

C. NEED FOR MORE STAFFING AND TRAINING OF FINANCIAL AID OFFICERS

6. *It is recommended that the U.S. Office of Education urge institutions to provide adequate staffs to administer student financial aid programs and offer to sponsor training programs to provide the institutions with better trained staff.* (See ch. IV, p. 4.)

OE position

The Office agrees that additional training is necessary for personnel currently employed in student financial aid activities. We are encouraged to note that this need has generally been recognized by institutions of higher education. Some schools, such as Indiana University, are currently conducting training programs for financial aid officers. We encourage and promote this type of activity and in addition, we endorse the creation of State and regional student financial aid councils throughout the United States. These councils generally tend to upgrade the profession and this, hopefully, will be instrumental in initiating additional training programs, as, for example, under the higher educational personnel training provisions of the Education Professions Development Act. The need for additional training is especially acute in vocational and technical institutions.

D. NEED FOR ESTIMATES OF FUTURE STUDENT LOAN DEMANDS

7. *It is recommended that the U.S. Office of Education prepare projections of the demand for student loans during the next 5 years, with the assistance of the State loan agencies and educational institutions.* (See ch. IV, p. 10; and ch. VIII, p. 37.)

OE position

The office currently does make 5-year projections of the demand for loans, a part of the PPBS system used within DHEW. These projections will become more relevant to actual loan volume as a broader national experience base is developed.

E. ROLE OF THE NATIONAL DEFENSE STUDENT LOAN PROGRAM

8. *It is recommended that the annual direct appropriation for the national defense student loan program not be decreased below its 1968 level for at least the near future.*

OE position

If the implication is that the direct annual appropriations for the NDSLPL should be held at the 1968 level, we do not concur in this recommendation. There is, as yet, no evidence that annual contributions of NDEA loan capital should be held at a constant level.

F. REVOLVING FUND AS A SOURCE OF PRIVATE CREDIT

9. *It is recommended that the U.S. Office of Education sponsor regional meetings of the college and university officials to determine what additional factors, if any should be considered and developed to make the revolving fund acceptably operable for the national defense student loan program, the health professions student loan program, and the nursing student loan program.* (See ch. IV, p. 10; and ch. IX.)

OE position

This recommendation is no longer applicable since the administration has withdrawn its proposal to utilize borrowing authority for capital in the NDEA loan program.

G. GUARANTEED LOAN PROGRAM

10. *Steps should be taken to strengthen the existing State agencies and to continue to encourage the creation and maintaining of strong State agencies by* (see ch. VIII, p. 20):

(a) *Removing the present provision for direct Federal insurance as a weakening force for strong State agencies, after continuing it on an announced temporary basis from its present expiration date of June 30, 1968, to a new expiration date of June 30, 1970.* (See ch. VIII p. 21.) *This recommendation applies only to loans of necessity and should not affect the possible use of direct Federal insurance for loans of accommodation, as covered in recommendation 12.*