

We ask them to make careful estimates of the amount of money which they will need to supplement their own student financial aid programs.

This concerns all the grant programs under the Work-Study and the National Defense Student Loan Program and on that basis we then are able to make some kind of reasonable judgment as to the validity or reliability of their estimates. We really need to have that in order to do this.

If the institution just came to us and said now we want \$50,000 for a college Work-Study Program, that would not be adequate. If they said we need to have \$100,000 for loan money, "Well, on what basis?"

We need to know the basis. This I feel is quite true about a good many of these programs that we see carried on by institutions not only in the student financial aid area. There are many programs where actually a legal contract has to be set up because there is money involved there. We definitely plan in a certain way by law, and consequently I feel to a fairly great extent it is necessary to have some of these scenarios you speak of.

I think we do have to have some of them. Whether they have been overdone, they require too much and some should be cut off; that is something that we can argue about. That is probably where we are.

Mr. GIBBONS. May I change the subject here briefly? I am watching the clock. I want to get to Dr. McCann. I realize he is not a Federal employee and he has an interesting statement here.

Mr. HATHAWAY. Dr. Johnson, don't you have periodic conferences with the Washington office of the Office of Education?

Dr. JOHNSON. Certainly.

Mr. HATHAWAY. So that these guidelines that you get in the field are talked over?

Dr. JOHNSON. Yes, sir; we have direct conferences with our Washington program offices. We are in constant contact with them. Speaking of them in preparation of these guidelines, I must come to their defense. They also are bothered with this problem of staffing.

For example, just to give one illustration, we have been trying to get out a manual for the policies and procedures for the National Defense Student Loan Program now for quite some time this has been delayed because of the staff limitations and inability of the staff to be assigned for that purpose.

We have a manual but the manual has to be revised constantly in order to bring it up to date because of the amendments that have been passed since the original act was passed. There have been a great many amendments and significant changes.

Mr. GIBBONS. You mean we don't have the manual yet on the NDEA program?

Dr. JOHNSON. We have an old manual.

Mr. GIBBONS. How old?

Dr. JOHNSON. 1964. Since then there have been a number of amendments that have been enacted. In fact, the amendments in the Higher Education Act are significant amendments. This is a problem. But the Washington staff has been struggling to get this out. We are constantly in touch with them and reminding them of the importance of this very thing.