

Mr. DELLENBACK. Really, what you do say to me if I read you correctly, is that—and I don't mean to be using judgment words or OEO as being bad or good or anything else—but what you are saying is that you operate more efficiently with the OEO not involved in your administrative process than was the case when they were involved?

Mr. BOUTIN. Well, they never were involved. It was the SBDC's who were involved. They have now been taken out of the loan processing business entirely by the act of Congress of 1966. So that as far as loan approvals we have exclusive authority. This does not divorce us either from OEO nor from SBDC's because where SBDC's are authorized and funded we still work closely with them in terms of Outreach, identification of loan applicants, the people who need our services and also in counseling.

Mr. DELLENBACK. When the OEO and the SBDC's were involved were there more or fewer persons involved in what is now being done by the SBA alone than was the case then? Has this resulted, if I may rephrase my question, in an overall efficiency as far as personnel is concerned, a greater efficiency now than when the SBDC's were involved?

Mr. BOUTIN. I am not sure what the difference is between the former employment and present employment within the SBDC's themselves. The impact on employment in SBA has been almost nil.

Mr. DELLENBACK. Did the SBDC's provide any management training?

Mr. BOUTIN. Yes, they did.

Mr. DELLENBACK. How does it compare with the training program under SBA?

Mr. BOUTIN. I think we are doing more now than was done before by all agencies combined, largely through utilization of people from community action agencies and our Service Corps of Retired Executives.

Mr. DELLENBACK. So in this one regard you are doing a better job now than was being done before?

Mr. BOUTIN. I think across the board a better job is being done now than was before.

Mr. DELLENBACK. What would you consider the optimum annual budget again, were funds available without restriction, to do the job that needs to be done in the EOL 1 and 2 areas?

Mr. BOUTIN. I would not ask, Congressman, for additional funds over and above what we have already asked the Congress for for authorization to use for our revolving fund. I think if we want to go about this in a prudent fashion which we are trying to do, the projection of \$60 million with concentration on making good productive loans I think makes a lot of sense. I neither request a decrease nor an increase. I would like to see it left just like title IV alone.

Mr. DELLENBACK. You are talking about fiscal 1968?

Mr. BOUTIN. Yes, sir.

Mr. DELLENBACK. I am talking about 1969, 1970, 1971, 1972, whatever the year may be. Visualizing the needs of America in this area that are served with EOL 1 and 2, while I again commend you, frankly, for this desire to move into size a step at a time and not suddenly wake up full blown, if we are to serve adequately through