BIRMINGHAM TRUST NATIONAL BANK,
Birmingham, Ala., April 12, 1967.

DEAR MRS. COLLIER: We are returning your United Student Aid Funds, Inc. loan application as we will be unable to handle it for the following reason(s).

Due to the extremely heavy demand for this type loan, we have had to limit our loans to:

X Those students who are legal residents of Jefferson County and whose parents maintain a deposit relationship with our bank or married students who live in the county and carry either a checking or savings account with Birmingham Trust National Bank.
-- Those student who have maintained a satisfactory academic average.
-- Those students who have successfully completed their freshman year.
-- The bank has temporarily exhausted funds which have been allocated to this student loan program.
X No credit experience or credit information available on applicants.

There are two other banks in the city who participate in this loan program and should you desire the names of these banks, please call us and we will be delighted to furnish them to you.

We very much appreciate your thinking of our bank and regret that we are unable to handle your loan request under this plan. Should you have an application at a later date, we will be glad to review it at that time.

Sincerely,

B. C. MATHEWS,
Assistant Vice President.

BOOKER T. WASHINGTON BUSINESS COLLEGE,
Birmingham, Ala., March 21, 1967.

Mr. RUDOLPH DAVIDSON,
Director, Division of Research, Planning and Information, State of Alabama, Department of Education, Montgomery, Ala.

DEAR MR. DAVIDSON: Early in the calendar year, I wrote you concerning Guaranteed Loans and wanted to know if they were available to students here in Alabama.

At that time, Alabama had been funded but plans had not been formulated for distribution of loans. For the past several months, I have been in constant contact with the banks here in Birmingham. First National Bank informed me that they are not working with this particular phase of loans, however, Birmingham Trust and Exchange Security Banks are working with loans. None of my students have received loans because they do not qualify with those banks, for they nor their parents are fortunate to have bank accounts with these particular banks.

I should like to know where an average child may apply for a Guaranteed Loan. Is it possible that a loan can be made through your office? Hundreds of students enrolled in colleges in Birmingham are seeking this general information.

The Department of Health, Education, and Welfare released a bulletin last week stating that 669 applications were received and 669 loans were made here in Alabama. This is questionable, for I know the applications of my students were refused. Enclosed are copies of the letters they received.

Your very truly,

MRS. M. L. GASTON, *Director.*

STATE OF ALABAMA DEPARTMENT OF EDUCATION,
Montgomery, Ala., March 23, 1967.

Mrs. M. L. GASTON,
Director, Booker T. Washington Business College,
Birmingham, Ala.

DEAR MRS. GASTON: Thank you for your letter of March 21, 1967, concerning the Student Guaranteed Loan Program in the State of Alabama.

As of February 28, 1967, Alabama banks have made 810 loans to students within the State and 206 loans to students attending out-of-state institutions, for a total of 1,016 loans. United Student Aid Funds, Incorporated, has guaranteed these loans where applications have been forwarded to them from lending institutions.