

Mr. OSWALD. Yes.

Mr. QUIE. You do feel there ought to be a local matching. Then, also, in your testimony you spoke of the undesirable trend if we followed the Fourth of July speech of the purpose section of 400; that is, if we would provide enough assistance to all students so that none of them would be in need and that this would be unwise.

It seems to me what you are moving toward would be an institutional grant, that is, the Federal Government would make an institutional grant.

Mr. OSWALD. In fact in this document, Mr. Congressman, the major proposal of both associations is a proposal of some form of institutional grant to all types of institutions, public, private, large and small, on some kind of equitable formula basis.

Mr. QUIE. It would be my hope that we could move these categorical programs toward that as well. But if we did, would you want also a matching program, a requirement of the institution to match the grant as is now required? Should they be continued at least at some level for the facility, or do you think that the institutional grant—which would be for current expenses—should be without matching?

Mr. OSWALD. In a sense, it would be institutional in nature and used throughout the institution for supporting the various parts as the institution deems necessary to meet the quality and quantity level, that in a sense it is already matched by virtue of the State and private and the other sources of funds that are coming into this.

The proposal is that this would be a grant direct to the institution much as is proposed in a smaller way by part B of the developing institutions whereby graduate schools would be helped generally and there is no suggestion in there of a matching grant.

Mr. QUIE. I recognize there is no matching grant in there but I have noticed on the facilities grants that holding out the possibility of one-third Federal participation has induced private groups and State legislatures to contribute more freely to college buildings in the last few years than previously had been the case.

I was wondering if the institutional grant would have the same inducement for private donors or State legislatures to contribute more for the current expenses as well which you say are two of the three ways that colleges receive their assistance?

Would there be any benefit, by the same token, to have matching of current expenses as you do for facilities?

Mr. OSWALD. I think there has to be an indication in any proposal that certainly the moneys that would be coming in the form of an institutional grant could clearly not be in lieu of, say, State support or in lieu of other forms of support. We would have to make it quite clear that this was administered in such a way that it would be in addition to or on top of, because I think you would be defeating your purpose if an institutional grant should come in such a manner that you would feel that a State had less responsibility.

I think some mechanism would have to be developed in any institutional program to obviate that problem that I think you are working toward.

Mr. QUIE. Whether or not we should have matching has been one of the considerations in the legislation.