

John A. Rush, Los Angeles, Calif.
Dec. 27, 1939

- 3 -

Rent	\$700.00
Wages	370.00
Social Security Tax	20.00
Utilities-Supplies	290.00
Activities	190.00
Reserve for doubtful accts. .	30.00
Food	698.00
Total	<u>\$2,298.00</u>

In order to meet this budget expense it is necessary for the chapter to have forty-seven members rooming and boarding at the house and six town members. The house members pay \$47.50 per month, and the town members pay \$11.00 per month.

For the past few years the biggest problem we have encountered has been that of unpaid house bills; however, this is gradually being reduced until at the present time the current unpaid house bills are only about \$100 or \$200 at the end of each year. This may seem high, but considering six or eight years ago the total was approximately \$1,500 each year, there has been a substantial decrease.

At the present time the chapter only has forty-four boys living in the house and the income is therefore below the budget requirement by about \$150.00 per month. The only expense which decreases in proportion to the shortage of members is that of food, and consequently there is an actual loss incurred each month. Whether or not the chapter will be able to build up their membership at the beginning of the second semester is uncertain. They have an excellent group of boys, and we do not recommend that they increase their membership at the cost of lowering quality of men. If there is a shortage at the end of the year, and there undoubtedly will be, it will be necessary to postpone some major improvements to the property and furniture which would otherwise be done.

The chapter is very much in line in all respects with the other good organizations at Kansas. They have cooperated splendidly in carrying out the budget program which we outline each year, and have been very diligent in all of their activities.

I sincerely hope that this letter will give you a picture of the local chapter as it is today. If you have any questions or comments I shall be very happy to hear from you at any time.

CAG/haq

Copy to F.C.Allen

Yours very truly,

FRATERNITY MANAGEMENT, INC.

By *Chas. G. Salloway*