2. It prepares them at once for useful work in the helping professions (teaching, guidance, social work, medicine), and places them in part-time jobs.
3. It carries instruction into the field, utilizing the actual field setting and actual day-to-day tasks on the job as the medium for "methods" teaching.
4. It offers a core curriculum, built on the needs of the professions and the populations being served. Case studies drawn from the field experiences of the group give dramatic relevancy to child psychology, urban sociology, and anthropology, as well as to conversational Spanish and English grammar.
5. It avoids the conventional computation of credit hours and the four-semester, two-year pattern of the junior college, although the program leads to a junior college degree. Instead, it offers learning programs of varying lengths of time, individually developed for each student according to her needs, and includes—for those who wish it—preparation for transfer to a four-year college.

The Women's Talent Corps, Inc., is developing the experimental program outlined above as The College of Community Service.

STATEMENT BY ALLEN D. MARSHALL, PRESIDENT AND CHIEF EXECUTIVE OFFICER OF UNITED STUDENT AID FUNDS

I am grateful for this opportunity to present the views of United Student Aid Funds concerning H.R. 6232.

Since my comments must necessarily be based on the experience of my own organization, I should like to start by summarizing the purpose and history of United Student Aid Funds.

Ours is a privately supported, nonprofit agency which guarantees low-cost bank loans to college students. On the strength of our guarantee, banks and other lending institutions have agreed to lend students up to $12.50 for every $1 in our reserve. This reserve consists primarily of deposits by colleges and donations by businesses, philanthropic organizations and individuals. Since last August we have also received advances for deposit from the Office of Education under terms of the Higher Education Act of 1965, and something under one-fourth of our loan guarantees are currently backed by Federal deposits.

GROWTH OF USA FUNDS

We guaranted our first loan in 1961, in Indiana. By the middle of 1962 we had guaranteed about 3,000 loans with a total value of a million and a half dollars, and were beginning operations in a few more states. From then on our expansion was dramatic. Four years later—that is, by June of 1966—we were active in all fifty states. 814 institutions of higher education were depositors in our reserve account, and more than half of the banks in the country were honoring our endorsements. More than $65 million worth of loans had been made on the strength of USA Funds guarantees.

If our growth was dramatic prior to last June, it has been explosive since then. Total loans guaranteed passed $100 million before the end of the year. More than 10,000 commercial banks, savings and loan associations and credit unions now participate in our program, as do more than 900 colleges and universities. We expect that our guarantees for the 1966–67 academic year alone will exceed $50 million.

THE EFFECT OF FEDERAL "SEED MONEY"

While much of this recent growth would have taken place in any event, there is no doubt that it was greatly accelerated as a result of the Higher Education Act of 1965, and specifically by the infusion of the Federal advances, or so-called "seed money", to which I referred a moment ago. Under the terms of the Act, the "seed money" is allotted to "establish or strengthen" non-Federal guarantee service in the states. Where a state has a guarantee program of its own, the Federal money is deposited in the reserve of that program. If a state has named United Student Aid Funds to operate its program, the Federal money goes to the state, which then deposits it in our reserve. And if the state has no guarantee program of its own, the Office of Education deposits the advance earmarked for that state directly in our account. At the moment, we are operating 12 state