

well-educated citizens promoting a higher standard of living. An outlay of a comparatively small amount of money by the Federal Government will make a very large amount of commercial credit available. The expenditure of \$21 million, for example, would pay 3 percent per annum of the interest on \$700 million of commercial loans. The program utilizes commercial credit from the private sector rather than the public sector.

(e) *Other benefits*.—In addition to the benefits outlined above, institutions of higher education and of postsecondary vocational/technical education will be strengthened and enabled to expand through the enrollment of more students. Moreover, the business community within the immediate environs of these institutions will benefit from the increase in the purchase of goods and services by these additional students.

(f) *Geographic differentials*.—None readily observable.

(g) *Gross national product*.—See (a) and (d) insofar as this can be ascertained.

10. *Economic classification of program expenditures*

Not applicable. This program was not in operation in fiscal year 1965.

EDUCATIONAL OPPORTUNITY GRANTS

(The Higher Education Act of 1965—Title IV-A)

PART I. DESCRIPTION OF THE PROGRAM

1. *Objectives*

To provide, through institutions of higher education, educational opportunity grants to assist in making available the benefits of higher education to qualified high school graduates of exceptional financial need, who for lack of financial means of their own or of their families would be unable to attend college without such aid, and to provide funds to identify these potential grant recipients and to encourage them to pursue a higher education.

2. *Operation*

The Federal Government contributes 100 percent of the total amount for the awarding of educational opportunity grants by colleges and universities. The program operates on the basis of an agreement executed between the Commissioner of Education and the college or university concerned. Technical and program assistance is provided by the regional offices as well as the headquarters staff in Washington.

All public and nonprofit institutions of higher education, including junior colleges, which are accredited by a nationally recognized accrediting agency or association may participate in the educational opportunity grant program. Other institutions may be eligible for participation under special procedures established under the Higher Education Act of 1965.

Qualified high school graduates of exceptional financial need who show evidence of academic or creative promise and who either have been accepted for enrollment as full-time students at grant recipient institutions of higher education or are in good standing and in full-time attendance at such institutions are eligible to receive educational opportunity grants. These grants range in amounts from \$200