I do not suppose that the Office of Economic Opportunity particularly likes to do this to us but right now in order to accommodate a program for this year we must find $30,000, and it is not fair to take that from the tuition moneys of students.

Therefore, cost-sharing is very difficult for us. We would see it as being logical for upward bound to be with talent search and other related programs in an educational area with an identity of its own.

Mrs. GREEN. Do you consider the goals to be so closely related that they could be combined under one administration, both at the Federal and the institutional level?

Mr. SPALDING. I think so. It has been said that there is some verve and imagination and boldness about the upward bound program arising as it did out of the Office of Economic Opportunity to be admired.

It is, I think, despite the fact it is being criticized, a terribly important and effective program. I do think, however, its goals could continue to be met and that they should be under different kinds of guidelines.

Mrs. GREEN. Are you speaking as an individual, as the president of your own institution, or are you speaking for the American Council?

Mr. SPALDING. I was using the information from Franklin and Marshall as specifics. It is fair to say this has been talked about in the Commission on Federal Relations of the American Council and we are agreed that what I have just expressed is our stand.

Mr. MORSE. When we discussed it at our meeting in January, there was agreement and consensus on the Commission that it would probably be just as logical to see a transfer of upward bound as an entity into the Office of Education programs as was the transfer originally of the work-study which originated in OEO and then eventually became a part of the student aid branch of the Office of Education.

We have no objection to this and we see logic in it.

Mrs. GREEN. Congressman Quie.

Mr. QUIE. If you had your preference, would you want the Federal Government to increase its expenditures for facilities by continuing to subsidize the loans at the level of 3 percent or would you prefer to have the money put into facilities grants?

If we do not accept the administration proposal of increasing the interest from 3 percent up to the cost of money to the Federal Government it will mean an additional amount to the budget.

If we were going to increase the budget to that extent, would you prefer to have the interest rates kept at 3 percent or would you prefer to have it added on to the facilities grants and let the interest rates go up to the cost of money?

Mr. SPALDING. I have not faced it just this way. Can you help me, Mr. Morse?

Mr. MORSE. I don't think we want to make that choice, Mr. Quie. I do not think we should make decisions on programs at the present time in the light of very stringent budget considerations that would alter what those programs ought to be in their ideal state.

This committee well knows from its work in 1961 that we saw this facilities program as a dual one with grants and loans, each one complementing the other, and with special emphasis on those loans being