

FINANCIAL SUPPORT OF THE GARY PUBLIC SCHOOLS, A COMPARATIVE
STUDY OF THE FINANCIAL SUPPORT OF THE TEN LARGEST
CITIES IN THE STATE OF INDIANA OVER THE
TEN YEAR PERIOD FROM 1930 TO 1940

by
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The thesis of George L. Russell,
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A COMPARATIVE STUDY OF THE FINANCIAL SUPPORT OF THE
TEN LARGEST CITIES IN THE STATE OF INDIANA OVER THE
TEN YEAR PERIOD FROM 1930 TO 1940

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CHAPTER I

THE PROBLEM, DEFINITION OF TERMS, SCOPE AND LIMITATIONS, AND REVIEW OF LITERATURE

Because of the activities of so-called "tax paying groups" in Lake County and particularly in Gary, the tax rate of the Gary Public Schools has been reduced each year without a corresponding increase in assessed valuation of taxable property. This has reduced the potential income of the Gary Public Schools each year.

I.. THE PROBLEM

Statement of the problem. At the suggestion of the Superintendent of the Gary Public Schools the writer has made a study of the financial support of the schools in the ten largest cities of Indiana over a ten-year period (1) to find where the Gary Public Schools stand in relation to the other nine largest city school systems in the State and (2) to discover some effects of the reduced income each year on the Gary Public Schools.

Importance of the study. It is hoped that the findings of this study will enable the Gary Board of School Trustees to obtain more income for the public schools of its city by a reasonable increase in the tax rate instead of a

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reduction each year.

It is also hoped that the public at large will arrive at a sane and sensible understanding of where its school taxes go.

The Gary Public Schools have always maintained a large summer school and until the last two years had a volunteer school on Saturday mornings during the school year. Because of decreased revenues, the Saturday School was abolished two years ago, and the Summer School has been greatly curtailed during the same period.

This study has attempted to prove the economy of both the Saturday and Summer Schools, and it is hoped there will be a complete restoration of both.

II. DEFINITION OF TERMS USED

Public schools. Public schools in this study refer to those schools supported by public taxation.

Assessed valuation. The term, "assessed valuations," was used to define the value which the township assessor placed on real and personal property for the purpose of taxation.

Tax rate. Tax rate was the amount of money on each one hundred dollars assessed valuation which property owners pay as taxes in Indiana.

III. SCOPE AND LIMITATIONS

At first it was intended to make this study cover each of the ten years from 1930 to 1940, but the committee advised alternate years, arguing that the findings for every other year would be very little different from those for every year; therefore, the data used in this study are for alternate years from 1931-32 to 1939-40 for the following cities: Anderson, East Chicago, Evansville, Gary, Ft. Wayne, Hammond, Indianapolis, Muncie, South Bend, and Terre Haute.

All data, with the exception of those concerning the Gary Saturday and Summer Schools, were secured from the Annual Reports of City Superintendents on file in the Office of the State Superintendent of Public Instruction in the State House at Indianapolis, Indiana.

The data used in the study of the Gary Saturday and Summer Schools were secured from office files of the Director of Saturday and Summer Schools in Gary, Indiana.

Anyone wishing to check the figures in this study has access to the same data which the writer used.

IV. PROCEDURE AND ORGANIZATION

Two possible methods of working out comparative tables and graphs presented themselves in the making of this study. One was to use the average daily attendance as the divisor,

and the other was to use total enrollments. It was decided, after advising with the committee, to use total enrollments as the basis for all calculations, since most reports are based on enrollments rather than on average daily attendance.

The thesis itself is organized into four chapters. The history of the tax support of public schools is presented as Chapter II.

Chapter III analyzes the data of this study. The reader will find several tables and graphs in this chapter, and each of them is explained.

The important findings and recommendations of the study may be found in itemized statements in Chapter IV.

The Appendix contains the form on which the major part of the data was collected.

V. REVIEW OF PREVIOUS STUDIES

The writer was unable to find any extensive studies similar to this one except the one in process by B. V. Bechdolt, Director of Research Service of the Indiana State Teachers Association. B. V. Bechdolt is making a more inclusive study in that he is taking in all school corporations within the State. The findings of his study are published from time to time and sent throughout the State to all members of the Indiana State Teachers Association and other interested persons. These studies are for the purpose of

awakening the public to the dangers in which the public schools find themselves in these trying times when much money will be needed for defense. Naturally the schools will suffer when there are so many groups opposed to taxation, especially for the purpose of education.

CHAPTER II

HISTORY OF TAX SUPPORT OF PUBLIC SCHOOLS OF THE UNITED STATES

From the earliest days to about the beginning of the twentieth century, public schools were problems of the local community. The State and Federal Governments had little or nothing to say about salaries, length of school term, teacher qualifications, curriculum, etc. Life was comparatively simple, and the schools likewise taught little more than the three R's. Gradually life became more complex. The population gravitated to the cities as did much of the wealth of the nation. This country changed from a rural, agricultural nation to one that was urban and industrialized. With these changes came problems of grave importance to educators.

Curriculums had to be enlarged. Many new subjects were added. School terms were lengthened. Enrollments increased. Many school laws were passed regulating school building construction, teacher qualifications, and compulsory attendance. In the early days a small tax levy on local property adequately supported the public schools, but with the coming of the new order of things in the field of education, much more revenue was needed. The total amount of money spent in the United States by state and local governments for education had increased from \$491,190,000

in 1910 to \$2,600,423,000 in 1930 or an increase of approximately 530 per cent in twenty years.¹

This increased demand by education in turn caused an increased burden in local property which in some of the poorer sections of the country was too much for property owners to bear. State laws were passed which established state minimum offerings by schools. With the concentration of wealth in the cities, rural regions of the states were unable to meet the demands made by the states. This resulted in state aid to local communities which enabled them to meet the state minimum requirements.

School tax levies in some communities were lowered because of the state aid, but in the main, school levies were too high to suit many tax payers. As a result of much pressure by tax payers, many states during the early 1930's passed maximum tax levy laws. In Ohio a law was passed which limited the school levy to 15 mills on the dollar.² This could be exceeded only when voted by a majority of the electorate. Indiana passed a similar law which limited the total levy for all purposes to \$1.50 on the hundred dollars assessed valuation. This could be increased when an emergency was

¹ Paul R. Mort, State Support of Public Education (Washington, D. C.: The American Council on Education, 1933), p. 325.

² Ibid., p. 159.

found to exist by the local tax review board. During the last decade there has been a tendency to keep the levy at a low figure.

With the restrictions placed on tax levies on real and personal property, other sources of wealth for taxation had to be found. Most states turned to the Gross Sales Tax. Indiana passed the Gross Income Tax Law, which somewhat relieved local property owners. Other sources of taxes were the inheritance tax, the intangible tax, and the excise tax.

Three states, California, South Carolina, and Pennsylvania, raised their revenue entirely from other sources than the property tax. In 1930 Indiana raised 68 per cent of its revenue from other sources than the property tax. In the same year Iowa raised only 31 per cent of the revenue in the same way.³

The Federal Government during the past twenty-five years had made a definite effort to aid the states in their educational programs by passing school aid laws. In 1914, with the object of linking up the Federal Government with vocational education outside the colleges and experiment stations, the Agricultural Extension Act was passed, which provided an annual appropriation of \$10,000 to each state, to be increased gradually. This money was to be used in

³ Ibid., p. 226.

extension work in agriculture and home economics by means of institutes, correspondence classes, traveling demonstrators, and county agents who worked among the farm people and advised them on the problems at hand. This act did not especially concern the schools but rather sought to aid those whose school days were over. The Smith-Hughes Act of 1917 was perhaps more important in its effect on general vocational education since it applies especially to pupils "over 14 years of age and of less than college age."⁴ The money grants from this act are for teachers and supervisors of industrial subjects, for training of teachers, and for further vocational research.

Bulletins from the United States Bureau of Education indicate that somewhat over a billion and a half dollars is spent each year for public elementary and secondary schools.⁵ If we include in this, private endeavors of all grades, institutions for special classes, and public higher schools, the total would probably exceed two million per year.⁶ This would average about \$20.00 per capita each year for the total

4 Ward W. Keesecker, Digest of Legislation Providing Federal Subsidies for Education (Washington, D. C.: United States Government Printing Office, 1930), p. 50.

5 W. A. Cook, "Control of Education by the Federal Government," Federal and State School Administration (New York: Thomas Y. Crowell Company, 1927), p. 293.

6 Loc. cit.

population and about \$100.00 per capita annually for the school and college enrollment.⁷ Actual year-to-year appropriations are about thirty-five to forty million, not including land gifts for permanent funds; and even if the Sterling Reed Bill, the most recent proposal, were passed, the Federal Government would still be carrying less than 10 per cent of the national cost of education.⁸ The responsibility for systematic regulation of education supposedly rests with the state--a result of the ancient quarrel over states' rights--and a corresponding burden of the support is borne by the state. Nearly every state has built up some kind of permanent fund, the interest of which is a dependable source of income.

As late as 1850, Herbert Spencer, a scholar of liberal rather than conservative tendencies and an educator as well as a philosopher, declared that universal taxation for public education was robbery.⁹ In the light of this sort of opposition which has accompanied the progress of public schools every step of the way, there is reason to rejoice at the high quality of education in the United States as it exists today. It is hoped that great progress will also result in the future.

7 Ibid., p. 294.

8 Ibid., p. 295.

9 Ibid., p. 299.

CHAPTER III

PRESENTATION OF THE DATA

This chapter contains the important information relative to the problem of how Gary's public schools ranked with those of nine other cities. Also some of the effects of the decreased income for Gary's schools are shown.

The data have been analyzed from a number of angles. To make it easy to tell what phase of the data is being discussed, the writer has numbered and centered the topics.

All tables in this chapter are listed in descending order of costs with the last year, 1939-40, deciding the order.

I. ADMINISTRATIVE COSTS

The administrative costs included salaries of superintendents, directors, clerks, stenographers, office supplies and expense, traveling expenses, wages of janitors and engineers, fuel or heat, water, light, power, janitorial and building supplies, telephones, repairs, labor cost, materials, insurance, office rent, and other items of expense in connection with the regulation, direction, and control of school affairs.

Table I shows that all schools have the same general

TABLE I
ADMINISTRATION COSTS PER PUPIL ENROLLED
IN THE TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
GARY	3.05	2.18	2.27	3.12	3.51
East Chicago	4.05	3.19	3.02	3.01	3.50
South Bend	3.31	2.62	2.77	3.09	3.42
Terre Haute	2.87	2.49	2.99	2.60	2.98
Indianapolis	3.36	2.05	2.56	2.61	2.87
Hammond	2.71	2.15	2.71	2.44	2.45
Anderson	1.95	1.76	1.86	2.06	2.26
Muncie	2.51	2.05	2.09	2.32	2.20
Ft. Wayne	2.61	1.61	1.59	1.96	1.89
Evansville	1.73	1.21	1.39	1.57	1.58

curve with all but two, East Chicago and Ft. Wayne, hitting the low ebb during the year 1933-34, after which there was a gradual increase to the present time.

Gary rose from fourth place to the most expensive. It would seem that Gary's administrative costs are too high in comparison with the other nine cities. Gary's costs are more than double those of Evansville, a city of almost the same size as Gary.

Another interesting point to be recognized is that the three highest cities in 1939-40, from the standpoint of administrative costs, are located in the northern part of the State. Living costs are higher in the Chicago area and might thus account for higher costs.

II. INSTRUCTIONAL COSTS

Instructional costs included salaries of principals, assistant principals, clerks, teachers, instructional supplies, and transfer tuition.

Like the administrative costs, instructional costs showed a curve which followed the trend of the depression--high at the beginning, gradually getting lower, and then upward again to the pre-depression costs in some cases. Indianapolis led all cities in instructional costs from the beginning to the end of the study, while Gary dropped

TABLE II
INSTRUCTIONAL COSTS PER PUPIL ENROLLED IN
THE TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
Indianapolis	75.61	57.75	58.47	64.84	71.04
Terre Haute	61.98	47.98	57.69	62.04	69.39
Hammond	58.43	45.43	51.57	63.13	67.37
Ft. Wayne	59.09	50.90	50.71	58.18	64.98
South Bend	61.09	42.38	48.17	57.24	63.17
East Chicago	64.32	47.36	46.14	54.19	61.67
GARY	68.80	43.81	46.35	57.81	61.45
Evansville	53.93	43.98	49.91	60.00	58.75
Anderson	43.24	35.62	37.37	43.85	56.55
Muncie	47.21	41.01	41.89	46.31	52.34

from second to seventh place. At the bottom of Table II, page 14, Muncie and Anderson exchanged ninth and tenth places respectively. Perhaps the high cost of instruction for Indianapolis may be explained by small classes and a high salary schedule. Records on file in the city superintendent's office show that Gary's reduction in costs can be explained by increased sizes of classes over this period.

III. INSTRUCTION-SUPERVISION COSTS

Instruction-supervision costs included salaries of principals, supervisors, directors, clerks, and supplies.

There seemed to be a great divergence in the manner of figuring these costs, and the writer thought that the method used was not uniform throughout these ten cities. For example, Table III shows that in 1931-32 Ft. Wayne had a cost of \$7.75 per pupil enrolled while Hammond for the same year had only \$0.81. Terre Haute had a cost of \$5.20 in 1931-32 and \$0.94 in 1939-40. Perhaps some schools included teaching principals and others did not.

From the apparent discrepancies throughout Table III, it seems that it has little worth for purposes of comparison.

TABLE III

INSTRUCTION-SUPERVISION COSTS PER PUPIL ENROLLED
IN THE TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
Ft. Wayne	7.75	5.66	4.65	4.94	5.54
South Bend	5.89	4.57	4.49	5.35	5.42
East Chicago	5.98	3.98	3.89	4.45	5.13
GARY	4.42	2.95	3.25	2.81	2.91
Muncie	4.89	1.73	1.78	2.28	2.36
Evansville	1.21	.87	1.22	1.83	1.62
Anderson	2.04	.94	1.22	1.89	1.58
Indianapolis	1.82	.81	.91	1.05	1.16
Terre Haute	5.20	3.08	3.27	.77	.94
Hammond	.81	.36	.44	.42	.36

Gary's reduction in costs can be explained in part by increased sizes in classes from 1929-30 to 1934-35. After that time there was a decrease in sizes of classes, but they did not reach the low of 1929-30. Figures on file in the state superintendent's office showed that the number of teaching positions in Gary in 1929-30 was 618 and that the total enrollment was 20,644. This gave an average of 33.57 pupils per teacher. In 1933-34 there were only 567 teaching positions while enrollments had increased to 21,330, making an average of 37.62 pupils per teacher. In 1935-36 the average had decreased to 37 pupils per teacher. This was decreased to 35.6 in 1937-38. During the last year of the study, 1939-40, the teaching positions had increased to 628, and the enrollment had increased to 21,705, which gave an average of 34.56 pupils per teacher. In all of the above-mentioned teaching positions, teachers, principals, and supervisors were counted in the total given.

IV. OPERATION COSTS

Operation costs included salaries of engineers and janitors, fuel, heat, water, gas and electric current, building and janitorial supplies, care of grounds, services other than personal, school transportation, telephones, etc.

Table IV shows, as did the previous ones, the depression curve with East Chicago most expensive at the beginning and Hammond the more expensive at the end of the ten-year period. Gary dropped from fifth to sixth place, while Muncie, Anderson, and Evansville maintained eighth, ninth, and tenth places respectively from the beginning to the end of the period covered in this study.

Again it is worthy of note to see that the four highest cities, East Chicago, Hammond, South Bend, and Ft. Wayne, are in the northern part of the State where salaries and fuel are higher than other parts of the State.

V. MAINTENANCE COSTS

Maintenance costs included upkeep of grounds, labor in repair of buildings, materials used in repair of buildings, repair and replacement of heating, lighting, and plumbing, work done under contract, repair of instructional apparatus, replacement of furniture and other equipment.

Table V shows that Gary was second in maintenance costs per pupil enrolled in 1931-32 and went to first place in 1939-40. This can be explained in part because building tradesmen in the Calumet Region received much higher wages than in other sections of the State.

TABLE IV
OPERATION COSTS PER PUPIL ENROLLED IN THE
TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
Hammond	9.41	8.39	10.45	12.71	13.03
East Chicago	12.08	9.18	9.57	11.32	12.67
South Bend	10.11	8.91	9.26	11.69	12.40
Ft. Wayne	11.10	8.03	8.33	11.00	11.59
Terre Haute	9.86	7.58	9.10	9.49	11.02
GARY	9.74	7.43	8.47	10.39	10.98
Indianapolis	9.45	7.40	8.20	9.10	9.70
Muncie	7.87	6.21	6.63	7.04	8.06
Anderson	6.91	6.34	6.18	6.74	7.87
Evansville	6.23	5.02	6.08	6.64	7.24

TABLE V

MAINTENANCE COSTS PER PUPIL ENROLLED IN THE
TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
GARY	3.25	4.08	3.13	4.34	3.72
Evansville	2.53	1.92	3.15	4.74	3.36
Muncie	1.66	.86	1.19	1.79	2.92
Hammond	1.53	1.64	4.16	2.35	2.88
South Bend	2.59	1.92	2.19	3.02	2.69
Terre Haute	1.30	.88	2.01	2.62	2.36
Anderson	1.66	1.16	1.23	1.72	2.21
Ft. Wayne	1.52	.99	1.59	2.13	2.14
East Chicago	3.67	2.31	1.51	1.68	2.10
Indianapolis	2.14	1.23	1.79	1.78	1.91

VI. FIXED CHARGES COSTS

Fixed charges costs included rents, insurance, interest on bonds, interest on temporary loans, workmen's compensation, contingencies, etc.

The curves shown by Table VI are ones which are not depression curves. All costs were high at the beginning of the study, and in almost every instance they became less. This was true despite the fact that most of these charges were for items which stay fairly constant. One reason for the gradual decrease was the retirement of bonds which stopped interest payments.

Gary was third in fixed charges costs in 1931-32 but rose to first place in 1939-40. The reason for this was that Gary had not retired its proportionate share of bonds over the same period.

VII. AUXILIARY ACTIVITIES COSTS

Auxiliary activities costs included salaries of librarians, nutrition departments, doctors, nurses, and dentists. It included also repair and replacement of books, nutrition supplies, and other expenses of the medical departments and nurses.

Table VII does not show the same "depression curve" as was noted in the tables shown before. For instance,

TABLE VI
FIXED CHARGES COSTS PER PUPIL ENROLLED IN THE
TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
GARY	9.23	8.22	7.92	7.57	7.52
Indianapolis	8.97	7.81	7.07	6.96	6.86
Hammond	7.42	5.54	7.11	6.77	6.76
East Chicago	8.38	7.94	6.57	6.33	6.39
South Bend	9.66	9.32	7.66	6.43	5.95
Ft. Wayne	10.60	8.00	6.80	5.97	5.17
Muncie	6.12	6.47	5.74	4.95	4.00
Evansville	6.53	5.94	5.24	4.81	3.90
Terre Haute	6.54	6.59	5.03	3.69	3.49
Anderson	5.36	4.41	3.73	3.27	3.28

TABLE VII

AUXILIARY CHARGES COSTS PER PUPIL ENROLLED IN THE
TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
Terre Haute	5.51	3.31	4.45	5.06	5.52
Evansville	2.42	1.52	3.06	2.52	2.15
Anderson	.68	.44	1.27	1.59	2.05
East Chicago	2.14	1.50	1.61	1.71	1.86
Hammond	.58	.52	1.64	1.53	1.79
South Bend	2.16	.80	.88	1.07	1.46
Ft. Wayne	1.24	1.05	1.11	1.23	1.38
GARY	1.40	.88	.89	.96	1.12
Muncie	.81	.72	.89	.66	1.00
Indianapolis	1.22	.98	.66	.43	.33

Indianapolis showed gradual decrease from \$1.22, or seventh place, to \$0.33, or last place. Gary dropped from fifth to eighth place, while Terre Haute was most expensive throughout the study.

It is the belief of the writer that there was a lack of uniformity in items included in this report. For example, Terre Haute in 1939-40 had a per pupil enrolled cost of \$5.52 while Indianapolis for the same year had a cost of \$0.33, or about 6 per cent of that of Terre Haute.

VIII. TOTAL COSTS PER PUPIL ENROLLED, 1931-32

Table VIII is a composite picture of total costs for the entire period of the study. It is followed by a bar graph for each year shown in the study. Each year and graph has an analysis which discusses total costs for each separate year.

The first graph, Figure 1, shows a difference of \$40.71 between the most expensive total cost--that of Indianapolis--and the least expensive--that of Anderson, yet these cities are only about forty miles apart.

Gary, at the beginning of the depression, stood near the top in third place, \$2.66 below the highest city, Indianapolis.

TABLE VIII

TOTAL COSTS PER PUPILS ENROLLED IN THE
TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
Terre Haute	93.21	71.93	84.54	86.27	95.70
Hammond	80.94	64.04	78.05	89.36	94.63
South Bend	94.82	70.55	75.42	87.87	94.52
Indianapolis	102.55	78.03	79.70	86.78	93.86
East Chicago	100.61	75.47	72.31	82.76	93.31
Ft. Wayne	93.85	76.17	74.77	85.40	92.70
GARY	99.89	69.55	72.29	87.03	91.21
Evansville	74.64	60.50	70.04	82.17	78.58
Anderson	61.84	50.66	52.87	61.11	75.79
Muncie	71.08	59.02	60.21	65.35	72.88

Indianapolis \$102.55

East Chicago \$100.61

GARY \$99.89

South Bend \$94.82

Ft. Wayne \$93.85

Terre Haute \$93.21

Hammond \$80.94

Evansville \$74.64

Muncie \$71.08

Anderson \$61.84

FIGURE 1

TOTAL COSTS PER PUPIL ENROLLED
FOR 1931-1932

IX. TOTAL COSTS PER PUPIL ENROLLED, 1933-34

Figure 2 shows that all cities had dropped in total pupil costs from those of 1931-32. Indianapolis, still at the top, showed a decrease of \$24.52 per pupil enrolled. Gary had dropped from third to sixth place with a decrease of \$30.24 per pupil enrolled. Anderson, still in tenth place, showed a decrease of \$11.18. This figure indicates the lowest depth of the depression.

X. TOTAL COSTS PER PUPIL ENROLLED, 1935-36

Figure 3 shows the first increase of costs in this study. While Indianapolis showed an increase of \$1.67 per pupil enrolled, Terre Haute went from fourth to first place, showing an increase of \$12.61 per pupil enrolled. Gary dropped from sixth to seventh place, although the per pupil enrolled cost was increased \$2.74.

Evansville, Muncie, and Anderson are in eighth, ninth, and tenth places respectively as they were in the two previous years. All cities, except East Chicago, showed an increase over 1933-34.

XI. TOTAL COSTS PER PUPIL ENROLLED, 1937-38

Figure 4 shows clearly the recovery of incomes for the cities studied. Every city showed an increase over

Indianapolis	\$78.03
Ft. Wayne	\$76.17
East Chicago	\$75.47
Terre Haute	\$71.93
South Bend	\$70.55
GARY	\$69.55
Hammond	\$64.04
Evansville	\$60.50
Muncie	\$59.02
Anderson	\$50.66

FIGURE 2

TOTAL COSTS PER PUPIL ENROLLED
FOR 1933 - 1934

Terre Haute	\$84.54
Indianapolis	\$79.70
Hammond	\$78.05
South Bend	\$75.42
Ft. Wayne	\$74.77
East Chicago	\$72.31
GARY	\$72.29
Evansville	\$70.04
Muncie	\$60.21
Anderson	\$52.87

FIGURE 3

TOTAL COSTS PER PUPIL ENROLLED
FOR 1935 -1936

Hammond

\$89.36

South Bend

\$87.87

GARY

\$87.03

Indianapolis

\$86.78

Terre Haute

\$86.27

Ft. Wayne

\$85.40

East Chicago

\$82.76

Evansville

\$82.17

Muncie

\$65.35

Anderson

\$61.11

FIGURE 4

TOTAL COSTS PER PUPIL ENROLLED
FOR 1937 - 1938

1935-36. Positions of some of the cities had changed because of larger increases in some than in others.

Hammond took first place, moving up from third place in 1935-36. Indianapolis dropped from second to fourth place, and Gary went from seventh place in 1935-36 to third place in 1937-38.

Evansville, Muncie, and Anderson, although showing increases in every instance, still held eighth, ninth, and tenth places respectively.

XII. TOTAL COSTS PER PUPIL ENROLLED, 1939-40

Figure 5 shows every city in the study with an increase except Evansville, which had a loss of \$3.59 per pupil enrolled.

Terre Haute again took the lead, and Indianapolis dropped to fourth place. Gary dropped from third to seventh place, even though it had an increase of \$4.17 per pupil enrolled.

Between first and seventh places there was a range from \$91.21 to \$95.70, or \$4.49.

The three lowest cities--Evansville, Anderson, and Muncie--were in the \$70.00 cost range.

Figure 1, page 26, for the year 1931-32, showed a difference of \$40.71 between first and last place, while

Terre Haute

\$95.70

Hammond

\$94.63

South Bend

\$94.52

Indianapolis

\$93.86

East Chicago

\$93.31

Ft. Wayne

\$92.70

GARY

\$91.21

Evansville

\$78.58

Anderson

\$75.79

Muncie

\$72.88

FIGURE 5

TOTAL COSTS PER PUPIL ENROLLED
FOR 1939 - 1940

Figure 5, page 32, for 1939-40, had only \$22.82 between the first and last place. The writer believes this to be a healthy sign.

Figure 6 shows that Gary's costs in the several different items were out of line when compared to the average of the ten cities in the study.

Gary paid more for administration and at the same time less for instruction. Of all money spent for schools by Gary over the ten-year period, 3.4 per cent of it went for administration, and 66.3 per cent went for instruction; while the average of the ten cities spent 3.1 per cent for administration and 69.2 per cent, or almost 3 per cent more for instruction.

Gary paid 3.9 per cent of its school expenditures for instruction-supervision while the average was 3.6 per cent, or three-eighths of one per cent less than Gary spent.

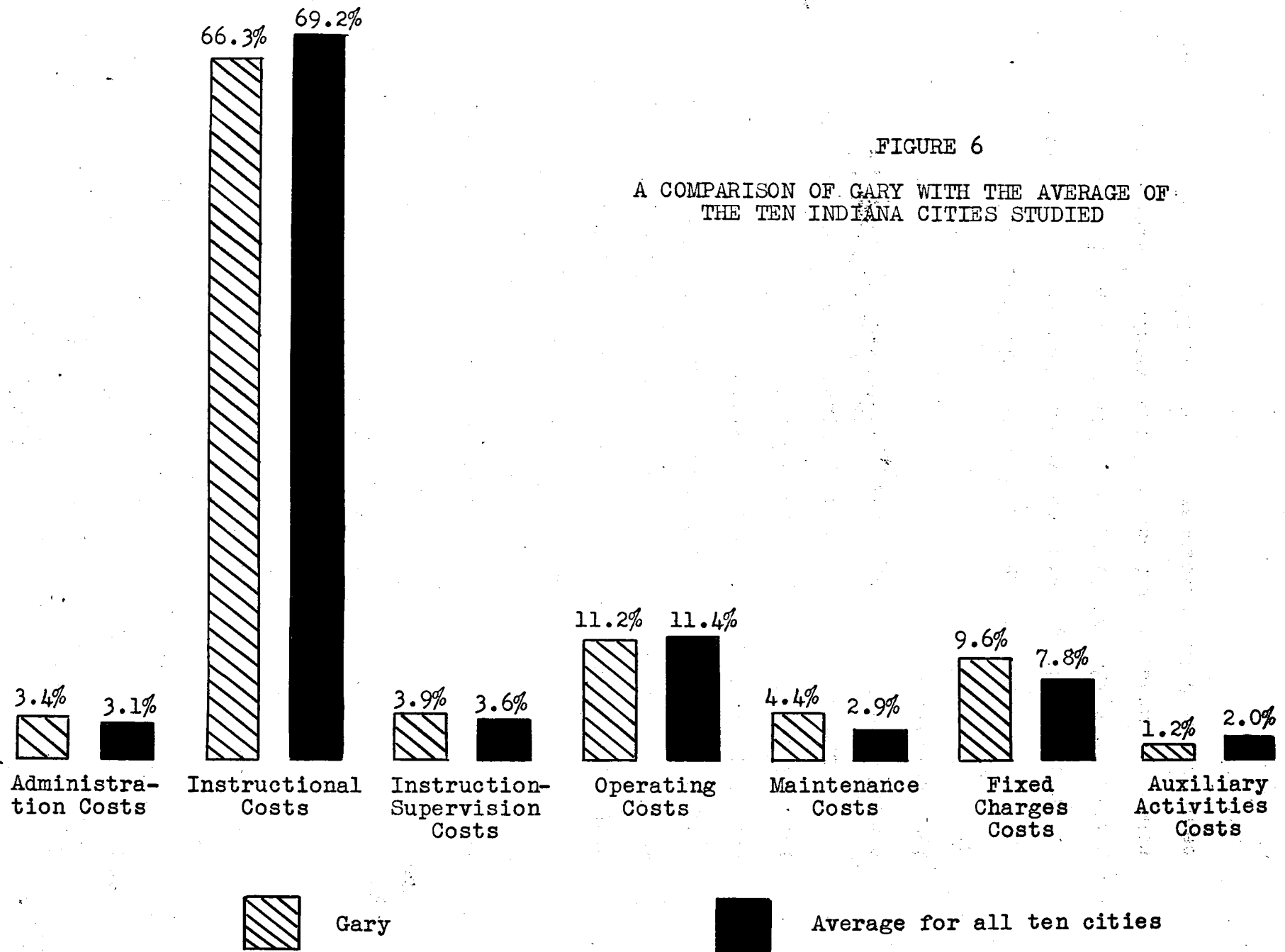
Gary's operation costs were a little below those of the average as were auxiliary activities.

Maintenance costs in Gary were much higher than the average with 4.4 per cent for Gary and 2.9 per cent for the average.

Fixed charges were higher in Gary than the average with 9.6 per cent for Gary as compared to 7.8 per cent for the average of the ten cities studied.

FIGURE 6

A COMPARISON OF GARY WITH THE AVERAGE OF
THE TEN INDIANA CITIES STUDIED



It would appear that Gary should spend more for instruction and auxiliary activities and less for administration and maintenance. By doing these things, Gary would more nearly approach the average of the ten cities in the study.

XIII. BONDED INDEBTEDNESS

Table IX, which deals with bonded indebtedness for the year 1939-40, shows Gary to have the greatest bonded indebtedness per pupil enrolled and Terre Haute the least. There was almost one hundred dollars difference between the two with Gary's at \$152.73 per pupil enrolled and Terre Haute's at \$53.99 per pupil enrolled. Another way of expressing this difference is to say that Gary's bonded debt based on per pupil enrolled was approximately three times that of Terre Haute for the year 1939-40.

One can expect the difference as shown when it is realized that Gary has built all of its buildings since 1906 while Terre Haute is one of the oldest cities in the State.

From 1906 to 1922 Gary spent \$1,849,360.00 for school grounds, buildings, and equipment. During the last eighteen years, from 1922 to 1940, Gary has spent \$6,152,908.00 for school grounds, buildings, and equipment, or about 77 per cent of the total investment of \$8,002,268.00. All buildings

TABLE IX
BONDED INDEBTEDNESS IN THE TEN LARGEST
INDIANA CITIES 1939-40

City	Bonded indebtedness	Total enrollment	Bonded debt per pupil enrolled
GARY	3,315,000.00	21,705	152.73
East Chicago	1,445,000.00	9,896	146.01
Indianapolis	8,075,000.00	60,878	132.64
Ft. Wayne	2,075,000.00	18,047	114.91
South Bend	1,900,000.00	16,701	113.16
Hammond	1,594,500.00	14,504	109.93
Evansville	1,660,500.00	19,645	84.53
Muncie	750,000.00	10,352	72.45
Anderson	568,000.00	8,165	69.57
Terre Haute	580,000.00	10,743	53.99

erected between 1922 and 1940 were Class A, fire proof buildings. School enrollments increased so fast in Gary that buildings had to be furnished and could not be paid for. Bonds were issued over twenty-year periods. Gary still owes 40 per cent on its investment in schools.

During the period from 1922 to 1933, when most of those buildings were erected, prices for labor and materials were more than double those paid for buildings before 1922.

Terre Haute, on the other hand, has very few modern buildings, and very few were erected during the past twenty years. Enrollments there have shown a decrease instead of an increase during the same period of time.

From Table IX, page 36, one may conclude that the northern part of the State has the greatest bonded indebtedness. The explanation is that--like Gary--most of these cities have grown so fast that the schools have had a difficult time keeping up with their building programs.

XIV. INVESTMENTS

Investments shown in Figure 7 are for the year 1939-40 and include school buildings, grounds, and equipment.

South Bend led all cities in investments, and Muncie was at the bottom of the list. Gary fell to sixth place. This may cause one to question why the small investment as

South Bend	\$583.35
East Chicago	\$445.01
Terre Haute	\$435.00
Indianapolis	\$425.96
Ft. Wayne	\$378.92
GARY	\$368.69
Evansville	\$351.06
Hammond	\$318.88
Anderson	\$291.52
Muncie	\$232.98

FIGURE 7

TOTAL INVESTMENTS--LAND, BUILDINGS, AND EQUIPMENT
PER PUPIL ENROLLED FOR 1939-1940

compared to the large bonded indebtedness. That question can be answered in two ways. First, Gary has not paid up its debts as fast as other cities; second, Gary's platoon system saves enough on buildings to keep down the investment per pupil enrolled. School authorities in Gary claim a saving of 20 per cent in buildings.

South Bend's high investment can be explained in two ways; first, several new buildings have been erected in South Bend in the past ten years, and second, South Bend has been losing in enrollment.

Terre Haute's comparatively high investment can be explained by its gradual loss in enrollment. Many buildings in that city are partially empty. None is over crowded. The Woodrow Wilson Junior High School can take care of twice its present enrollment.

XV. ASSESSED VALUATIONS AND TAX RATES, 1931-32.

Table X shows a tax rate range from 94.2 cents for Indianapolis to \$1.756 for Terre Haute. Figured on 100 per cent tax collections, the per-pupil-enrolled incomes ranged from \$61.83 for Anderson to \$125.09 for Gary with a fairly even curve from one end to the other.

These assessments were made before the depression had really produced its full effect; therefore, it was to

TABLE X
 ASSESSED VALUATIONS AND TAX RATES IN THE TEN
 LARGEST INDIANA CITIES 1931-32

City	Assessed valuations	Tax rate	Per pupil income based on 100% tax collections
GARY	179,331,200.00	1.44	125.09
Hammond	111,926,455.00	1.29	114.95
Indianapolis	691,336,210.00	.942	112.13
South Bend	199,325,510.00	1.02	109.53
Ft. Wayne	224,570,530.00	.857	108.03
East Chicago	92,418,325.00	1.05	106.20
Terre Haute	95,176,290.00	1.756	103.72
Evansville	137,877,690.00	1.00	80.94
Muncie	64,483,625.00	1.12	73.84
Anderson	41,156,345.00	1.25	61.83

be expected that both the assessed valuation and the tax rate would be lowered. The next table shows that this was the case.

XVI. ASSESSED VALUATIONS AND TAX RATE, 1933-34

The range in the tax rate for this year showed a difference of \$0.83 for East Chicago to \$1.45 for Terre Haute. While Indianapolis was getting a raise in its rate of 4.8 cents, Gary was taking a cut from \$1.44 to \$1.00.

Gary dropped from first to eighth place, or from \$125.09 per pupil enrolled to \$57.99, which was less than half. All cities showed drastic cuts in assessed valuations, and, in some cases--Terre Haute for example--they showed almost a 50 per cent cut. At the same time most cities' tax rates were lowered also.

Taxes depend both upon the assessed valuation and rate; therefore, when both are lowered, it doesn't take much of a cut to lower the income greatly.

Table XI, on the following page, really shows a very disheartening picture for all schools in the study. The year 1933-34 was the bottom of the depression for Gary, Ft. Wayne, East Chicago, Hammond, Terre Haute, and Anderson. The other four cities hit the low mark in 1935-36 as shown by Table XII, page 44.

TABLE XI

ASSESSED VALUATION AND TAX RATES IN THE TEN
LARGEST INDIANA CITIES 1933-34

City	Assessed valuations	Tax rate	Per pupil income based on 100% tax collections
Indianapolis	510,934,410.00	.99	82.20
South Bend	136,453,700.00	.975	73.12
Ft. Wayne	147,004,180.00	.90	70.02
East Chicago	72,667,595.00	.83	65.09
Hammond	90,072,925.00	.99	63.95
Terre Haute	50,631,720.00	1.45	62.57
Evansville	109,021,100.00	.93	59.80
GARY	122,682,560.00	1.00	57.99
Muncie	39,742,990.00	1.21	49.05
Anderson	30,931,835.00	.97	36.76

XVII. ASSESSED VALUATIONS AND TAX RATE, 1935-36

Table XII shows Indianapolis still in first place, having the highest per pupil income based on 100 per cent tax collections. The \$74.48 per pupil income was the lowest Indianapolis had during the ten year period. Anderson was still in last place, but she had an increase of \$5.73 per pupil enrolled over the last study.

The range of the tax rates was from Evansville with \$0.77 to Terre Haute with \$1.41. The difference in per pupil possible income was \$31.99; that is, Indianapolis \$74.48, and Anderson \$42.49. The difference before the depression was \$63.26; therefore, the depression seemed to level off the most expensive schools without doing so much lowering of costs in the least expensive ones.

Gary had risen from eighth to seventh place, while the per pupil enrolled possible income had increased \$2.86.

XVIII. ASSESSED VALUATIONS AND TAX RATE, 1937-38

Table XIII shows a range in the tax rate from \$0.89 at Ft. Wayne to \$1.55 at Hammond. Gary had a rate of \$1.30. This was an increase of \$0.25 over the rate of 1935-36. Every city in the study showed a slight increase in assessed valuation over two years ago. Hammond, Gary, Indianapolis, South Bend, Evansville, Muncie, and Anderson showed increases

TABLE XII

ASSESSED VALUATIONS AND TAX RATES IN THE TEN
LARGEST INDIANA CITIES 1935-36

City	Assessed valuations	Tax rate	Per pupil income based on 100% tax collections
Indianapolis	504,595,330.00	.89	74.48
Ft. Wayne	145,197,490.00	.93	72.02
Hammond	88,052,075.00	1.15	69.65
Terre Haute	52,168,460.00	1.41	68.98
East Chicago	76,593,165.00	.93	68.43
South Bend	129,145,730.00	.91	63.31
GARY	126,212,550.00	1.05	60.85
Evansville	115,643,690.00	.77	52.18
Muncie	39,853,700.00	1.15	44.90
Anderson	32,744,610.00	1.10	42.49

TABLE XIII

**ASSESSED VALUATIONS AND TAX RATES IN THE TEN
LARGEST INDIANA CITIES 1937-38**

City	Assessed valuations	Tax rate	Per pupil income based on 100% tax collections
Hammond	89,380,235.00	1.55	92.84
GARY	136,277,570.00	1.30	81.33
Indianapolis	512,000,000.00	1.00	80.25
South Bend	131,887,170.00	.975	72.88
East Chicago	80,883,190.00	.93	72.12
Ft. Wayne	148,500,000.00	.89	70.54
Evansville	117,539,410.00	1.00	66.34
Terre Haute	54,122,180.00	1.249	59.41
Anderson	33,153,735.00	1.41	56.10
Muncie	44,885,275.00	1.23	53.27

in the tax rate, while Ft. Wayne and Terre Haute showed decreases. East Chicago's rate of \$0.93 remained the same.

For 1937-38 Hammond had the highest per pupil enrolled income based on 100 per cent tax collections. Gary rose from seventh to second place. Indianapolis fell to third place. Anderson and Muncie exchanged places, putting Anderson ninth and Muncie last. The range in per pupil possible income had increased from \$31.99 to \$39.57, while the highest had risen from \$74.48 to \$92.84; the lowest had also risen from \$42.49 to \$53.27. This was a really healthy sign and showed that the schools in this study were gradually recovering, but they still had a long way to go to get back to pre-depression levels.

XIX. ASSESSED VALUATIONS AND TAX RATE, 1939-40

Table XIV indicates that Indianapolis, East Chicago, Ft. Wayne, and Evansville showed slight increases, while all other cities in the study showed slight decreases in assessed valuations. Hammond, Gary, Indianapolis, Ft. Wayne, Evansville, Anderson, and Muncie showed decreases in tax rates ranging from 2 cents to 34 cents. South Bend, East Chicago, and Terre Haute showed increases in the tax rate ranging from 4 cents to 13 cents.

The range in per pupil enrolled possible income was \$48.92 for Muncie to \$85.12 for South Bend. This was a

TABLE XIV

ASSESSED VALUATIONS AND TAX RATES IN THE TEN
LARGEST INDIANA CITIES 1939-40

City	Assessed valuations	Tax rate	Per pupil income based on 100% tax collections
South Bend	128,653,610.00	1.105	85.12
East Chicago	83,920,485.00	.97	83.29
Indianapolis	512,698,560.00	.96	80.75
Hammond	89,031,010.00	1.21	74.27
GARY	133,642,845.00	1.18	73.11
Ft. Wayne	150,000,000.00	.87	72.11
Terre Haute	53,470,460.00	1.285	66.43
Evansville	119,295,840.00	.98	59.46
Anderson	32,993,425.00	1.22	49.33
Muncie	44,422,030.00	1.14	48.92

difference of \$36.20. In the report of 1937-38 the difference was \$39.57 per pupil enrolled possible income. This year showed a drop from the top to the bottom. Obviously, it was not a good sign, and it indicates that school people must be awakened so that no further cuts are made.

Gary had dropped from second to fifth place with the possible income per pupil enrolled dropping from \$81.33 to \$73.11, or a drop of \$8.22.

From Tables X, XI, XII, XIII, and XIV one concludes that tax rates and assessed valuations vary in different cities over the state and are not uniform or equitable. There should be a state-wide, uniform method of assessing so that tax levies would then have a real meaning. As it is now, much stress is put on the tax rate which may be large and which means nothing without an understanding that the tax rate and assessed valuation always go together. With an equitable and uniform method of assessing, tax levies should be about the same over the State.

XX. PER CENT OF SCHOOL TAX RATE OF TOTAL

TAX RATE FOR ALL PURPOSES

The trend in these cities to lose ground in getting their share of taxes is shown in Table XV. As the depression became worse, taxes had to be levied to take care of relief. Politicians took care to see

TABLE XV

PERCENTAGE THAT SCHOOL TAX RATE IS OF TOTAL
TAX RATE FOR ALL PURPOSES IN THE
TEN LARGEST INDIANA CITIES

City	School Year				
	1931-32	1933-34	1935-36	1937-38	1939-40
South Bend	37.2	34.3	36.8	37.3	36.9
Anderson	35.9	28.2	41.4	45.3	34.2
Muncie	41.8	35.7	37.1	32.4	33.7
Ft. Wayne	35.3	32.9	35.8	39.7	33.3
Hammond	37.2	34.4	37.1	41.0	33.1
Terre Haute	44.1	35.4	33.1	33.4	32.9
GARY	40.2	31.6	32.4	34.2	31.9
East Chicago	32.1	30.8	31.8	31.2	30.7
Indianapolis	33.8	31.6	32.0	31.3	29.9
Evansville	31.8	27.0	27.1	28.9	29.0

that civil cities kept their tax rates up. Tax-paying groups in some cities had pegged the total levies at a certain limit. In Gary this limit was set at \$3.70. Consequently, when other levies were increased, the schools have had to take decreases in order to balance and keep within the total levy limit set.

XXI. PERCENTAGE OF INCREASE AND DECREASE IN ENROLLMENTS
AND TOTAL REVENUES FROM 1930 TO 1940

Table XVI shows South Bend to be in the best position with a loss of 10 per cent in enrollment and an increase of 15.2 per cent in total revenues over the ten-year period. Muncie was in almost as good a position with the small increase of 5.8 per cent in enrollment and the large increase of 28.9 per cent in total revenues.

Six of the ten cities were in better positions in 1940 than in 1930. They were South Bend, Muncie, Hammond, Indianapolis, East Chicago, and Evansville. Evansville had almost the same position in 1940 as in 1930 with a gain in enrollment of 15.3 per cent and a gain in revenues of 15.5 per cent.

The first city which showed a loss in position was Anderson, with a loss in enrollment of 1.9 per cent and a loss in revenues of 1.8 per cent. Thus Anderson was in almost as good a position as Evansville.

Gary was very little worse off than Anderson with an enrollment increase of 5.1 per cent and a total revenue increase

TABLE XVI

PERCENTAGES OF INCREASES (+) AND DECREASES (-) IN TOTAL
ENROLLMENTS AND TOTAL REVENUES IN THE TEN LARGEST
INDIANA CITIES FROM 1930 TO 1940

City	Enrollments	Total Revenues
South Bend	- 10.0	+ 15.2
Muncie	+ 5.8	+ 28.9
Hammond	+ 8.1	+ 30.8
Indianapolis	+ 4.8	+ 25.7
East Chicago	+ 8.2	+ 26.6
Evansville	+ 15.3	+ 15.5
Anderson	- 1.9	- 1.8
GARY	+ 5.1	+ 3.5
Terre Haute	- 18.7	- 23.7
Ft. Wayne	+ 1.3	- 4.2

of 3.5 per cent.

Terre Haute and Ft. Wayne were in ninth and tenth places respectively with still greater loss of position during the ten-year study. Ft. Wayne showed an enrollment increase of 1.3 per cent and a decrease of 4.2 per cent in total revenues.

XXII. HIGH SCHOOL ENROLLMENTS

During the last ten years, every city in the study showed an increase in high school enrollments. The range was from 20.6 per cent in Terre Haute to 123.8 per cent in Hammond. Gary ranked ninth with an increase of 45.1 per cent. All the cities had an average increase of 73.4 per cent.

The increases in high school enrollments have placed an additional financial burden on the schools because high school classes are smaller, and in most cities, high school teachers draw higher salaries.

XXIII. TOTAL ENROLLMENTS IN 1931-32 AND 1939-40

Table XVIII shows an increase of 2.5 per cent in total enrollments for all the cities in the study. This is much smaller than the 73.4 per cent average increase for the high schools. In other words, the grades and kindergartens have decreased while the high schools have increased.

TABLE XVII
HIGH SCHOOL ENROLLMENTS IN THE TEN
LARGEST INDIANA CITIES

City	Enrollments 1931-32	Enrollments 1939-40	Per cent of gain
Hammond	2282	4782	123.8
South Bend	2238 ¹ (Grades 10 to 12)	4053 ¹ (Grades 10 to 12)	81.1
Indianapolis	11315	20144	78.3
Muncie	1256 (Grades 10 to 12)	2081 (Grades 10 to 12)	65.7
East Chicago	2137	3460 ²	61.9
Evansville	3794	5831	51.1
Anderson	1649	2483	50.6
Ft. Wayne	4117	6031	46.5
GARY	4420	6413	45.1
Terre Haute	3077 ²	3712	20.6

¹ Estimated enrollments; figures given in the Indiana School Directory were for grades 9 to 12.

² Estimated enrollments; figures given in the Indiana School Directory were for grades 10 to 12.

Note: Unless otherwise specified, enrollments are for grades 9 to 12 inclusive.

TABLE XVIII
TOTAL ENROLLMENTS IN THE TEN LARGEST INDIANA CITIES

City	Enrollments 1931-32	Enrollments 1939-40	Per cent of gain or loss
Evansville	17,034	19,645	+ 15.3
East Chicago	9,137	9,896	+ 8.3
Hammond	13,422	14,504	+ 8.1
Muncie	9,781	10,352	+ 5.8
GARY	20,644	21,705	+ 5.1
Indianapolis	58,082	60,878	+ 4.8
Ft. Wayne	17,815	18,047	+ 1.3
Anderson	8,320	8,165	- 1.9
South Bend	18,563	16,701	- 10.0
Terre Haute	12,725	10,343	- 18.7

The city which showed the greatest increase in total enrollment was Evansville with an increase of 15.3 per cent. The city with the poorest showing was Terre Haute with a loss of 18.7 per cent.

Gary was above the totals for all cities and stood fifth with an increase of 5.1 per cent.

From this Table it appears that the decrease in the birth rate is affecting the enrollment of the elementary schools.

XXIV. THE ECONOMY OF THE SATURDAY SCHOOL

Gary was unique throughout the country in offering work to pupils on Saturdays. From 1908 to 1938 the Saturday School was an important part of the Gary School System. But in 1938 the Saturday School was discontinued except for a small amount of physical education.

It is the purpose of this part of the study to show the need for and the economy of a Saturday School in the hopes that the Gary Board of School Trustees will see fit to restore funds in the budget for the Saturday School.

Teachers of the Saturday School were the regular day school teachers who taught on Saturdays at their regular week-day salary rate. Attendance in Saturday School was entirely optional with the pupils. Saturday School was an extension of the regular day school. And its general purpose

was to make as desirable as possible the conditions for child growth and development.

In the first place, it provided a longer time in which wholesome work and play activities of children and young people might be carried on under proper supervision. Most departments were open only on Saturday mornings, but the playgrounds were open and were under supervision all day. There were always games in progress so that the questionable activities of streets and alleys lost their attraction for many boys and girls.

In the second place, the Saturday School offered the pupil the opportunity to become acquainted with new fields and to develop broad interests. On the five conventional school days, he was busy with his regular program which had largely been chosen for, rather than by, him. On Saturday he might develop his own personality by choosing for himself activities that might be extensive or intensive. For example, a boy's day program might not have allowed him time to take mechanical drawing, a subject in which he was particularly interested. On Saturday, however, he was free to spend as much time in that activity as he wished. Likewise, the time that might be spent in the library during the day was small, but on Saturday the entire half day might have been spent in exploring books and reading if the pupil wished so to use his time.

Finally, the Saturday School gave the child an unusual opportunity to advance himself in the so-called academic or solid subjects, such as arithmetic, history, English, grammar, etc. There are children who for various reasons are absent from school until it is very difficult or even impossible for them to make up the work they have missed unless some special, definite time is provided. Many such pupils in a number of hours of Saturday attendance, in the smaller Saturday groups which permitted more individual attention, could cover the new work they had missed and so go on with their grades. Other children learn slowly. When a new unit is presented, these children must have a longer assimilative or practice time. If at times when new units are being presented, these pupils could spend a number of hours practicing on the new material in Saturday School, they would be able to go on with their groups and in many cases be successful.

Then, there are the unusually bright children who are always in advance of their classes. By attending Saturday School such pupils could grasp the advanced work and easily complete eight years of work in seven. Without Saturday School, most such pupils take eight years to complete eight grades, and because the work is too easy to challenge them, they acquire habits of loafing.

A very conservative estimate of the number of pupils who, through Saturday School attendance, prevented failure or advanced themselves one grade was from three to five per cent of pupils regularly enrolled in the day school. If the lower limit of the estimate, 3 per cent, is taken as a basis for figuring savings accruing through the opportunities of Saturday School, we can arrive at some conception of what Gary's Saturday School was really worth from the standpoint of dollars and cents.

Table XIX shows what the Saturday School could amount to each year in saving undue repetition of work. In the school year of 1939-40 there were 21,705 pupils enrolled in the schools of Gary. That year it cost \$91.21 to give a pupil a year of schooling. As a result of Saturday School, 651 pupils (using the very conservative estimate of 3 per cent of the school enrollment) might have saved themselves the unnecessary repetition of a grade. This means that because of Saturday School \$59,377.71 would have been saved. This does not take into account the benefits that would have gone to 651 boys and girls who would have been saved from failure.

The total cost of the Saturday School for the year 1929-30, the year in which the Saturday School was the largest, was \$35,341.67. It will be seen, then, that upon

TABLE XIX
POSSIBLE ECONOMY FROM A SATURDAY
SCHOOL DURING 1939-40

Gary's total enrollment	Cost of annual schooling of each pupil	3 per cent advancing because of Saturday School	Saving by prevention of repeatings
21,705	\$91.21	651	\$59,377.71

an extremely conservative estimate, the savings resulting from prevention of unnecessary failures through attendance in Saturday School would more than pay for the entire instructional cost in all departments. The real gain, however, is not in dollars and cents. It is in the wholesome development of boys and girls that comes from spending leisure time constructively, from acquiring interest that will last through life times, from learning to choose activities for self, and in no few cases, from succeeding rather than from failing.

XXV. THE ECONOMY OF THE SUMMER SCHOOL

The Gary Summer School is an important part of the Gary Public Schools. Gary has always had an effective Summer School, and until the depression made curtailments necessary, approximately \$65,000.00 was spent each year in its Summer School. With the depression came drastic curtailments. During the summer of 1940 only \$15,484.75 was spent on instruction in the Summer School.

The Gary Summer School lasts for a period of eight weeks in all departments, beginning on Monday after the close of the regular school on Friday. In the interval between the close of Summer School, usually near the middle of August, and the opening of the regular school term the Tuesday after Labor Day, only the playgrounds are open under supervision of physical education instructors.

Since the summer school is so definitely separated in time of operation from the regular session, it is easy to evaluate it from the standpoint of saving in actual dollars and cents. The following excerpts from the report of the Summer School of 1940 point this out very clearly;

No activities of any kind were conducted in Ambridge, Beveridge, Clarke, Glen Park, Ivanhoe, Longfellow, Lincoln, Miller, East Pulaski, West Pulaski, Riley, and George Washington during the summer session of 1940. The summer school work in the other eight buildings consisted of playground and related activities and to make-up and advanced work in the elementary grades and high school in the following order of preference:

1. Star graduates or those young people who lacked only a few points of meeting graduation requirements. There were 151 such graduates to provide for this summer.

2. Pupils who had failed in a subject the semester immediately preceding.

3. Those who were irregularly classified due to extra promotion in the past or to failure in some subject in the past.

4. Pupils who were so weak in a subject or subjects that, in order to be reasonably sure of success the coming year, they needed to give extra time to study in the summer school.¹

The tables used in this section of the study were taken from the Annual Report of Summer School, 1940, prepared by Bernice Engles, Director of Summer Schools of Gary, and are on file in her office in Gary, Indiana.

¹ Mimeographed Report of Gary Summer School, September 1, 1940, by Bernice, Engels, Director of Summer School.

Table XX, "Promotion and Non-Promotion by Subjects in the 1940 Summer School," summarized the success of pupils attending Summer School so far as change of classification in the various subjects at the end of the session was concerned. It should be remembered that since many pupils come, not to change their classification but to review and strengthen themselves, the number under "Number not changing classification" does not necessarily represent failing pupils. By far the greater proportion of those pupils successfully achieved their purpose--that of reviewing and strengthening themselves for the coming year's work.

During the summer session of 1940 in grades four to eight, 755 pupils enrolled for work in the various subjects. Of these, 468, or almost 62 per cent, succeeded in changing their classification in the subjects in which they were enrolled. In grades four to twelve there were 2821 enrollments, 1803, or 64 per cent, which resulted in promotions. In 1018 enrollments, or 36 per cent, there were no changes in classifications. However, as has been pointed out before, the fact that there were no changes in classification does not in many cases indicate failure. Since many of these pupils were attending Summer School with the idea of strengthening themselves for the next year's work, it is safe to say that in the great majority of the 1018 cases the objective of the enrollment--that of strengthening rather than promoting--

TABLE XX

PROMOTION AND NON-PROMOTION BY SUBJECTS IN
THE 1940 SUMMER SCHOOL

Grade and subject		Total enrolled	No. Completing one semester	No. not chang- ing classi- fication
Arithmetic	4-8	334	160	174
English	4-8	227	168	59
History-Geography	4-8	194	140	54
Total		755	468	287
Art		31	16	15
Biology		23	22	1
Chemistry		18	15	3
Business		52	19	33
Clothing		245	176	69
English		357	292	65
Foundry		22	14	8
General shop		10	10	
History		437	357	80
Latin		1	1	
Mathematics		297	220	77
Mechanical Drawing		47	31	16
Music		452	98	354
Physics		8	7	1
Printing		15	14	1
Sheet Metal		10	8	2
Woodwork		41	35	6
Total		2066	1335	731
Total all Departments		2821	1803	1018
Per cent		100	64	36

was realized. Because of the definite, well motivated objectives of Summer School, there are very few real failures.

Table XXI is self explanatory and simply takes the figures shown in the table on subject promotions and divides them among the eight schools offering summer school work in 1940.

To find approximate savings in money, it was necessary to reduce subject promotions to pupil grade promotions. This was done roughly by dividing the number of subject promotions in grades four to eight by three since promotion in the grades was based upon the work done in their so called academic or solid subjects. In high school the divisor was four since that was the number of subjects carried by high school pupils.

In grades four to eight there were 468 subject promotions, which divided by three gives 156 grade promotions, or in other words a saving of 156 children from failing for one semester. In grades nine to twelve there were 1335 subject promotions. When divided by four, the result in round numbers is 334, or a saving of one semester's work for 334 high school pupils. Table XXII shows these figures.

As a result of the summer's work, 490 grade promotions were earned. On the basis of costs of instruction for the year of 1939-40, this represented a gross savings of \$22,346.45.

TABLE XXI

PROMOTION AND NON-PROMOTION BY SCHOOLS IN THE
1940 SUMMER SCHOOL OF GARY

School	Total enrolled	No. completing one semester	No. not changing	Per cent succeeding
Edison	87	67	20	77
Emerson	693	340	353	49
Froebel	336	221	115	66
Horace Mann	436	373	63	86
Roosevelt	342	214	128	63
Tolleston	328	243	85	74
Wallace	494	296	198	60
Wirt	105	49	56	47
Total	2821	1803	1018	64

TABLE XXII

GRADES, PROMOTIONS, COSTS, AND SAVINGS OF THE
GARY SUMMER SCHOOL OF 1940

Grades	Promotions		Cost per pupil 1939-40 per semester based on total enroll- ments	Savings
	No. subjects completed	No. grades completed		
4 - 8	468	156		
9 - 12	1335	334		
Totals	1803	490	45.605	22,346.45

Table XXIII shows the saving of \$22,346.45 exceeded by \$6861.70 the actual cost of instruction in the 1940 Summer School.

With no additional cost, the physical education department provided evening recreational facilities for thousands of men, boys, women, and girls who enjoyed seeing baseball games. During the summer in various parts of the city, there were 267 baseball teams sponsored by the physical education department. Of these 106 were composed of school boys who played their games during the day. The other 161 teams were composed of men and boys out of school and were played in the evenings and on Sundays.

In evaluating Summer School, it should be kept in mind that a large number of pupils attended Summer School and realized their purpose of strengthening themselves even though they did not complete a grade or subject. No one can judge how much was saved, aside from money, through providing opportunities that enabled boys and girls to succeed rather than fail. There was no way of knowing how many of the 1018 enrollments that did not result in promotions saved boys and girls from later failure and thereby helped in making success rather than failure a habit.

Likewise it was impossible to estimate many of the future savings that have resulted from boys and girls

TABLE XXIII

COSTS AND NET SAVINGS OF THE GARY SUMMER SCHOOL OF 1940

Instructional costs	Gross savings from summer promotions	Net saving
\$15,485.75	\$22,346.45	\$6,861.70

spending their leisure time in worthwhile activities that not only encourage building right interests and habits but also crowded out questionable pursuits.

It is sincerely hoped that the Gary Board of School Trustees will continue to see the value of the Summer School and will increase the budget to allow an expansion of the Summer School offerings to the pre-depression level.

CHAPTER IV

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

1. Gary's per-pupil-enrolled total cost dropped from third place in 1931-32 to sixth place in 1933-34, then to seventh place in 1935-36. Gary rose to third place in 1937-38 and again dropped to seventh place in 1939-40. This indicated that Gary was not getting its share of revenue when it is realized that the Calumet District is the most expensive in the State from the standpoint of labor, materials, and living costs. Undoubtedly, Gary should have an increase in either the tax rate or assessed valuation, or possibly both.

2. Most of the tables on costs when analyzed showed that the northern cities had the highest costs and that the central and southern cities had the lowest cost with Evansville, Muncie, and Anderson holding eighth, ninth, and ten positions in almost all tables.

3. A large percentage of the tables dealing with costs showed a definite trend toward what the writer called the "depression curve". That is, costs were high in the pre-depression years, dropped to their lowest point in 1933-34, and then gradually rose to, but did not quite reach, the pre-depression level. It is hoped that the curve will continue to rise to a level which will enable schools to function with greatest success.

4. Gary's administration costs, in comparison to those of the other cities in the study, were high. A study of the items under administration costs might help Gary to find the trouble.

5. Gary ranked seventh in 1939-40 in instructional costs, which rating would indicate that salaries of principals, teachers, and clerks should be increased or sizes of classes reduced, or perhaps both.

6. Gary's operation costs dropped from fifth place in 1932-33 to sixth place in 1939-40 and would indicate that salaries of engineers and janitors should be increased.

7. Gary's maintenance costs rose from second in 1931-32 to first place in 1939-40 and showed that Gary paid high for its maintenance. Gary has always employed union labor only. Gary also has kept its buildings in an excellent state of repair. The writer thinks that nothing can be done about maintenance costs unless to attempt to get more nearly 100 per cent returns on money spent for maintenance by insisting on more efficient work from its employees. The writer recommends that the Gary School Trustees make a scientific survey of the efficiency of their maintenance employees.

8. Gary's fixed charges were the highest in the State because of the necessity of long-time bonding during the rapid growth of the city in the last twenty years. Schools were needed at once and in great numbers when costs were highest. It was impossible to pay for them as they were

built. Therefore, the result was the fixed charges were high and will continue to be so for another ten years.

9. In spite of Gary's extensive building program, a problem no other city in the study has had, the investment per pupil enrolled in 1939-40 in Gary ranks sixth. This is explained by the platoon system of schools, which Gary School authorities claim saves 20 per cent of building costs.

10. Tax rates over the State of Indiana mean nothing unless they are compared along with assessed valuations--yet the public is misled to pay much attention to tax rates and none to assessed valuations. There is no equitable or uniform system of assessing in Indiana. Some cities assessed property for 90 per cent of its real value, and others may go as low as 30 per cent. In Gary, property is assessed for about 50 per cent of its real value. This lack of uniformity in assessing makes for confusion and misunderstanding. The State of Indiana should have a uniform system of property assessment.

11. The schools in Indiana have been gradually losing their proper share of the total tax income. In 1931-32, Gary schools received 40.2 per cent of the total rate levied. This was reduced until in 1939-40 Gary received only 31.9 per cent of the rate levied. Other schools showed a similar trend.

12. High School enrollments have shown a great increase in the past ten years. All cities had an average increase of

73.4 per cent, while Gary's increase was 45.1 per cent.

This places an additional burden on the schools because of higher salaries of high school teachers and smaller classes. The one ray of hope for the schools is decrease in enrollments in the kindergarten and grades. Future loss of enrollments due to the decrease in the birth rate may save the schools from having to provide for increases in enrollment. Gary's growth in total enrollments is small enough to be encouraging.

13. The Gary Saturday School was a real saving to Gary financially and it was also a means of intangible saving to children which cannot be measured in dollars and cents. It saved pupils from failure; it gave pupils an opportunity to become acquainted with new fields and to develop broad interest, and finally it enabled some pupils to advance more rapidly than they would have advanced without attending Saturday School.

14. The Summer School provides an opportunity for high school pupils needing only a few points to graduate, to finish their work in the summer and thus they need not attend another semester. It gives pupils who have failed in one subject the opportunity to make up the work and continue in the fall with their classmates. The Summer School gives pupils irregularly classified an opportunity to get even in all subjects. It enables weak pupils to strengthen themselves in one or more subjects and thus be reasonably sure of success the coming year. It provides a place to spend leisure time in worthwhile

activities and in that way crowds out questionable pursuits.

15. The writer recommends that the Gary Board of School Trustees make a united effort to have the potential income of the Gary Schools increased by getting a reasonable increase in both tax rate and assessed valuations of Gary.

16. Gary should study its administration costs in an effort to reduce the costs in this department.

17. Gary should increase the salaries of principals, teachers, engineers, and janitors.

18. A definite state-wide movement should be got under way at once by school authorities to get by legislative action a uniform system of property assessment throughout the State. This would make tax rates mean something to the ordinary layman.

19. It is recommended that the Gary Board of School Trustees restore the Saturday School to Gary as a real economy.

20. It is recommended that the Gary Board of School Trustees increase the budget allotment for Summer School as a real economy.

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APPENDIX

Name of City _____	1931- 1932	1933- 1934	1935 1936	1937 1938	1939 1940
Section I. Form 9A					
III					
1. Total number teachers, principals, supervisors					
2. Total number teaching positions					
VII TAXATION					
1. Assessed Valuation					
2. School Tax Rate					
3. Total Tax Rate for all purposes					
Section II Form 9A					
VIII RECEIPTS AND EXPENDITURES BY FUNDS					
1. Adjusted balance Aug. 1					
2. Total revenues receipts					
3. Total non-revenue receipts					
II Expenditures during year					
III Balance at end of year					
IX FINANCIAL STATEMENT					
Assets 1. Land					
2. Building					
3. Equipment					
13. Total Assets					
LIABILITIES					
29. Total Liabilities					
30. Net Worth					
31 Total liabilities and net worth					

X DETAIL OF EXPENDITURES	1931- 1932	1933- 1934	1935- 1936	1937- 1938	1939 1940
1. Total Administrative Expenses					
2. Instruction Costs Total					
3. Instruction-Supervision Total Costs					
4. Operation Total Costs					
5. Maintenance Total Costs					
6. Fixed Charges Total Costs					
7. Auxliary Activities Total Costs					
XII PER PUPIL COST					
B Total number pupils enrolled					
C Cost per pupil enrolled					
D Average daily attendance of Enrolled pupils					
E Cost per pupil in Average daily attendance					
XVI SUMMARY OF EXPENDITURES					
1. Total Current Expenditures					
2. Total Debt Service					
3. Total Capital Outlay					
Grand Total All Expenditures					
XVII STATEMENT OF INDEBTEDNESS					
Total Outstanding Debt at End of Fiscal Year					
FROM FISCAL REPORT					
1. Expenditures for Civil City					
2. Expenditures for Library					
3. Total Expenses for Government					

INDIANA STATE
LIBRARY