

(a) Seventy-five percent of the basis of the relative enrollment of full-time students and the relative increase in enrollment of such students over the average enrollment of the 5 preceding years (with the amount per student computed so that a school would receive twice as much for each student in the increase as for other students), and

(b) Twenty-five percent on the basis of the relative numbers of graduates.

Institutional support grants would enable all schools to improve student-faculty ratios, attract more highly qualified faculty and strengthen and enrich basic curricula. It would also permit schools to apply new educational methods and innovations to professional nursing education. Costs of the educational institutions have risen rapidly because of increasing costs of supplies, equipment, maintenance. Salaries of academic and nonacademic personnel have accelerated rapidly without commensurate increase of income.

Income from tuition and fees has never approximated costs. There has always been a deficit met through other sources. As academic costs have risen, the percentage of the cost paid by tuition has been less and the gap has widened. Income from endowments and gifts has become a very limited source of support; Federal funds are also limited. For the public institutions, increase in State appropriations is the only significant source of increased support. Privately supported institutions must look to Federal financing to assist in closing the gap between income and costs. The private institutions particularly are reluctant to increase enrollment in existing programs. Graduate programs (master's and doctoral level) incur higher deficits than those at the baccalaureate level. This is due to the need for highly specialized faculties, the need to support faculty research as well as instructional costs, and the desirability of low student-faculty ratio in practicum. Basic support grants would make the vital difference in the decision to open or continue a nursing program.

The low faculty student ratio makes a nursing major costly to the school; and there are other costs connected with the clinical practice courses. Broadening the base of the formula grants to include associate degree, baccalaureate degree and graduate programs, and application of a formula which guarantees a basic payment of no less than \$15,000 to all schools would permit employment of at least one additional faculty members and supporting services. Basing the remainder of grant on enrollments and graduations would provide a total grant related to size of the programs. These institutional grants would contribute directly to high-quality education. These funds could make the difference between an excellent instructional program and a mediocre one by making it possible to attract more highly qualified faculty and improve student-faculty ratios. Such grants could make it possible and feasible for the school to allocate a certain proportion of faculty time to research activities and to programs designed to foster faculty growth and development. Basic support grants could place the school in a position to better obtain essential teaching aids to enrich the instructional program.

New section 806(b) (1).—The Secretary's regulations shall provide for determination of number of students enrolled in a school or number of graduates.