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ABSTRACT

The President's Task Force on Higher Education was asked to submit a statement on priorities for higher education and to suggest how the federal government might assist higher education. This report presents the priorities and divides them on three levels: (1) immediate federal priorities, to include: financial aid for disadvantaged students, support for professional health care education, and increased tax incentives for support to higher education; (2) continuing federal priorities, to include: the expansion of opportunities for post-high school education, and the support of high quality graduate and professional education; and (3) institutional priorities, to include: clarification of institutional purposes, improvement in the quality of the curriculum and methods of teaching and learning, more efficient use of resources, and clarification of institutional governance. The federal government was also urged to establish a National Academy of Higher Education. The appendices include several lists of recent, relevant studies on higher education and other related data. (AF)

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PRIORITIES IN HIGHER EDUCATION



The Report of
The President's Task Force on
Higher Education

August 1970

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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January 15, 1970

Dear Mr. President:

On October 8 our Task Force was asked to submit a statement on Priorities for Higher Education and to suggest how the Federal Government might assist them. Though time has precluded detailed proposals, we have arrived at a substantial consensus on *Immediate Federal Priorities, Continuing Federal Priorities, and Institutional Priorities*.

While recognizing that the diversity of American higher education is a central part of its strength and that no single report can speak for all American colleges and universities, we are in unanimous agreement in emphasizing the importance of increasing support for higher education as a fundamental national resource if we are to realize more fully the promise of American life. To lessen the capacity or quality of higher education would be to lessen America's ability to respond to the whole range of problems at home and abroad for which skilled manpower, trained intellect, and creative imagination are critical. For both the near-term and more especially the long-term needs of this nation, we urge that no immediate pressures be allowed to erode the quality or potentials of colleges and universities as strong, independent centers of learning and of free and objective inquiry.

We wish to emphasize, however, that not all individuals should be encouraged to seek the same post-high-school educational goals. From vocational training to advanced graduate and professional programs, many individual capabilities and needs must be recognized and served realistically. If we fail to observe these differences among people and do not provide a variety of optimum opportunities to match them, and if we do not oppose pressures that encourage the pursuit of status rather than substance, we will only erode the quality of post-high-school educational institutions of all types.

All but one of our members are unanimous in urging that federal financial support for specific purposes in higher education, public and private, be substantially increased. One of our members believes that the distribution of future increases in federal funds for higher education should be undertaken by the individual taxpayer through a system of tax credits for gifts to institutions chosen by the taxpayer.* None of the

*See Statement of President John A. Howard, Appendix A, page 19 and comments on that Statement by President James C. Fletcher, page 23.

other fourteen members of the Task Force supports this tax credit plan. Instead these fourteen all believe that the Federal Government must undertake specific, expanded and new financial responsibilities if the educational requirements of the American people are to be met.

We are unanimous in recognizing that our colleges and universities have major internal responsibilities to clarify their individual purposes and functions and to increase the effectiveness of their operations and governance. In addition to recommending federal priorities, we have defined critical institutional priorities.

IMMEDIATE FEDERAL PRIORITIES

The following are, in our opinion, the most Immediate Federal Priorities:

- I. Financial Aid for Disadvantaged Students
- II. Support for Health Care Professional Education
- III. Increased Tax Incentives for Support to Higher Education

Financial Aid for Disadvantaged Students

To provide access to higher education for disadvantaged students of all races who have the desire and ability to use it, we urge a program of special Educational Opportunity Grants which carry an accompanying realistic cost-of-education grant to the college or to the graduate school.

Further, special financial support must be given to nurture the unique resources available in the traditional predominantly Negro colleges which provide educational opportunity for many Americans and which have not received adequate financial support. Such support could be given by expansion of Title III of the Higher Education Act of 1965 as amended, relating to developing institutions, to provide more funds for general support, and by adjustment of matching requirements for construction and remodeling grants to reflect the financial resources of the institution making application.

Support for Health Care Professional Education

Health care is in crisis in the United States. High costs and scarcity of manpower are major national problems. Correspondingly, the cost of education in medicine, dentistry, and allied health care professions is so great that the establishment of new schools or expanding existing ones is exceedingly difficult. Compounding the difficulty is the restriction of federal and some state expenditures for health care and research.

To prevent the present crisis from assuming even more serious dimensions, it is an urgent need of the American people that the Federal Government underwrite the financial responsibility for building new and expanded facilities for medical and dental education and the allied health care professions. Similarly, the Government should meet the costs of such education not covered by any other sources of income.

Increased Tax Incentives for Support to Higher Education

We urge the Administration to take the initiative in seeking ways of expanding incentives for individuals and corporations to support colleges and universities. We must look to increasing private support to sustain and strengthen our uniquely American pluralistic system of public and private colleges and universities that possess maximum institutional autonomy.

CONTINUING FEDERAL PRIORITIES

We believe the following are Continuing Federal Priorities:

- I. The Expansion of Opportunities for Post-High-School Education
- II. The Support of High Quality Graduate and Professional Education

Undergraduate Education

We recommend the enlargement of general opportunity for post-high-school education primarily through expansion of the comprehensive two-year colleges offering a wide range of academic and occupational programs. We recommend federal support to state and private organizations for this purpose.

It is an important national need that some adequate, equitable system for federal support of public and private four-year colleges be determined in the immediate future. We suggest that this would be a high-priority subject for the deliberations of the National Academy of Higher Education which shall be discussed below.

Graduate and Professional Education

Most of the major national universities, both public and private, are now experiencing severely debilitating financial pressures that are beginning to undermine their future effectiveness in teaching and research

of basic importance to the strength of the nation. In order to maintain and develop irreplaceable centers of excellence, we strongly urge the prompt establishment of a comprehensive system of institutional grants in support of not only professional education and the natural sciences but also the humanities and the social sciences. Special support areas of new relevance and rapidly rising costs such as libraries and computers, with special considerations for regional economies, must be urgently considered.

INSTITUTIONAL PRIORITIES

We believe four areas constitute the highest Institutional Priorities for our colleges and universities:

- I. Clarification of Institutional Purposes
- II. Improvement in the Quality of the Curriculum and Methods of Teaching and Learning
- III. More Efficient Use of Resources
- IV. Clarification of Institutional Governance

While such questions as these must be answered by each institution for itself, we believe it would be highly useful for the nation that there be established a NATIONAL ACADEMY OF HIGHER EDUCATION, independent of government but federally chartered, on the model of the National Academy of Sciences, which the Congress and President Lincoln inaugurated a century ago. The Academy should serve as a national center to which questions of this kind can be referred for thoughtful and continuing study. There is now no single non-governmental agency devoted specifically to the analysis of the problems of higher education as a national resource, and we strongly believe that there should be such an Academy.

In summary, we believe the primary federal objectives in higher education should be: (1) to make appropriate educational opportunities available to all those who are qualified, and (2) to sustain high-quality centers of academic excellence throughout America.

The overwhelming majority of the members of our Task Force are convinced that the present level of educational opportunities for economically disadvantaged students and the present financial condition of our institutions of higher education, both public and private, require a major increase in federal support designed to serve these specific purposes. Too many potentially qualified Americans are failing to receive

the benefits of higher education. Too many essential institutions are critically threatened by financial uncertainties.

We urge you, Mr. President, to give these critical national needs urgent attention and vigorous support.

Sincerely,

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Vice Chancellor for Two-Year Colleges
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OCTOBER 6, 1969

The White House

The President today announced another in the present series of Task Forces that are being established to assist the Administration with ideas and recommendations for 1970 and beyond. James M. Hester, President of New York University, will be chairman of the Task Force on Priorities in Higher Education. The Task Force will study problems such as imbalance in the present development of higher education in the United States, the assurance of adequate support for colleges and universities, campus conditions and larger opportunities for students from minority and low income backgrounds.

The members of the Task Force on Priorities in Higher Education are:

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Introduction

The Nature of This Report

Our Task Force was invited to express its judgment on the whole range of major issues presently facing higher education. Time has been brief, and the subject matter is extensive. We have not undertaken new research but have relied on our combined experience and on data contained in extensive recent studies of higher education prepared under governmental and private auspices.¹ We have also benefitted from many suggestions presented by individuals and organizations from the academic community and beyond.

This report, therefore, contains the summary judgments of those who served on the Task Force. Not all members support all recommendations; but for each subject discussed, and for the relative priority accorded each, our recommendations reflect the views of a strong majority of our members.

We have focused our attention on the most important matters we believe require urgent attention and have not attempted to make detailed proposals nor to assess every aspect of higher education and its relationships to the Federal Government.

Our mandate to examine all major considerations for American higher education, and not simply federal responsibilities, has made us greatly concerned with institutional priorities as well as with federal priorities.

Assumptions of the Report

Our discussions have revealed certain fundamental assumptions we all share:

1. American public and private institutions of higher education constitute collectively a national asset of inestimable and unique

¹ See Appendix B, page 26.

importance to the American people. Only through higher education can individuals fulfill many of their basic personal aspirations, and only through higher education can the nation achieve many of its fundamental national goals—intellectual, cultural, scientific, and economic. Among the first priorities for a government concerned with individual and national development must be the preservation and strengthening of this prime national asset.

2. The diversity of American higher education is central to its strength. This diversity has grown from a tradition that encourages institutional initiative, creativity, self-determination, and autonomy. These characteristics are vital to the strength of our institutions and should explicitly be encouraged and strengthened by national policy.
3. Among the defects in American higher education today, the following are critical:
 - a. present levels of public and private support of higher education do not provide an adequate base for maintaining existing institutions and developing expanded capacity.
 - b. American institutions are not serving large numbers of qualified young people who could benefit from post high school education.
 - 1) The structure of our society and the patterns of financing higher education for the individual have operated to exclude large numbers of qualified young people from higher education.
 - 2) Existing American institutional patterns for education beyond high school do not provide sufficient quantity and variety of educational opportunities for the quantity and variety of persons in our society needing and expecting such education.
 - c. American higher education as a whole has habits and rigidities that have made it slow in adjusting to the rapidly changing characteristics of individuals and the nation.

Categories of Recommendations

The recommendations of this report fall into these categories:

- A. Immediate Federal Priorities
- B. Continuing Federal Priorities
- C. Institutional Priorities
- D. National Academy of Higher Education

The fact that a subject is presented in one rather than another of these categories does not suggest that it is of greater or lesser importance to the nation. The category of "immediate" federal priorities designates needs we consider extremely urgent. Further delay in meeting them will cause grave damage to the nation. We have classified other federal priorities "continuing" primarily because not all priorities can be "immediate." We consider that these are also matters of the highest importance requiring prompt attention.

There are many other needs in higher education that are already effectively addressed by government. We could not attempt to evaluate all existing government programs in higher education. Omission of a particular program does not imply that we consider it unimportant.

Recommendations

A. Immediate Federal Priorities

I. FINANCIAL AID FOR DISADVANTAGED STUDENTS

Existing forms of financial aid for economically disadvantaged students are inadequate in both amount and form. Substantial numbers of young men and women with the capacity for post high school education at the junior and senior college and graduate school level are not realizing this capacity because they lack adequate financial resources.² Because the inequity of opportunity for these young Americans is severe and because the nation needs to develop the full talents of all, we urge that the most immediate priority be placed on the establishment of a substantially increased program of Special Educational Opportunity Grants that will make such assistance far more widely available than it is under present programs.³

These grants should be provided to students of all races who have the desire and ability to profit from post high school education and who demonstrate the need for such support as determined by an appropriate formula that, where necessary for family support, includes allowance for earnings foregone during the period of post-high-school education.

² See Appendix C, page 27. There are, of course, many reasons other than financial limitations that prevent capable young people from seeking post high school education. Lack of motivation, confidence, knowledge of opportunities, and lack of adequate academic preparation as well as many other factors have this effect.

³ The present Educational Opportunity Grants program has been in existence since Fiscal Year 1965. Under this program during Fiscal Year 1969 less than 5 percent of the approximately 6 million students in higher education received support, and the average award was \$500 per student. Source: U.S. Office of Education (December, 1969).

- a. Students should be able to apply through their own high school to ascertain their eligibility for a basic assistance grant so they can easily determine whether they have a chance to attend an appropriate post high school educational institution. In order to encourage student choice among institutions, there should be further development of a wide variety of opportunities to supplement the basic assistance grant through loans, work-study programs, and support from institutional funds after admission to college.
- b. Despite their innate abilities and talents, many students from disadvantaged backgrounds require additional attention and assistance if they are to succeed in college. We urge that the proposed Special Education Opportunity Grants program recognize this by providing an accompanying realistic cost-of-education grant to the institutions enrolling students under this program.
- c. To make the process of applying for basic assistance grants in high school effective, increased attention must be given by school systems to the selection and training of guidance counselors.

Negro Colleges

The colleges and universities that have traditionally educated large proportions of Black students are suffering particularly severe financial problems.⁴ While we hold desegregation to be a proper national goal, today these institutions are providing many young Americans uniquely useful educational opportunities. The traditional Negro institutions, severely handicapped financially, obviously must benefit equitably from all forms of government support to higher education. They also, however, now need special assistance because of the important function they perform. For many disadvantaged Negro youth, they provide virtually the only accessible opportunity for higher education.

We urge the Federal Government to make a clearer, larger, and more specific commitment to help these institutions. Forthright statements of policy on this issue do not now exist. Administrative

⁴ See Appendix D, page 28.

regulations that identify the intention to help these institutions and specify how preferential help is to be provided do not exist. They should be drafted and promulgated at the highest levels of government.

More representatives of predominantly Black institutions should serve on governmental policy bodies and on advisory and administrative committees and in effective staff positions. The White House and the Department of Health, Education, and Welfare should ensure that these actions are taken to assure appropriate representation at all levels of government where federal funds are spent.

We urge expansion of Title III of the Higher Education Act of 1965 as amended, relating to developing institutions, to provide more funds for general support.⁵ To take into account the meager ability of poorer institutions to produce matching funds for federal construction grants, we urge that matching requirements for construction and remodeling grants be adjusted according to the financial resources of categories of institutions that might receive this support, that such colleges receive priority consideration under the interest subsidy loan program and that such construction loans be guaranteed by the Federal Government.

II. SUPPORT FOR HEALTH CARE PROFESSIONAL EDUCATION

Growing demands upon a health care system that has become increasingly unable to respond because of the scarcity of health manpower have resulted in skyrocketing costs, widespread dissatisfaction, a multiplication of unmet needs, and an incipient crisis in medical care.⁶ The education of health professionals, especially physicians, is exceedingly costly. A medical school and its attendant teaching hospital and clinics are by far the most expensive facilities

⁵ The Developing Institutions Program assists in raising the academic quality of colleges which are, for financial and other reasons, struggling for survival and are isolated from the main currents of academic life.

Since the inception of the Program in Fiscal Year 1966, approximately \$95 million has been obligated. Funding for this Program in Fiscal Year 1969 was \$30 million which provided support of such activities as curriculum development, administrative improvement, faculty or student exchanges, and faculty improvement projects. Source: U.S. Office of Education (December, 1969).

⁶ See Appendix E, page 29.

that most universities are called upon to maintain. At a time when demand upon professional schools is the greatest in history, federal and some state expenditures for health care, medical research, and medical education are being restricted.

The expansion of present facilities is beyond the ability of most universities. Even the maintenance of the existing level of effort is creating a drain on their resources that cannot continue unless their other educational endeavors are to be curtailed or dissipated. The establishment of additional medical, dental, or other professional schools is an almost impossible undertaking for any university at this time.

To prevent the present crisis from assuming even more serious proportions for the American people, the Federal Government should underwrite the cost of expanding facilities for medical and dental education and for allied health care professions.

There is urgent need to increase training opportunities for both professional and paraprofessional health personnel. The United States Government should underwrite the costs of such education not covered by other sources of income and to an extent that will assure that the intolerable diversion of university resources from other educational endeavors will not continue.

The health professional schools of this country are clearly national resources. The indispensable role they play must receive adequate federal support if the health needs of our citizens are to be met.

III. INCREASED TAX INCENTIVES FOR SUPPORT TO HIGHER EDUCATION

Gifts to private and public institutions of higher education from individuals, corporations, foundations, and other private sources constitute an essential ingredient in the financing of American higher education.⁷ Private philanthropy relieves the taxpayer of

⁷ During 1966-67, the following amounts were contributed to institutions of higher education by individuals, corporations, and foundations:

| | |
|--------------------|-----------------|
| Individuals ----- | \$598, 000, 000 |
| Corporations ----- | 213, 000, 000 |
| Foundations ----- | 290, 000, 000 |

Over the last seven years, however, private giving per student to both public and private institutions has averaged less than 3 percent annual increase while education costs have risen almost 7 percent annually. Source: U.S. Office of Education (December, 1969).

an important part of educational cost, and, particularly in private institutions, gift support helps to keep down the cost of tuition. The alternatives to private institutions strongly supported by private philanthropy are either increased dependence on public institutions or increased public support of private institutions, in both cases with higher cost to the taxpayer.

A variety of sources of income helps to sustain a desirable degree of institutional independence. The characteristics of independence and autonomy established in private institutions fortify these qualities in all institutions and provide standards of desirable practice that may become even more important as the public sector in higher education grows. Private gifts afford individual citizens opportunities to share in the responsibility for higher education; they encourage broader participation in the work of these crucial social institutions than would otherwise occur. For all these reasons, there is a substantial public interest in private support of higher education.

In 1969 the Congress, in an effort to achieve tax reform, presented a threat, probably unintentionally, to tax incentives for private gifts to education and other nonprofit institutions. Fortunately, the Tax Bill in its final form did not contain those provisions that would have been the most serious deterrents to private philanthropy. It would be a great disservice to the national interest to remove incentives for private gifts to higher education or to institute measures that would decrease foundation support for higher education.

We believe that instead of reducing tax incentives, those concerned about protecting and strengthening the uniquely American pluralistic system of public and private institutions of higher education with maximum institutional autonomy should seek additional ways to increase private philanthropy. We urge the Administration to take the initiative in seeking more effective ways to expand incentives for private individuals and groups of all kinds to give added support to colleges and universities. The alternative is even greater public cost with the attending danger of decreasing institutional autonomy and diversity.

B. Continuing Federal Priorities

There are two overriding federal objectives in higher education under which all of our recommendations can be classified: (1) making appropriate educational opportunities available to all who can benefit from them, and (2) sustaining high-quality centers of academic excellence throughout America. There are many ways in which the Federal Government might and already does serve these objectives. There is also need for new forms of assistance that have not yet been devised in workable terms. We have limited our recommendations to proposals we believe are practical and should be implemented as quickly as possible.

I. THE EXPANSION OF OPPORTUNITIES FOR POST HIGH SCHOOL EDUCATION

We believe the expansion of post-secondary education should take place largely in two-year colleges and equivalent programs that combine a variety of educational and occupational options. These two-year colleges should accept major responsibility for increasing access to post high school education and also for offering remedial and compensatory education. Many of these should be located in urban centers.

In the decade just ended, a remarkable expansion of higher educational opportunity has been achieved.⁸ In the decade ahead, we must build on this foundation a structure that will enable all Americans, with the capacity and desire, to have access to appropriate forms of post high school education. The promise of personal fulfillment and economic opportunity in American society, and national and regional needs that depend upon the advancement of learning and on adequate professional services, call for no less. As a corollary to this goal, long-standing impediments to equality of access to post-secondary education—economic, educational, and cultural disadvantages—must be overcome. The necessary facilities, programs, and personnel must be in place to meet the new demands.

The traditional four-year undergraduate program, a synonym for higher education in the minds of many Americans, does not define an adequate system of higher education today, and should not neces-

⁸ See Appendix F, page 30.

sarily be the standard educational experience for all Americans. Rather, in a changing society appropriately moving toward wider post high school educational opportunities, we must create a system that offers a wide variety of options to the individual.

We believe this objective requires initial concentration on the 13th and 14th years, with particular attention to the development of the comprehensive two-year college or, in some states, equivalent programs within existing four-year institutions, capable of providing terminal and corridor liberal arts programs, occupational training and technical training of different duration, or a combination of programs. The success of such developments depends upon effective guidance and counseling to assist students to choose appropriately among various options.

The accomplishments of many existing two-year institutions warrant wider recognition. They have achieved substantial success in providing effective services to large numbers of youth and adults in both liberal and occupational studies. In some two-year colleges, however, a tendency to concentrate on the liberal arts has diverted effort from effective development of combined liberal, vocational, and technical programs. Occupational training must become more acceptable in the minds of students, their parents, and potential employers.

The burden of cost for the expansion of educational opportunity must inevitably be shared by students themselves, private donors, state and local governments, and where other resources are inadequate, the Federal Government. For the next few years, we believe the federal responsibility could be exercised most effectively in the following ways:

*Aid to Students*⁹ The major program for financial aid to economically disadvantaged students as an Immediate Federal Priority must be continued for many years to come. In addition, we urge the establishment of a national loan fund to enable other students to spread the costs of education over a period of time, under one or more of several formulae for repayment.²⁰

⁹ See Appendix G, page 31.

²⁰ A number of proposals have been made for this type of fund, including the Zacharias Educational Opportunity Bank Plan, the Rivlin National Student Loan Bank concept, and others. The existing Guaranteed Loan Program could also serve the purpose of such a national loan fund. Source: U.S. Office of Education (December, 1969).

Support for Two-Year Colleges Where local funds are inadequate, federal funds should be made available to public and private organizations to create and to expand two-year institutions which serve the comprehensive purposes described above.¹¹

Such support should also be made available to four-year institutions that offer comprehensive two-year programs. In addition, where local resources are inadequate, special federal programs should provide funds to support operating costs of these institutions. Such programs should be administered according to federal guidelines to assure equal opportunity and effective use of resources.

Four-Year Undergraduate Education There is a growing need for methods of federal institutional assistance to sustain high-quality four-year colleges. Many of these private and public institutions, which now perform and will continue to perform crucial functions in the American system of higher education, are seriously threatened financially. We consider it to be an important national objective to determine some adequate and equitable system for federal financial assistance to public and private four-year colleges in the immediate future.¹² This would be a high-priority subject for the deliberations of the National Academy of Higher Education that is recommended at the end of this report.

¹¹ Some examples of Office of Education programs providing direct and indirect support for two-year colleges are: Higher Education Facilities Act of 1963, Title I—for construction of undergraduate academic facilities; Higher Education Act of 1965, Title IV-A—grants to undergraduate students of financial need; HEA, Title II-A—grants to strengthen and increase library resources; HEA, Title I—grants to institutions of higher education, including junior colleges, for support of programs to assist in solution of community problems. Currently, there is legislation to provide significant support to junior colleges, such as the Williams Bill, S. 1033, and sections of the Reid-Brademas Bill, H.R. 6535, under consideration by the Congress. Source: U.S. Office of Education (December, 1969).

¹² In New York, following the recommendation of a distinguished non-partisan commission, the Governor and Board of Regents in 1968 sponsored, and the State Legislature passed with bipartisan support, a bill creating a program of direct assistance for non-public institutions on a formula basis. Section 6401 of the New York Education Law authorizes the Commissioner of Education to pay to any qualifying private institution of higher education within the state an amount "computed by multiplying by four hundred dollars the number of earned bachelor's and master's degrees, and by twenty-four hundred dollars the number of earned doctorate degrees, conferred by such institution during the twelve-month period next preceding the annual period for which such apportionment is made. . . ."

II. THE SUPPORT OF HIGH QUALITY GRADUATE AND PROFESSIONAL EDUCATION

Aid to Students Existing programs of federal financial support for graduate and professional students have proved to be extremely effective in increasing the quantity and quality of trained manpower in critical subjects. Such programs should be continued, and to them should be added provisions specifically designed to enable students from disadvantaged minority groups to enter graduate programs to which few of them have access today.

Institutional Support The United States depends heavily on a relatively small number of major public and private national universities for the overwhelming proportion of the training of graduate and professional students. These institutions are costly to develop and are becoming increasingly costly to maintain. Private resources and state funds alone cannot meet these rising costs.

Graduate and professional students, unlike the graduates of most two-year and even four-year colleges, often move away from home, first to places of professional training, and then later to places where professional employment opportunities lie. In their mobility, they draw on national resources and contribute to meeting national needs that transcend local areas. These students and the institutions that prepare them reflect national rather than strictly local interests. The teaching and research these institutions perform and the teachers they produce are of basic importance to the strength of the nation.

It is, therefore, decidedly a national problem of the highest order that most of the major national universities are now experiencing severely debilitating financial pressures caused partly by inflation but also by cutbacks and shifts in federal support of research and training. It is no exaggeration to say that effective new support patterns must be developed quickly if we are not to see the partial collapse of a system of higher education unique in the world and fundamental to the strength of the United States. Already, a number of national universities are being weakened, with consequences that may be irreparable.

In order to maintain and develop these major national academic centers, we strongly urge the prompt establishment of a comprehensive system of direct institutional grants in support not only of

professional education and the natural sciences, but also of the humanities and the social sciences. In determining how these grants are awarded, national requirements for strong regional centers must be met. Special support should be given to academic needs of new importance and high cost such as computers and libraries which extend regional services and shared economies to institutions of higher education in their area.¹³

In the natural sciences, where costs are extremely high, project grants for special purposes should be continued along with an increasing use of institutional grants. But in areas outside the natural sciences, federal funding should be administered largely through lump sum institutional grants from which specific allocations for fellowships, facilities, teaching programs, and research can be made by the institutions themselves. In this way, institutional autonomy is encouraged and federal agencies are spared involvement in decisions that have institutional, philosophical, or political implications.

The number of institutions that are encouraged to offer doctoral programs should be limited. We may already have enough institutions to meet the nation's demand for high-quality doctoral programs in many fields. Although there may be need for some new regional centers of doctoral level training, we face genuine dangers of wasteful proliferation of graduate schools competing for scarce funds, qualified students, and superior faculty members. Such proliferation can result in reduced quality of work and overproduction of recipients of doctoral degrees.

Further development of graduate and professional education requires that a competent body in the Federal Government study national requirements along with the continuing problems of financing our major national universities. Whether this responsibility should be exercised by a new agency, by expanding the responsibilities of an existing agency, or by combining the efforts of several agencies, deserves careful analysis. We urge this as a subject for the

¹³ We believe that the Library of Congress should be enabled and encouraged to expand its present valuable services to higher education by cataloging all new publications.

In addition, we believe that shared use of computing centers by many institutions within a region should be strongly encouraged. This can be facilitated by inter-institutional cooperation with the help of the Federal Government.

National Academy of Higher Education recommended at the end of this report.¹⁴

C. Institutional Priorities

To strengthen American higher education, federal assistance to students and to institutions must be matched by institutional attention to major problems for which primary responsibility lies outside of government. While these are matters for which each institution must determine its own policies, certain fundamental problems are so common to all our institutions and are so important to the national interest in higher education that we consider it essential to our task to emphasize them. In so doing, we affirm our belief that the intensive reexamination now in process throughout higher education and the substantial improvements already undertaken in many colleges and universities reflect the proven ability of American institutions of higher learning to meet the evolving demands of the nation.

I. CLARIFICATION OF INSTITUTIONAL PURPOSES

In recent decades our institutions have been subjected to mounting pressures to grow in size and complexity and to respond to the needs and interests of new groups within and beyond the campus. These new conditions have created much uncertainty about institutional purposes, functions, and priorities in the minds of students, faculty members, administrators, trustees, alumni, and members of the public.

Most colleges and universities today need thorough analyses of their purposes and of each program of study and research and non-

¹⁴ A number of federal agencies are presently concerned with the study and review of national requirements and problems associated with the financing of graduate and professional education. Some examples of activities conducted at various agencies are as follows:

Office of Education, National Advisory Council on Education Professions Development concerned with reviewing federal programs for the training and development of educational personnel; National Academy of Sciences—engaged in research studies on careers and profiles of Ph. D's in the sciences; National Science Foundation—concerned with scientific manpower and education studies; Interagency Committee on Manpower Research—brings together manpower research studies sponsored by various federal agencies in order to strengthen and coordinate the research efforts of the Federal Government in the field of manpower. Source: U.S. Office of Education (December, 1969).

academic service the institutions perform. Not all institutions should place the same emphases on teaching, research, and public service. Policy for each institution should be carefully thought out and deliberately implemented in the allocation of resources.

II. IMPROVEMENT IN THE QUALITY OF THE CURRICULUM AND METHODS OF TEACHING AND LEARNING

Many changes in subject matter and techniques of instruction have taken place in recent decades. Much thought and effort have been given to educational and institutional improvements. In the present years, the problems that require special attention include the following:

- rigidities in departmental and collegiate organization—especially difficult in times when teaching needs and the nature and organization of knowledge are changing rapidly and radically;
- high professionalization of subject matter and high specialization of faculty members—both stemming from obvious sources and serving obvious needs, but also complicating needed adjustments in teaching and learning processes;
- unresolved questions regarding the appropriate uses of large lectures and more intimate forms of instruction;
- unresolved questions regarding the optimum use of mechanically aided teaching and learning, including audiovisual, television, and computer-aided instruction.

We suggest that serious consideration be given to integrating programs of study that require several levels of higher education. While the four-year liberal arts college is a valid experience for many undergraduates, those whose career decisions are firm and who qualify might well be admitted to graduate and professional courses during their undergraduate years, as already happens in some institutions. At the same time, professional schools might form bonds with liberal arts colleges to enable students to continue the liberalizing components of education while they are in professional training.

Just as patterns of undergraduate education need reexamination, patterns in graduate education need to be revised. In many fields, over-professionalization has resulted in excessive, unproductive reliance on traditional forms of graduate work. A reevaluation of the purposes for each graduate degree is needed, along with a reshaping of the requirements of graduate programs to meet the needs of the professions. In the teaching profession, a greater variety of acceptable degrees and kinds of preparation is needed.

The Task Force has discussed a number of important topics that cannot be dealt with in any detail in this report. These include continuing education, advanced professional education, and international education. Far too little attention has been given to continuing education in the United States. Adult education for personal development is in a primitive stage of evolution. Advanced professional education is becoming increasingly necessary and needs to be regularized. Special attention should be given to the continuing necessity for international education and to the attendant problems for the American institution and student as well as for the foreign student visitor.

III. MORE EFFICIENT USE OF RESOURCES

Resources available for higher education are and will remain limited and are likely to be insufficient to meet the expanding expectations and increasing demands of the near and longer term. Hence, it is incumbent on those in higher education to make the most effective and efficient use of the resources available to them.

It is a matter of highest priority that colleges and universities should make major efforts to improve management, planning, cost effectiveness, and fiscal controls, and to reach a constructive reconciliation of the needs for more effective management techniques and the desire for wider participation in decision-making.

Without sacrificing necessary institutional autonomy, greater efforts should be made to achieve regional and inter-institutional cooperation where costs are high, resources are limited, and collaboration is feasible and productive, particularly with regard to regional libraries and computing facilities.

IV. CLARIFICATION OF INSTITUTIONAL GOVERNANCE

Although this is a subject far beyond the capacity of this Task Force, we recognize as a high-priority need of American higher education a carefully considered clarification of the functions of the constituent parts of the academic community. American society is changing and with it there are new interests and attitudes. These new interests and attitudes do not diminish but increase the necessity for effective and responsible methods of policy formulation and administration.

Diversity among institutions will be reflected in different structures for decision-making. Whatever methods are followed, failures of administrators and faculty members to exercise their responsibilities seriously weaken the ability of our colleges and universities to function effectively and threaten their preservation as centers of free and objective inquiry.

Methods of decision-making and concepts of authority must be broadly understood if they are to serve in organizing the energies of the academic community. Because of this, we believe that serious attention needs to be given to problems of governance both within each institution and in national discussions.

There is need to examine the extent to which current practices in academic life serve the cause of effective education. Our institutions face serious difficulties in their attempts to adjust limited financial resources to expanding demands within an increasingly consultative system of decision-making.

Efforts toward reform might well include examinations of departmental and collegiate organizations, of procedures by which administrators on all levels are appointed and their performance reviewed, and of methods for appointing and promoting members of faculties, including the possibility of new patterns for tenure.

D. National Academy of Higher Education

Many distinguished and effective national organizations represent and study the needs of higher education and its constituent parts. There is,

however, no single, permanent, national organization devoted exclusively to the study of higher education as a critical resource belonging to the people of the United States.

While such an organization might be established within the government, and while we recommend that the government structure itself respond more coherently to the needs of higher education, we believe that a National Academy of Higher Education, federally chartered and modeled after the National Academy of Sciences, should be established independent of the United States Government.

The members of the Academy should be educators and citizens of the highest standing who can be expected to reflect not simply the needs of special segments of higher education, but the needs of the entire nation and all the institutions that serve those needs. The Academy should study all matters regarding higher education of major concern to the American people and to our colleges and universities. As a primary responsibility, such an Academy would keep clearly before the nation and its legislative and governmental agencies the necessity of maintaining the quality of the educational experience as a continuing priority that must not be sacrificed as opportunities in higher education are quantitatively increased.

APPENDIX A

*Statement on Tax Credit Plan**

by JOHN A. HOWARD, *President*, Rockford College

The scope of responsibility of a Task Force on Priorities in Higher Education is so broad that, unless the members can devote their full time to the assignment for a prolonged period, the most that can be accomplished is a general review of the current situation and recommendations based upon the educational assumptions that have been dominant in recent years.

In view of the time limitations and the prevailing belief that the form of governmental support that has developed in the last two decades is basically wholesome and workable, this Task Force has conscientiously weighed the problems of higher education and proposed a course of action.

However, a number of perplexing concerns suggest the need to question whether the form of federal support that has evolved is the best one, and whether the well-being of higher education will be enhanced by simply doing more of what we are now doing.

Among the concerns which raise questions about our present system of federal aid are:

1. There is a widespread uneasiness about the financial condition of higher education now and in the years ahead. The tight budgets of state and national governments suggest that increased governmental support for higher education will be more and more difficult to obtain.
2. The financial straits of the educational institutions dictate the importance of efficient use of available funds, but certain aspects of our system of federal aid work against economy of operation:

*President Howard submitted this Statement as his alternative to the recommendations for federal support made by the other members of the Task Force. The other members of the Task Force do not support this plan.

Comments on President Howard's Statement by President James C. Fletcher following on page 23.

- a. Requirements that unused portions of federal grants be returned to the government minimize the impetus to economize in the use of grants.
 - b. The vast volume of federal research funds has accentuated the trend toward a reduced teaching load for faculty members and therefore tends to increase the per-student cost of faculty salaries.
 - c. The cost to government of maintaining the personnel to process applications for all the different grant programs and to administer those programs is echoed by increasing costs on the campuses of the personnel involved in applying for, administering, and reporting on the federal grants.
3. If the era of relative affluence for higher education is passing, then it becomes important for each college to be able to determine how it can most effectively use its total financial resources. Since the great part of federal aid is channelled through programs of grants for specific purposes, these funds are fixed as to their use and cannot be redirected for more pressing needs of the individual college recipients.
 4. As institutions of learning became dependent upon the flow of federal funds, their own budgets remain in a state of suspended animation until the Congress authorizes allocations for the various programs of federal aid. This dependence diminishes the autonomy and the flexibility of the individual colleges and universities and inhibits their long-range planning.
 5. The distribution of federal aid among the nation's colleges and universities continues to be uneven with a small number of institutions receiving a large proportion of the funds allocated. If the present pattern of distribution is not that which will provide the greatest strength to higher education, by what processes could the Congress possibly fix upon a more equitable or a more productive redistribution? Is it, in fact, possible for any centralized body to arrive at a pattern of distributing funds which will be equitable and useful for each of more than two thousand institutions, with enormous differences among them in their purposes, their problems, their student clientele, their facilities, their faculty, and their financial circumstances?
 6. The turmoil on many campuses is a source of distress to the general public and the Congress has received increasing pressure from the electorate to utilize the leverage of governmental support of education as a basis for Congressionally determined restrictions upon conduct of faculty and students. The educational institutions are reluctant to have Congress set regulations for college personnel.

7. The separation of church and state tends to bring about the situation in higher education that as state becomes more and more involved, church must become less and less involved. The channelling of federal aid through programs of grants for specific purposes has largely bypassed this problem, but if the mounting request for unrestricted operating funds is to be met by direct federal subvention, the church-state issue would seem to pose the option for church-related colleges of minimizing the church influence in order to qualify, or foregoing their share of such funds.
8. The diversity among American colleges and universities has been consistently regarded as one of the most critically important and productive characteristics of our educational system. Is it realistic to suppose that this diversity can be safeguarded if we continue to increase the dependence of the institutions of higher education upon the Federal Government?

Because it has been generally assumed that the very great need of higher education for increasing financial support could only be met by direct subsidy from the Federal Government and because the concerns mentioned above run counter to the nature of federal subsidy as it has developed, it is possible that these concerns have not received the public attention which they deserve. In any event, they seem sufficiently important to warrant a consideration of other means for providing funds to higher education.

There is a method by which the Federal Government could take action to provide support for higher education in a manner that would attend to most, if not all of the concerns raised here. This is a provision for tax credits to individual citizens for gifts which they would make to colleges and universities.

Suppose legislation were enacted which permitted each taxpayer the option of paying the first \$100 of his federal taxes directly to the college of his choice, so that his payment to the Internal Revenue Service would be the amount of his total tax bill less the \$100 which he donated to a college. Such a technique of support for education would have many advantages, including:

1. Each college could use all such revenue according to its own judgment of the priorities of its current needs.
2. There is almost no overhead cost to the government or to the college in this technique of financing. The taxpayer receives a receipt for his \$100 gift to the college, and that receipt is attached to his tax form. No huge and costly federal bureaucracy is required to administer all the grant programs, and faculty members would not be burdened with applying for and accounting for their funds as they now must in the case of federal grants.

3. Since each college would determine the use of its revenues from tax credit gifts, any economies that were effected would make funds available for other purposes at that college. Efficiency would be encouraged.
4. Tax credit gifts would tend to be greatest in the population centers. Citizens would be inclined to support local institutions, if for no other reason than to keep the funds in the local economy. This would encourage the development of new institutions, public and private, in population centers.
5. The small college could hold its own in the competition for revenues, turning to its alumni and its neighbors for tax credit gifts.
6. The technique is flexible—Congress could raise or lower the tax credit ceiling according to its budget situation and its assessment of current educational needs.
7. Rather than having the Congress try to make decisions that would lead to a certain distribution of funds among the institutions of higher education, the individual taxpayers would decide which colleges are worthy of their support. The institutions would have to earn their gifts by the effectiveness of their educational services.
8. The Church-state problem is avoided. Gifts to a church-related college qualify for tax exemptions—just as gifts to public or private colleges do.
9. The colleges serving a high percentage of disadvantaged students would have an opportunity to get a larger than average share of the gift tax credit revenues. For a modest expenditure, they could place an ad in distant newspapers explaining their circumstances and their purposes and the clientele they serve, and suggest that they need the tax credit gifts more than do the local colleges and universities, and some of the citizens would respond with gifts.
10. This method of finance would protect the diversity and the autonomy of the educational institutions.

In considering the adoption of such a marked departure from present practice, it needs to be remembered that the vast system of federal grants now operating is so thoroughly woven into the fabric of American higher education that it could not be discontinued abruptly without dislocations too great to be endured.

What is suggested is that except in the case of the most pressing emergencies, a ceiling might be placed upon direct federal aid for higher educa-

tion, freezing present programs at the amount now provided annually, and using the gift tax credit technique for transferring to education whatever additional money Congress decides to allocate for higher education. Once the technique has been tried out at the federal level (both Indiana and Michigan have enacted tax credits for gifts to colleges and universities at the state level), Congress could then decide whether it was desirable to phase out over a period of years the direct federal subsidies, offsetting the loss of reduced or discontinued grant programs by a comparable increase in the level of gift tax credits authorized.

If it is the intent of the Administration to support higher education in a manner that will help the individual colleges and universities to be autonomous, innovative, solvent, and efficient and which will safeguard their diversity, then it would seem that the tax credit for gifts to institutions of higher learning is worthy of thoughtful consideration.

**Comments on President John A. Howard's
Statement on Tax Credit Plan**

by JAMES C. FLETCHER, *President*
University of Utah

Because of the very limited amount of time available for the Task Force, it was not possible to review in detail the various possibilities for improving the financing of higher education. President Howard's proposal, although quite old in its origin, has been reviewed by a number of higher education councils and has not been felt by them to be competitive with others of more recent origin, although in fact it should be considered, along with others, in any suggestion for increasing the financial support for higher education. Other proposals which have merit are:

1. *The National Loan Bank Proposal* whereby students would be loaned the money for their education while in school but, on a fraction-of-income basis, would pay back all the money during the course of their post-graduate careers.
2. *The Bowen Proposal*. Although there have been several versions of the proposal by former President Howard Bowen of the University of Iowa, the essence of this plan is to return to the states a portion of the tax dollar received by the Federal Government based on the total Higher Education enrollment in the state involved. Variations of this plan would return to the institutions themselves instead of the states an amount based on total enrollment. This idea is not extensively different from one proposed by Professor Walter Heller

at the time he was chairman of the Council of Economic Advisers under President Kennedy.

3. *The Miller-Daddario Bill.* This suggestion was first advanced by Congressman George Miller of California and is now in the form of a bill pending in Congress which would broaden the base of institutional support, particularly in the science area. This would take the form of direct grants to institutions based on (1) the total amount of federal support the institution now receives in the form of project grants, (2) the number of students enrolled in the science and social science areas, and (3) the total number of degrees awarded by the institution independent of discipline.
4. *The Ribicoff Proposal.* This proposal, first made by Governor Ribicoff of Connecticut, is a tax credit proposal for parents of students attending higher education institutions for a portion of tuition paid. There are several versions of this proposal designed partially to equalize the differences in tax benefits for rich parents as opposed to disadvantaged ones.

There are many other proposals and variations. The proposal with the most support is that which would extend the present system of grants from the Office of Education for buildings and for special mission-oriented educational programs. All these should be considered as alternate possibilities to the Howard proposal.

Specific objections to the Howard proposal would seem to be:

1. The emphasis on reducing the amount of direct project grants to universities. The implication of President Howard's proposal is that such grants should be made primarily for the support of higher education, whereas in fact these project grants are intended for the purpose of developing a particular field or a particular national need, for example, to support military defense, to develop the nation's capabilities in science, technology, and space, to improve the nation's health, etc. Although it is recognized that these grants should be given to universities in such a way that they minimize the negative impact they will have on other academic programs, the purpose really cannot be said to be primarily for the support of higher education.
2. The principal objection to this proposal is that the tax credit of \$100 per taxpayer puts the responsibility for a large fraction of the Federal appropriation, i.e., something on the order of \$5 billion a year, in the hands of a very large number of people who may or may not be informed or even concerned about the nature of higher education. This puts the university in the rather difficult position of vote-getting,

since it must try to involve the largest possible number of people in the support of the institution. This would put an enormous burden on the institutions, which would detract from their primary academic purposes. It would seem to be greatly preferable to put decision-making power for such large sums of money in the hands of informed leadership. This leadership, if elected by a large number of people who pay taxes, is generally responsive to its constituents and additionally makes itself well-informed about the problems of higher education. Whether this leadership be state or Federal, of course, represents the difference between several of the various proposals suggested above.

3. This proposal, along with most tax credit proposals, has the very great difficulty that it represents the support of the middle and upper class groups of our society and therefore will tend to promote institutions which are primarily associated with these two groups of people. In many parts of the country, there is a large group of people who pay no tax at all. Tax credits would be of no value to them. The Howard proposal suggests that institutions close to large centers would be its principal beneficiaries. It would seem the reverse would be true; namely, that those schools which have open admissions policies and which would, therefore, appeal more greatly to the minority groups might be the very ones that might be deprived of the benefit of this \$5 billion proposal.

Because of these and many other objections, the Task Force simply could not endorse President Howard's proposal without intensively reviewing the problems and alternatives to it. The proposal should certainly be considered along with others by any subsequent group, particularly by the suggested National Academy of Higher Education.

APPENDIX B

A Partial List of Major Recent Studies of Higher Education

- Graduate Education*, National Science Board (Washington, 1969).
- The Federal Financing of Higher Education* (Washington, Association of American Universities, April, 1968).
- The Federal Investment in Higher Education: Needed Next Steps* (Washington, American Council on Education, February, 1969).
- Quality and Equality: New Levels of Federal Responsibility for Higher Education*. (Carnegie Commission on Higher Education, December, 1968).
- The Federal Government and Higher Education*, Report of the Advisory Committee on Higher Education to the Secretary of Health, Education, and Welfare (Washington, July 1, 1968).
- Toward a Long-Range Plan for Federal Financial Support for Higher Education*, A Report to the President from the Secretary of Health, Education, and Welfare (Washington, January, 1969).
- Toward a Public Policy for Graduate Education in the Sciences*, National Science Board (Washington, 1969).
- Bowen, Howard R., *The Finance of Higher Education* (Carnegie Commission on Higher Education, 1968).
- Bowen, William G., *The Economics of the Major Private Universities* (Carnegie Commission on Higher Education, 1968).

APPENDIX C

Family Income and College Attendance

A recent Bureau of Census study which followed up 1966 high school graduates in February 1967 clearly shows that high family income is associated with the likelihood of college attendance. The findings of this study which are also supported by findings of other surveys are presented in the table below.

COLLEGE ATTENDANCE BY FEBRUARY 1967 OF 1966 HIGH SCHOOL GRADUATES, BY FAMILY INCOME

| Family income | Number of high school graduates surveyed | Number entering college | College entrance rates |
|----------------------------|--|-------------------------|------------------------|
| Under \$3,000 | 268,000 | 53,000 | 19.8 |
| \$3,000 to \$3,999 | 167,000 | 54,000 | 32.3 |
| \$4,000 to \$5,999 | 488,000 | 180,000 | 36.9 |
| \$6,000 to \$7,499 | 367,000 | 151,000 | 41.1 |
| \$7,500 to \$9,999 | 490,000 | 250,000 | 51.0 |
| \$10,000 to \$14,999 | 477,000 | 292,000 | 61.3 |
| \$15,000 and over | 160,000 | 139,000 | 86.7 |
| Total | 2,417,000 | 1,119,000 | 46.3 |

Derived from: Factors related to high school graduation and college attendance, 1967, current population reports, series p-20, No. 185, p. 6.

APPENDIX D

Some Recent Studies of Negro Colleges

For a general review of the problems and prospects of the predominantly Black colleges see:

Jencks, Christopher and Riesman, David, "The American Negro College: Part IV, Future of the Negro Colleges; the Institutions", *Harvard Educational Review*, 37 (Winter 1967), 43-60.

Jencks, Christopher and Riesman, David, "The American Negro College: Four Responses and a Reply", *Harvard Educational Review*, 37 (Summer 1967), 451-76; 37 (Fall 1967) 646-47.

"The Higher Education of Negro Americans: Prospects and Programs", *The Journal of Negro Education*, XXXVI (Summer 1967).

McGrath, Earl J., *The Predominantly Negro Colleges and Universities in Transition*, Teachers College, Columbia University, 1965.

Task Force Report of the Southern Regional Education Board 1969, *Special Financial Needs of Traditionally Negro Colleges*.

The Negro colleges have little potential to raise revenue through tuition since almost two-thirds of their students have family incomes of less than \$6,000, but this is true of only 13 percent of white students in white four-year colleges. See Alan E. Bayer and Robert F. Boruch, *The Black Student in American Colleges*, American Council on Education, Washington, D.C., 1969.

APPENDIX E

Some Recent Studies of Problems in Health Care and Health Manpower Education

Fein, Rashi, *The Doctor Shortage: An Economic Diagnosis* (Washington, Brookings Institution 1967).

Report of the National Advisory Commission on Health Manpower (Washington, U.S. Government Printing Office, November, 1967).

The Crisis of the Medical Schools: A Summary Report of the Proceedings of the Conference Held in New York City, Carnegie Corporation-Commonwealth Fund New York, September, 1967).

Health Manpower U.S. 1965-1967, Public Health Service, U.S. Office of Health, Education, and Welfare (Washington, U.S. Government Printing Office, November 1968).

Resources for Medical Research: Biomedical Research Manpower—For the Eighties, Office of Resources Analysis, National Institutes of Health, U.S. Department of Health, Education, and Welfare (Washington, U.S. Government Printing Office, December, 1968).

Medical Care Prices, Report to the President, U.S. Department of Health, Education, and Welfare (Washington, U.S. Government Printing Office, February, 1967).

APPENDIX F

Growth of Attendance in Institutions of Higher Education

The table below shows the rapid growth in enrollments over the past decade and projects continuing growth in the years ahead:

| Enrollment | 1959 to 60 | 1969 to 70 | Percent change: 1959-60 to 1969-70 | 1974 to 75 | Percent change: 1969-70 to 1974-75 |
|---------------------------|------------|------------|--|------------|--|
| Total..... | 3,572,000 | 7,696,000 | +115 | 9,796,000 | +27 |
| Public Institutions..... | 2,134,000 | 5,619,000 | +163 | 7,459,000 | +33 |
| Private Institutions..... | 1,438,000 | 2,077,000 | +44 | 2,337,000 | +13 |

Source: United States Office of Education (December, 1969).

In the early 1960's fourteen percent of high school graduates in the lowest quartile of family income were entering college in the year of high school graduation; by 1966 this proportion had grown to 25 percent and probably has been increasing since. (Source: Project Talent and recent Census data.) For nonwhites, the rate of entrance to college has grown rapidly. In 1963, 38 percent of nonwhite high school graduates entered college, and by 1968 this rate had grown to 46 percent compared to the white rate of entrance to college in 1968 of about 57 percent.

Source: Unpublished Census data from the Bureau of Labor Statistics.

APPENDIX G

Present Federal Student Aid Programs

The Office of Education presently administers four major programs for financial assistance to students: during Fiscal Year 1969 these four programs obligated the following amounts of funds with each program aiding the following number of students.

| | Funds obligated | Students | Average Federal support |
|-------------------------------------|-----------------|----------|-------------------------|
| Educational opportunity grants..... | \$144,787,000 | 280,600 | \$500 |
| College work-study..... | 143,434,000 | 385,000 | 475 |
| National defense student loans..... | 185,887,000 | 442,000 | 600 |
| Guaranteed loans..... | 144,692,000 | 787,344 | 872 |

¹ Federal interest payments.

² Average total support for student loans with government funds used for interest subsidy.

Source: United States Office of Education (December, 1969).