographed.)

In Table 17 the cities represented in Figure 1 have been given per capita expenditure group rankings which were obtained by arranging the cities by their per capita expenditures from highest to lowest. The resulting sequence was then divided into four groups, the four cities with the highest per capita expenditures being called Group 1, the next four highest, Group 2, etc. These group rankings were then compared with the group rankings, obtained in the same manner as the per capita group rankings, for four other factors. These factors were total population, total Negro population, Negro percentage of total population,

### TABLE 18\* RANK CORRELATION OF LIBRARY EXPENDITURES WITH POPULATION AND WITH WEALTH FOR THE CITIES IN TABLE 17

Total expenditures and total population	Correlation
Taral and the total population	+0.84
Total expenditures and total Negro population	+ .75
Total expenditures and Negro percentage of total	
population	59
total expenditures and total wealth.	1 80
Per capita expenditures and total population	1 .00
Por conits	29
Per capita expenditures and total Negro population.	45
Per capita expenditures and Negro percentage of total	
population	- 20
Per capita expenditures and total wealth	. 20
D	— .26
Per capita expenditures and per capita wealth	02
* The formula used was	
$= 1 - \frac{6\Sigma D^2}{N(N^2 - 1)}.$	

and the number of income tax returns per capita, which represented wealth. The point of special interest was to see whether there were any significant correlations between the per capita expenditures and any of the other four factors. The result shows that there seems to be no consistent pattern of relationship between the per capita expenditures and any of the other four factors. It seems very clear that explanations of the relative expenditures for Negro branch library service must be based in large part on other factors than population and tax-paying ability.

Table 18 shows the actual coefficients of correlation for per capita expenditures paired with the other factors shown in Table 17 and also the coefficients for certain additional pairs of factors. There seems to be no relationship between any of the combinations indicated except between total expenditures and total population, total expenditures and total Negro population, total expenditures and total wealth, and total expenditures and Negro percentage of total population. In the first three cases a high degree of positive relationship is to be anticipated. Also it would usually be assumed that a positive correlation would exist between per capita wealth and per capita expenditures, but in this instance it does not seem to be so. Again, as in Table 17, there appears to be no consistent pattern of relationship between per capita expenditures and other factors.

The data in Tables 17 and 18 are entirely too limited to provide a basis for generalizations applicable to the South as a whole, though the sample includes cities whose total and Negro populations range from small to large, and it also includes cities whose financial status, as judged by their number of income tax returns for 1936, is decidedly varied. However, the results obtained are not to be interpreted as general tendencies but rather as observations having significance only for the group of cities concerned.

Data taken from a recent study and presented through Table 19 show the per capita operating expenditures of the public libraries in the fourteen largest cities in the United States for the period 1934-37. A comparison of these figures with the average per capita amounts spent by sixteen southern libraries for their Negro service for the same period, as shown in Figure 1, reveals a marked difference. The median figure spent by the sixteen southern libraries for Negro service for the four-year period was \$0.09, and the range of the amounts spent was from \$0.02 to \$0.30. Though these figures are averages rather than the actual amounts spent, they may be held as reliable for the purpose of comparison, since there was so little deviation in the amounts spent by each city for its Negro service from year to year. It is obvious from this comparison that the highest per capita figure for Negro service is only one point above the lowest for the fourteen largest cities for the

TABLE 19\*

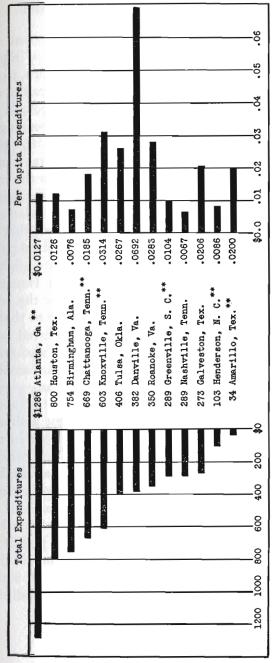
Per Capita Library Operating Expenditures in the Fourteen Largest United States

Cities, 1934-37

Year	Fourteen Largest Cities	Highest	Lowest
1934 1935 1936	0.63 .65 .71 0.67	1.64 1.64 1.95 1.81	0.36 .36 .29 0.29

\*Source: C. B. Joeckel and Leon Carnovsky. A Metropolitan Library in Action: A Survey of the Chicago Public Library (Chicago: University of Chicago Press, 1940), p. 102.

years 1936 and 1937 and six points less than the lowest for the years 1934 and 1935. As previously mentioned, it must also be remembered here that the total figures for Negro service possibly would be a few points higher if accurate estimates of overhead expenditures were available. Even with this correction, however, there would still be a wide discrepancy. This fact is more striking when the size of certain of the Negro populations is considered and when it is recalled that the cost of service may vary inversely with the size of the group and that often a larger amount must be spent for the smaller group if equal service is to be obtained.

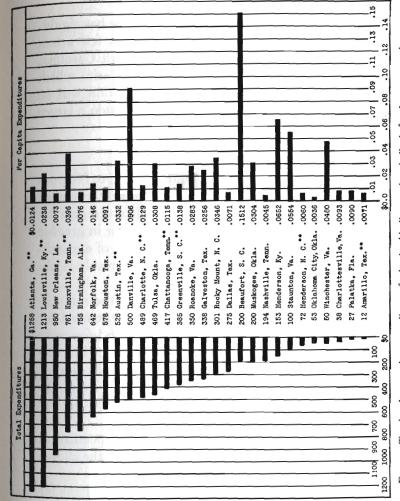


\* Per capita figures are based upon the Negro population within the incorporated area of the city except in the case of county libraries, where the Negro population for the county was used; all population figures are from the U.S. Bureau of the Census, Fifteenth Census of the United States: 1930.

\*\* County libraries. branch libraries Average total and per capita expenditures for books, binding, and periodicals for the period 1930-37 in thirteen Negro

Expenditures for books, etc.—The amount spent for books, binding, and periodicals is always a figure of importance in any discussion of library service. Figure 3 presents information on the average total and per capita annual expenditures for books, binding, and periodicals for the period 1930-37, for thirteen cities. The per capita range for this distribution is from \$0.0067 to \$0.0692 with a median of \$0.02. As in Figure 1, which portrays total costs of operation, Figure 3 shows that here also the relations between total expenditures and per capita expenditures is not constant; and it also reveals that a relatively high per capita figure does not necessarily mean that an adequate amount of money is available for any given phase of service. Amarillo, Texas, for example, has a slightly higher per capita expenditure for books than Houston, though it may be seriously questioned whether the book and periodical collection at Amarillo is superior to that of Houston. Danville, Virginia, still holds a preferred position with the highest per capita figure, and it also ranks reasonably high in total expenditures, as the amount which it spent is the median for this distribution.

Figure 4 also presents information about the above items, but for a larger number of cities and for a shorter period of time. One of the facts worthy of note in this figure is that the total amount spent for books and periodicals by seven libraries, or one-fourth of the total number, was \$100 or less. With the exception of two cities—Amarillo, Texas, and Oklahoma City, Oklahoma—all the cities in which these libraries are located have populations under 30,000. This sample is also too small to permit attaching any great significance to this point, but it does warrant some consideration. Danville remains in a preferred position, ranking second in per capita expenditures



per capita expenditures for books, binding, and periodicals for the year 1937 in twenty

and considerably above the average in total expenditures, the median being \$344.00.

Expenditures for salaries.—Figure 5 perhaps has significance only as a presentation of facts about a few urban areas with the exception of Henderson, North Carolina, and Gainesville, Texas. The discussion of salaries which will be offered in the chapter on administration will be more representative, as it was possible to include a larger number of cases.

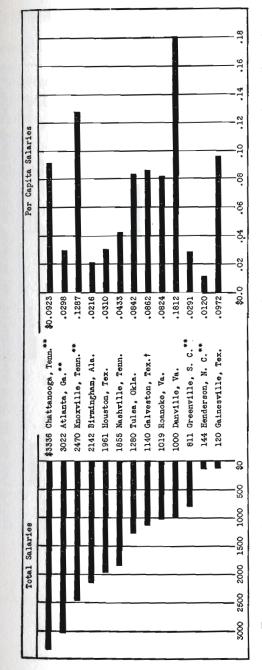
#### CONCLUSION

Financial statistics for public library service to Negroes in the South are manifestly incomplete, and to an extent inaccurate. Their incompleteness is further attested by Figure 6, which is an attempt to bring together in graphic form statistics for the year 1937 for all types of expenditures discussed for all branch libraries. The result is obvious.

In view of the separateness of activity of the main library and the Negro branch there is an urgent need for complete budgets for Negro library service and for more detailed and accurate accounting of expenditures if a certain quality of service is an essential part of the library program. This would be necessary to preserve even the present level of service and certainly to plan effectively the future program.

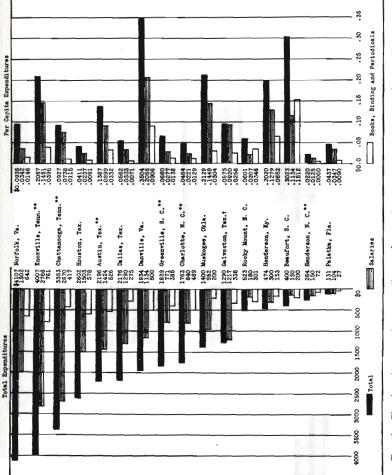
There is an unquestionable need for larger expenditures for Negro service and for a just and fair basis for the allocation of funds.

The amounts spent for Negro library service in areas for which statistics were available seem to bear little relation to such factors as wealth and the proportion of Negro population. Other factors, perhaps personal and social, seem to



\*Per capita figures are based upon the Negro population within the incorporated area of the city except in the case of county libraries, where the Negro population for the county was used; all population figures are from the U.S. Bureau of the Census, Fifteenth Census of the United States: 1930.

\*\*County libraries. in thirteen Negro branch libraries\* expenditures for salaries for the period 1930-37 Average total and per capita annual



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determine the amount of Negro library support in those areas.

The final conclusion is that until Negroes are allowed full privileges in all public libraries in the South, to the conditions of service must be redefined, and financed in such terms, if equalization of facilities is to be obtained.

This does not mean to imply that public library service in general is adequate in the South.