

COPING WITH COLLEGE COSTS

**Common Sense About College
& Family Financial Security**

by

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*“D’ye think th’ colledges has much to do with
th’ progress iv th’ wurruld?” asked Mr. Hennessy.*

*“D’ye think,” said Mr. Dooley, “’tis th’ mill
that makes th’ wather run?”*

Finley Peter Dunne

*“Tis education forms the common mind:
Just as the twig is bent, the tree’s inclined.”*

Alexander Pope

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PREFACE TO THE THIRD EDITION

SINCE the publication of the first edition of this booklet, a number of notable developments have taken place. First and foremost, college costs have continued to increase at rates far greater than the prices of most other things, and at present they show no indication of slowing. This fact alone suggests that students and their parents have a greater need than ever for reliable information about financing a college education.

A related development has been the proliferation of public and private financing schemes that may or may not be in the best interests of students and their families. We anticipated several years ago that the then-current reliance on subsidized student-loan programs would fall into disfavor if Federal budget deficits and delinquency and default rates on student loans continued to grow. Such has been the case: in the past 2 years, government efforts to collect delinquent student loans have accelerated sharply — in some cases leading to attachments of income and assets, and loss of credit standing.

At the same time, public officials and private educational and financial institutions have proposed or offered a wide variety of alternatives for financing higher education: new student loan programs; state-backed “college bonds”; independent college savings accounts (so-called IRAs for college) that would accumulate interest tax-free; prepaid tuition plans; manipulative financial portfolios planned to maximize eligibility for student aid; or allegedly advantageous life insurance plans. Some of these proposals and programs, such as state-backed “college bonds” and college IRAs may seem harmless enough — and may even offer advantages in some circumstances. Others plainly seem harmful: *e.g.*, proposed Federal student loan programs that would levy a *lifetime* progressive tax on the incomes of program participants; or financial schemes that would imperil a family’s wealth for the sake of a few hundred dollars of increased aid eligibility.

Perhaps most significant, the number of genuine scholarship programs offered by private foundations, employers, and other entities has expanded dramatically in response to concern over the rising costs of college. To make the search for such aid easier, in the pages that follow we have provided vastly expanded directories to sources of aid that in many cases only recently have become available.

As we cautioned in earlier editions, under no circumstances should college-bound young adults commit themselves to levels of debt that will prove unmanageable in future years, or be lured into schemes that

might prove otherwise financially ruinous. Hence, we have updated our discussion of some of the major pitfalls concealed within a number of the most popular college finance programs.

As we argued in the earlier editions of this booklet, most students and their families do *not* have to sacrifice unduly to pay for college *if* they keep college costs in family financial perspective and inform themselves about today's "best buys" in higher education. We hope that this revised and expanded booklet will prove useful to those who are willing to make that effort.

I.

COLLEGE COSTS IN FINANCIAL PERSPECTIVE

COPING with the high cost of higher education has understandably become a major concern for millions of American students and their families. Many families have embarked on or are soon to embark on strenuous campaigns to garner scholarships and to enlarge their eligibility for and chances of receiving other types of student “aid.” Younger families whose prospective undergraduates may still be infants seem eager to get in on the ground floor of the new “tuition futures” market, or to adjust their investment portfolios to provide funds for enormously increased college costs a decade or more from now.

Often, the advice that those who are faced with either near-term or distant college expenses receive is confused or conflicting, or involves committing resources to untested and possibly imprudent “schemes” of one kind or another. Almost none of today’s college cost advisors seems able or willing to consider the personal or financial implications of their various recommendations from a broad economic perspective.

Without question, over the past 20 years the costs of a 4-year college education *have* increased. Since 1965, consumer prices for all things have increased nominally by about three times. The average cost of a 4-year college education, however, is about five times what it was then. In 1965, a 4-year degree program at a public institution entailed an annual comprehensive fee (tuition, fees, room and board) of around \$1,000. Today, the amount is about \$5,000. Private colleges and universities have increased their fees even more. In 1965, yearly costs at private institutions of higher education averaged about \$2,200; today, they are about \$12,000. At a number of top-ranked schools, costs of tuition, room, and board already amount to more than \$15,000 per year. For students entering this year’s freshman class at universities such as Harvard, Yale, Stanford, or Brown, a bachelor’s degree program will cost over \$70,000.

The media — and the colleges themselves — have portrayed this escalation of college costs as a “crisis” that threatens to restrict the educational opportunities of all but the wealthiest of American families. In hundreds of newspaper and magazine reports, the plight of students and parents faced with tens of thousands of dollars in tuitions, room and board payments, college loan payments, and related costs has been portrayed in staggering financial terms: baccalaureates in debt \$50,000 when they graduate; MBAs and lawyers in debt \$60,000 or \$70,000; married medical student couples in debt \$100,000 — or more.

Such amounts, coupled with complex and muddled student aid programs that arguably favor the better-off and intimidate the needy, might indeed suggest that American higher education is headed toward financial collapse. If this is so, educators are rightly concerned that many of today's most promising youngsters will be denied the chance to develop their talents to the fullest (and the educators will be out of work).

However, many of the alleged facts surrounding today's financial "crisis" have been gathered and presented by people — college administrators and teachers, Federal, state, and local education officials, high school counseling program personnel, etc. — who have a stake one way or another in perpetuating high tuitions and student aid programs even if they are not in the best interests of students and their families.

This is not to say that many of those involved are not sincere in their belief in the value of higher education and of their analyses and recommendations. Presumably, teachers, professors, student-aid counselors, and education analysts consider themselves responsible individuals and act in what they believe to be the public interest. But their vision — and their use of facts respecting college finances — tends to be shaped by assumptions that often distort financial actualities and restrict or direct student and family options in a number of ways. As a consequence, much of what passes today for fact about the economics of higher education in America is largely myth — fostered by well-meaning individuals whose recommendations nevertheless are prejudiced by their self-interested notions concerning the purposes and problems of America's colleges and universities.

Be that as it may, there is great agreement within the American academic community as to what today's "big problem" with America's colleges is: *not enough money* — from governments, businesses, and philanthropists, and, most of all, from students and their parents. Judging from the aggressiveness with which personal financial planners, college-aid counseling services, and the colleges themselves now compete to come up with ingenious financial packages or other devices to attract students' and their parents' funds, it would seem that higher education has become yet another branch of the growing financial services industry. Unfortunately, there is little agreement as to what may be the best strategy for coping with college costs. The uninformed family stands at considerable risk in the college financial marketplace.

In this booklet, we attempt to cut through the many layers of confusion and to assess from an objective economic viewpoint some of the most prevalent assertions respecting trends in college costs, the worth of a college education, and what is required to finance a college degree. As we discuss in the pages that follow, some notions that have

been highly publicized may be mistaken. In terms of personal financial well-being, much of the most-publicized advice for coping with the alleged college cost crisis could be more harmful than helpful to students and their families. It is our aim here to acquaint readers not only with important general considerations respecting higher education that often are overlooked by education analysts, but also to inform them of what could be the specific personal financial consequences of following various recommendations made by some high school counselors, college student aid officers, and numerous college guidebooks, and to offer alternatives that may be useful for coping prudently with the college cost situation.

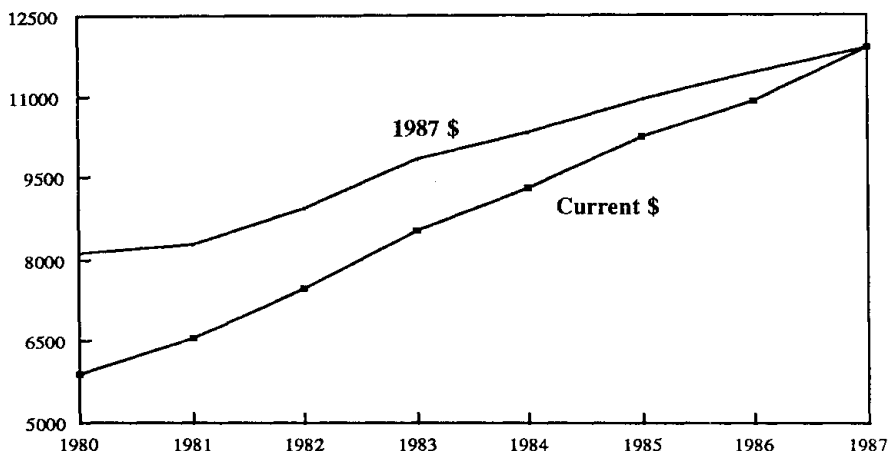
Short-Term vs. Long-Term Cost Trends

The projections of future college costs that have raised such alarm are a case in point. Any number of analyses prepared by education "experts" predict that college costs will continue to soar during the next 15 to 20 years. Members of the education establishment have used the data supplied by such studies to support their view that various aid programs must be expanded or the costs of college will become generally prohibitive for most families. Personal financial planners and investment services use such projections to sell their investment products to concerned parents who may be fearful that their children will be priced out of college. For example, when the college "cost crisis" first hit the media news, one financial publication stated: "Today, the total cost of a private four-year university averages \$10,000 per year, and is rising faster than the rate of inflation. In fact, by the year 2000 this cost could well exceed \$30,000, and require a total expenditure of as much as \$123,500." [*On Track*, November 1985]

The questions are: 1) How reliable are such projections?; and 2) What consequences might they have for your college financing plans?

As the amounts cited at the beginning of this chapter suggest, the costs of attending a private 4-year college or university *have* increased in real (constant-dollar) terms faster than the costs of most other things during the past 5 years. At present, increases of about 8 percent in comprehensive fees for the academic year 1987-88 far exceed the expected 4 percent increase in the overall consumer price level for 1988. Chart 1, which shows comprehensive fees at 4-year private universities in current and constant dollars for the period 1980-87, illustrates this short-term trend. If the *real* rate of increase of the past 5 years can be expected to persist, then (regardless of what the nominal-dollar amounts might be) a genuine "crisis" will ensue and costs at 4-year private universities could very well be prohibitive for most families.

Chart 1
**AVERAGE COMPREHENSIVE FEES
 AT 4-YEAR PRIVATE UNIVERSITIES**



Source: *Statistical Abstract of the United States.*

There are, however, several reasons to question that this will happen. If there is any lesson to be gleaned from the experiences of economic forecasters, it is that static projections based on short-run changes in almost any economic time series are notoriously inaccurate. (An example is the disastrous record of the Office of Management and Budget [OMB] forecasters' static projections of Federal receipts and expenditures in their annual budget analyses, which serve as the basis for the President's budget recommendations each February.)

Chart 2 shows the longer-term arithmetic trend of changes in comprehensive fees at private universities in constant dollars since 1959. From this perspective, it is clear that the longer-term trend of *real* increases in college costs has been more modest, and that the recent period represents a significant departure from that trend, which is indicated by the straight line through the curve. Note that at several times (1959, 1964, 1970-72) comprehensive fees increased as rapidly (or more rapidly) than during the past 5 years, but that in each instance a period of leveling off or real decrease followed. On the basis of these data alone, it seems reasonable to expect that similar fluctuations may occur in the future. If the longer-term trend is sustained, then the *real* costs of a private 4-year college degree may *not* increase as much as the static predictions based on the experience of the past 5 years imply.

Many analysts have observed that the recent tuition increases have reflected a period of "catch up" spending. For example, during the late

1970's, faculty salaries fell in relation to the general levels of other salaries. Over the past 6 years, however, faculty salaries increased in relation to other salaries and wages, and presently are at historical highs in relation to general wage levels (see Chart 3). Unless faculty salaries increase proportionally far above their historical levels, which seems unlikely in view of the competitive pressures many schools can be expected to face during the next few decades, it seems improbable that the salary-related pressures on tuitions of the past several years will continue. Moreover, increased capital expenditures since the late 1970's — which were needed to restore plant and equipment or to update facilities that had been allowed to deteriorate — may abate.

Basing long-term projections of changes in college costs on the experience of just the past few years actually may imply the *opposite* of what is likely to happen over the near-term future. One thoughtful statistical analysis of tuition costs, prepared by Thomas D. Snyder of the National Center for Education Statistics, shows that since 1973 tuition costs at private colleges and universities have been sensitive to changes in the rate of price inflation. Thus, changes in tuitions can be expected to fluctuate. But more important to the current projections, that study indicated that tuitions generally have *lagged* behind changes in price inflation. According to his analysis, "There is a natural tendency for college costs to lag behind changes in inflation rates because costs are often fixed months in advance of the academic year and college officials are reluctant to change student charges in mid-year. For example,

Chart 2
**AVERAGE COMPREHENSIVE FEES
 AT 4-YEAR PRIVATE UNIVERSITIES**

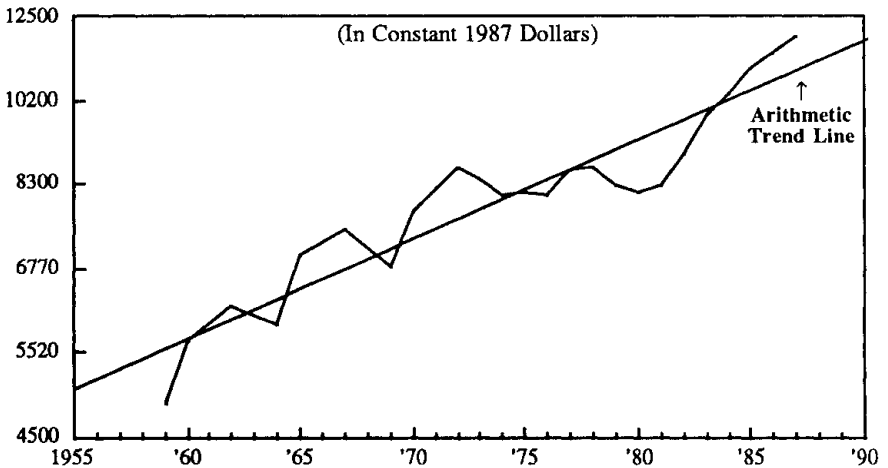
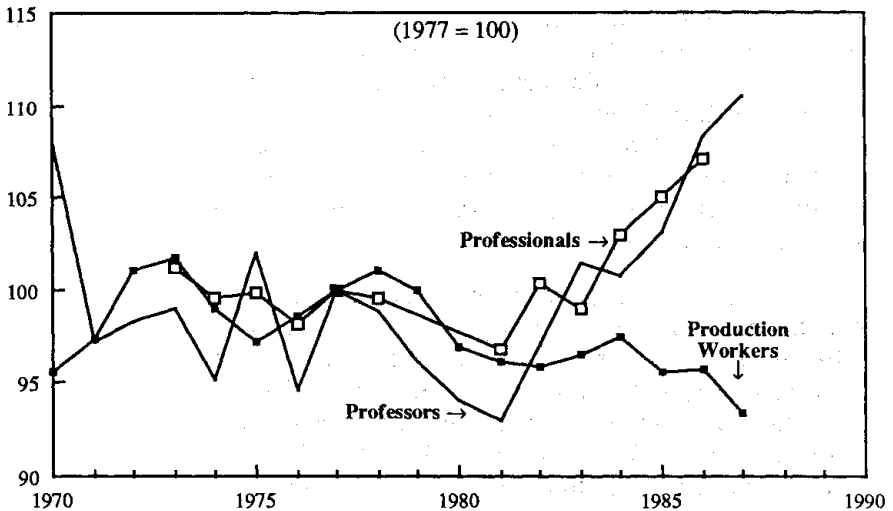


Chart 3
**INDEXES OF ANNUAL AVERAGE SALARIES
 FOR SELECTED OCCUPATIONS IN 1987 DOLLARS**



Source: Professors' (all ranks) average salaries, *Statistical Abstract of the United States*; median earnings for professional and technical workers, Bureau of Labor Statistics, Current Population Survey; average earnings per production or nonsupervisory worker on private nonagricultural payrolls, *Survey of Current Business*.

inflation rates peaked during the 1979-80 academic year, but college cost increases peaked two years later, in 1981-82."

Chart 4 shows the relation of the rate of change in college costs to the rate of change in the Consumer Price Index since 1973, and these data tend roughly to support Snyder's analysis through 1983. Note, however, that the data for the last 2 years reported (1986 and 1987) show a departure from the prior pattern. Indeed, since 1982, increases in comprehensive fees at 4-year private universities have far exceeded annual rates of change in the general price level (that is, they have increased in *real terms*). The recent period seems unprecedented in this respect, and it seems very unlikely that such rates of increase can be sustained indefinitely in the face of competition from much-lower priced public institutions.

In summary, short-term trends of 2, 3, 4, or even 5 years' duration cannot be used to reliably predict longer-term trends of 10, 15, or 20 years — as so many educational analysts are doing today with respect to college cost trends. If they had employed similar procedures between 1977 and 1979, for example, they might well have predicted that real college costs would *decrease sharply* for the next generation of college

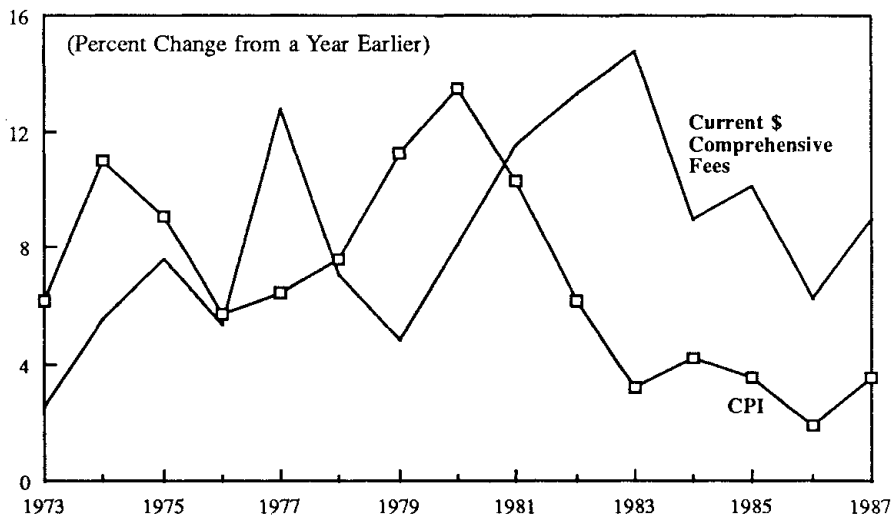
students (cost increases were decelerating then and in 1978 increases in college costs were far below the rate of increase in the CPI). Obviously, that did not happen.

How Much Will College Cost?

Though no one can know the future, a more reasonable estimate of future increases in real college costs might be based on the longer-term trend line shown in Chart 2. Since 1959, the smoothed average (which includes several episodes of sharply accelerating rates of increase) of the rate of increase in real expenses at 4-year private universities suggests *real* cost increases in the magnitude of 2.5 percent per year. Compounded at this rate, and assuming current average costs of \$48,000, the average costs of a 4-year degree program for students entering a private university in the year 2000 might be about \$65,000 *in terms of 1988 dollars* — far less than implied by those who “hype” the college cost “crisis.”

However, no one can begin to estimate what the corresponding nominal-dollar amount might be, since that depends on future levels of price inflation. The nominal figure of \$123,500 cited previously might be too high — or it might be too low. At one extreme, if disinflation persists or if price deflation occurs, then future nominal-dollar costs of college might be about the same, or perhaps less, than they are today.

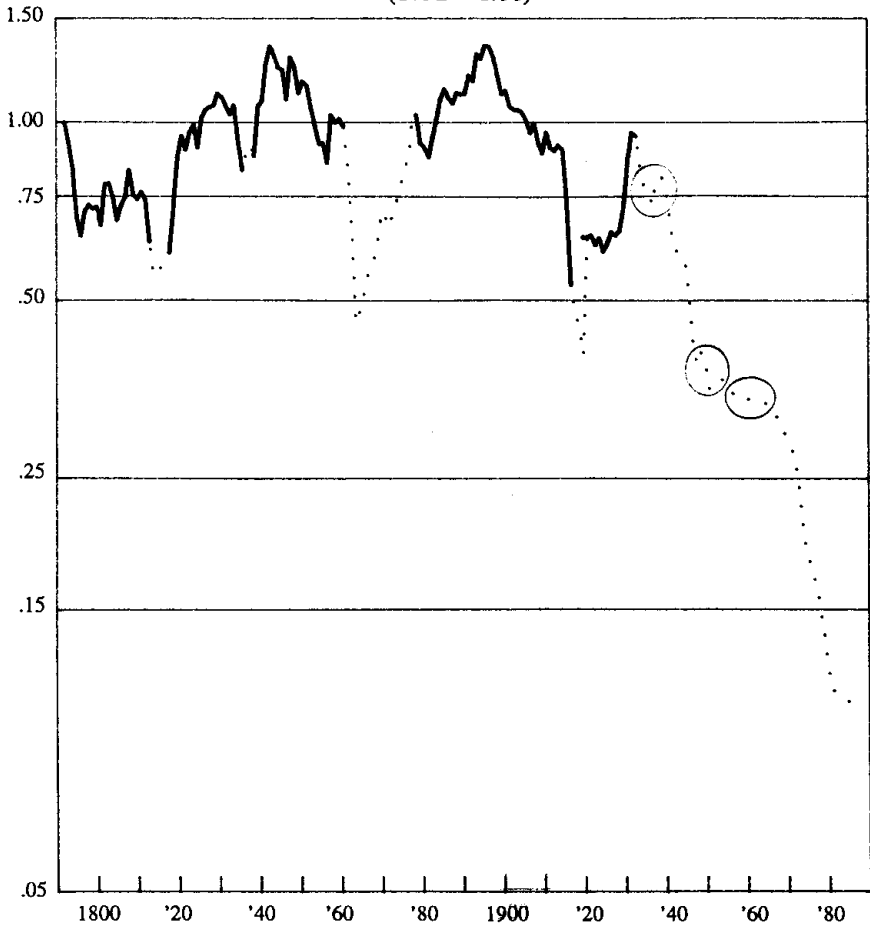
Chart 4
**AVERAGE COMPREHENSIVE FEES
 AT 4-YEAR PRIVATE UNIVERSITIES
 AND THE CONSUMER PRICE INDEX FOR ALL ITEMS**



At the other extreme, if hyperinflationary conditions were to ensue, then even millions of dollars might not be enough to pay for college.

Many people today seem to believe that “inflation has been licked” and that the dollar will largely retain its present purchasing power for decades to come. We do not share that view. Our research into monetary conditions for more than half a century indicates that wherever fiat money systems exist, as in the United States today, the purchasing power of the fiat currency has eroded over the long term — even though there may be interludes of “disinflation” along the way. There has never, we

Chart 5
PURCHASING POWER OF THE DOLLAR
(1792 = 1.00)



Note: Purchasing power was calculated from the Wholesale Price Index (source: U.S. Department of Labor).

repeat *never*, been a fiat currency that over an extended period of time has retained its purchasing power. All such currencies have in time become worthless, and all paper currencies are today worth less than when they were first issued. Chart 5 shows changes in the purchasing power of the dollar since 1792. The solid portions of the curve show periods when the dollar was redeemable into monetary commodities (gold or silver) and the dotted portions are periods when redeemability into monetary commodities at fixed rates was impaired or suspended. The circled portions of the curve indicate periods of disinflation similar to that of the past few years. Clearly, those periods did not interrupt the long-term trend for long.

To some readers, the above discussion may seem to be a tedious digression into monetary economics. It is not. **The point is that over the next 10 to 20 years, “inflation” probably will be a far more important factor influencing nominal costs of college than any increases in the “real” charges levied by the colleges. What this implies for families who are planning now to cope with distant college costs (whose nominal amounts are a complete unknown) is that any college savings plan ought to be designed so as to preserve as far as possible the current purchasing power of the dollars invested in that plan.** Most conventional savings accounts do not do that. Most of today’s innovative college funding plans do not do that. In Chapter VII we review some alternatives that may be useful for protecting against whatever increases in nominal costs may occur as a result of the erosion of the purchasing power of the dollar.

Is College a “Good Investment”?

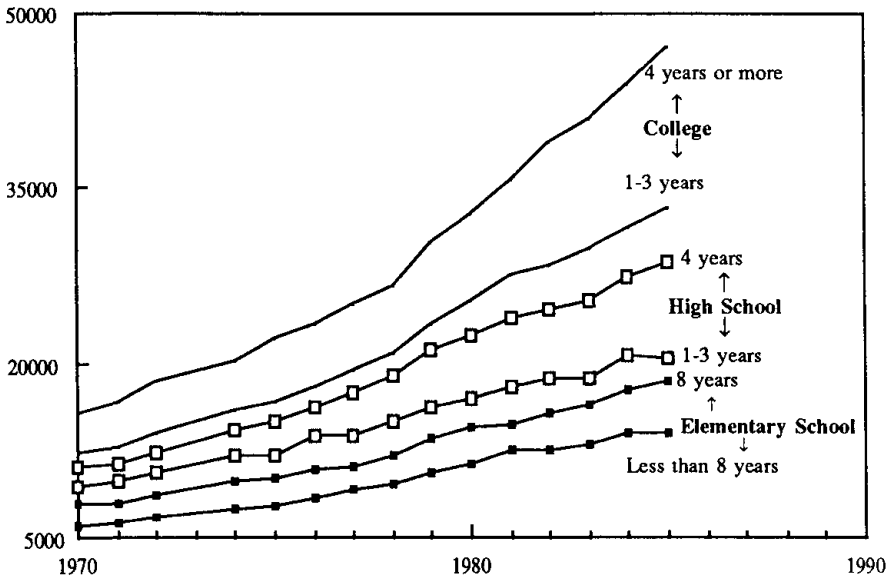
Whatever the nominal-dollar costs of college might be in the future, in view of the magnitude of present college expenses, it may be useful at the outset to consider a related question: that of the extent to which higher education today may or may not be a good investment in purely economic terms. Many families seriously deplete assets or go deeply into debt to pay for an expensive college education in the apparent belief that it will “pay for itself” in the long run. But the fact is that only about half of all high school graduates go on to higher education. Of those, only about half eventually receive bachelor’s degrees. In other words, three-fourths of today’s population either are unwilling or unable to make the commitments of time and money required to complete college. A close look at some of the economic costs and benefits of a college education may help to suggest why.

Most high school counselors and college financial aid officers, like most college guidebooks, magazine, newspaper, and television reports

that purport to analyze today's "college cost crisis," begin with the assumption that, although college expenses are indeed high, they eventually are justified by the much larger lifetime earnings of college graduates over noncollege wage earners. Almost any reference to money income data compiled by government or nongovernment agencies shows that college graduates are invariably financially better off as a group than are those without college training.

For example, the U.S. Bureau of the Census *Current Population Reports* annually reports the median dollar income of U.S. households according to the educational attainment of the householder. For 1986, those data indicate that the income of households where the highest education completed was elementary school (8th grade), the median annual income was only \$13,231. Families headed by high school graduates (12th grade) had a median annual income of \$24,271, almost twice as much as grammar school graduates. However, for households headed by college graduates (4 years or more of college), the median income was \$41,677 — over three times more than elementary school graduates and over two-thirds more than high school graduates. Chart 6 shows the income data (for white householders) from 1970. On the basis

Chart 6
**MEDIAN INCOME FOR WHITE HOUSEHOLDERS*
 FOR DIFFERENT LEVELS OF EDUCATIONAL ATTAINMENT**



* Ages 25 and older.
 Source: *Statistical Abstract of the United States*.

of these data alone, it would appear that college graduates *do* have higher incomes than those without college experience.

Likewise, reported estimates of average “lifetime earnings” suggest the college graduates’ expected earnings to be anywhere between 25 and 50 percent more than noncollege wage earners’ lifetime earnings. In virtually every available analysis of the relationship between education and income, the message is the same: the more education, the higher the income.

Data on the net worth of college and noncollege families are often used to suggest that family economic status increases in direct proportion to the level of educational attainment of the head of the family. For example, in 1983 the *average* net worth of families whose head completed 4 years of college was about \$123,000, while that of families whose head only completed high school was \$53,000, about \$70,000 less. However, such averages are distorted by relatively small numbers of families with large net worths. A comparison of the *median* net worths of college families with those of high school families in 1984, \$60,417 vs. \$31,892 or a difference of \$28,525, probably better reflects the situation of typical individuals.

What the Educators Don’t Tell You

In fact, none of these data “prove” that a college education *per se* boosts income or net worth. In nontechnical occupations employers often report that what their newly hired employees learned in college is of no practical application and that they have to be trained on the job. There is at least some reason to suspect that many of those who went to college and got their degrees would have, because of their other abilities, ended up in relatively high paying jobs even if they had skipped college. In any event, with the obvious exceptions of technical degree holders (engineers, physicians, and so on), there is little evidence that *college* training *per se* is the “cause” of the reported greater wealth of college graduates, and there are many millionaires (self-made and otherwise) who never went to college. (The most striking feature of the net worths reported in the Federal reports is how *low are the amounts reported*, for college and noncollege families alike.)

There are other reasons for doubting that a college education at expensive private universities is always the “good investment” that the colleges and others with a financial interest in the educational establishment make it out to be. Most students and their families probably think about college costs mainly in terms of *direct* outlays. But a college education involves both direct *and indirect economic costs*: 1) the direct costs involved in the student/family contribution to the costs of tuition,

books, room and board, etc.; 2) the “opportunity costs” of deferring entrance into the labor force for 4 years; and 3) the indirect loss of income that otherwise could have been earned on the amounts paid out. Added together, these costs would seem to make it difficult to justify a 4-year education at a high-cost private university based on economic reasoning alone.

Consider, for the sake of example, the hypothetical costs involved in the case of a high school senior who has been accepted for admission into the freshmen class at a mid-range private university, but whose family does not qualify for any of the needs-based aid programs described later in this booklet and whose academic and athletic achievements fail to merit an academic or athletic scholarship.

Assuming that the first-year cost of enrollment is \$12,000 and that subsequent-year costs increase by 8 percent each year, family and student outlays for the 4 undergraduate years would be: freshman year, \$12,000; sophomore year, \$12,960; junior year, \$13,997; senior year, \$15,117. In addition, the parents agree to provide a \$200 per month allowance so long as the student remains in school. The bachelor’s degree would have cost \$63,074 in direct outlays alone.

However, suppose that upon graduation from high school the same student was given the choice either of 4 years at the above university or the proceeds of such expenditures payable with interest at the end of 4 years on the conditions that, say, the student went to work, lived at home, and saved a percentage of his earned income each month. The accrual amounts of the savings represented by direct college costs at 6, 8, and 10 percent interest are illustrated on an end-of-year basis in the following table:

	6%	8%	10%
Year 1	\$15,264	\$15,552	\$16,560
Year 2	\$32,461	\$33,384	\$35,112
Year 3	\$51,789	\$53,763	\$56,660
Year 4	\$73,464	\$76,982	\$81,595

Suppose in addition that the student saved \$500 per month from his employment earnings during this period:

	6%	8%	10%
Year 1	\$ 6,168	\$ 6,225	\$ 6,283
Year 2	\$12,720	\$12,967	\$13,223
Year 3	\$19,668	\$20,267	\$20,891
Year 4	\$27,049	\$28,175	\$29,301

At the end of 4 years, the student would have accumulated assets worth between \$100,000 and \$131,000 (before taxes). **These amounts**

exceed the 1983 reported median and mean net worths for all educational levels — which supposedly reflect the accumulated wealth of those who went to college many years ago in addition to recent graduates.

A college graduate might find it difficult to overcome such a financial “head start” even if his or her average annual earnings from employment were substantially higher than those of our hypothetical high school graduate. In fact, a recent college graduate’s earnings for some years probably cannot be expected to exceed by much those of a high school graduate who has been employed for 4 years and, by reason of the capital that has accumulated, may be well on the way to establishing an independent business. If a student goes to one of the better-ranked private universities, 4 years later he or she will have a bachelor’s degree, no savings, and the likelihood of an offer of an “entry level” white-collar job at roughly \$9 per hour (\$18,000) per year.

By comparison, at the same age, the thrifty high school graduate might have an investment account worth over \$100,000 and a head start in a business or seniority on the job. It may be useful to compare the financial “track records” of our hypothetical college graduate and high school entrepreneur to, say, age 35 based on a number of assumptions that reflect the reported aggregate economic experiences of the two groups.

For the purposes of illustration, we assume that our high school graduate’s initial wage income is \$10,000 and that by age 35 proportional raises have increased that amount to the median income level reported (most recently in 1986) for heads of households who completed high school, \$24,300.* We assume that personal consumption expenditures will be the same as for the college graduate — that is, they will be able to buy the same things: cars, houses, clothes, etc., if they wish. Since they are assumed to be the same, personal consumption expenditures are omitted from the comparison below. However, in the case of the high school graduate, we assume that any interest income from the initial capital amount that is not required to make up the income differential between the wages earned and the college graduate’s income will be left to accumulate additional interest. We also assume that the

* The salary assumptions in this example probably exaggerate the income differential between entry-level high school graduates’ wages and college graduates’ salaries. Many economists have observed that over the past 10 years or so, there has been a shift from higher-paid to lower-paid jobs, and that *real* beginning salaries for college graduates have decreased in relation to those of wage employees. Unless that trend reverses, a college degree probably will be “worth” relatively less than is implied in our illustration.

Age	High School Graduate			College Graduate	
	Wages	Interest	Total Savings	Wages (-Savings)	Total Savings
21	*	*	\$105,157	\$ 0	\$ 0
22	\$12,400	\$ 8,413	\$109,230	\$16,740	\$ 1,260
23	\$13,315	\$ 8,738	\$112,850	\$18,433	\$ 2,748
24	\$14,230	\$ 9,028	\$115,983	\$20,125	\$ 4,483
25	\$15,145	\$ 9,279	\$118,589	\$21,818	\$ 6,484
26	\$16,060	\$ 9,487	\$120,626	\$23,510	\$ 8,772
27	\$16,975	\$ 9,650	\$122,048	\$25,203	\$11,371
28	\$17,890	\$ 9,764	\$122,806	\$26,896	\$14,305
29	\$18,805	\$ 9,824	\$122,847	\$28,588	\$17,601
30	\$19,720	\$ 9,828	\$122,114	\$30,281	\$21,288
31	\$20,635	\$ 9,769	\$120,545	\$31,973	\$25,398
32	\$21,550	\$ 9,644	\$118,073	\$33,666	\$29,964
33	\$22,465	\$ 9,446	\$114,625	\$35,359	\$35,022
34	\$23,380	\$ 9,170	\$110,124	\$37,051	\$40,613
35	\$24,300	\$ 8,810	\$104,490	\$38,744	\$46,778

* See text.

college graduate's beginning income of \$18,000 per year will increase by age 35 to the median income level reported (1986) for heads of households who have completed 4 years of college, and that he or she saves 7 percent of gross income each year on which interest is left to accumulate. **We also assume that the college graduate has no debt — that is, has no college loans to pay off. If he or she had such debt, the college graduate's financial situation would be relatively much worse than that shown in the illustration.** The initial capital amount shown below for the high school graduate reflects the assumption that savings during the "college years" earned interest at 8 percent, and that the subsequent savings of both students continues to earn interest at that rate.

In view of the projections above, which show the high school graduate in a favorable financial situation well into the working years even though it is assumed that he or she is draining capital (which probably would not be the case for a prudent and capable individual) and even though it is assumed the college graduate has no debt (again, this is probably not the case for many graduates of expensive private universities), it seems hard to view the expenditure on a high-cost education, from a purely economic perspective, as anything other than a form of *personal consumption*.

This is in no way to imply that such a college education has no other value. Based on nonfinancial criteria, there are strong arguments to be made that such an education is well worth the price for those who can afford it. The point here is simply that, invested

elsewhere, the same funds that must be applied to one of today's expensive college degree programs might very well provide a higher overall financial return than the degree itself.

II.

FINDING LESS-EXPENSIVE DEGREE PROGRAMS

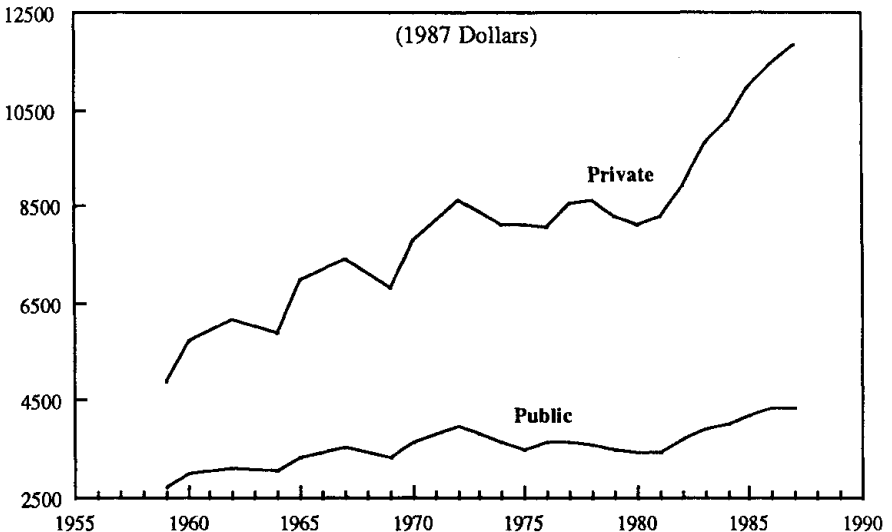
MOST of today's alarm about the high cost of college is directed at the high cost of *private* colleges and universities. The amounts cited in magazine and newspaper accounts of the college cost crisis usually focus on the cost of attending the very highest-cost institutions, and many college-aid guidebooks focus on ways to reduce costs at these schools. However, students and their families do *not* have to face the \$50,000 or more it currently takes to go to one of the highest-cost universities. There are many far less costly schools, some private but most state-subsidized, that provide virtually equivalent undergraduate academic programs. In this chapter, we review some of the less-costly options in higher education and provide specific rankings of the major private and public colleges and universities in terms of cost.

Will the "Rich" Colleges Pay Your Way?

Regardless of one's personal views about what role governments ought or ought not to play in higher education, it is an inescapable fact that virtually all American families that pay their taxes already have a substantial "investment" in higher education. As a result of taxpayer support through state subsidies and Federal education grants, public

Chart 7

COMPREHENSIVE FEES AT 4-YEAR UNIVERSITIES



colleges and universities have been able to hold student cost increases over the past 25 years to levels far below those of the private schools. Chart 7 shows comprehensive fees at private and public 4-year universities since 1959. As is clear from that chart, the cost difference between private and public schools has widened greatly over the past 2 decades, which has significant implications both for the colleges and for the students and their families. (On average, comprehensive fees at public universities in constant-dollar terms were only slightly higher in 1987 than they were in 1972.)

The widening gap between public and private college costs has pressured private colleges and universities to become more competitive in terms of financial aid packages they offer to prospective students — to the point that some aid counselors now say that in many cases the actual student costs of attending a major private university are comparable to, or even less, than what might be paid at a good state school. If this is so, then it seems a matter of common sense that, actual costs being equal, students and their families should choose the private university of greater reknown over the public university of lesser stature. If this sounds too good to be true, it probably is.

It is commonly asserted in the literature of student aid that the actual costs of going to one of the top-ranked, competitive-admissions, “rich” private colleges or universities are much less than their published comprehensive fees might suggest, since those colleges offer more generous aid packages than the less-wealthy private schools or the public schools. They also point out that **applying to one of these premier universities often actually increases a family’s eligibility for student aid, since the determination of financial need (see Chapters IV and V) is directly related to expected costs: the more costly the school you plan to attend, the more “aid” you can get. In short, going to a costly private school, if you can get in, is sometimes portrayed as a no-risk proposition for students and their parents.**

Whether that actually is so depends on several factors: 1) what the chances of receiving aid are; 2) how large the aid package is in relation to overall costs; and 3) what type of “aid” is provided. The aid counselors usually adequately describe the first factor — indeed, they accurately point out that at many of the top private universities 50 percent or more of the freshmen in any year receive student aid. Consider, for example, that 66 percent of the freshman class entering Cal Tech in 1986 received aid; that 69 percent entering the University of Chicago did; at MIT, 57 percent did. Columbia, Swarthmore, and Johns Hopkins each provided more than 50 percent of the freshmen class with financial assistance.

What most aid guides fail to tell, however, is *how much and what type aid is provided*. A close inspection of data respecting these questions suggests that the “rich” schools may not be as generous as they may seem at first glance. In fact, in many cases it appears that the aid package provided leaves students and their parents at substantial financial risk, and that in many cases the schools themselves eventually profit from the “aid” provided.

In Table 1 we have assessed (in the aggregate) the financial aid packages provided to freshmen who entered college in 1986 *on the basis of what actual outlays (both immediate and deferred) remained to students and their parents* after all scholarships, grants, and tuition waivers were subtracted from the school’s comprehensive fee, and after all “self-help” portions of the “aid” package were added to the student/parent contribution. Private and public colleges and universities included in the table were selected from the list of schools in Peterson’s *Annual Guide to Undergraduate Study; Four-Year Colleges, 1988* having the “most difficult” or “very difficult” entrance criteria.

From an economic viewpoint, **most student aid is not aid at all but rather either a financial instrument that pledges payment at some future time (a student loan) or else a labor contract (work-study)**. These usually are described by the colleges as the “self-help” portion of the student aid package.

In the case of student loans, the only financial aid provided is the amount of additional interest that would have to be paid if the loan were made at market rates. Since interest rates have fallen considerably in the past 2 and a half years, some student loans outstanding may now charge interest *above* market rates and thus provide not aid, but a financial *penalty* to those who got them. In either case, the loan must be paid back, and for this reason in Table 1 we have added to student/parent costs the loan amounts contained in the financial aid packages.

Technically, since the loans must be paid back with interest, interest charges also should be added to student/parent costs. Lacking information on interest charges on college-funded loans, we have omitted them. The point is that “aid” is an inappropriate name for student loans: they require payment and, in the case of college-funded loans, the colleges earn income from them.

So-called work-study grants also are a misnomer. The fact is that you cannot work and study at the same time. When you are working you are working and when you are studying you are studying. When you are working, you should expect to be paid a market wage. Pay for student labor is *not* aid unless the student’s wage is higher than prevailing

Table 1
HIGHLY COMPETITIVE-ADMISSIONS COLLEGES AND UNIVERSITIES
RANKED BY AVERAGE COSTS
FOR FRESHMEN RECEIVING FINANCIAL AID
(1986-1987 Academic Year)

Rank Number	College or University	Compre- hensive Fee	Percent of Freshmen Receiving Aid	Total Remaining Student/Parent Outlay
1	Conservatory of Music of Puerto Rico*	\$ 150	61	\$ -411
2	Rutgers University (Engineering)†	7,348	23	1,945
3	Webb Institute of Naval Architecture*	3,300	21	2,490
4	Massachusetts College of Art***†	3,616	66	2,513
5	University of North Florida† ††	4,781	25	2,963
6	St. Louis Conservatory of Music***	6,250	62	3,462
7	Rutgers University (Pharmacy)†	7,126	22	3,569
8	Manhattan School of Music***	7,500	41	3,804
9	Mannes College of Music*††	7,000	80	3,846
10	North Carolina School of the Arts†	6,673	59	4,263
11	University of St. Thomas*	7,140	57	4,299
12	Rutgers University (Rutgers College)†	6,948	24	4,332
13	William Jewell College*	7,750	63	4,551
14	SUNY, Albany*†	6,024	68	4,678
15	Rice University*	9,125	32	4,778
16	Bellarmine College*	7,000	56	4,779
17	Massachusetts Maritime Academy*†	6,014	49	4,844
18	SUNY, College at Geneseo*†	6,024	88	4,924
19	University of N. Carolina, Chapel Hill†	7,114	23	5,041
20	Oglethorpe University*	10,050	46	5,285
21	Lake Forest College*	13,375	55	5,389
22	Wheaton College (Illinois)*	10,208	58	5,446
23	GMI Engineering & Management Institute*	8,130	37	5,452
24	Centre College*	10,565	63	5,515
25	Bradley University*	10,334	64	5,644
26	Knox College*	11,970	75	5,659
27	Occidental College	14,352	60	5,787
28	New College, U. of South Florida†‡	6,699	53	5,836
29	University of Virginia†	8,245	29	6,056
30	Illinois Wesleyan University*	10,774	66	6,094
31	Wake Forest University*	9,935	34	6,111
32	University of California, Los Angeles†	8,572	38	6,194
33	Illinois Institute of Technology	11,507	83	6,224
34	University of Dallas*	9,040	64	6,233
35	Vanderbilt University	13,110	29	6,243
36	Macalester College	11,775	59	6,245
37	Gustavus Adolphus College*	10,800	64	6,276
38	University of Texas at Austin*†	8,000	27	6,293
39	Union College (NY)	13,863	40	6,301
40	Swarthmore College	15,650	51	6,558
41	Peabody Conservatory of Music*	12,800	79	6,584
42	St. Olaf College*	10,750	51	6,596
43	Trinity University*	11,274	39	6,616
44	Willamette University	10,660	69	6,801
45	Savannah College of Art and Design*††	7,500	60	6,811

* Comprehensive fee is for 1987-88 academic year.

† Nonresident comprehensive fee.

** Comprehensive fee does not include room and board.

†† Comprehensive fee does not include board.

‡ Comprehensive fee applies to freshmen only.

Table 1 (Continued)
HIGHLY COMPETITIVE-ADMISSIONS COLLEGES AND UNIVERSITIES
RANKED BY AVERAGE COSTS
FOR FRESHMEN RECEIVING FINANCIAL AID
(1986-1987 Academic Year)

Rank Number	College or University	Compre- hensive Fee	Percent of Freshmen Receiving Aid	Total Remaining Student/Parent Outlay
46	Northwestern University	\$14,999	52	\$ 6,867
47	Rose-Hulman Institute of Technology*	10,830	70	6,929
47	University of the South*	12,640	40	6,929
49	Kenyon College*	13,942	29	6,930
50	Colorado College*	12,420	41	6,957
51	Amherst College	14,551	40	6,985
52	Gettysburg College	12,349	40	7,057
52	Washington and Lee University*	11,617	27	7,057
54	Hamilton College	14,350	52	7,068
55	Fordham University	10,550	64	7,075
56	Georgia Institute of Technology†	8,313	47	7,077
57	University of California, Davis†	8,717	65	7,104
58	Tulane University	14,250	41	7,123
59	Reed College	13,150	43	7,141
60	Case Western Reserve University*	14,120	63	7,155
61	Haverford College	14,950	34	7,208
62	Davidson College*	12,390	30	7,235
63	Drew University*	14,566	41	7,238
64	Kalamazoo College*	12,177	56	7,241
65	Smith College	14,787	43	7,279
66	Albright College*	11,950	57	7,320
67	Colby College	14,900	37	7,328
68	St. Lawrence University*	15,165	41	7,347
69	Agnes Scott College*	11,750	48	7,376
70	California Institute of Technology	14,870	66	7,396
71	William Smith College*	15,455	49	7,467
72	University of Notre Dame	11,500	50	7,472
73	Colgate University	14,450	36	7,475
74	Duke University	13,056	32	7,499
75	Colorado School of Mines†	11,355	51	7,519
76	Washington University	14,610	50	7,567
77	Bryn Mawr University	14,955	46	7,577
78	Claremont McKenna College	14,160	54	7,594
79	College of Insurance*	10,480	75	7,629
80	Clarkson University	12,770	83	7,640
81	Univ. of Illinois, Urbana-Champaign†	8,736	43	7,641
82	Whitman College*	12,150	54	7,709
83	Grinnell College*	12,888	68	7,734
84	Carnegie Mellon University*	15,050	60	7,751
85	Lafayette College*	14,650	39	7,753
86	Eugene Lang College of the New School*	12,299	50	7,763
87	University of California, Santa Barbara†	9,053	29	7,798
88	Hobart College	14,485	34	7,828
89	Lehigh University*	14,230	34	7,840
90	Pomona College*	15,620	54	7,902

* Comprehensive fee is for 1987-88 academic year.

† Nonresident comprehensive fee.

** Comprehensive fee does not include room and board.

†† Comprehensive fee does not include board.

‡ Comprehensive fee applies to freshmen only.

Table 1 (Continued)
HIGHLY COMPETITIVE-ADMISSIONS COLLEGES AND UNIVERSITIES
RANKED BY AVERAGE COSTS
FOR FRESHMEN RECEIVING FINANCIAL AID
(1986-1987 Academic Year)

Rank Number	College or University	Compre- hensive Fee	Percent of Freshmen Receiving Aid	Total Remaining Student/Parent Outlay
91	Simon's Rock of Bard College	\$13,835	49	\$ 8,015
92	Middlebury College**	14,500	29	8,063
93	Williams College	14,538	36	8,069
94	University of Chicago*	15,962	69	8,110
95	Muhlenberg College*	12,950	44	8,180
96	Bard College	15,610	47	8,236
97	Oberlin College	14,766	47	8,241
98	College of William and Mary†	9,986	25	8,286
99	Babson College	13,279	31	8,320
100	Connecticut College*	15,450	38	8,331
101	Stanford University*	16,835	44	8,361
102	Bowdoin College*	15,675	41	8,432
103	University of California, Irvine†	9,876	27	8,440
104	New York University*	14,865	62	8,461
105	University of Pennsylvania	15,860	42	8,466
106	Bates College**	14,600	32	8,570
107	Stevens Institute of Technology*	14,390	67	8,631
108	Carleton College*	13,640	46	8,642
109	Vassar College*	15,540	46	8,659
110	Furman University*	10,642	41	8,676
111	New School for Social Res., Parsons (NY)	12,240	33	8,731
112	Skidmore College*	15,675	25	8,794
113	Bryant College*	11,355	53	8,805
114	Trinity College (Connecticut)*	15,000	34	8,807
115	Wellesley College	14,980	45	8,814
116	University of Rochester*	16,054	58	8,815
117	Dartmouth College	16,040	43	8,830
118	Clark University*	14,625	44	8,868
119	Thomas Aquinas College	10,500	58	8,918
120	Franklin and Marshall College*	14,800	33	8,924
121	Rensselaer Polytechnic Institute*	15,600	63	8,962
122	Emory University*	13,802	53	9,039
123	Yale University*	17,020	38	9,059
124	Harvard University*	17,100	44	9,114
125	Princeton University*	16,918	38	9,139
126	Dickinson College*	14,740	44	9,172
127	Johns Hopkins University*	15,610	54	9,226
128	Brandeis University	16,035	39	9,234
129	Cornell University	15,325	42	9,245
130	University of California, San Diego†	9,765	45	9,247
131	Mount Holyoke College*	15,575	45	9,267
132	Columbia College (New York)	15,990	54	9,363
133	Fairfield University*	12,750	48	9,410
134	Harvey Mudd College*	15,815	66	9,413
135	Bucknell University*	14,740	37	9,425

* Comprehensive fee is for 1987-88 academic year.

† Nonresident comprehensive fee.

** Comprehensive fee does not include room and board.

†† Comprehensive fee does not include board.

‡ Comprehensive fee applies to freshmen only.

Table 1 (Continued)
HIGHLY COMPETITIVE-ADMISSIONS COLLEGES AND UNIVERSITIES
RANKED BY AVERAGE COSTS
FOR FRESHMEN RECEIVING FINANCIAL AID
 (1986-1987 Academic Year)

Rank Number	College or University	Compre- hensive Fee	Percent of Freshmen Receiving Aid	Total Remaining Student/Parent Outlay
136	Brown University*	\$17,035	33	\$ 9,552
137	Wesleyan University*	16,695	44	9,616
138	Massachusetts Institute of Technology	16,150	57	9,652
139	Boston University	15,800	44	9,655
140	Columbia University (Engineering)	15,944	52	9,703
141	University of Michigan, Ann Arbor†	11,601	54	9,901
142	Barnard College*	17,296	42	9,990
143	Villanova University	11,180	71	10,071
144	Boston College	13,811	58	10,096
145	New England Conservatory of Music	13,250	41	10,313
146	Georgetown University*	14,540	45	10,432
147	Syracuse University*	13,340	52	10,505
148	College of the Holy Cross*	14,715	53	10,546
149	Worcester Polytechnic Institute	13,515	77	10,617
150	Tufts University*	17,028	41	10,987
151	Pepperdine University (California)*	15,665	54	11,189

* Comprehensive fee is for 1987-88 academic year.

† Nonresident comprehensive fee.

** Comprehensive fee does not include room and board.

†† Comprehensive fee does not include board.

‡ Comprehensive fee applies to freshmen only.

market wages. (Most work in work/study programs is done at minimum wage.) Few data have been gathered on student wage-equivalents, but one supposes the actual aid portion of such grants is minimal. This portion of self-help also has been added to student/parent costs in Table 1.

Table 1 ranks schools from lowest-cost to highest-cost after average amounts of genuine aid have been subtracted from comprehensive fees for those students receiving aid. Three columns of figures appear after the school name. The first column shows the comprehensive fee (tuition, room and board, and incidental fees) that would have to be paid if no aid were offered. The second column shows the percentage of freshmen that received some type of aid. The third column shows the average remaining cost to students and parents after the genuine aid portion of the student aid package is subtracted from the comprehensive fee. Schools that provide a *high* percentage of freshmen with aid and show a *low* average remaining cost to those students, such as Lake Forest or Rice University, would seem to be good bets for providing substantial genuine aid. On the other hand, schools that provide a *low* percentage of freshmen with aid and show a *high* average remaining cost to those students, such as Brown and Wesleyan, are probably not good bets for providing substantial amounts of genuine aid.

Lowest-Cost 4-Year Private Colleges and Universities

The very lowest-cost private colleges and universities in the United States today are generally denominationally affiliated, institutionally accredited schools with small enrollments. Their academic programs are generally focused in two or three areas, and few of these schools offer the range of majors that is available at larger colleges and universities. Nevertheless, for students with established interests and goals and limited financial resources, they provide a private alternative to the low-cost public "megaversity" systems.

An especial financial attraction of these schools is that, in addition to having low comprehensive fees, a number of them also provide substantial amounts of genuine aid to their students. As shown in Table 2, remaining average total costs to students and parents receiving aid generally are very low.

The State University Systems

The state university systems in the United States today provide, by almost any standard, the "best value" in higher education in the world to residents of their respective states. At a cost to students and their parents that is generally much lower (for residents) than at private universities, the state university systems offer undergraduate curricula that by many standards equal those of the private schools. The University of California's several campuses enjoy international reputations. The Berkeley campus invariably is placed at the top of most lists for overall academic excellence and its faculty is replete with Nobel Laureates, Pulitzer Prize winners, and the like. The University of Michigan, the University of Minnesota, the University of Wisconsin, Indiana University, the Univer-

Table 2
**LOWEST-COST RESIDENTIAL 4-YEAR PRIVATE
 COLLEGES AND UNIVERSITIES,
 1986-1987***

<i>College/University</i>	<i>Comprehensive Fee</i>		<i>Percent of Freshmen†</i>	<i>Average Remaining Cost</i>
	<i>1986-1987</i>	<i>1987-1988</i>		
Berea College (KY)	\$2,132	na	100	na
Northwestern College (WI)	3,486	\$3,626	na	na
Selma University (AL)	3,497	3,497	51	\$1,877
Dr. Martin Luther College (MN)	3,630	3,785	55	2,496
Philander Smith College (AR)	3,736	na	na	na
Brewton-Parker College (GA)	3,990	4,385	50	2,375
Rust College (MS)	na	4,500	96	3,863

* Comprehensive fee for 1987-88 academic year also provided.

† Latest available data are for fall of 1986 entering freshmen.

sity of Massachusetts, the University of North Carolina, the University of Virginia, and the University of Texas likewise are distinguished for their research and teaching in any number of fields. And virtually all the state universities are noted regionally for their academic excellence.

From many students' and parents' perspectives, however, the state university systems evidently have several disadvantages. It is, of course, impossible to know which considerations rank higher, but most students' and parents' reluctance about publicly supported colleges and universities seems to derive from three broad areas of concern: status concerns, political concerns, and what might be called "demographic" concerns. It would be impossible to address in depth the many facets of these, but some comments seem appropriate, given that the cost differential between public and private higher education is so great.

Status Concerns: No doubt many parents send their children to college "to meet the right people." Princeton, Yale, Harvard, Smith, Vassar, Wellesley — such names are redolent of rank, privilege, and accomplishment, *social* as well as academic. Indeed, at one time these and other similar institutions *were* socially exclusive. *But they are not any longer.* At most of the "ivies" and among the "seven sisters" student populations are just as diverse as they are at most public schools.

What distinguishes these schools today is that, by and large, their students are academically distinguished (this was not always the case in the days of the "gentleman's C"), and to that extent undergraduate associations may be more productive than at state schools where admissions standards are set by state statute. Notions of an "eastern establishment" college no doubt linger in the popular imagination. But the fact is that many students now attending these schools are receiving some sort of financial assistance, as indicated in Table 1. In any event, these schools have very competitive admissions policies: only the very best students get in (in the case of alumni children, only the best of them are admitted).

A number of academically less-distinguished private schools (including some of the big-name schools) no doubt still have "snob appeal." But beware of college catalogues that rely overly much on appeals to "campus tradition" and cite too frequently the accomplishments and personages of the past. They may be floating on reputation. Social status no doubt *is* important to many people. But when it comes time to select a college, buying it may be even more costly than indicated by our cost comparisons.

Political Concerns: Understandably, many parents who witnessed the campus riots of the 1960's (some of them probably were on campus

then) are concerned about *what* today's undergraduates are "learning" in college. News stories about functionally illiterate baccalaureates, campus scandals, and campus protests concerning one cause or another (South Africa, nuclear war, nuclear energy, abortion, homosexual rights, etc.) may give even the most confident parent an occasional nightmare.

Be that as it may, there is little reason to believe that there are significant differences between the political opinions of faculty at private universities as opposed to public ones, or that student political behavior at private schools is much different than at public schools. The fact is that the faculties of most public and private universities are virtually interchangeable — indeed, many faculty members accept appointments first at one type of institution, then at the other. Student protest seems endemic to public and private schools alike.

Since the inception of American higher education, political ferment has been an inescapable feature of American college and university life. It probably will continue to be so on the overwhelming majority of American campuses, public and private.

Demographic Concerns: A more significant difference between most large public institutions and the smaller private colleges and universities is that of size — in terms of numbers of students on a given campus and in any given classroom. Many students understandably are concerned that they might "get lost in the crowd" at one of the "megaversities" and in most instances, the ratio of faculty to students is much higher at the private colleges than at public institutions. Smaller classroom size as well as the personal attention that faculty and administrators devote to students often are major selling points for the private colleges.

These genuine differences aside, several observations seem pertinent: 1) even at many private universities, the introductory courses that often are required components of a core curriculum frequently have very large enrollments and are taught largely by graduate-student teaching assistants who have primary responsibility for student classroom contact and course grading; 2) even at large public universities, upper-class course enrollments (junior and senior year courses) usually are much smaller than those of introductory courses and often are comparable in size to those at the private schools; and 3) many state universities have branch campuses that are comparable in size to the smaller private schools.

The greater classroom attention that entering students allegedly receive at private schools and the smaller size of the overall student body may indeed be important ingredients in providing a congenial campus environment. But similar conditions may be found at many public institutions — and at much lower cost.

In Tables 3 and 4, we list the various state university systems according to comprehensive fees for resident and nonresident students during the academic year 1986-87.

The State Colleges/Universities

During the last half of the 19th century and the early part of this century, most states established networks of state teachers' colleges and agricultural and mechanical colleges to train teachers for positions in the public school systems within each state or to provide technical training to farmers and mechanics. During the past 20 years or so, however, many of these state colleges have been renamed universities — a status that reflects their expanded curricula and higher degree offerings. Today, most such state universities offer a wide range of majors and advanced degrees in many fields. Generally, their comprehensive fees for residents are somewhat less than those of the university systems discussed in the preceding section. The 1986-87 comprehensive fees for resident and nonresident students at the various state colleges (universities) are listed in Tables 5 and 6.

Community (Junior) Colleges

For many students and their families, community colleges provide the least-costly means of acquiring the first 2 years of college work. Most localities have community colleges that offer a wide variety of introductory level courses leading toward an associate in arts degree after 2 academic years (usually 60 credit hours) of course work have been completed. In most instances, credit obtained at community or junior colleges is transferable to 4-year institutions.

Generally, registration costs, course credit fees, and other required fees total considerably less than at 4-year state universities and very much less than at private 4-year residential institutions. **However, they may not be much less than at one of the state colleges.**

Each community college facility has its own fee structure, but the costs of attending Berkshire Community College in Berkshire County, Massachusetts, may suggest the range of costs involved. For the academic year 1987-88, enrollment in a full program of courses (12 or more credit hours) for one semester for Massachusetts residents involves payment of \$332 in course credit fees per credit hour (\$480 for a 15 credit hour program), a mandatory college services fee of \$9 per credit hour (\$144 for a 15 credit hour program), a student insurance fee of \$15.00, and a \$5.00 "Mass perg" fee — for a total of \$644.00 per semester. Most community colleges are *not* residential colleges, so there are no charges for room and board.

Table 3

STATE UNIVERSITIES RANKED BY RESIDENT COMPREHENSIVE FEES, 1986-1987 ACADEMIC YEAR

Rank	University	Fee	Rank	University	Fee
1	University of North Dakota	\$3,250	28	University of Wisconsin, Madison	\$4,321
2	University of Idaho	3,264	29	West Virginia University	4,384
3	University of Arkansas, Fayetteville	3,300	30	University of South Carolina	4,476
4	University of South Dakota	3,397	31	University of California, Los Angeles	4,486
5	University of Kansas	3,425	32	Ohio State University	4,512
6	University of New Mexico	3,488	33	University of Minnesota, Twin Cities Campus	4,544
7	University of Oklahoma	3,557	34	University of California, Davis	4,631
8	University of Nebraska, Lincoln	3,603	35	University of Maine*	4,679
9	University of Hawaii*	3,637	36	University of Connecticut	4,690
10	University of Missouri, Columbia	3,685	37	State University of New York, Buffalo	4,709
11	University of Alaska, Fairbanks	3,720	38	University of Colorado, Boulder	4,741
12	Louisiana State University	3,741	39	University of Texas, Austin	4,750
13	University of Arizona	3,745	40	University of Washington	4,794
14	University of Oregon	3,764	41	University of Delaware	4,856
15	University of North Carolina, Chapel Hill	3,774	42	University of Massachusetts	4,950
16	University of Nevada, Las Vegas	3,836	43	University of California, Santa Barbara	4,967
17	University of Kentucky	3,875	44	University of Virginia	5,015
18	University of Mississippi	3,927	45	Ruigers, The State University of New Jersey	5,114
19	University of Iowa	3,934	46	University of Illinois, Urbana-Champaign	5,186
20	University of Georgia	3,942	47	University of New Hampshire	5,327
21	University of Montana	3,966	48	University of Maryland, College Park	5,330
22	University of Alabama	4,038	49	University of Michigan, Ann Arbor	5,431
23	Indiana University, Bloomington	4,102	50	University of Rhode Island	5,653
24	University of Tennessee, Knoxville	4,119	51	Pennsylvania State University	5,956
25	University of Wyoming	4,188	52	University of California, Berkeley	6,276
26	University of Utah	4,207	53	University of Vermont	6,353
27	University of Florida	4,282			

* Comprehensive fee for 1987-88 academic year.

Table 4

STATE UNIVERSITIES RANKED BY NONRESIDENT COMPREHENSIVE FEES, 1986-1987 ACADEMIC YEAR

<i>Rank</i>	<i>University</i>	<i>Fee</i>	<i>Rank</i>	<i>University</i>	<i>Fee</i>
1	University of North Dakota	\$4,444	28	Indiana University, Bloomington	\$ 7,087
2	University of South Dakota	4,717	28	University of Florida	7,087
3	University of Arkansas, Fayetteville	4,812	30	University of North Carolina, Chapel Hill	7,114
4	University of Wyoming	5,074	31	Ohio State University	7,224
5	University of Mississippi	5,109	32	University of Iowa	7,270
6	University of Idaho	5,264	33	University of Washington	7,650
7	University of Alaska, Fairbanks	5,280	34	University of Wisconsin, Madison	7,665
8	University of Kansas	5,335	35	University of Maine*	7,730
9	University of Oklahoma	5,690	36	University of Delaware	7,851
10	University of Alabama	5,772	37	University of Massachusetts	7,974
11	University of Montana	5,784	38	University of Texas, Austin	8,000
12	University of Nebraska, Lincoln	5,936	39	University of Arizona	8,005
13	University of Nevada, Las Vegas	6,036	40	University of Virginia	8,245
14	Louisiana State University	6,141	41	University of Connecticut	8,310
15	University of New Mexico	6,170	42	University of Maryland, College Park	8,436
16	University of Hawaii*	6,287	43	University of California, Los Angeles	8,572
17	University of Kentucky	6,355	44	University of California, Davis	8,717
18	University of Tennessee, Knoxville	6,357	45	University of Illinois, Urbana-Champaign	8,736
19	West Virginia University	6,364	46	Pennsylvania State University	8,978
20	University of Oregon	6,467	47	University of California, Santa Barbara	9,053
21	State University of New York, Buffalo	6,559	48	University of Rhode Island	9,339
22	University of South Carolina	6,596	49	University of New Hampshire	9,497
23	University of Georgia	6,702	50	University of Colorado, Boulder	9,521
24	University of Utah	6,834	51	University of California, Berkeley	10,566
25	University of Missouri, Columbia	6,955	52	University of Michigan, Ann Arbor	11,601
26	Rutgers, The State University of New Jersey	6,966	53	University of Vermont	11,623
27	University of Minnesota, Twin Cities Campus	7,069			

* Comprehensive fee for 1987-88 academic year.

Table 5
**STATE COLLEGES (UNIVERSITIES) RANKED BY RESIDENT COMPREHENSIVE FEES,
 1986-1987 ACADEMIC YEAR**

Rank	College/University	Rank	College/University	Fee	Fee
1	City University of New York (CUNY)†	23	Utah State University	\$1,320	\$3,543
2	Georgia State University†	24	Arizona State University*	1,442	3,596
3	Arkansas State University	25	Florida State University	2,712	3,637
4	Alabama State University*	26	Southwest Missouri State University*	2,739	3,638
5	Delaware State College	27	Oregon State University	2,930	3,802
6	Kentucky State University	28	Iowa State University*	2,976	3,806
7	New Mexico State University	29	Montana State University	3,056	3,830
8	Wayne State College, Nebraska	30	California University of Pennsylvania*	3,060	3,920
9	Northwestern State University of Louisiana	31	Indiana State University	3,074	3,962
10	Idaho State University	32	Virginia State University	3,082	4,000
11	Tennessee State University	33	Washington State University*	3,094	4,032
12	North Dakota State University	34	Mississippi State University	3,108	4,130
13	West Virginia State College	35	Illinois State University	3,156	4,258
14	South Carolina State College	36	Colorado State University	3,202	4,569
15	Oklahoma State University	37	California State University, Long Beach	3,219	4,671
16	Grambling State University, Louisiana	38	Rhode Island College*	3,334	4,678
17	South Dakota State University	39	Glassboro State College, New Jersey	3,340	4,801
18	Kansas State University*	40	Michigan State University	3,352	4,841
19	Southwest Texas State University	41	Ohio University	3,407	4,937
20	North Carolina State University, Raleigh	42	Towson State University, Maryland*	3,415	5,397
21	Moorhead State University, Minnesota	43	Castleton State College, Vermont	3,484	5,476
22	Westfield State College, Massachusetts			3,485	

* Comprehensive fee for 1987-88 academic year.

† Comprehensive fee does not include room and board.

Table 6

STATE COLLEGES (UNIVERSITIES) RANKED BY NONRESIDENT COMPREHENSIVE FEES,
1986-1987 ACADEMIC YEAR

Rank	College/University	Fee	Rank	College/University	Fee
1	City University of New York (CUNY)†	\$2,620	23	Tennessee State University	\$5,524
2	Wayne State College, Nebraska	3,664	24	Utah State University	5,644
3	Alabama State University*	3,783	25	Montana State University	5,648
4	Arkansas State University	3,912	26	Westfield State College, Massachusetts	5,681
5	Delaware State College	3,980	27	New Mexico State University	5,682
6	North Dakota State University	4,302	28	Indiana State University	6,198
7	South Carolina State College	4,352	29	Florida State University	6,251
8	Moorhead State University, Minnesota	4,374	30	Illinois State University	6,490
9	Northwestern State University of Louisiana	4,424	31	Oregon State University	6,505
10	Grambling State University, Louisiana	4,614	32	Southwest Texas State University	6,735
11	West Virginia State College	4,666	33	North Carolina State University, Raleigh	6,755
12	South Dakota State University	4,748	34	Towson State University, Maryland*	6,795
13	Georgia State University†	4,772	35	Rhode Island College*	7,014
14	Kentucky State University	4,856	36	Arizona State University*	7,028
15	Southwest Missouri State University*	4,886	37	Ohio University	7,047
16	Idaho State University	4,982	38	Washington State University*	7,110
17	Oklahoma State University	5,010	39	Iowa State University*	7,142
18	Virginia State University	5,300	40	Colorado State University	7,811
19	Mississippi State University	5,312	41	Castleton State College, Vermont	7,926
20	California University of Pennsylvania*	5,316	42	Michigan State University	8,148
21	Glassboro State College, New Jersey	5,401	43	California State University, Long Beach	9,713
22	Kansas State University*	5,522			

* Comprehensive fee for 1987-88 academic year.

† Comprehensive fee does not include room and board.

These amounts compare to tuition and mandatory fees totaling \$1,050 per semester at the University of Massachusetts (Amherst), where room and board costs are an additional \$1,425 per semester. At the nearest 4-year state college, North Adams State College, tuition and fees amount to \$653 per semester with additional room and board costs of \$1,235. However, presumably many students could attend the latter while living at home for about the same costs as are involved in attending the 2-year college. **Students considering enrolling in a 2-year community college program would do well to investigate the costs of enrolling in a nearby state college on a commuter basis, since tuition and mandatory fees in many instances are comparable.**

Enrolling for the first 2 years in either a community college or at a state college as a commuter student and then transferring to a 4-year university obviously can save many thousands of dollars that would have to be spent if all 4 years were spent at the university. Depending on whether the university is public or private, the actual amounts could vary from several thousand dollars to perhaps \$20,000 or more (in the case of the most-costly private universities), depending on how much is allowed for the expense of living at home during the first 2 years of college.

Different 4-year schools have different entrance requirements for transfer students. Students who contemplate transferring from a 2-year college to a 4-year institution should check the entrance requirements for transfer students with the admissions personnel at the 4-year schools to which they plan to apply.

A \$285 Per Year College Degree?

Of all freshmen who enter college in any given year, only about half ever receive the bachelor's degree. Some attend a 2-year college, receive an associate in arts degree and do not go on to a 4-year school. Many others, for any variety of reasons, never accumulate sufficient credits at any one institution to qualify for a bachelor's degree. Most colleges and universities have residence requirements that stipulate a bachelor's degree will be granted only if the last year and a half or 2 years of course work (45 to 60 credits) are completed at that institution. In many cases, that means transfer students have to complete more than the usual 120 credit hours of work before they can receive their degrees — and in many cases that additional commitment of time and funds may be prohibitive. In other instances, students are able to take only one or two courses a year, when, say, a spouse is transferred and a family must move to a new location. Under the usual requirements of most residential colleges, such frequent moves would preclude the issuance of a degree, even though the course credit earned at a number of different

institutions might “add up” to a college degree if all the work had been completed at a single campus.

The University of the State of New York Regent’s College Degree program, founded in 1970, provides a way for such peripatetic undergraduates to receive a college degree. According to its sponsors, “Regents College is a nontraditional college designed for adults with work and family responsibilities. Students combine credits from different sources onto a University of the State of New York transcript.” Admissions are open — that is, all who apply for admission are accepted. During the 1987-88 academic year, tuition at Regents College was \$285, part-time. Regents College has no residence requirements, and in 1987 had an enrollment of 15,000 part-time students from all 50 states and territories. Associate’s degrees and bachelor’s degrees are awarded in a variety of majors (minimum of 60 credits for associate; 120 credits for bachelor’s). There is no college housing.

Individuals interested in Regents College degrees should write to or call:

Mr. C. Wayne Williams, Executive Director
Office of Programs Development
University of the State of New York
Regents College Degrees
Albany, New York 12230
(518) 474-3703

Other Important Options

Many colleges and universities offer a number of options that can significantly reduce student costs. Several of the most important are listed below, and students and their parents should inquire which programs their prospective colleges offer.

Advanced Standing: Many schools grant undergraduate degree credit to high school students who successfully complete high school Advanced Placement (AP) courses in such fields as American history, English, and foreign languages and who score sufficiently high on either an AP examination administered by The College Board or on a comparable examination prepared by the institution. Not all high schools participate in AP programs, and students should check with their guidance counselor(s) to determine if other nearby secondary schools offer such courses. By taking AP courses in high school and by passing the required AP examinations, entering students may eliminate a semester or more of course work and so achieve substantial savings.

Accelerated Degree Programs: Schools that offer accelerated degree programs permit their students to complete a bachelor’s degree in 3

academic years. Participation in such a program may involve taking a heavier-than-normal course load for several semesters, attending summer sessions (or all three trimesters or all four quarters in an academic year), obtaining advanced standing — or some combination of the above. To enter an accelerated degree program usually requires that the student obtain the permission of one or more academic officers, and some colleges may be reluctant to advertise the availability of this option. However, students admitted to accelerated degree programs usually achieve substantial savings via the lower costs of summer courses, elimination of 4th-year costs, and lessened “opportunity costs,” since they can enter the workforce a year earlier than if the degree took 4 years to obtain.

“3-2” Degree Programs: These programs enable undergraduates to enter professional training at the same or a different institution after 3 years of undergraduate liberal arts study. A bachelor’s degree is granted after the student has completed the necessary requirements while in professional school, and at the end of 5 years, either a master’s degree or a second bachelor’s degree in the field of professional study is awarded. Students admitted to such programs save the costs of 1 year’s undergraduate program.

III.

ECONOMIC ASPECTS OF SELECTING A MAJOR

MANY college and university catalogues emphasize that the purposes of a broad undergraduate education are, and properly should be, unrelated to economic considerations. Indeed, there is more than a slight implication in some college publications that learning other than “for its own sake,” and especially when applied to the pursuit of personal financial gain, is incompatible with the “higher goals of a liberal education.”

There is, to say the least, considerable irony in such views — not only because many students apparently decide to go to college in the expectation that it will result in personal financial gain, but also because the advocates of American higher education are so deft at publicizing the supposed financial advantages of a college education. We discussed in Chapter I some of the broad economic considerations involved in assessing the possible costs and benefits of a college education. In this chapter we consider some of the specific ways that economic factors relate to specific majors.

The “Jobs Outlook”

The U.S. Department of Labor for 35 years has regularly published an *Occupational Outlook Handbook*, with quarterly supplements, that purports “to provide occupational information that broadens the knowledge of choices available to young people and helps them to make intelligent career plans. . . . Our hope in the Department of Labor is that this publication will continue to be a valuable tool in guiding future workers into jobs which will be both satisfying and productive.”*

Despite the notions of some educators, it seems reasonable to suppose that many students, in their selection of a college major, have a sharp eye on the “jobs outlook.” Insofar as official projections of job opportunities may be important in influencing many students’ choice of majors (high school and college counselors are expected to follow such job trend predictions as part of their duties) it may be useful here to discuss how reliable the advice based on such projections may or may not be.

The plain fact is that “official predictions” of what jobs will be in demand in the future have been notoriously inaccurate. Students who base their “career plans” on such official advice, and who select a college major accordingly, stand a good chance of being severely

* *Occupational Outlook Handbook, 1974-75 Edition.*

disappointed. A few examples from the 1974-75 edition of the *Occupational Outlook Handbook* may suggest how far amiss the Government's predictions have been. The following quotations are taken directly from the *Handbook*:

"Employment of asbestos . . . workers is expected to increase rapidly through the mid-1980's."

"Employment of welders, for example, is expected to rise rapidly as a result of growth in the metalworking industries and the wider use of welding."

"Employment of [airline flight attendants] is expected to grow very rapidly through the mid-1980's as a result of the need to provide services for more airline passengers."

"Job opportunities for agricultural engineers are expected to grow rapidly through the mid-1980's."

Of course, today the asbestos industry is virtually dead as a result of Government-mandated restrictions on its use; welders are being replaced by robots and plastics have been substituted for metals; airlines have replaced flight attendants with "brown bag" flights; and agriculture is languishing in "the worst farm crisis since the 1930's."

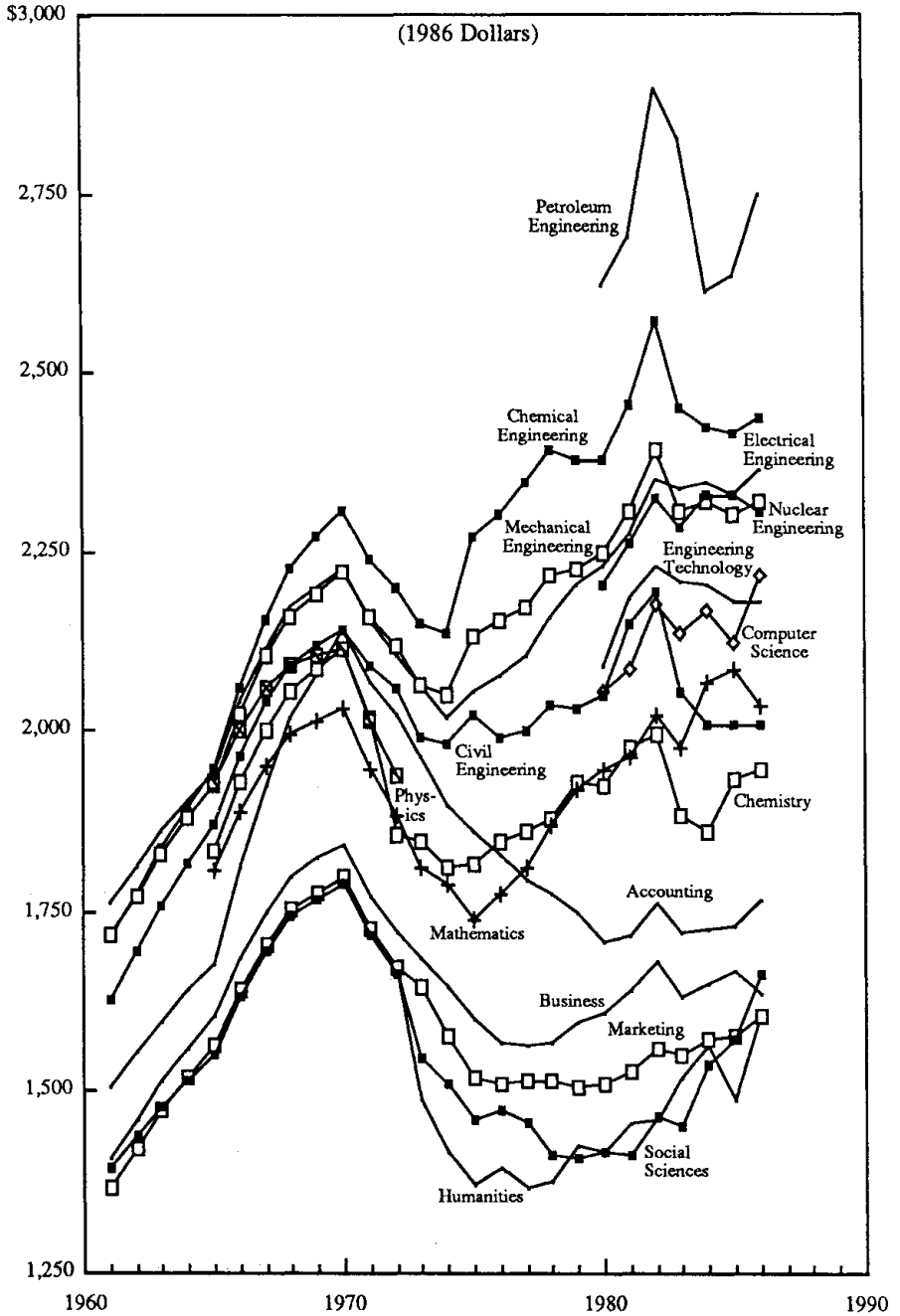
The problems with such predictions of future job opportunities are manifold: often they employ static projections that ignore completely the possibility that conditions will change; they frequently embrace the assumptions of central economic planning in defiance of market forces; and they may also surreptitiously reflect social agenda that depend for support on erroneous or distorted data (as with the "energy crisis" of the 1970's and the much-publicized need for "alternative" types of energy, or the alleged "world food crisis," which was expected to greatly enlarge the agricultural sector).

The point is that job market predictions made on the basis of static assumptions, simple cause and effect relationships, central planning, or some obscure political agenda are totally unreliable. It is virtually impossible to predict reliably what job opportunities might be at any given time in the future.

College Majors in Economic Perspective

Chart 8 shows the monthly starting salaries of college and university graduates who received bachelor's degrees in a number of different majors. The monthly amounts shown (and the salaries mentioned in the textual analysis) are given in constant (1986) dollars. Hence, they reflect changes in the actual purchasing power of the incomes indicated, but are not the same as the current-dollar salaries paid in years prior to 1986.

Chart 8
MONTHLY STARTING SALARIES BY MAJOR



The chart shows the experience only of those who got jobs. It does not indicate what percentage of graduates in a field failed to find employment, how long it took the graduates who found jobs to do so, nor what jobs they actually landed. The series in the chart simply measure the aggregate experiences of graduates in those majors who first found employment in the year indicated.

Viewed from the perspective of starting salaries alone, it is apparent that the job prospects for virtually every major have displayed considerable volatility over the past 15 years — as have employment opportunities in different sectors of the general economy. Although many students evidently choose a major subject on the basis of the expectation that it will land them a “good job” when they graduate, the fact is that virtually *no* major-related jobs are immune to the effects of business cycles, “secular” economic trends, or coincident educational trends — to name a few factors. The fact also is that the financial decisions made by students and their families during the college years often may be based on erroneous assumptions. In too many instances, the difference in economic benefits between what students and their parents who went deeply into debt *expected* from a college degree and what actually accrued has been the difference between comfort and penury — often ending in default and bankruptcy.

As the chart clearly shows, what may be a “hot” major at the time of high school graduation or matriculation may not necessarily be so at college graduation time. For example, a student who undertook a chemistry major in 1970 — and made financial commitments based on the assumption that the real value of starting salaries for chemistry majors would continue to grow at the rate of the prior 5 years — seriously miscalculated how those commitments would affect his or her financial status. Starting salaries for chemistry majors increased in real terms about 14 percent between 1965 and 1969. If that trend had continued, a 1975 graduating senior in chemistry might well have anticipated a starting salary of about \$2,400 per month. Under these circumstances, a monthly student-loan payment might not be expected to be overly burdensome.

However, as events developed, that assumption and commitment would have had far different effects than expected. The actual average starting salary for chemistry graduates in 1975 was “only” \$1,816 per month, nearly \$300 less per month than it had been in 1970 — and over \$600 less than it would have been if the 5-year prior trend had continued.

Accounting majors fared worse. Based on the previous 5 years’ experience, an accounting major entering college in 1970 might reasonably have expected to begin earning about \$2,650 per month on gradu-

ation. In 1975, the average beginning salary for accounting graduates actually was \$1,864, almost \$800 less. Or consider an even worse case: a humanities major, who might have expected a salary of about \$2,100 per month on the basis of prior trends, would have started at a monthly salary in 1975 of \$1,373, \$727 less per month than expected, and \$419 less than a similarly qualified humanities graduate would have earned just 5 years before.

In short, picking a major whose related occupations are immune to business-cycle trends, "secular" economic trends, or coincident educational trends is impossible. Many college students who selected a major on the assumption that short-term job-market trends would persist have been and probably will continue to be disappointed.

The extent of that disappointment may be illustrated in simple financial terms. For our hypothetical chemistry major who had taken on monthly payments after graduation, after-tax income remaining would have been \$1,362 instead of the expected \$1,680. For our hypothetical humanities major, a debt commitment might have been even more burdensome.

This is not to say that there are no observable trends in the data. Some majors historically have commanded much higher beginning salaries than others. As shown in the chart, over the past 25 years or so, virtually *any* engineering degree has been "worth more" on the job market than, say, a degree in the humanities, the social sciences, business, or marketing. Engineering starting salaries decreased cyclically during the early 1970's, but those decreases were proportionally not as great as those that occurred in the social sciences or humanities. And despite recent decreases in some engineering salaries, those majors in engineering fields continue to bring salary offers substantially above those in most other majors.

A second trend shown in the chart is that the salary differentials for different majors have increased since about 1970. In 1961, the difference in constant dollars between the average highest (electrical engineering) and lowest-salaried graduate (marketing) was \$396, or 30 percent of the lower salary. In 1986, however, that difference had increased to \$1,144, or a 71 percent differential between highest and lowest salary. That is, in "real" terms, some majors appear to have become more valuable, while others have become less so. Graduate engineers in 1986 received salary offers about 10 percent higher than in 1970, while social science and humanities graduates were offered about 10 percent less.

Viewed from the perspective of college costs, however, during the past 15 years *all* majors provided "decreasing returns" on that "invest-

ment.” Costs of a 4-year program at a private college or university on average increased about 43 percent more than did the overall cost of living. For an “investment” in a college education to return the same “yield” as in 1970, expected income also would have to increase in real terms proportionally. But even for the highest-salaried graduates, real income increased by only about 10 percent. In short, as college costs have gone up faster than the cost of living and graduates’ salaries have lagged behind, the “yield” on an “investment” in a bachelor’s degree has dwindled. Probably the initial “yield” on an investment in a bachelor’s degree will remain substantially below the levels of the previous 2 decades for some time to come.

Many economists also have observed that over the past 15 years or so there have been two closely related trends in employment, namely: 1) a general shift in employment opportunities out of goods producing industries and into service industries; and 2) a shift from higher-paid to lower-paid jobs (the income gap between college graduates and non-graduates has narrowed).

These changes might imply that greater numbers of college graduates could have difficulty landing jobs in “conventional” occupations. Probably everyone has heard “horror stories” about an art history Ph.D. who waits on tables or an M.A. in English literature who drives a taxi. The current volatility of economic activity both here and abroad (business formation and business collapse during this business cycle have been at historically high levels; new technologies emerge almost overnight, not only creating unforeseen opportunities but also wreaking havoc in the “traditional” occupations they “displace”) would seem to imply that proportionally more graduates in less-esoteric fields might face similar situations in the future.

Perceptive observers of broad trends in economic activity have noted a much longer-term shift away from massive capital projects requiring movements of huge amounts of raw materials and manpower (*i.e.*, the types of activities represented by traditional occupations) toward greater use of human ingenuity in designing services and products that require fewer tangible resources and less physical volume in their actual production and delivery. Over the long run, individuals who have acquired a wide range of skills (technical and otherwise) and have been introduced to procedures that will enable them to participate in an “ingenuity-driven” economy will retain advantages over persons who have not.

In a broad sense, then, the greatest economic value that a college education may provide in the future is not necessarily in preparing one for a “good paying job” with closely defined skill requirements and narrow responsibilities, but in cultivating the flexibility needed to re-

spond successfully to uncertain and rapidly changing conditions. Often, this may involve combining skills and opportunities in ways that simply are not represented by conventional occupational categories or by any of the traditional undergraduate major fields. In short, many graduates' economic interests probably will be served, not thwarted, by a genuinely liberal education (not necessarily as described by self-interested educators who can be expected to try to defend their own preferences and preserve the insularity of one or another of the traditional majors).

“Major” In What You Do Best

The uncertainty of career opportunities in most major fields probably will continue, and there are few, if any, specific recommendations that can be made for maximizing opportunities in the job market. Two general observations do seem warranted, however. First, a judiciously diversified academic program seems highly desirable. This does *not* suggest that students should attempt to “take every course in the catalogue” or to be all things to all people. But it is to caution against an undergraduate program that is so narrowly circumscribed as to preclude flexibility. Second, keeping in mind the foregoing, concentrate on those subjects that you do well in. Undergraduates at most colleges are presented with an intellectually bewildering array of academic subjects — and whether they realize it or not, professors often compete for their attention. For many students, the temptation to pursue subjects in which they are less-gifted can be great — to the point that they neglect their strongest subjects. The result often is disappointment in all areas. **Major in what you do best.**

IV.

THE FINANCIAL AID GAME: SHARPIES AND SUCKERS

TODAY'S parents face an apparent dilemma when it comes to saving for college costs. If they establish a prudent college savings plan and conscientiously adhere to it, even though they must make personal sacrifices to do so, they will have adequate funds for their children's education. But by virtue of their thrift, they will have made themselves ineligible for any needs-based aid.

On the other hand, parents who spend profligately, save nothing, and neglect to prepare financially for their children's education in any way, become eligible for the greatest amounts of student aid. In effect, today's student aid programs penalize responsible families and reward imprudent ones. To borrow from one of the late Arthur Okun's characterizations, there appears to be an unhappy division in today's college families between the "sharpies" and the "suckers." The suckers save and pay; the sharpies spend (or hide their resources) and are paid for. No doubt many parents are struck by the apparent injustice and wonder why they should be the suckers. Indeed, during the past 10 years or so, a sizable "industry" has developed based on such parents' demands for advice on how to hide family financial resources from college aid officials.

Unfortunately, much of the usual advice neglects to assess the pursuit of "student aid" from a perspective of the family's overall financial well-being. It also fails to distinguish between "eligibility" for aid and the aid itself — or to consider the consequences of relying on "aid" in the form of student loans. There *are* prudent ways for enlarging eligibility for student aid. But some of the most highly publicized tactics for doing so could be hazardous to a family's finances. Moreover, most of the enlarged "aid" is apt to consist of student loans — the financial implications of which many students and parents seem to be totally unaware. The danger today is that otherwise sensible families who try to enter the ranks of the sharpies by following shortsighted schemes could very well end up as long-term suckers.

The Financial Aid Form (FAF)

All students who apply for any type of financial aid must complete the Financial Aid Form (FAF) provided by the College Board's College Scholarship Service. You can get an FAF from your high school counseling office or by writing to College Scholarship Service, CN 6311, Princeton, NJ 08541 (East coast) or Box 380, Berkeley, CA 94701 (West coast). On the basis of information given on the FAF by students and their parents, the College Scholarship Service estimates what it

thinks the student and parents can contribute toward paying the costs of college. This evaluation then is sent to the colleges that you list on the FAF, and each institution decides independently whether to grant aid, what type of aid and how much of each will be provided in the “Financial Aid Package” proposed at admission. The information you give on the FAF also will be forwarded to the U.S. Department of Education if you apply for Federal financial aid under the Pell Grant program (described in Chapter V).

The FAF resembles a Federal income tax return form, and to fill it out you will need the following records for both student and parents:

- Previous year’s Federal, state, and local income tax returns
- Previous year’s W-2 forms
- Records of any untaxed income
- Current bank statements
- Current mortgage records
- Previous year’s medical and dental bills not paid by insurance
- Business and/or farm records
- All investment records

Information You Must Provide

The FAF is in some respects the most-complete personal financial record many persons may ever be required to submit. Inasmuch as it compiles *in one record* information relating to parents’ (whether living together or not) and children’s marital and dependency status, income, and assets, it is a far more complete record than that required even on most Federal income tax returns. Indeed, the FAF requires that you list income from the previous year’s tax returns *plus* any untaxed income and benefits. Asset information required for both students and parents includes cash, savings, and checking accounts; current market value of parents’ home, outstanding mortgage amounts and liens; other real estate holdings and investments (trust funds, money market funds, certificates of deposit, stocks, bonds, other securities, installment and land sale contracts, commodities, precious and strategic metals holdings, etc.), and net worth of all business or farm assets.

The instructions accompanying the FAF make it clear that the form must be filled out completely, otherwise the College Scholarship Service will not process it and the student will be ineligible for “needs-based” aid. Understandably, some families are reluctant to provide so intimate a personal and financial record to institutional authorities (including one or more government agencies), and refuse to do so. **Students whose**

parents decline to provide information on the FAF may appeal to the College Scholarship Service for special evaluation.

*Financial Aid Considerations Should Not Control
a Family's Savings and Investment Decisions*

Many families, presumably influenced by best-selling primers on "how to get the most student aid," try to conceal from their FAF report either income or assets through a variety of financial techniques that involve shifting of income or assets. Although it is impossible in a publication of this scope to describe in detail all of the various elements of sound family financial practice, we think it prudent to review here briefly some of the strategies that appear frequently in the various guides to "playing the student aid game." Without question, some of the suggestions are useful. Others pose complex problems or invite risks that may not be immediately apparent.

Some Useful Suggestions for Increasing Your Aid Eligibility

In our view, it is a matter of common sense and financial prudence that students and their parents take whatever steps they can to enlarge their chances of receiving genuine help with the costs of college, **so long as they do not endanger in any way the family's overall financial well-being.** We list below several straightforward suggestions that can result in a more favorable FAF evaluation:

1) Consumer debt is not considered at all in the College Scholarship Service evaluation of the Financial Aid Form. However, home equity is. Therefore, large purchases (say, of an automobile) that must be made on credit should draw on home equity, which will reduce the parents' FAF reported assets, rather than add to consumer debt, which is not counted in the FAF evaluation procedure. This recommendation, of course, assumes that the additional mortgage debt can be managed through a home equity loan account (line of credit). The costs of taking out a second mortgage involving substantial lawyer's fees, closing costs, added "points" and so on that would offset aid increases accruing from the reported equity reduction should be weighed carefully. (Other implications of the tax reform of 1986 are discussed below and in Chapter V.)

2) Providing that it will not pose a burden on the family's cash flow situation, such major consumer purchases — new cars, major appliances such as a stove, TV, washer, dryer, etc., carpeting, substantial wardrobe additions, or whatever — should be made the year *before* the Financial Aid Form is to be submitted and financed out of home equity. It may seem incongruous to make such purchases just prior to the time that funds will be needed for college, but as described in (1) above, reductions in parent assets increase student aid eligibility.

3) **Defer as much parental income as possible** through Individual Retirement Accounts (IRAs), Keogh Plans, 401(k) plans, single premium whole life insurance contracts and the like. Deferring income for many families close to the aid-eligibility threshold is prudent for two reasons. First, it will reduce taxable income and thus produce tax savings; second, it will reduce income reported on the FAF, thus increasing the student's aid eligibility.

The 1986 tax reform eliminated the deductibility for income tax purposes of IRA contributions of persons participating in other "qualified" employer pension plans (it is retained for most persons not vested in any pension plan). But the income from IRA accounts remains untaxed until time of withdrawal for all account holders. IRA assets are exempted from the FAF evaluation.*

Even greater advantages are offered by 401(k) plans. Although the 1986 tax reform reduces substantially the maximum annual amount of income that can be deferred under such plans (from \$30,000 to \$7,000), it still permits deferral of substantial amounts of income that is not counted in the FAF review. Moreover, many 401(k) plans entitle account holders to low-interest loans to pay for college expenses up to the account's vested amount. That is, 401(k) assets are not counted for scholarship eligibility purposes, but they can be made available to pay college expenses, if needed.

Single-premium whole life insurance (SPWL) contracts recently have been heavily marketed as attractive long-term investment vehicles that are advantageous for financing college costs. SPWL contracts guaranteed rates of return on the investment portion of the contract that were high in relation to short-term saving and investment instruments and provided substantial tax advantages. However, recent tax legislation, which soon will be signed into law, has effectively eliminated many tax advantages of SPWL contracts.

Beware of Drastic Measures

A number of student-aid guides suggest that more drastic measures be taken to juggle the FAF numbers to advantage. Most often this involves mortgaging the family residence and concealing the mortgage proceeds. For example, one publication reports that if a family mortgages its residence "to the hilt," invests a portion of the loan proceeds in a limited real estate partnership to achieve tax losses, and places the rest in a universal life insurance policy that can be drawn on for mortgage

* Some schools require that information respecting IRA accounts and other assets not reported on the FAF be submitted directly to them prior to the evaluation of the student aid application.

payments, then assets reported on the FAF can be reduced, FAF income will be curtailed, and “an excellent investment in real estate, inexpensive insurance, and considerable income tax savings” can be had “all at the same time.”

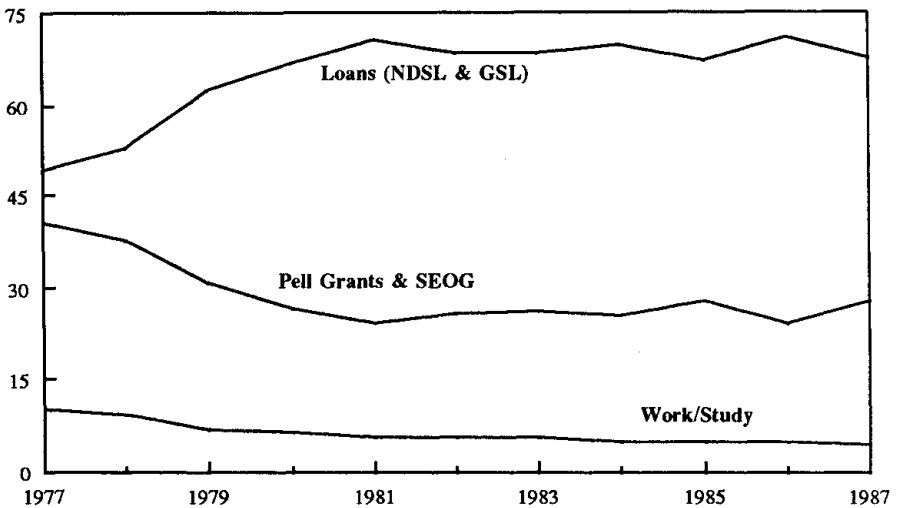
This type of scheme may pose risks to a family’s financial well-being that may not be apparent in the short run, but could be hazardous over the longer term. In this example, a family that just a few years ago followed the recommended strategy today could be faced with substantial financial reverses — if for no other reasons than changes in Federal income tax laws and decreases in nominal interest rates. Limited real estate partnerships have become far less attractive as a consequence of the tax changes that will reduce greatly their worth as tax shelters. A family that 4 or 5 years ago committed substantial assets to such a partnership probably faces serious losses today. Moreover, given that interest rates today are substantially lower than in the early 1980’s, the investment return on a universal life insurance policy would be reduced even though the payment on a fixed-rate mortgage assumed, say, 5 years ago would reflect the much-higher borrowing interest rates then in effect. It is hard to see how following this kind of advice, even if some additional financial aid accrued to the student, could have benefited the family’s overall financial situation.

The point is that family savings and investment decisions ought to be based on an overall assessment of a family’s long- and short-term needs and resources. They involve far more than “fudging the FAF numbers” in any given year to accommodate the formulae that are applied by CSS needs analysts. The rules and regulations applied by college aid officials are constantly changing as tax laws, Federal and state aid programs, and the financial situations of public and private colleges and universities change. There simply is no assurance that a financial program based on today’s rules and regulations will prove useful 5, 10, or 15 years from now — and to commit substantial resources to a plan that assumes either financial conditions or the “rules of the game” will not change could be highly injurious.

“Aid Eligibility” vs. “Aid”

Some of the most “creative” college financial advisors cite “increased eligibility for aid” as the justification for performing drastic financial maneuvers. But as we have stated before, aid *eligibility* is not the same as aid. A family might commit its assets to a hazardous financial plan only to discover that even with increased eligibility for aid, there was no aid forthcoming. In short, it is not in a family’s interest to make either long- or short-term financial decisions involving substantial portions of

Chart 9
**PERCENTAGE DISTRIBUTION BY TYPE OF FEDERAL AID
 TO COLLEGE STUDENTS**



Source: *Statistical Abstract of the United States.*

the family's resources solely on the basis of possible increases in eligibility for student aid. In many instances, any additional "aid" is in the form of eligibility for *greater student borrowing*.

In Chapter II we noted that substantial portions of the financial aid packages offered by private colleges and universities consist of student loans. Chart 9 shows that Federal student loans as a proportion of all Federal "aid" also have reached historically high levels during the past 5 years — and the number of defaults on those loans has increased. In view of these increases, it seems likely that many students and parents are assuming such debt without considering the personal financial consequences it will have. In Chapter III we gave illustrations of what the impact of student debt was 10 years ago. Here we provide an illustration of what the consequences of acquiring student debt today might be.

Today, \$25,000 of college-related debt (Guaranteed Student Loans, PLUS loans, and other loans are discussed in Chapter V) is not unheard of. Assuming an annual interest rate of 8 percent and a 10-year repayment schedule, monthly payments on the loan would be \$303.32. Assuming a starting salary of \$18,000, after taxes monthly spendable income would be about \$1,200. After the loan payment, remaining funds would be about \$900. **In effect, the loan payment is a 10-year salary reduction that decreases the college graduate's spendable income to**

a level comparable to, or perhaps lower than, the average income of wage earners without college degrees.

Such a burden should not be assumed lightly. Ten years is a long time to repay a debt that, rather than improving the quality of one's life or building "investment potential" (as, say, with purchases of cars or houses), in effect lowers one's standard of living. Given the default rate on student loans, college obviously does not prepare many students for the genuine financial sacrifices that a "borrowed education" involves. The further misfortune is that default has lasting financial consequences.

V.

TYPES OF FINANCIAL AID AND HOW TO APPLY

FINANCIAL aid to college students falls into two broad categories: 1) outright gifts or forgiveness of fees in the form of grants, scholarships, tuition waivers and the like, and 2) "self-help" contracts in the form of work-study programs and student loans. The first type of aid represents an actual reduction in college costs. The second type of aid does not reduce college costs, but rather provides a means of payment of those costs. In the case of student loans, overall college costs are *increased*, since interest must be paid on the loans.

Genuine Student Aid

The Federal Government sponsors two grant programs in which awards are made that do not have to be paid back. Federal student aid is awarded on the basis of *need*, which is defined by the Government to be the difference between the cost of education (tuition, fees, room, board, books, supplies, and other expenses) and the amount the student and family can afford to pay, as determined by a Government formula.

To be eligible for a Federal grant, a student must meet the following criteria:

- be enrolled at least half-time as a regular student in an institution that takes part in Department of Education financial aid programs
- be a U.S. citizen or an eligible noncitizen
- meet the Government need requirements
- make satisfactory progress in a course of study
- not be in default on a National Direct Student Loan (now Perkins Loans), Guaranteed Student Loan, or PLUS Loan (all described below)
- be registered with the Selective Service, if required by law (males born on or after January 1, 1960, are at least 18 years of age, and are citizens or eligible noncitizens)
- sign a statement of educational purpose affirming that grant money will be used only for expenses related to attending school.

Several forms may be used to apply for Federal aid. However, in order to be considered for aid from non-Federal as well as Federal sources, your school may specify which form you should complete. The forms are: the U.S. Department of Education "Application for Federal Student Aid" (AFSA); the College Scholarship Service "Financial Aid Form" (FAF); the American College Testing Program "Family Financial

USEFUL REFERENCE BOOKS

Two reference books are especially useful for locating sources of scholarship funds.

Scholarships, Fellowships & Loans, Vol. 8, Norman & Marie Feingold, Bellman Publishing Co., Cambridge, Massachusetts, 1987. The price of this book is \$80, but it should be available in most library reference rooms. If not, try to get the reference librarian to purchase a copy for the library.

The Scholarship Book: The Complete Guide to Private Sector Scholarships, Grants, & Loans for Undergraduates, 2nd ed., D. J. Cassidy & Michael J. Alves, Prentice-Hall, Englewood Cliffs, New Jersey, 1987, \$29.95. A paperback edition of this book is available for \$19.95.

The above books contain many leads, but they are not exhaustive. Scholarship seekers should also consult the *Encyclopedia of Associations*, *The Foundation Directory*, and similar references.

Statement" (FFS); the Pennsylvania Higher Education Assistance Agency (PHEAA); "Application for Pennsylvania State Grant and Federal Student Aid"; and the "Student Aid Application for California" (SAAC). These forms are available from most high school counseling offices and college financial aid offices. Information on any of the Federal aid programs can be obtained by writing or calling the Federal Student Aid Information Center, Rockville, Maryland, telephone (301) 984-4070.

Most students who apply for aid will fill out the College Scholarship Service's "Financial Aid Form" (FAF), which we described in the previous chapter. **Federal student aid applications must be received at a Federal processing center by May 1, 1989 for the academic year 1989-90; the Student Aid Report (SAR) described immediately below must be received by your school's financial aid office by June 30, 1989 or your last day of enrollment in 1988-89, whichever comes first.** Applications for Federal student aid should be mailed directly to:

Federal Student Aid Programs
P.O. Box 4150
Iowa City, Iowa 52244

Student Aid Report (SAR): After you apply for Federal aid, you will receive a Student Aid Report (SAR) 4 to 6 weeks after you send in the application. The SAR contains a Student Aid Index number that will determine your eligibility for a Federal Grant.

Pell Grants: the Pell Grant program is the largest Federal student aid program, and in 1985-86 awarded grants of up to \$2,100 to students whose Student Aid Index was 1900 or lower. Students from low-income families with a number of children generally will qualify for a Pell Grant. Pell Grants do not have to be paid back. The actual amount of a grant depends on the Student Aid Index number, whether recipients are full-time or part-time students, how long enrollment lasts, and the cost of education at a given school. Students must re-apply for Pell Grants each year.

Usually, Pell Grant eligibility is calculated using prior-year income information. In certain cases, however, students may file a "Special Condition Application" if their family financial situation has recently changed for the worse as a result of death, separation or divorce, loss of a full-time job, loss of nontaxable income or benefits such as Social Security, child support, Aid to Families with Dependent Children, welfare, unemployment benefits, etc. A Special Condition Application is available by writing to: Special Condition Application, Department DEC-86, Pueblo, Colorado 81009.

The formula used to determine eligibility is too lengthy to describe in this publication. However, you can obtain a free copy of the detailed booklet "The Pell Grant Formula" prepared by the U.S. Department of Education by writing to: Formula Book, Department DED-86, Pueblo, Colorado 81009.

Supplemental Educational Opportunity Grants (SEOGs): SEOGs are funded by the Federal Government but are awarded to undergraduates by college financial aid administrators rather than by Federal aid officials. Students are eligible for up to \$4,000 a year (in addition to Pell Grants) depending on need, the availability of SEOG funds at the school, and the amount of other aid received. Each school receives an annual grant of SEOG funds, which, within general guidelines, it can distribute at its own discretion. Once a year's funds are exhausted, no additional SEOGs can be made by that school. Thus, it is important to meet the school's financial aid deadlines — the sooner an application is received, the better the chances of receiving a SEOG.

State Grants: All states have genuine student aid programs that provide grants, scholarships, tuition equalization fees and the like to college students who are residents of their states. Some states also subsidize tuition for students who agree to teach for a specified number of years in the state's public school system. It would be impossible in a publication of this size to review the aid programs in each state. We have, however, provided the accompanying directory of state offices that

will provide information on state grant programs. Unlike the Federal grant programs, which are based primarily on "need," many state grants are awarded on the basis of academic merit or field of study. In general, higher-income families stand a better chance of receiving genuine aid through their state education departments than through the U.S. Department of Education.

Philanthropic Grants: Students from middle- and upper-income families stand an even better chance of receiving genuine aid by participating in the scholarship competitions sponsored by various patriotic, civic, and fraternal service organizations and philanthropic societies. We have included some of the most prominent in the accompanying directory of private associations (pages 69-90). More complete information on local associations is available in *The Foundation Directory* published by the Foundation Center of New York, and the *Encyclopedia of Associations* published by the Gale Research Co., Detroit. Both of these works are available in the reference section of most public libraries and are indispensable for locating unpublicized sources of scholarship support.

Work-Related Affiliations: Employers are an additional source of private scholarship aid to the children of their employees. Most major U.S. corporations sponsor one or more scholarship competitions that are restricted to members of employees' families. Some corporations also sponsor scholarships for students who plan to study in a particular field — and these may be available to students whose parents are not employees of the corporation. High school counseling offices generally have information about employer-sponsored scholarships in a given locality, but they probably will not know about scholarships that are awarded by large corporations outside their area. Students with established interests and career goals should review the list of "Fortune 500" companies and contact those whose business coincides with their plan of study. They may have special scholarship competitions that are not generally publicized. See the accompanying list "Employer Foundation Sponsors of Undergraduate Scholarships," which lists some corporate foundations that sponsor scholarship programs. This list is merely suggestive of the types of business enterprises that have student aid programs, and you should cull *The Foundation Directory* for the names of business-sponsored foundations that provide scholarship support. That procedure is somewhat tedious, but it could yield information on scholarship aid for which competition is less keen than in many other aid programs.

Many unions also sponsor scholarships for the children of their members. The AFL-CIO has compiled the *AFL-CIO Guide to Union Sponsored Scholarships*. Union locals may or may not have a copy of

STATE GRANT PROGRAM INFORMATION

- Alabama: Commission on Higher Education, One Court Square, Suite 221, Montgomery, AL 36197 (205) 269-2700
- Alaska: Alaska Postsecondary Education Commission, P. O. Box FP, Juneau, AK 99811 (907) 465-2854
- Arizona: Arizona Board of Regents, 3030 North Central, Suite 1400, Phoenix, AZ 85012 (602) 255-4082
- Arkansas: Department of Higher Education, 1220 West 3rd Street, Little Rock, AR 72201 (501) 371-1441
- California: California Postsecondary Education Commission, 1020 12th Street, 3rd Floor, Sacramento, CA 95814 (916) 445-7933
- Colorado: Commission on Higher Education, Colorado Heritage Center, 1300 Broadway, 2nd Floor, Denver, CO 80203 (303) 866-4034
- Connecticut: Department of Higher Education, 61 Woodland Street, Hartford, CT 06105 (203) 566-5766
- Delaware: Delaware Postsecondary Education Commission, 820 French Street, 4th Floor, Wilmington, DE 19801 (302) 571-3240
- District of Columbia: Office of Postsecondary Education, Research and Assistance, 1331 H Street, N.W., Suite 600, Washington, DC 20005 (202) 727-3685
- Florida: Postsecondary Education Planning Commission, Knott Building, Room 304, Tallahassee, FL 32399 (904) 488-7894
- Georgia: Board of Regents, University System of Georgia, 244 Washington Street, S.W., Atlanta, GA 30334 (404) 656-2203
- Hawaii: Student Affairs Program and Policy Office, University of Hawaii, 2444 Dole Street, Honolulu, HI 96822 (808) 948-8207
- Idaho: Board of Regents, 650 West State Street, Len B. Jordan Building, Room 307, Boise, ID 83720 (208) 334-2270
- Illinois: Board of Higher Education, 500 Reisch Building, 4 West Old Capitol Square, Springfield, IL 62701 (217) 782-2551
- Indiana: Commission for Higher Education, 101 West Ohio Street, Suite 550, Indianapolis, IN 46204 (317) 232-1900
- Iowa: State Board of Regents, Lucas State Office Building, Des Moines, IA 50319 (515) 281-3934
- Kansas: Kansas Board of Regents, 400 West 8th Street, Capitol Towers, Room 609, Topeka, KS 66603 (913) 296-3421
- Kentucky: Council on Higher Education, West Frankfort Office Complex, 1050 U.S. 127 South, Frankfort, KY 40601 (502) 564-3553
- Louisiana: Board of Regents, 150 Riverside Mall, Suite 129, Baton Rouge, LA 70801 (504) 342-4253
- Maine: University of Maine System, 107 Maine Avenue, Bangor, ME 04401 (207) 947-0336
- Maryland: Maryland Higher Education Commission, 16 Francis Street, Annapolis, MD 21401 (301) 974-2971
- Massachusetts: Massachusetts Board of Regents, One Ashburton Place, Room 1401, Boston, MA 02108 (617) 727-7785
- Michigan: State Department of Education, Post Office Box 30008, Lansing, MI 48909 (517) 335-4933
- Minnesota: Higher Education Coordinating Board, 550 Cedar Street, Room 400, St. Paul, MN 55101 (612) 296-9665
- Mississippi: Board of Trustees of State Institutions of Higher Learning, Post Office Box 2336, Jackson, MS 39225-2336 (601) 982-6611
- Missouri: Coordinating Board for Higher Education, 101 Adams Street, Jefferson City, MO 65101 (314) 751-2361
- Montana: Montana University System, 33 South Last Chance Gulch, Helena, MT 59620 (406) 444-6570
- Nebraska: Nebraska Coordinating Commission for Postsecondary Education, State Capitol, 6th Floor, Post Office Box 95005, Lincoln, NE 68509 (402) 471-2847
- Nevada: University of Nevada System, 2601 Enterprise Road, Reno, NV 89512 (702) 784-4901
- New Hampshire: New Hampshire Postsecondary Education Commission, 2 Beacon Street, Concord, NH 03301 (603) 271-2555

New Jersey: Department of Higher Education, 20 West Street, CN 542, Trenton, NJ 08625 (609) 292-4310
 New Mexico: Commission on Higher Education, 1068 Cerrillos Road, Santa Fe, NM 87501 (505) 827-8300
 New York: New York State Education Department, Cultural Education Center, Room 5B28, Albany, NY 12230 (518) 474-5851
 North Carolina: University of North Carolina General Administration, Post Office Box 26888, Chapel Hill, NC 27514 (919) 962-6981
 North Dakota: Board of Higher Education, State Capitol Building, Bismarck, ND 58505 (701) 224-2960
 Ohio: Board of Regents, 30 East Broad Street, State Office Tower, 36th Floor, Columbus, OH 43266 (614) 466-6000
 Oklahoma: State Regents for Higher Education, State Capitol Complex, 500 Education Building, Oklahoma City, OK 73105 (405) 521-2444
 Oregon: Oregon Office of Educational Policy and Planning, 25 Winter Street, N.E., Salem, OR 97310 (503) 378-3921
 Pennsylvania: State Department of Higher Education, Office of Higher Education, 333 Market Street, Harrisburg, PA 17126 (717) 787-5041
 Rhode Island: Office of Higher Education, 199 Promenade Street, #208, Providence, RI 02908 (401) 277-6560
 South Carolina: Commission on Higher Education, 1333 Main Street, Suite 650, Columbia, SC 29201 (803) 253-6260
 South Dakota: Board of Regents, 700 North Governors Drive, Pierre, SD 57501 (605) 773-3455
 Tennessee: Tennessee Higher Education Commission, 404 James Robertson Parkway, Parkway Towers, Suite 1900, Nashville, TN 37219 (605) 741-3605
 Texas: Texas Higher Education Coordinating Board, Post Office Box 12788, Capitol Station, Austin, TX 78711 (512) 472-9522
 Utah: Utah System of Higher Education, 355 West North Temple, 3 Triad Center, Suite 550, Salt Lake City, UT 84180 (801) 538-5247
 Vermont: Vermont Higher Education Planning Commission, 109 State Street, Pavilion Office Building, 5th Floor, Montpelier, VT 05602 (802) 828-2376
 Virginia: State Council of Higher Education, James Monroe Building, 101 North 14th Street, Richmond, VA 23219 (804) 225-2600
 Washington: Higher Education Coordinating Board, 908 East 5th Street, Olympia, WA 98504 (206) 753-3241
 West Virginia: West Virginia Board of Regents, 950 Kanawha Boulevard East, Charleston, WV 25301 (304) 348-2101
 Wisconsin: University of Wisconsin System, 1700 Van Hise Hall, 1220 Linden Drive, Madison, WI 53706 (608) 262-2321
 Wyoming: University of Wyoming, Box 3434, University Station, Laramie, WY 82071 (307) 766-1121
 Puerto Rico: Council on Higher Education, Box F-UR Station, San Juan, PR 00931

Source: *The Chronicle of Higher Education Almanac*, September 1, 1988.

this guide; if not, write to AFL-CIO Department of Education, 815 16th Street, N.W., #407, Washington, D.C. 20006.

Other Affiliations: Religious, ethnic, and club affiliations may also prove useful in providing scholarship support. Many scholarships are provided by local service clubs, churches and synagogues, and ethnic organizations. Lions Clubs, Rotary Clubs, the Optimists, the Jaycees, and the like often sponsor one or two scholarships a year for local high school students. The Boy Scouts, Girls Scouts, 4-H, Campfire, Rainbow, and other youth groups sometimes make awards to graduating high school seniors. If you belong to one of these organizations, ask your group leader if scholarships are available and how to apply.

Students with nationality affiliations (e.g., Polish, Italian, Danish, etc.) may find their chances of receiving scholarship aid through one of the “hyphenated American” associations are good, especially if they are located in an area where there are few students with similar backgrounds (that is, where regional competition is automatically limited by demographics). Many such national organizations sponsor scholarship competitions. A number of them are listed in the accompanying directory of private associations, but the *Encyclopedia of Associations* has a complete listing, and you should consult it.

Professional Associations: There are virtually thousands of trade, business, commercial, scientific, and technical organizations in the United States. Many of them provide financial support for research in areas related to their business interests. Such awards sometimes are open to advanced undergraduates or graduate students. (An example is the American Bankers Association, which provides fellowships to candidates working on the last year of their doctor’s degree.) But many also maintain scholarship funds for undergraduates that are not well publicized. (An example is the New York Financial Writers’ Association, which awards Financial Studies Scholarships to four college students annually.) Cull Section 1, “Trade, Business and Commercial Organizations,” and Section 4, “Scientific, Engineering and Technical Organizations” in the *Encyclopedia of Associations*.

Colleges and Universities: The colleges and universities themselves control millions of dollars of scholarship funds. Consult Table 1 for an indication of which schools provide the most genuine aid. Many student-aid guides advise, and we agree, that there is nothing to lose by being “aggressive” during negotiations over the financial aid package offered by a particular school. Most schools will try to offer the lowest amount of aid they think is required to “buy” a student — but, if the admissions officers have decided that they want you, they may be

EMPLOYER FOUNDATION SPONSORS OF UNDERGRADUATE SCHOLARSHIPS AND/OR LOANS

A.S. Abell Company, MD	BankAmerica Corporation, CA*	Chrysler Corporation, MI
Abex Corporation, CT	The Barden Corp., CT	CIGNA Corp., PA
ACF Industries, Inc., NY	Barnes Group, Inc., CT†	Citiibank/Citicorp, NY
Affiliated Publications, Inc., MA	Beech Aircraft Corp., KS	Cities Service Co., Inc., OK
G.J. Aigner Company, IL	Belden Wire Products, IL*	Citizens Savings Bank, RI
Allied-Signal Corporation, NJ	Bell & Howell Co., IL	Citizens & Southern Nat'l Bank, SC
Aluminum Can Company, PA	Bemis Company, Inc., MN	Clinton Mills, SC*
Aluminum Co. of America, PA	Beneficial Corporation, DE*	Clorox, CA
AMAX, Inc., CT	Best Products Co., VA	Consolidated Papers, Inc., WI*
Amcast Industrial Corp., OH	Bibb Company, GA	Continental Corporation, NY
American Express Company, NY*	H & R Block, Inc., MO	The Continental Group, Inc., NJ
American Hoist & Derrick Co., MN*	Bremer Banks, MN*	Cooper Industries, Inc., TX
American Hospital Supply Corp., IL	Briggs & Stratton Corporation, WI	CPC International, Inc., NJ
AMETEK, Inc., NY	Bristol-Myers Company, NY*	Cranston Print Works Company, RI
Amfac, Inc., HI	Brockway, Inc., PA	Credithrift Financial Corporation, IN*
Andrew Corporation, IL	M.A. Bruder & Sons, Inc., PA	Crocker National Bank, CA
Anheuser-Busch, Inc., MO*	Brunswick Corporation, IL	Crosset Company, Inc., OH
Arctic Slope Regional Corp., AK*	Bucyrus-Erie Company, WI	CTS Corp., IN*
Armco, Inc., OH	Butler Manufacturing Company, MO	Cummins Engine Company, Inc., IN
Armstrong Rubber Co., CT	Carnation Company, CA	Dan River, Inc., VA
Ashland Oil, Inc., KY	Carpenter Technology Corp., PA	Daniel Int'l. Corp., SC
Atlantic Richfield Company, CA	Central National Corporation, NY	Deluxe Check Printers, Inc., MN
Auto Specialties Mfg. Co., MI*	Central Newspapers, Inc., IN*	DeVlieg Machine Company, MI
Avon Products, Inc., NY	Cessna Aircraft Co., KS	Walt Disney Productions, CA*
M.S. Bailey & Son, SC	Chase Manhattan Bank, NY	Dow Jones & Company, Inc., NY
Bank of A. Levy, CA	Chatham Manufacturing Co., NC	Downs Carpet Company, Inc., PA

* Subsidiaries and/or affiliates may also provide employee-related scholarships.

† Family members of active or retired company employees.

Note: State abbreviation indicates location of foundation headquarters.

EMPLOYER FOUNDATION SPONSORS (Continued)

Dresser Industries, Inc., TX	W.R. Grace & Co., NY	Lockheed Corporation, CA
Dun & Bradstreet Group, NY	Graco, Inc., MN	Loews Corporation, NY*
Dyco Petroleum Corp., MN	Graniteville Company, SC	Louisiana Land & Exploration Co., LA
Eder Bros., Inc., CT	S.J. Groves & Sons Company, MN	Louisiana-Pacific Corporation, OR
Ellwood City Forge Corp., PA	Gulf + Western Industries, Inc., NY	LTV Corp., TX
Emerson Electric Company, MO	Gulf Oil Corporation, PA	Macmillan, Inc., MD
Emery Air Freight Corporation, CT	Haggar Company, TX	Marathon Oil Company, OH
Ensign-Bickford Industries, Inc., CT	Hallmark Cards, Inc., MO	Maremont Corporation, IL
Erving Paper Mills, MA	Harris Trust and Savings Bank, IL	Marley Company, KS
Exxon Corporation, NY*	Harsco Corporation, PA	Martin Marietta Corporation, MD
Fairchild Industries, Inc., MD	Hartford Fire Insurance Co., CT	Maytag Company, IA
Farmers Group, Inc., CA	H.P. Hood, Inc., MA*	McGraw-Edison Co., IL*
Fieldcrest Mills, Inc., NC	Hospital Corp. of America, TN	McGraw-Hill, Inc., NY
First Bank of Minneapolis, MN	Hunt Manufacturing Co., PA	Mead Corporation, OH
First Bank of St. Paul, MN	Illinois Tool Works, Inc., IL	Mead Johnson & Company, IN
First Interstate Bank of California, CA	Inland Container Corp., IN	Merit Oil Company, PA*
Fluor Corporation, CA	Inland Steel Company, IL	MFA, Inc., MO
FMC Corporation, IL	Inman Mills, SC	Miles Laboratories, Inc., IN
Foremost-McKesson, Inc., CA	ITT Rayonier, Inc., CT	Mobil Oil Corporation, NY
Fort Howard Paper Co., WI	Jacobus Company, WI*	C.F. Mueller Company, NJ
Fort Worth Star-Telegram, TX*	Jewel Companies, Inc., IL	Myers-Ti-Caro, NC
Gannett Company, Inc., NY	Johnson Controls, Inc., WI	National Presto Industries, Inc., DE
GenCorp, Inc., OH*	S.C. Johnson & Son, Inc., WI	National Starch & Chemical Corp., NJ
General Foods Corporation, NY	Jostens, Inc., MN	Nationwide Mutual Insurance Co., OH*
General Mills, Inc., MN	Kelly Tractor Co., FL	NCR Corporation, OH
General Telephone & Electronics, CT	Kimball International, Inc., IN	Nekoosa Papers, Inc., WI
Georgia-Pacific Corp., GA	Kingsbury Machine Tool Corp., NH*	New York Times Company, NY
Gerber Products Company, MI	Koch Industries, Inc., KS	News and Courier Company, SC*
Goodyear Tire & Rubber Co., OH	Koppers Company, Inc., PA	NL Industries, Inc., NY
Gould, Inc., IL	Lancaster Newspapers, Inc., PA	North American Royalties, Inc., TN
Goulds Pumps, Inc., NY	Lear Siegler, Inc., CA	Nucor, NC

Olin Corporation, CT
 Oshkosh Truck Corporation, WI
 Outboard Marine Corporation, IL
 Pennwalt Corporation, PA
 Perini Corp., MA*
 Personnel Pool of America, FL
 Peter Kuntz Company, OH*
 Pillsbury Company, MN
 Pinkerton's, Inc., NY
 Pittsburgh Forgings Co., PA
 Polaroid Corporation, MA
 PPG Industries, Inc., PA
 Premier Industrial Corporation, OH
 Prentice-Hall, NY
 Primerica Corp., CT
 Proctor & Gamble Company, OH
 Prudential Ins. Co. of America, NJ*
 Quaker Chemical Corporation, PA
 Quaker Oats Company, IL
 Rahr Maltng Co., WI
 Ralston Purina Company, MO
 Readers Digest Association, NY
 Reilly Tar & Chemical Corporation, IN
 Rexnord, Inc., WI
 Rich's, Inc., GA
 Richman Brothers Company, OH
 Riegel Textile Corporation, SC
 Rolscreen Company, IA
 Roper Corporation, IL
 Salisbury Laboratories, Inc., IA
 Santa Fe Southern Pacific Corp., IL*
 Sara Lee Corporation, IL
 Schering Corp., IL
 Scholl, Inc., IL
 Scott Paper Company, PA
 Sealy Mattress Company, IL
 Security Pacific Corporation, CA
 Shell Oil Company, TX
 Signode Corporation, IL*
 Singer Company, CT
 SmithKline Beckman Corporation, PA
 Sonat, Inc., AL
 Sony Corporation of America, NY
 Sperry & Hutchinson Co., NY
 Square D Company, IL
 State Farm Insurance Company, IL
 Stockham Valves and Fittings, Inc., AL
 Stone Container Corp., IL
 Stop & Shop Companies, Inc., MA
 Levi Strauss & Co., CA
 Stride Rite Corp., MA
 Sundstrand Corporation, IL
 Superior Tube Company, PA*
 Tektronix, Inc., OR
 Temple-Inland, Inc., TX
 Tennant Company, MN
 Texaco, Inc., NY
 Texas Industries, Inc., TX
 Textron, Inc., RI
 Thomasville Furniture Ind., Inc., NC
 Time Insurance Co., WI
 Timken Company, OH
 Tremco Manufacturing Co., OH
 TRW, Inc., OH
 Union Camp Corporation, NJ
 Union Electric Company, MO
 United Air Lines, Inc., IL
 United Conveyor Corp., IL
 United Parcel Service, CT
 United States Gypsum Co., IL
 Unocal Corporation, CA
 UOP, Inc., IL
 Valspar Corporation, MN
 The West Co., PA
 Westinghouse Electric Corp., PA
 Westmoreland Coal Company, PA*
 Weyerhaeuser Company, WA
 Whirlpool Corporation, MI
 Witco Chemical Corporation, NY
 World Color Press, Inc., CA*
 Wyman-Gordon Co., MA
 Xerox Corporation, CT
 Yarway Corporation, PA
 York Bar Bell Co., Inc., PA

* Subsidiaries and/or affiliates may also provide employee-related scholarships.

Note: State abbreviation indicates location of foundation headquarters.

prepared to offer considerably more genuine aid if their first offer is turned down. You have nothing to lose by trying. To increase your chances, *apply early*. Once a school commits its scholarship funds for the year, no additional scholarships can be offered.

Greek Letter Societies: A number of "Greek letter" societies provide undergraduate scholarships and grants-in-aid. Scholarships given by many college fraternities and sororities are limited to active members and their children, but some are open to all applicants. If either parent is a member of a Greek letter society, find out if it has any scholarship programs. Many such societies are honorary organizations, and some provide aid to undergraduates who are pursuing studies in the society's specialty. Generally, such aid is not provided to underclassmen, but some awards are substantial for the last 2 years of undergraduate study.

SELECTED GREEK LETTER SOCIETIES OFFERING SCHOLARSHIPS AND GRANTS-IN-AID

Alpha Chi (ΑΧ), Harding College, Searcy, Arkansas 72143

Alpha Delta Kappa (ΑΔΚ), 1615 West 92nd Street, Kansas City, Missouri 64114

Alpha Epsilon Delta (ΑΕΔ), 7 Brookside Circle, Bronxville, New York 10708

Alpha Lambda Delta (ΑΛΔ), P.O. Box 279, Lewisburg, Pennsylvania 17837

Alpha Mu Gamma (ΑΜΓ), 855 North Vermont Avenue, Los Angeles, California 90029

Alpha Sigma Tau (ΑΣΤ), 6200 Hoffman Avenue, St. Louis, Missouri 63139

Alpha Tau Delta (ΑΤΔ), 3333 West 2nd Street, Building 54, No. 202, Los Angeles, California 90004

Alpha Tau Omega (ΑΤΩ), 107 East Green Street, Champaign, Illinois 61820

Beta Beta Beta (ΒΒΒ), Drew University, Madison, New Jersey 07940

Beta Sigma Phi (ΒΣΦ), 1800 West 91st Place, Kansas City, Missouri 64114

Delta Chi (ΔΧ), 314 Church Street, P.O. Box 110, Iowa City, Iowa 52240

Delta Epsilon Sigma (ΔΕΣ), Loras College, Dubuque, Iowa 52001

Delta Mu Delta (ΔΜΔ), 800 Oakton Street, Evanston, Illinois 60202

Iota Lambda Sigma (ΙΛΣ), Kent State University, Kent, Ohio 44242

Kappa Epsilon (ΚΕ), North Dakota State University, Fargo, North Dakota 58102

Kappa Kappa Gamma (ΚΚΓ), Box 2079, Columbus, Ohio 43215

Kappa Pi International (ΚΠΙ), P.O. Box 7843, Birmingham, Alabama 35228

Kappa Psi (ΚΨ), 1313 West Robinhood Drive, Suite 7, Stockton, California 95207

Phi Alpha Theta (ΦΑΘ), 2812 Livingston Street, Allentown, Pennsylvania 18104

Rho Pi Phi (ΡΠΦ), 3435 Bailey Avenue, Buffalo, New York 14215

Sigma Tau Gamma (ΣΤΓ), P.O. Box 54, Warrensburg, Missouri 64093

The accompanying table lists a number of Greek letter societies that maintain scholarship programs, but it is by no means exhaustive. The list includes only *national* affiliates; local chapters of different fraternities and sororities may sponsor their own scholarship funds, and these should be checked out.

Military Scholarships: Sources of financial aid for college from the U.S. military and veterans' organizations fall into three main categories: 1) aid that is provided on an entitlement basis or a competitive basis to surviving children of veterans; 2) aid that is provided before you enter the service in return for a pledge of service; 3) aid that is provided while you are serving in the armed forces; and 4) aid that is provided to veterans who have completed their military service.

1) **Entitlement Aid to Survivors.** Spouses and children of veterans who were killed in war, disabled as a result of service, former prisoners of war, and those listed as Missing in Action (MIAs) are entitled to Veterans' Administration educational benefits administered by the VA's Educational Assistance Program. In 1984, 57,000 college students received over \$154 million in student aid under this program. According to the VA's Dependency and Indemnity Compensation (DIC) provisions, "surviving spouses and unmarried children of veterans who die as a result of service-connected disability or active duty personnel who die in line-of-duty are eligible for DIC benefits. . . . Children over eighteen and under twenty-three may be paid benefits when attending an approved course of instruction." For 1988, surviving children between 18 and 23 who are attending school are entitled to \$133 a month, to be paid separately, and with no restrictions on the use of benefit funds. Married children are *not* eligible for DIC benefits. For further information, contact your local Veterans' Administration office.

Veterans' Association Scholarships: Children of deceased veterans are eligible to apply for scholarships from the organizations listed below. Scholarships range from \$500 to \$1,000:

AMVETS Memorial Scholarship Committee
AMVETS National Headquarters
1710 Rhode Island Avenue, N.W.
Washington, D.C. 20036

Scholarship Fund
Reserve Officer Association
1 Constitution Avenue, N.E.
Washington, D.C. 20002

2) **ROTC Scholarships and Service Academy Appointments.** More than 700 U.S. colleges and universities participate in one or more of the

Reserve Officers Training Corps (ROTC) programs sponsored by the various branches of the armed forces. ROTC is a 4-year program that is undertaken at the same time a regular course of undergraduate study is pursued. During the freshman and sophomore years, ROTC participants enroll in the General Military Course (GMC), which involves 2 hours of ROTC per week. Uniforms and textbooks are supplied by the ROTC. After the GMC is completed, ROTC students take a 4-week summer field training program, and qualified students then enter the Professional Officer Course (POC) during the junior and senior years. Students who successfully complete the POC are awarded commissions along with their bachelor's degrees. During their junior and senior years, ROTC students receive an allowance of \$1,000 per school year.

Army ROTC Scholarship Program: The Army sponsors a competitive 4-year scholarship program through ROTC for entering freshmen. The Army ROTC Scholarship provides tuition, educational fees, textbooks, supplies and equipment, uniforms, a mileage allowance for Advanced Camp, and a *stipend up to \$1,000 per school year*. To apply for an Army ROTC Scholarship, you must meet the following requirements (scholarships are competitive, and only a small proportion of applicants receive awards):

- Have a high school diploma or equivalent
- Be 17 years of age by October 1st of the year the scholarship becomes effective
- Be under 25 years of age on June 30th of the year you are commissioned
- Pass the armed forces physical examination
- Pursue an academic course approved by the Army
- Be enrolled or accepted by an ROTC host college or university
- Rank in the upper half of the ROTC class
- Take the SAT or ACT not later than December of your senior year in high school

The “price” of receiving ROTC benefits is an obligation to serve in the armed forces after graduation. Students who complete only the first 2 years of an ROTC program have no military obligation. However, students who complete 4 years of ROTC and receive commissions are obliged to serve in the armed forces for a specified number of years, depending on the service. Normally, Army ROTC graduates are committed to serving a total of 8 years combined active and reserve duty (nonscholarship graduates serve up to 4 years active duty, but many serve only 3 to 6 months active duty and serve in the National Guard or Army Reserves an additional 8 years). Air Force ROTC graduates

usually serve longer periods of active duty: nonflying officers serve 4 years active duty; navigators serve 5 years active duty *after they earn their wings*; and pilots serve 6 years active duty *after they earn their wings*. For more information, consult your high school counseling office and your local armed forces recruiting office.

U.S. Military Academy Appointments: Most appointments to any of the U.S. military academies are made by U.S. Representatives and Senators. If you want to be in the competition for appointment to one of the academies, write to your Congressman and Senators by the time you are a junior in high school and tell them of your interest in an appointment. They will establish a file on you. It is up to you to bring to their attention any information that may support your candidacy, including letters of recommendation from influential citizens in their congressional or senatorial district. Information about the service academies can be obtained by writing: Admissions Office, USMA, West Point, NY 10996; Candidate Guidance, U.S. Naval Academy, Annapolis, MD 21402; Director of Cadet Admissions, USAF Academy, CO 80840; or Admissions, U.S. Coast Guard Academy, New London, CT 06320.

3) *Active Duty Educational Benefits.* All branches of the service offer scholarship programs for active duty service personnel. Through arrangements with local colleges, the military will pay up to 90 percent of the tuition costs of courses taken off-duty. In addition, the National Guard, the Army Reserve and the Regular Army pay educational bonuses as enlistment incentives: The National Guard pays up to \$4,000 for educational expenses over 4 years; the National Guard and Army Reserve will pay 15 percent or \$500 (whichever is greater) per year toward repaying outstanding student loans; and the Regular Army will repay a third (or \$1,500) of outstanding student loans for each year of active duty, to a maximum of \$10,000.

4) *The New GI Bill and Veterans' Educational Assistance.* The New GI Bill, which applies to persons who enlisted in military service after July 1, 1985, provides substantial scholarship benefits for students who plan to enter college after they leave active duty. According to current provisions of the bill, active-duty servicemen contribute \$1,200 to an educational fund and receive at the end of their enlistment \$10,800 for tuition at the school of their choice. For enlistment in certain Military Occupation Specialties, additional educational bonuses up to \$14,400 are available. In short, if you are willing to defer college until after you have completed 4 years of service in a critical occupation, you can accumulate a college expense fund of up to \$25,200 for an actual cash outlay of just \$1,200.

The Veterans' Educational Assistance Program applies to military

personnel who enlisted before July 1, 1985 and offers benefits similar to those of the New GI Bill. The Veterans' Administration will match 2 for 1 contributions up to \$2,700, providing \$8,100 in tuition funds at the end of enlistment. Additional bonuses of up to \$18,300 are available for duty served in a critical military occupation.

College Work-Study and Student Loans

The **College Work-Study (CWS) Program** provides jobs for undergraduate and graduate students. CWS wages will be at least the current Federal minimum wage, and they usually are that. CWS "awards" are based on financial need as determined by a school's financial aid officers. The financial aid administrator at a particular school usually is responsible for the work-study program, and you should consult with the student-aid office early in the academic year to determine deadlines for work-study applications, how much work you qualify for, and how you will be paid. In general, CWS programs are subject to the following guidelines:

- Undergraduates are paid by the hour; graduate students may be salaried.
- No CWS participants may be paid by commission or fee.
- CWS participants must be paid at least once a month.
- Work-study jobs may be on- or off- campus, but they must be for a public or private nonprofit organization. Off-campus jobs must be in the "public interest" as described by the Federal Government (for example, a Federal, state, or local public agency).
- The number of hours that you are allowed to work is determined by the school authorities. Usually, work hours are limited to 20 hours per week.
- Usually, work-study is limited to students who are enrolled at least half-time; however, in some circumstances CWS awards are made to less-than-half-time students.

The **Perkins Loan Program** (formerly National Direct Student Loans) are below-market-interest-rate loans that are made to undergraduate and graduate students through a school's financial aid office. Depending on "need" and the amount of other aid received, students may borrow up to \$9,000 during 4 years of college.

Students must sign a promissory note agreeing to repay the loan, usually beginning 9 months after graduation, after leaving school, or after dropping below half-time status. The repayment schedule may extend as long as 10 years, and the amount of the monthly payment depends on the size of the debt. If you fail to make loan payments, a

school can require you to repay the entire amount immediately, including all interest and penalty charges; or it can sue you to collect that amount; or it can ask the Federal Government for help in collecting from you. The school or Federal Government can also notify credit bureaus, and the Internal Revenue Service may withhold your income tax refund to pay back an NDSL in default. Currently, the interest rate charged on Perkins Loans is 5 percent.

Under some circumstances, repayment of a Perkins Loan may be deferred for up to 3 years, if you are a member of the U.S. Armed Forces or the U.S. Public Health Service, a Peace Corps volunteer, or a volunteer in ACTION programs such as VISTA; if you are temporarily totally disabled, or if you cannot work because your spouse is temporarily totally disabled and you must care for him or her. Deferments of up to 2 years may be made if you are serving an internship required to begin a professional practice. Interest on a Perkins Loan continues to accumulate during deferment periods.

A Perkins Loan will be canceled under a variety of special circumstances: Your Perkins Loan will be canceled if you die or become totally and permanently disabled. Part of your Perkins Loan will be canceled for each year you teach handicapped children, or for each year you teach in a designated elementary or secondary school that serves low-income children. Part of a Perkins Loan will be canceled for each year you work in specified Head Start programs. And, as described above, the Department of Defense will repay a portion of your Perkins Loan for enlistment in selected occupations in the armed forces. **Only the originating school can grant deferment, cancellation, or decide other questions about the status of a Perkins Loan, and loan recipients are required to notify that school of anything that affects a recipient's ability to repay the loan or qualify for a deferment or cancellation of the loan.**

Guaranteed Student Loans (GSLs) are low-interest loans made by banks, credit unions, or savings and loan associations and are insured by a state guarantee agency and reinsured by the Federal Government. During the first 2 years, undergraduates can borrow up to \$2,625 per year under the GSL program and during each of 3 additional year up to \$4,000 per year. Total outstanding GSL debt is limited to \$17,250 for undergraduates.

GSL applications are available from a lending institution, from a school, or from a state guarantee agency. After the student submits the GSL application, it must be completed by the school, which certifies enrollment, cost of education, academic standing, other financial aid received, and need. It then must be approved by the lending institution, the guarantee agency, and the Department of Education.

The loan repayment provisions for Guaranteed Student Loans generally are similar to those for Perkins Loans. However, GSL recipients must pay a loan "origination fee" of 5 percent, which is deducted from the proceeds of the loan (if you borrowed \$1,000 you would actually receive only \$950). In addition, the state guarantee agency may also charge an insurance premium on the outstanding amount of the loan. This charge may vary from state to state, but it cannot be more than 1 percent per year of the outstanding principal balance. GSL borrowers are entitled to Federal interest benefits, which pay the interest on the loan until the repayment period begins and during authorized deferment periods.

You can use the proceeds of a GSL only for tuition and other reasonable educational expenses, and your responsibilities as a borrower are the same as for Perkins Loans. If you default on a Guaranteed Student Loan, you are subject to the same penalties that apply to defaults on Perkins Loans.

PLUS Loans are made to parents and undergraduates by private lenders (banks, credit unions, savings and loan associations, etc.). Parents may borrow up to \$4,000 per year, to a total of \$20,000 for each dependent child enrolled at least half-time.

Supplemental Loans for Students (SLS) are made to graduate students and independent undergraduates. Graduate students may borrow up to \$4,000 per year, to a total of \$20,000. This amount is in addition to the GSL limits. Independent undergraduates may borrow up to \$4,000 per year, but the combined total of GSL and SLS Loans cannot exceed the cost of education.

The application process for a PLUS or SLS Loan is the same as that for a GSL. However, PLUS and SLS borrowers do not have to demonstrate need, and their applications are subject to a credit review. Although your state guarantee agency may charge an insurance premium on the loan, there is no origination fee for PLUS or SLS Loans. The interest rate charged on PLUS and SLS Loans usually is higher than that on Perkins or GSL Loans. As of this writing, the annual interest rate charged first-time borrowers on Perkins Loans is 5 percent; on Guaranteed Student Loans, 8 percent; and on PLUS and SLS Loans, 12 percent.

State-Sponsored Loan Programs in most states are administered either by one of the state offices or by the schools themselves. Consult the list of offices under "State Grant Program Information" on pages 52-53, and contact the financial aid office of the school you plan to attend. Some states have residency requirements for student loans.

College-Sponsored Loans have increased greatly during the past 10 years. These loans are made directly by the schools, which subsequently enjoy interest earnings from them. Contact the school's financial aid office for information about its loan programs.

Conventional Loans always are available to parents or independent students whose credit is good, and many families each year take out either unsecured loans or secured home equity loans to finance a child's education. The tax reform of 1986 significantly altered the tax treatment

THE TAX REFORM OF 1986

If a student loan is contemplated, under the provisions of the Tax Reform Act of 1986, it is advantageous for most homeowners to finance college costs through a home mortgage loan. According to the tax reform, the deduction against income of interest on consumer debt will be phased out over several years — whereas the deduction for interest on mortgage payments for a family's first and second homes is retained. Where mortgage loans are taken out to finance college expenses, interest deductibility will be allowed to exceed the limits otherwise imposed on mortgage interest deductions. The Act provides that consumer interest is not deductible. Interest on debt secured by the taxpayer's principal residence or a second residence of the taxpayer up to the greater of \$100,000 or the basis of the property would be deductible and interest from such loans exceeding those limits would be deductible only if incurred for educational or medical expenses.

"Basis of the property" is not the same as its current market value. Basis refers to the actual costs of the residence plus adjustments (tangible improvements, not just maintenance). For homeowners who bought some time ago the difference between basis of the property and current market value may amount to many thousands of dollars. Thus, families who take out large mortgages based on the current value expecting large interest deductions should be aware that if the basis of their property is much lower than the market value, beyond the exempt \$100,000 they may not get the deductions they expect. The total of deductions allowed on mortgage interest is determined not by the actual interest on the mortgage, but is bound by the above limitations plus outlays for educational expenses and medical expenses. So long as these limitations are not exceeded, a home equity loan may be the least expensive type of college loan for most families.

of different types of loan interest. The most important change is discussed in the box on page 67.

SELECTED PRIVATE SOURCES OF SCHOLARSHIP OR LOAN FUNDS

- Abbott (The Clara) Foundation**, c/o Abbott Laboratories, D-579, AP68, North Chicago, IL 60064. (312) 937-3840. *Limited to active and retired Abbott Laboratories employees and members of their families.*
- Abell (Jennie G. & Pearl) Education Trust**, 723^{1/2} Main Street, P. O. Box 487, Ashland, KS 67831. (316) 685-2228. *Limited to graduates of Clark County, KS, high schools.*
- Aigner (G. J.) Foundation, Inc.**, 5617 Dempster St., Morton Grove, IL 60053. (312) 966-5782. *Limited to students of business, liberal arts, or theology.*
- Alworth (Marshall H. & Nellie) Memorial Fund**, 604 Alworth Building, Duluth, MN 55802. (218) 722-9366. *Limited to residents of Duluth & northern MN, specializing in the sciences.*
- Amarillo Area Foundation, Inc.**, 1000 Polk St., P. O. Box 2569, Amarillo, TX 79105. (806) 376-4521. *Primarily limited to residents of 26 most northern counties of TX Panhandle.*
- American Academy & Institute of Arts and Letters**, 633 West 155th St., New York, NY 10032. (212) 368-5900. *Limited to individuals showing promise and/or achievement in literature, music, and the arts. No support for the performing arts or photography.*
- Andrew (Aileen S.) Foundation**, 10500 West 153rd St., Orland Park, IL 60462. (312) 349-3300. *Limited to graduates of local high school.*
- Ann Arbor Area Foundation**, 121 West Washington, Suite 400, Ann Arbor, MI 48104. (313) 663-0401. *Limited to residents of Ann Arbor, MI, area.*
- Arctic Education Foundation**, P. O. Box 129, Barrow, AK 99723. (907) 852-8633. *Limited to needy Native Alaskans.*
- Arkansas Community Foundation, Inc.**, 604 East 6th St., Little Rock, AR 72202. (501) 372-1116. *Primarily limited to residents of AR.*
- Atherton Family Foundation**, c/o Hawaii Trust Co., Ltd., P. O. Box 3170, Honolulu, HI 96802. (808) 525-6512. *Limited to residents of HI who are children of Protestant ministers or who will pursue theological educations.*
- Aurora Foundation**, 111 West Downer Place, Suite 312, Aurora, IL 60506-5136. (312) 896-7800. *Limited to residents of Aurora, IL, area.*
- Aurora Foundation**, P. O. Box 1848, Bradenton, FL 33506. (813) 748-4100. *Limited to students of religion.*
- Baber (Weisell) Foundation, Inc.**, 535 South Broadway, Peru, IN 46970. (317) 473-7526. *Student loans limited to graduates of specified high schools in Miami County, IN.*
- Bair (Charles M.) Memorial Trust**, c/o First Trust Company of Montana, P. O. Box 30678, Billings, MT 59115. (406) 657-8124. *Limited to graduates of Harlowton and White Sulphur Springs high schools and Meagher and Wheatland County, MT, high schools.*
- Baker (J. H.) Trust**, c/o Farmers and Merchants State Bank, Box 280, La Crosse, KS 67548. (913) 222-2537. *Student loans limited to residents of five counties in KS.*
- Baker (Clark & Ruby) Foundation**, c/o Bank South, Personal Trust Dept., P. O. Box 4956, Atlanta, GA 30302. (404) 529-4627. *Limited to residents of GA*

for study at a college or university operated by or affiliated with the Methodist Church.

- Bamberger (Ruth Eleanor & John Ernest) Memorial Foundation**, 1201 Walker Center, Salt Lake City, UT 84111. (801) 364-2045. *Limited to local students.*
- Barker Foundation, Inc.**, P. O. Box 328, Nashua, NH 03061. (603) 889-1763. *Primarily limited to residents of NH.*
- Barth (The Theodore H.) Foundation, Inc.**, 1211 Avenue of the Americas, New York, NY 10036. (212) 840-6000. *No known restrictions.*
- Baumberger Endowment**, 7701 Broadway, Dijon Plaza, P. O. Box 6067, San Antonio, TX 78209. (512) 822-8915. *Limited to Bexar County, TX, students attending TX colleges and universities.*
- Bayrd (Adelaide Breed) Foundation**, c/o John A. Plummer, 8 Wilson Rd., Stoneham, MA 02180. (617) 438-6619. *Primarily limited to residents of the metropolitan Boston, MA, area, with emphasis on Malden.*
- Beatty (Cordelia Lunceford) Trust**, Security Bank Bldg., 2nd Fl. Blackwell, OK 74631. (405) 363-3684. *Limited to local high school students who are under 19 years of age.*
- Bend Foundation**, 416 Northeast Greenwood, Bend, OR 97701. (612) 382-1662. *Limited to residents of central OR, with preference for the city of Bend and Deschutes County.*
- Bennett (The James Gordon) Memorial Corporation**, Eleanor H. Keil, NYU, P. O. Box 908, Madison Square Station, New York, NY 10159. (212) 481-5905. *Limited to employees and their immediate families of New York City dailies.*
- Benz (Doris L.) Trust**, The New Hampshire Charitable Foundation, 1 South St., Concord, NH 03301. *Limited to residents of Sandwich, NH, or Carroll County, NH, who have graduated from high schools in these areas.*
- Bishop (E. K. and Lillian F.) Foundation**, Bishop Scholarship Committee, c/o Rainier National Bank, Grays Harbor Branch, P. O. Box 149, Aberdeen, WA 99520. *Primarily limited to residents of WA, with emphasis on Grays Harbor County.*
- Blandin (Charles K.) Foundation**, 100 Pokegama Ave. N., Grand Rapids, MN 55744. (218) 326-0523. *Limited to residents of MN, with emphasis on the northeastern and north central areas.*
- Blount (David S.) Educational Foundation**, c/o Colonial American National Bank, P. O. Box 13888, Roanoke, VA 24038. (703) 982-3201. *Limited to residents of VA attending VA colleges.*
- Bohnett (Vi) Memorial Foundation**, 315 Uluniu St., Rm. 208A, P. O. Box 1361, Kailua, HI 96734. *No known restrictions.*
- Borden (The Mary Owen) Memorial Foundation**, 11 Wisteria Dr., Fords, NJ 08863. *Limited to graduates of Rumson-Fair Haven New Jersey Regional High School.*
- Bovaird (The Mervin) Foundation**, 800 Oneok Plaza, 100 West 5th St., Tulsa, OK 74103. (918) 583-1777. *Limited to students attending the University of Tulsa.*
- Bowen (Ethel N.) Foundation**, c/o First National Bank of Bluefield, 500

- Federal St., Bluefield, WV 24701. (304) 325-8181. *Limited to residents of southern WV and southwestern VA.*
- Boynton Gillespie Memorial Fund**, Heritage Federal Building, Sparta, IL 62286. (618) 443-4430. *Limited to residents of IL.*
- Bradish (Norman C.) Trust U/W**, c/o Freedom Savings, P. O. Box 1420, Winter Park, FL 32790. *No known restrictions.*
- Brown (Joe W. & Dorothy Dorsett) Foundation**, 1801 Pere Marquette Building, New Orleans, LA 70112. *Primarily limited to residents of LA.*
- Bryan (Dodd & Dorothy L.) Foundation**, P. O. Box 6287, Sheridan, WY 82801. (307) 672-3535. *Loans limited to residents of Sheridan, Campbell & Johnson counties, WY, and Powder River, Big Horn & Rosebud counties, MT.*
- Buffalo Foundation**, 237 Main St., Buffalo, NY 14203. (716) 852-2857. *Limited to local residents.*
- Burgess (The William, Agnes & Elizabeth) Memorial Scholarship Fund**, c/o First National Bank, 1515 Charleston, Mattoon, IL 61938. (217) 234-7454. *Limited to graduates of Mattoon, IL, Community High School.*
- Burton (The William T. & Ethel Lewis) Foundation**, 101 North Huntington St., Sulphur, LA 70663. (318) 527-5221. *Primarily limited to graduates of SW Louisiana High School.*
- Bushee (Florence Evans) Foundation, Inc.**, Palmer & Dodge, One Beacon St., Rm. 2000, Boston, MA 02108. (617) 227-4400. *Limited to residents of Newburyport, MA, area.*
- Byrnes (James F.) Foundation**, P. O. Box 9596, Columbia, SC 29290. (803) 776-1211. *Limited to residents of SC who are orphans or part-orphans.*
- Caestecker (The Charles & Marie) Foundation**, Guidance Counselor, c/o Green Lake Public High School, Green Lake, WI 54941. *Primarily limited to graduates of Green Lake Public High School, WI.*
- California Masonic Foundation**, 1111 California St., San Francisco, CA 94108. (415) 776-7000. *Limited to residents of CA & HI.*
- Callaway (Fuller E.) Foundation**, 209 Broome St., P. O. Box 790, LaGrange, GA 30241. (404) 884-7348. *Primarily limited to residents of the city of LaGrange and Troup County, GA.*
- Camp Foundation**, P. O. Box 813, Franklin, VA 23851. (804) 562-3439. *Primarily limited to residents of Franklin, Southampton County, Isle of Wight County & Tidewater, VA, and northeastern NC.*
- Carlsbad Foundation, Inc.**, 116 South Canyon St., Carlsbad, NM 88220. (505) 887-1131. *Limited to residents of South Eddy County, NM.*
- Carman (Nellie Martin) Scholarship Trust**, c/o Seattle Trust & Savings Bank, P. O. Box 12907, Seattle, WA 98111. (206) 223-2220. *Limited to public high school students in King, Snohomish & Pierce counties, WA, who attend WA colleges and universities.*
- Carnegie Hero Fund Commission**, 606 Oliver Bldg., Pittsburgh, PA 15222. (412) 281-1302. *Limited to persons disabled while voluntarily attempting to save another life and to the dependents of those who lost their lives in such attempts.*
- Carter (Arthur H.) Scholarship Fund**, c/o American Accounting Assn., Sarasota, FL 33581. *Limited to accounting students.*

- Carter (Marjorie Sells) Boy Scout Scholarship Fund**, P. O. Box 527, W. Chatham, MA 02669. *Limited to former Boy Scouts in New England.*
- CFS Continental Foundation, Inc.**, 100 South Wacker Dr., Chicago, IL 60606. (312) 368-7500. *No known restrictions.*
- Chapman (William H.) Foundation**, P. O. Box 1321, New London, CT 06320. *Limited to residents of New London County, CT.*
- Chattanooga, The Community Foundation of Greater, Inc.**, 1600 American National Bank Building, Chattanooga, TN 37402. (615) 267-4311. *Primarily limited to residents of greater Chattanooga, TN, area.*
- Chautauqua Region Community Foundation, Inc.**, 812 Hotel Jamestown Building, Jamestown, NY 14701. (716) 488-0387. *Limited to residents of Chautauqua, NY, area.*
- Churches Homes Foundation, Inc.**, 1100 Spring St. N.W., Suite 600, Atlanta, GA 30367. (404) 892-8733. *No known restrictions.*
- Clark Foundation**, 30 Wall St., New York, NY 10005. (212) 269-1833. *Limited to residents of Cooperstown, NY, area.*
- Clemens Foundation**, P. O. Box 427, Philomath, OR 97370. (503) 929-3541. *Limited to local high school graduates.*
- Close Foundation, Inc.**, P. O. Drawer 460, Lancaster, SC 29720. (803) 286-2196. *Loans primarily limited to residents of Lancaster County, Chester Township of Chester County, and Fort Mill Township, SC, and of NC.*
- Cobb (Ty) Educational Fund**, P. O. Box 725, Forest Park, GA 30051. (404) 588-8449. *Limited to residents of GA who have completed 1 year in an accredited institution.*
- Coffey Foundation, Inc.**, P. O. Box 471, Lenoir, NC 28645. *No known restrictions for student loans.*
- Cole (Olive B.) Foundation, Inc.**, 3242 Mallard Cove Ln., Ft. Wayne, IN 46804. (219) 436-2182. *Limited to residents of the Kendallville, Noble County, IN, area and to LaGrange, Steuben, and deKalb counties.*
- Coleman (William S. and Lillian R.) Scholarship Trust**, c/o American Fletcher National Bank & Trust Co., 101 Monument Circle, Indianapolis, IN 46277. (317) 639-7544. *Limited to residents of Rush County, IN.*
- Colgan (The James W.) Fund**, c/o Bank of New England-West, Trust Dept., 1391 Main St., P. O. Box 9003, Springfield, MA 01101. (413) 787-8700. *Limited to needy residents of MA.*
- Community Welfare Association of Colquitt County**, P. O. Box 460, Moultrie, GA 31776. *No known restrictions.*
- Community Foundation for Monterey County**, P. O. Box 1384, Monterey, CA 93942. (408) 375-9712 or (408) 758-4492. *Primarily limited to residents of Monterey County, CA.*
- Cook (Loring) Foundation**, Counselor, McAllen Memorial High School, McAllen, TX 78502. *Limited to graduates from a local high school.*
- Corti Family Agricultural Fund**, c/o Bank of America, N.T. & S.A. Trust Dept., 1011 Van Ness Ave., P. O. Box 1672, Fresno, CA 93721. (805) 395-0880. *Limited to agricultural scholarships for residents of Kern County, CA.*
- Crary (Bruce L.) Foundation, Inc.**, Hand House, River St., P. O. Box 396, Elizabethtown, NY 12932. (518) 873-6496. *Limited to residents of Clinton, Essex, Franklin, Hamilton & Warren counties, NY.*

- Crawford (E. R.) Estate**, P. O. Box 487, McKeesport, PA 15134. *Limited to McKeesport Area High School and Duquesne High School seniors to attend the University of Pittsburgh or Pennsylvania State University, McKeesport Campus.*
- Daly (Bernard) Educational Fund**, P. O. Box 351, Lakeview, OR 97630. (503) 947-2196. *Limited to residents of Lake County, OR, for study at OR technical schools and colleges.*
- Davenport (George P.) Trust Fund**, 55 Front Street, Bath, ME 04530. (207) 443-3431. *Limited to graduates of Bath, ME, area high schools.*
- Davis (James A. & Juliet L.) Foundation, Inc.**, P. O. Box 2027, Hutchinson, KS 67504-2027. (316) 663-5021. *Limited to graduates of Hutchinson High School who will attend college in KS or MO.*
- Day (Carl & Virginia Johnson) Trust**, 108 West Madison St., Yazoo City, MS 39194. (601) 746-4901. *Loans limited to residents of MS attending MS colleges.*
- Dougherty Foundation, Inc.**, 3336 North 32nd St., Suite 115, Phoenix, AZ 85018. (602) 956-3980. *Limited to residents of AZ.*
- Dow Jones Newspaper Fund, Inc.**, P. O. Box 300, Princeton, NJ 08543-0300. (609) 452-2820. *Limited to students of journalism.*
- Eagles Memorial Foundation, Inc.**, 4710 14th St. West, Bradenton, FL 33507. *No known restrictions.*
- Ebell of Los Angeles Scholarship Endowment Fund**, 743 South Lucerne Blvd., Los Angeles, CA 90005. *Limited to undergraduates no older than 27 who are residents of Los Angeles County, CA.*
- Eddy (C. K.) Family Memorial Fund**, c/o Second National Bank of Saginaw, 101 North Washington Ave., Saginaw, MI 48607. *Loans limited to residents of Saginaw County, MI.*
- Eddy Foundation**, c/o Capital Management & Trust Dept., Northwest Bank-Duluth, Duluth, MN 55802. (218) 723-2773. *Limited to residents of Duluth, MN, area studying in the field of communication disorders and to nonresidents attending the University of Minnesota at Duluth.*
- Edmonds (James H. & Minnie M.) Educational Foundation**, c/o Interfirst Bank Houston, Trust Dept., P. O. Box 2555, Houston, TX 77252-2555. (713) 652-6533. *Limited to needy residents of TX, with preference for the Houston metropolitan area.*
- Education Communications Scholarship Foundation**, 721 North McKinley Rd., Lake Forest, IL 60045. (312) 295-6650. *No known restrictions.*
- Edwards Scholarship Fund**, One Federal St., Boston, MA 02110. (617) 426-4434. *Limited to students whose families have resided in Boston, MA, since their junior year in high school and who are enrolled in a program leading to a bachelor's or advanced degree.*
- El Paso Community Foundation**, Texas Commerce Bank Building, Suite 1616, El Paso, TX 79901. (915) 533-4020. *Limited to residents of El Paso, TX, area.*
- Elizabeth City Foundation**, P. O. Box 574, Elizabeth City, NC 27909. *Limited to residents of Camden County, NC.*
- Ellis (Charles E.) Grant & Scholarship Fund**, c/o Provident National Bank, Trust Administration Dept., 1632 Chestnut St., Philadelphia, PA 19103.

- Limited to functionally orphaned female high school students of Philadelphia County, PA.*
- English Foundation Trust**, 1522 Main St., Altavista, VA 24517. (804) 369-4771. *Primarily limited to residents of Campbell County, VA, area.*
- Erie Community Foundation**, 419 G. Daniel Baldwin Bldg., P. O. Box 1818, Erie, PA 16507. (814) 454-0843. *Primarily limited to residents of Erie County, PA.*
- Ewald (H. T.) Foundation**, 15175 East Jefferson, Grosse Pointe, MI 48230. (313) 821-2000. *Limited to local high school seniors.*
- Fahrney Education Foundation**, c/o Union Bank, Trust Dept., 123 East 3rd St., Ottumwa, IA 52501. (515) 683-1641. *Limited to residents of Wapello County, IA.*
- Fairey (Kittie M.) Educational Fund**, c/o The South Carolina National Bank, 101 Greystone Blvd., #9344, Columbia, SC 29226. *Limited to residents of SC attending a college or university within the state.*
- Fairfield (Freeman E.)-Meeker Charitable Trust**, First Interstate Bank of Denver, Terminal Annex Box 5825, Denver, CO 80217. (303) 893-2211. *Limited to Meeker High School, CO, graduates.*
- Fairly Co-operative Association, Inc.**, P. O. Box 5054, Jackson, MS 39216. (601) 939-9295. *Loans limited to residents of MS.*
- Fellows (J. Hugh & Earle W.) Memorial Fund**, c/o The President, Pensacola Junior College, 100 College Blvd., Pensacola, FL 32504. (904) 476-5410. *Low-interest loans limited to residents of northwest FL studying medicine, theology, nursing, or medical technology.*
- Ferebee (Percy B.) Endowment**, c/o Wachovia Bank & Trust Co., P. O. Box 3099, Winston-Salem, NC 27150. (919) 748-5269. *Primarily limited to residents of western NC.*
- Fields (Laura) Trust**, P. O. Box 2394 Lawton, OK 73502. (405) 355-3733. *Limited to residents of Comanche County, OK.*
- First Mississippi Corporation Foundation, Inc.**, 700 North St., P. O. Box 1249, Jackson, MS 39215-1249. (601) 948-7550. *Limited to valedictorians of local high schools.*
- Fitzgerald (Father James M.) Scholarship Trust**, c/o Commercial National Bank of Peoria, 301 S.W. Adams St., Peoria, IL 61631. (309) 655-5322. *Limited to residents of IL who are priesthood students attending a Catholic university or college.*
- Flickinger Memorial Trust, Inc.**, 115 West North St., P. O. Box 1255, Lima, OH 45802. (419) 227-6506. *Loans primarily limited to residents of OH.*
- Flinn Foundation**, 3300 North Central Ave., Suite 1730, Phoenix, AZ 85012. (602) 274-9000. *Limited to AZ high school graduates.*
- Folsom (Maud Glover) Foundation, Inc.**, P. O. Box 151, Harwinton, CT 06791. (203) 485-0405. *Limited to selected male students of American ancestry and of Anglo-Saxon or German descent.*
- Ford (The S. N. & Ada) Fund**, Distribution Committee, 35 North Park St., Mansfield, OH 44901. (419) 526-3493. *Limited to the youth of Richland County, OH.*
- Fort Pierce Memorial Hospital Scholarship Foundation**, c/o Lawnwood Medical Center, P. O. Box 188, 1700 South 23rd St., Fort Pierce, FL 33450.

- (305) 461-4000. *Primarily limited to residents of St. Lucie County, FL, in the health field.*
- Foundation for the Carolinas**, 301 South Brevard St., Charlotte, NC 28202. (704) 376-9541. *Primarily limited to residents of NC & SC.*
- Fox (Jacob L. & Lewis) Foundation Trust**, G. William Saxton, Hartford Public Schools, 249 High St., Hartford, CT 06103. (203) 722-8705. *Limited to graduates of Hartford, CT, public schools.*
- Fremont Area Foundation**, 108 South Stewart, Fremont, MI 49412. (616) 924-5350. *Primarily limited to residents of Newaygo County, MI.*
- Friendship Fund, Inc.**, c/o Boston Safe Deposit & Trust Co., 1 Boston Place, OBP-2, Boston, MA 02106. (617) 722-7538. *No known restrictions.*
- Fromm (Walter & Mabel) Scholarship Trust**, c/o First Wisconsin Trust Co., P. O. Box 2054, Milwaukee, WI 53201. *Primarily limited to graduates of Maple Grove (elementary) School and/or Merrill Senior Public High School, WI.*
- Fry (Erwin) Foundation**, P. O. Box 610, Sierra Vista, AZ 85636. (602) 886-1263. *Limited to residents of Cochise County, AZ.*
- Fuller (C. G.) Foundation**, c/o Bankers Trust of South Carolina, P. O. Box 2307, Columbia, SC 29202. (803) 771-2990. *Limited to residents of SC attending colleges in SC.*
- Furnas Foundation, Inc.**, 1000 McKee St., Batavia, IL 60510. (312) 879-6000. *Primarily limited to residents of Batavia, IL, and Clarke County, IA.*
- Gardner Foundation**, P. O. Box 126, Middletown, OH 45042. *Limited to graduating seniors from schools in Middletown and Hamilton County, OH.*
- Gemco Charitable & Scholarship Fund**, 6565 Knott Ave., Buena Park, CA 90620. (714) 739-6351. *Limited to residents of areas of store locations.*
- General Educational Fund, Inc.**, c/o The Merchants Trust Co., P. O. Box 1009, Burlington, VT 05402. *Primarily limited to residents of VT.*
- Ghidotti (William & Marian) Foundation**, P. O. Box 925, Nevada City, CA 95959. (916) 265-2708. *Limited to residents of Nevada County, CA.*
- Gibson (Addison H.) Foundation**, 2 PPG Place, Suite 310, Pittsburgh, PA 15222. (412) 261-1611. *Loans limited to male residents of western PA after at least 1 year of self-maintenance.*
- Gibson (E. L.) Foundation**, 201 South Edwards, Enterprise, AL 36330. (205) 347-0555. *Limited to Coffee County, AL, and contiguous counties.*
- Glens Falls Foundation**, 237 Glen St., P. O. Box 311, Glens Falls, NY 12801. (518) 792-1151. *Limited to graduates of Warren, Washington & Saratoga counties, NY, high schools.*
- Golden Nugget Scholarship Fund, Inc.**, P. O. Box 610, 129 East Fremont St., Las Vegas, NV 89125. (702) 385-7111. *Limited to graduates of NV & NJ high schools for use at accredited institutions in the United States.*
- Golub Foundation**, Scholarship Committee, c/o Golub Corp., P. O. Box 1074, Schenectady, NY 12301. *Limited to residents of Price Chopper Supermarket marketing areas, including NY, MA, PA, and VT.*
- Gore Family Memorial Foundation Trust**, 501 East Las Olas Blvd., Fort Lauderdale, FL 33302. *Limited to residents of Broward County, FL, except for severely handicapped applicants.*
- Grand Rapids Foundation**, 300-E Waters Building, 161 Ottawa N.W., Grand Rapids, MI 49503. (616) 454-1751. *Limited to residents of Kent County, MI.*

- Grand Haven Area Community Foundation, Inc.**, One South Harbor, Suite 3, Grand Haven, MI 49417. (616) 842-6378. *Loans limited to residents of the Tri-City and northwest Ottawa County, MI, areas.*
- Grupe (William F.) Foundation, Inc.**, 22 Old Short Hills Rd., Livingston, NJ 07039. (201) 740-1919. *Limited to residents of NJ who are medical & nursing students planning to practice in NJ.*
- Haas (Paul & Mary) Foundation**, P. O. Box 2928, Corpus Christi, TX 78403. *Limited to local undergraduates.*
- Hachar (D. D.) Charitable Trust Fund**, Laredo National Bank, P. O. Box 59, Laredo, TX 78040. (512) 723-1151. *Limited to residents of Laredo and Webb County, TX.*
- Hall Foundation**, 444 South 2nd St., Harrisburg, PA 17104. (717) 236-0384. *Primarily limited to residents of PA.*
- Hamman (George and Mary Josephine) Foundation**, 1000 Louisiana, Suite 820, Houston, TX 77002. (713) 658-8345. *Limited to local high school students.*
- Harcourt (The Alfred) Foundation**, 20 Haarlem Ave., White Plains, NY 10603. *Limited to students at Bennington College, Case Western Reserve University, Colorado College, Grinnell College, and San Diego University.*
- Hardin (Phil) Foundation**, Room 620, Gr. Ms. Life Bldg., Meridian, MS 39301. (601) 483-4282. *Loans primarily limited to residents of MS.*
- Harding Foundation**, Harding Foundation Bldg., Fifth & Hidalgo, P. O. Box 130, Raymondville, TX 78580. (512) 689-2706. *Limited to theological students, primarily from TX.*
- Hariri Foundation**, 1020 19th St. N.W., Suite 320, Washington, D.C. 20036. (202) 659-9200. *Loans limited to Lebanese and Arab students for study at U.S. institutions.*
- Harless (James) Foundation**, Drawer D, Gilbert, WV 25621. (304) 664-3227. *Primarily limited to residents of WV.*
- Harvard Musical Association**, c/o Chair., Awards Comm., 57A Chestnut St., Boston, MA 02108. (617) 523-2897. *Limited to residents of the greater Boston, MA, area.*
- Harvey Foundation, Inc.**, 507 First Federal Building, 1519 Ponce de Leon Ave., Santurce, Puerto Rico 00909. *Primarily limited to residents of Puerto Rico.*
- Hassel Foundation**, 1845 Walnut St., Philadelphia, PA 19103. (215) 561-6400. *Limited to two scholarships awarded annually to graduating seniors of two specific high schools.*
- Hatterscheidt Foundation, Inc.**, c/o First Bank-Aberdeen, 320 South First St., Aberdeen, SD 57401. (605) 225-9400. *Limited to graduating high school seniors in the top quarter of their class, primarily in SD or a 100-mile radius of Jamestown, ND.*
- Haus-Helms Foundation, Inc.**, Peoples National Bank Bldg., P. O. Box 25, Wapakoneta, OH 45895. (419) 738-4911. *Limited to graduating high school students who are residents of Auglaize and Allen counties, OH.*
- Hawaiian Foundation**, 111 South King St., P. O. Box 3170, Honolulu, HI 96802. (808) 525-8536. *Primarily limited to residents of HI.*
- Heisey Foundation**, c/o First Bank, P. O. Box 5000, Great Falls, MT 59401.

- (406) 761-7200. *Limited to residents of the Great Falls, MT, trading area.*
- Helvering (R. L. and Elsa) Trust**, 307 South 13th St., Marysville, KS 66508. (913) 562-3437. *One 4-year scholarship awarded each year to a graduating senior from a Marshall County, KS, high school attending a KS college or university.*
- Hertz (Fannie & John) Foundation**, P. O. Box 2230, Livermore, CA 94550-0130. (415) 449-0855. *Limited to residents of San Francisco Bay, CA, area.*
- High (Charles F.) Foundation**, 1520 Melody Ln., Bucyrus, OH 44820. (419) 562-2074. *Limited to male students of OH to attend Ohio State University.*
- Hobbs Foundation**, 131 South Barstow St., Rm. 309, Eau Claire, WI 54701. (715) 832-6645. *Primarily limited to residents of Eau Claire, WI, area.*
- Hope (Blanche & Thomas) Fund**, P. O. Box 1270, Ashland, KY 41105. *Limited to graduates of high schools in Boyd and Greenup counties, KY, and Lawrence County, OH.*
- Hopedale Foundation**, 43 Hope St., Hopedale, MA 01747. (617) 473-0820. *Loans limited to local high school graduates.*
- Horne (Dick) Foundation**, 360 Russell St. S.E., Orangeburg, SC 29115. *Primarily limited to residents of Orangeburg, SC, area.*
- Hosler (Dr. R. S.) Memorial Educational Fund**, 154 East Main St., Ashville, OH 43103. (614) 983-2054. *Limited to graduates of Teays Valley & Amanda Clearcreek, OH, high schools.*
- House (Susan Cook) Educational Trust**, Marine Bank of Springfield, One East Old Capitol Plaza, Springfield, IL 62701. (217) 525-9600. *Limited to residents of Sangamon County, IL.*
- Hoyt Foundation**, c/o First National Bank Building, P. O. Box 1488, New Castle, PA 16103. (412) 652-5511. *Limited to residents of Lawrence County, PA.*
- Hubbard Farms Charitable Foundation**, P. O. Box 505, Walpole, NH 03608. *No known restrictions.*
- Huffman Cornwell Foundation**, P. O. Box 98, Morgantown, NC 28655. (919) 437-4874. *Limited to students of Burke County high schools.*
- Hugg (Leola W. & Charles H.) Trust**, c/o Carroll Sunseri, First City National Bank, P. O. Box 809, Houston, TX 77001. *Limited to residents of Williamson County, TX, to attend colleges or universities in TX.*
- Hurley (Ed E. and Gladys) Foundation**, c/o First National Bank of Shreveport, P. O. Box 21116, Shreveport, LA 71120. *Grants for residents of any state attending Scarritt College in TN and loans to students residing in AR, LA, or TX to attend any other college.*
- Hurley (Ed E. and Gladys) Foundation**, c/o Interfirst Bank Dallas, P. O. Box 83776, Dallas, TX 75283. *Limited to theological students from AR, LA, and TX.*
- Ilgenfritz (May H.) Testamentary**, 108 West Pacific, Sedalia, MO 65301. (816) 826-3310. *Primarily limited to residents of MO.*
- Independence Foundation**, 2500 Philadelphia National Bank Bldg., Philadelphia, PA 19107-3493. (215) 563-8105. *No known restrictions for loans.*
- Ingram (Joe) Trust**, Joe W. Ingram Trust "B" Comm., 111 West 3rd St., Salisbury, MO 65281. (816) 388-5555. *Limited to residents of Chariton County, MO.*

- Janesville Foundation, Inc.**, 121 North Parker Dr., P. O. Box 1492, Janesville, WI 53547. (608) 752-1032. *Limited to local high school graduates.*
- Jay (George S. & Grace A.) Memorial Trust**, 612 1, 2 West Sheridan Ave., Shenandoah, IA 51601. (712) 246-3399. (Call on Tuesdays only.) *Loans limited to graduates of Shenandoah, Essex, and Farragut, IA, high schools.*
- Jeffers (Michael) Memorial Foundation**, c/o Second National Bank of Saginaw, 101 North Washington Ave., Saginaw, MI 48607. (517) 776-7353. *Loans limited to residents of Saginaw County, MI.*
- Jenkins Student Loan Fund**, c/o U.S. National Bank of Oregon, 321 S.W. 6th Ave., P. O. Box 3168, Portland, OR 97208. (503) 225-4456. *Loans limited to residents of OR.*
- Jewell (The Daniel Ashley and Irene Houston) Memorial Foundation**, c/o American National Bank & Trust Co., P. O. Box 1638, Chattanooga, TN 37401. *Limited to residents of Walker, Dade, and Catoosa counties, GA.*
- Jewish Foundation for Education of Women**, 330 West 58th St., 5J, New York, NY 10019. (212) 265-2565. *Limited to legal female residents of the greater New York, NY, metropolitan area.*
- Johnson (Dexter G.) Educational & Benevolent Trust**, 900 First City Place, Oklahoma City, OK 73102. (405) 840-2470. *Limited to physically handicapped residents of OK.*
- Johnson (George E.) Foundation**, 8522 South Lafayette Ave., Chicago, IL 60620. (312) 483-4100. *Limited to needy minority citizens of the United States who have been accepted as full-time students by accredited 4-year colleges or universities in the United States.*
- Johnson (John A.) Foundation**, 709 Lakewood Blvd., Madison, WI 53704. (608) 249-2313. *Primarily limited to residents of WI.*
- Johnson (The S.S.) Foundation**, P. O. Box 356, Redmond, OR 97756. (503) 548-8104. *Primarily limited to residents of the Pacific Northwest, primarily OR, and northern CA.*
- Jones (Clinton O. & Lura Curtis) Memorial Trust**, 184 North St., Pittsfield, MA 01201. *No known restrictions.*
- Jones (The Harvey and Bernice) Foundation**, P. O. Box 233, Springdale, AR 72765. (501) 756-0611. *Limited to health care and religion students from Springdale, AR.*
- Jones (Walter S. & Evan C.) Foundation**, 527 Commercial St., Rm. 515, Emporia, KS 66801. (316) 342-1714. *Limited to residents of Osage, Coffey, or Lyon County, KS.*
- Jordaan Foundation Trust**, c/o First State Bank & Trust Co., 111 East 8th St., P. O. Box 360, Larned, KS 67550. (316) 285-3157. *Limited to residents of Pawnee County, KS.*
- Kanawha Valley Foundation, The Greater**, P. O. Box 3041, Charleston, WV 25331. (304) 346-3620. *Limited to residents of WV.*
- Karnes Memorial Fund**, Board of Governors, P. O. Box 2, Fairbury, IL 61739. *No known restrictions.*
- Kelley (Edward Bangs) & Elza Kelley Foundation, Inc.**, 243 South St., P. O. Drawer M, Hyannis, MA 02601. (617) 775-3117. *Limited to residents of Barnstable County, MA.*
- Kemper (James S.) Foundation**, c/o Kemper Insurance, Route 22, Long

- Grove, IL 60047. (312) 540-2846. *Limited to students in the field of business or nursing, through the Kemper Scholars Program at participating institutions.*
- Kempner (Harris & Eliza) Fund**, P. O. Box 119, Galveston, TX 77553. (409) 765-6671. *Loans primarily limited to residents of TX.*
- Kennedy (Francis Nathaniel and Kathryn Padgett) Foundation**, P. O. Box 49, Laurens, SC 29360. (803) 984-4551. *Primarily limited to residents of SC.*
- Keyes (Bernice A. B.) Trust**, c/o Puget Sound National Bank, P. O. Box 1258, Tacoma, WA 98401. (206) 593-3832. *Limited to residents of Tacoma, WA, area.*
- Kibble Foundation**, P. O. Box 723, Pomeroy, OH 45769. *Limited to graduates of Meigs County, OH, high schools pursuing 4-year degrees.*
- Kiewit (Peter) Foundation**, Woodmen Tower, Suite 900, Farnam at 17th, Omaha, NE 68102. (402) 344-7890. *Limited to high school students in the Omaha, NE, and the Council Bluffs, IA, areas.*
- Kilbourne (E. H.) Residuary Charitable Trust**, c/o Lincoln National Bank Trust Dept., P. O. Box 960, Fort Wayne, IN 46801. (219) 461-6451. *Limited to residents of Allen County, IN.*
- Kilburger (Charles) Scholarship Fund**, Equitable Building, Lancaster, OH 43130. (614) 653-0461. *Limited to residents of Fairfield County, OH.*
- Killough (Walter H. D.) Trust**, c/o Marine Midland Bank, 250 Park Ave., New York, NY 10177. (212) 503-2774. *Limited to graduates of Erasmus High School, Brooklyn, NY.*
- King (Carl B. & Florence E.) Foundation**, One Preston Centre, 8222 Douglas Ave., Suite 370, Dallas, TX 75225. (214) 750-1884. *Limited to TX high school students.*
- Kohler Foundation, Inc.**, 104 Orchard Rd., Kohler, WI 53044. (414) 458-1972. *Limited to graduating high school students in Sheboygan County, WI.*
- Komarek Charitable Trust**, Norwest Bank Nebraska, P. O. Box 3959, Omaha, NE 68103. (402) 536-2470. *Limited to students pursuing careers in the ministry of the Presbyterian and Methodist faiths and for medical students at a specified university; primarily in western IA and eastern NE.*
- Kosciuszko Foundation, Inc.**, 15 East 65th St., New York, NY 10021. *Limited to Polish scholars desiring to study in the United States, and to American scholars desiring to study in Poland.*
- Koulaieff (The Trustees of Ivan V.) Educational Fund**, 651 11th Ave., San Francisco, CA 94118. *Limited to Russian immigrants.*
- Kutz (Milton & Hattie) Foundation**, 101 Garden of Eden Rd., Wilmington, DE 19803. (302) 478-6200. *Limited to residents of DE who will be college freshmen.*
- Lancaster County Federation**, 29 East King St., Lancaster, PA 17602. (717) 397-1629. *Limited to residents of Lancaster County, PA.*
- Lane (Winthrop & Frances) Foundation**, c/o Omaha National Bank, 17th & Farnam St., Omaha, NE 68102. (402) 348-6350. *Limited to students enrolled at Creighton School of Law and the University of Nebraska College of Law.*
- Lee Endowment Foundation**, Will F. Muse Endowment Fund, c/o Dr. David L. Buettner, Chair., Nominating Committee, North Iowa Area Community Col-

- lege, Mason City, IA 50401. (515) 421-4599. *Primarily limited to residents of Mason City and Cerro Gordo County, IA.*
- Leshner (Margaret & Irvin) Foundation**, P. O. Box 374, Oil City, PA 16301. (814) 677-5085. *Limited to graduates of Union High School, Clarion County, PA.*
- Leu Foundation, Inc.**, 2409 Abbott Martin Rd., Nashville, TN 37315. *Primarily limited to residents of North Platte, NE.*
- Levie (Marcus & Theresa) Educational Fund**, c/o Jewish Federation of Metropolitan Chicago, One South Franklin St., Chicago, IL 60606. (312) 346-6700. *Limited to Jewish residents of Cook County, IL, who need financial help to finish their professional or vocational training in the helping professions.*
- Li Foundation, Inc.**, 63 Herhill Rd., Glen Cove, NY 11542. *Limited to Chinese students.*
- Lincoln-Lane Foundation**, One Main Plaza East, Suite 1102, Norfolk, VA 23510. (804) 622-2557. *Limited to permanent residents of Norfolk-Virginia Beach, VA, area.*
- Lindsay (Franklin) Student Aid Fund**, Texas Commerce Bank of Austin, P. O. Box 550, Austin, TX 78789-0001. (512) 476-6611. *Loans limited to students attending a TX college or university.*
- Loats Foundation, Inc.**, c/o Evangelical Lutheran Church, East Church St., Frederick, MD 21701. (301) 663-6361. *Limited to residents of Frederick County, MD.*
- Lorain County, Community Foundation of Greater**, 1865 North Ridge Rd. East, Suite A, Lorain, OH 44055. (216) 277-0142. *Limited to residents of Lorain County, OH, and its immediate vicinity.*
- Lord (Henry C.) Scholarship Fund Trust**, c/o Amoskeag Bank, P. O. Box 150, Manchester, NH 03105. (603) 624-3614. *Limited to needy local residents.*
- Louisville Community Foundation, Inc.**, Meidinger Tower, Suite 101, Louisville, KY 40202. (502) 585-4649. *Limited to the greater Louisville, KY, area.*
- Luling Foundation**, 523 South Mulberry Ave., P. O. Drawer 31, Luling, TX 78648. (512) 875-2438. *Limited to agricultural students from Caldwell, Gonzales, and Guadalupe counties, TX.*
- Lynch (John B.) Scholarship Foundation**, P. O. Box 4248, Wilmington, DE 19807-0248. (302) 654-3444. *Limited to residents of DE.*
- Lyon Foundation, Inc.**, P. O. Box 4408, Little Rock, AR 72214. *Primarily limited to residents of AR.*
- MacCurdy-Salisbury Educational Foundation, Inc.**, Old Lyme, CT 06371. (203) 434-7983. *Limited to residents of Lyme and Old Lyme, CT.*
- Maddox (J. F.) Foundation**, P. O. Box 5410, Hobbs, NM 88241. (505) 393-6338. *Loans primarily limited to residents of NM and western TX.*
- Magale Foundation, Inc.**, First National Bank of Shreveport, P. O. Box 21116, Shreveport, LA 71120. (318) 226-2382. *Student loans limited to residents of AR, LA, or TX.*
- Maloney (William E.) Foundation**, 275 Massachusetts Ave., Lexington, MA 02173. (617) 862-3400. *Primarily limited to residents of MA.*
- Marshall & Isley Bank Foundation**, 770 North Water St., Milwaukee, WI 53202. *Primarily limited to residents of WI.*

- Masonic Foundation of Utah**, 650 East South Temple St., Salt Lake City, UT 84102. (801) 363-2936. *Loans primarily limited to residents of UT.*
- McClure (James G. K.) Educational and Development Fund, Inc.**, Hickory Nut Gap Farm, Rt. 6, Box 100, Fairview, NC 28730. (704) 628-3105. *Primarily limited to residents of western NC.*
- McDavid (G. N. & Edna) Dental Education Trust**, c/o Mercantile Bank, N.A., P. O. Box 387, Main Post Office, St. Louis, MO 63166. (314) 425-2672. *Loans limited to students in accredited dental schools who are residents of MO, with preference given to residents of Madison County.*
- McDonald (Collins) Trust Fund**, 620 North 1st St., Lakeview, OR 97630. (503) 947-2196. *Limited to residents of Lake County, OR.*
- McDonald Memorial Fund Trust**, Superintendent of the Warsaw Community Schools, Warsaw, IN 46580. *No known restrictions for student loans.*
- McFarland Charitable Foundation**, c/o Kathy Tarvin, Director of Nursing Service, Mason District Hospital, 520 East Franklin St., Havana, IL 62644. (309) 543-4431. *Primarily limited to nursing students in Mason County, IL.*
- McIntire (John) Educational Fund**, c/o First National Bank, Trust Dept., P. O. Box 2668, 422 Main St., Zanesville, OH 43701. (614) 432-8444. *Limited to residents of Zanesville, OH, who are single and under 21 years of age.*
- McKaig (Lalitta Nash) Foundation**, c/o Pittsburgh National Bank, Trust Dept. 966, Pittsburgh, PA 15265. *Limited to residents of Bedford and Somerset counties, PA; Mineral and Hampshire counties, WV; and Allegany and Garrett counties, MD.*
- McMillan (Bruce) Jr. Foundation, Inc.**, P. O. Box 9, Overton, TX 75684. (214) 834-3148. *Limited to students in specified east TX high schools.*
- Mellinger (Edward Arthur) Educational Foundation**, 1025 East Broadway, P. O. Box 278, Monmouth, IL 61462. (309) 734-2419. *Limited to students residing in or attending colleges in the Midwest.*
- MFA Foundation**, 615 Locust, Columbia, MO 65201. (314) 876-5395. *Primarily limited to residents of MO and areas of company operations.*
- Millhollon (Nettie) Educational Trust**, P. O. Box 32, Stanton, TX 79782. *Loans limited to residents of TX.*
- Minear (Ruth M.) Educational Trust**, c/o First National Bank in Wabash, 202 South Wabash St., Wabash, IN 46992. (219) 563-1116. *Limited to graduates of Wabash High School, Wabash, IN, attending accredited schools in IN.*
- Minor (The Berkeley) and Susan Fontaine Foundation**, c/o John L. Ray, 1210 One Valley Square, Charleston, WV 25301. *Limited to residents of WV attending the University of Charleston, the University of Virginia, the Protestant Episcopal Theological Seminary of Virginia, Marshall University, or West Virginia University.*
- Moore (Alfred) Foundation**, c/o C. L. Page Enterprises, Inc., P. O. Box 18426, Spartanburg, SC 29318. (803) 582-6844. *Limited to residents of Anderson & Spartanburg counties, SC.*
- Moore (Harry W. and Margaret) Foundation, Inc.**, 5051 Kitridge Rd., Dayton, OH 45424. (513) 233-0233. *Low-interest loans limited to Dayton area students planning to attend local public, nonsectarian universities.*
- Morris (The William T.) Foundation, Inc.**, Oak Hill, RD 4, Box 500, Dallas,

- PA 18612. (717) 639-5629. *Primarily limited to residents of northeastern states, especially NY, CT, and PA.*
- Mostazafan Foundation of New York**, 24 West 40th Street, New York, NY 10018. (212) 944-8333. *Limited to Iranian students studying in the United States.*
- Munson (W. B.) Foundation**, c/o Texas American Bank, P. O. Box 341, Denison, TX 75020. (214) 465-3030. *Limited to local high school graduates.*
- Murphy Foundation**, Murphy Building, El Dorado, AR 71730. (501) 862-6411. *Limited to students from the south AR area.*
- Murphy Foundation of Louisiana**, 200 Peach St., El Dorado, AR 71730. (501) 862-6411. *Primarily limited to residents of AR and northern LA.*
- Muskegon County Community Foundation, Inc.**, Frauenthal Center, Suite 304, 407 West Western Ave., Muskegon, MI 49440. (616) 722-4538. *Limited to residents of Muskegon County, MI.*
- National City Foundation**, c/o Corporate Tax Dept., 399 Park Ave., New York, NY 10043. *No known restrictions.*
- National Institute for the Food Service Industry**, 20 North Wacker Dr., Chicago, IL 60606. (312) 782-1703. *Limited to students in the food service field.*
- National Machinery Foundation, Inc.**, Greenfield St., P. O. Box 747, Tiffin, OH 44883. (419) 447-5211. *Primarily limited to residents of Seneca County and Tiffin, OH.*
- Naurison (James Z.) Scholarship Fund**, c/o Bank of New England-West, P. O. Box 9006, Springfield, MA 01102-9006. (413) 787-8745. *Limited to residents of Hampden, Hampshire, Franklin & Berkshire counties, MA, and Enfield & Suffield, CT.*
- New Hampshire Charitable Fund**, One South St., P. O. Box 1335, Concord, NH 03301. (603) 225-6641. *Limited to residents of NH.*
- New Orphan Asylum Scholarship Foundation**, 542 Prospect Place, Suite 9, Cincinnati, OH 45229. (513) 961-6626. *Limited to residents of the greater Cincinnati, OH, area.*
- North American Philips Foundation**, 100 East 42nd St., New York, NY 10017. *No known restrictions.*
- North Dakota Community Foundation**, 1002 East Central Ave., Bismarck, ND 58501. (701) 222-8349. *Primarily limited to residents of ND.*
- Oakland Scottish Rite Scaife, Oakland Scottish Rite Scholarship, and Helen Parmalee Educational Foundations**, 1547 Lakeside Dr., Oakland, CA 94612. (415) 451-1906. *Limited to graduates of local public high schools.*
- Ogden College Fund**, c/o Alvis Temple, Exec. Sec., P. O. Box 930, Bowling Green, KY 42101. (502) 781-2121. *Limited to students residing in KY and attending Ogden College of Western Kentucky University.*
- Olliff (Matred Carlton) Foundation**, P. O. Box 385, Wauchula, FL 33873. *Primarily limited to residents of FL.*
- Orscheln Industries Foundation, Inc.**, William E. Clark, Orscheln Industries Foundation Scholarship Committee, P. O. Box 266, Moberly, MO 65270. (816) 263-6693. *Limited to graduates of Cairo, Higbee, Moberly, and Westran high schools in Randolph County, MO.*

- Osceola Foundation, Inc.**, 51 East 42nd St., Suite 1601, New York, NY 10017.
No known restrictions.
- Oshkosh Foundation**, c/o First Wisconsin National Bank of Oshkosh, P. O. Box 2448, Oshkosh, WI 54903. (414) 424-4283. *Limited to residents of Oshkosh, WI.*
- Packer (Horace B.) Foundation, Inc.**, P. O. Box 35, Wellsboro, PA 16901. (717) 326-2611. *Limited to residents of Tioga County, PA.*
- Palm Beach County Community Foundation**, 324 Datura St., West Palm Beach, FL 33401. (305) 659-6800. *Primarily limited to residents of Palm Beach County, FL, and surrounding regions.*
- Panwy Foundation**, Greenwich Office Park, P. O. Box 1800, Greenwich, CT 06836. (203) 661-6616. *No known restrictions.*
- Peebles (Marion D. & Eva S.) Foundation**, c/o Union Bank & Trust Co., P. O. Box 369, Franklin, IN 46131. (317) 736-7191. *Limited to students of nursing, dietetics, and industrial arts, primarily in Franklin, IN.*
- Pemco Foundation**, 325 Eastlake Ave. E., Seattle, WA 98109. (206) 628-4000. *Limited to residents of WA.*
- Peninsula Community Foundation**, P. O. Box 627, Burlingame, CA 94011-0627. (415) 342-2477. *Limited to residents of San Mateo County and northern Santa Clara County, CA.*
- Petersburg Methodist Home for Girls**, 910 Northampton Rd., Petersburg, VA 23805. *Primarily limited to residents of Southside, VA.*
- Petersen (Esper A.) Foundation**, 1300 Skokie Highway, Gurnee, IL 60031. (312) 677-0049. *Primarily limited to residents of IL.*
- Phelps County Community Foundation, Inc.**, 701 4th Ave., Suite 8, Holdrege, NE 68949. (308) 995-6847. *Limited to residents of NE, particularly Phelps County.*
- Philips (Jesse) Foundation**, c/o Ruth Richardson, Dayton Board of Education, Dayton Public Schools, 348 West 1st St., Dayton, OH 45402. *Limited to high school students in Montgomery County, OH.*
- Phillips Foundation**, 100 Washington Square, Suite 1650, Minneapolis, MN 55401. (612) 331-6230. *Primarily limited to residents of MN area.*
- Phillips (The Dr. P.) Foundation**, 60 West Robinson St., P. O. Box 3753, Orlando, FL 32802. (305) 422-6105. *Student loans limited to residents of Orange County, FL, for study of medicine, engineering, or accounting.*
- Pick (The Albert) Jr. Fund**, 30 North Michigan Ave., Suite 819, Chicago, IL 60602. (312) 236-1192. *Primarily limited to residents of Chicago, IL.*
- Pickett & Hatcher Educational Fund, Inc.**, 1800 Buena Vista Rd., P. O. Box 8169, Columbus, GA 31908. (404) 327-6586. *Loans limited to residents of AL, FL, GA, KY, MS, NC, SC, TN, and VA. No support for students planning to enter the fields of medicine, law, or the ministry.*
- Pilgrim Foundation**, 478 Torrey St., Brockton, MA 02401-4654. (617) 586-6100. *Limited to residents of Brockton, MA, area.*
- Piper (Minnie Stevens) Foundation**, 800 N.W. Loop 410, GPM South Tower, Suite 530, San Antonio, TX 78216-5699. (512) 227-8119. *Limited to residents of TX.*
- Piton Foundation**, 511 16th St., Suite 700, Denver, CO 80202. (303) 825-6246.

- Primarily limited to residents of Denver, CO, with emphasis on the Denver metropolitan area.*
- Plym Foundation**, Star Bldg., Niles, MI 49120. (616) 683-8300. *Primarily limited to residents of MI.*
- Potlatch Foundation for Higher Education**, c/o George C. Cheek, P. O. Box 3591, San Francisco, CA 94119. (415) 981-5980. *Limited to residents in areas of company operations: AR, ID, and MN.*
- Poynter Fund**, 490 First Avenue South, P. O. Box 1121, St. Petersburg, FL 33731. (813) 893-8111. *Limited to students of journalism.*
- Pratt-Northam Foundation**, P. O. Box 104, Lowville, NY 13367. *Limited to residents of Black River Valley, NY, area.*
- Price (Herschel C.) Educational Foundation**, P. O. Box 412, Huntington, WV 25708-0412. (304) 529-3852. *Primarily limited to undergraduates residing in WV or attending WV colleges and universities.*
- Pullman (George M.) Educational Foundation**, 5020 South Lake Shore Dr., Chicago, IL 60615. (312) 363-6191. *Limited to any resident of Cook County, IL, or any child or grandchild of graduates of the Pullman Free School of Manual Training.*
- Racine County Area Foundation, Inc.**, 818 6th St., Racine, WI 53403. (414) 632-8474. *Limited to residents of Racine County, WI.*
- Rangeley Educational Trust**, c/o United Virginia Bank, P. O. Box 4911, Martinsville, VA 24115. (703) 632-6361. *Loans limited to residents of Martinsville and Henry County, VA.*
- Raskob (The Bill) Foundation, Inc.**, P. O. Box 4019, Wilmington, DE 19807. (302) 655-4440. *Limited to interest-free student loans to Americans matriculating within the United States.*
- Ratner, Miller, Shafran Foundation**, 10800 Brookpark Rd., Cleveland, OH 44130. (216) 267-1200. *Limited to residents of Cuyahoga County, OH.*
- Record (George J.) School Foundation**, P. O. Box 581, Conneaut, OH 44030. (216) 599-8283. *Limited to residents of Ashtabula County, OH, attending an approved private college and completing 6 quarters of religious study.*
- Reeves Brothers Foundation, Inc.**, 115 Summit Ave., Summit, NJ 07901. *No known restrictions.*
- Reynolds (Edith Grace) Estate Residuary Trust**, c/o Key Trust Co., 60 State St., P. O. Box 1965, Albany, NY 12207. *Limited to residents of School District 1, Rensselaer County, NY.*
- Richards (The Mabel Wilson) Scholarship Fund**, 3333 Glendale Blvd., Suite 1, Los Angeles, CA 90039. (213) 661-1396. *Limited to worthy and needy girls of the Los Angeles area.*
- Richland County Federation of Mansfield, Ohio**, 34^{1/2} South Park St., Rm. 202, Mansfield, OH 44902. (419) 525-3020. *Primarily limited to residents of Richland County, OH.*
- Rinker Companies Foundation, Inc.**, 1501 Belvedere Rd., West Palm Beach, FL 33406. (305) 833-5555. *Limited to residents of FL with business or construction industry-related majors.*
- Robin Scholarship Foundation**, 1333 North Wells St., Chicago, IL 60610. (312) 642-9700. *Limited to low-income residents of IL, with emphasis on Chicago area.*

- Roothbert Fund, Inc.**, 360 Park Avenue South, 15th Fl., New York, NY 10010. (212) 679-2030. *Limited to spiritually motivated students with preference to those considering the teaching field.*
- Russell (Benjamin and Roberta) Educational and Charitable Foundation, Inc.**, P. O. Box 272, Alexander City, AL 35010. *Limited to Tallapoosa and Coosa counties.*
- Rutledge (Edward) Charity**, 404 North Bridge St., P. O. Box 369, Chippewa Falls, WI 54729. (715) 723-6618. *Limited to residents of Chippewa County, WI.*
- Sachs Foundation**, 101 North Cascade Ave., Suite 430, Colorado Springs, CO 80903. (303) 633-2353. *Limited to black residents of CO.*
- Salem Foundation**, c/o Pioneer Trust Bank, P. O. Box 2305, Salem, OR 97308. (503) 363-3136. *Limited to residents of Salem, OR, area.*
- Sample (Adrian M.) Trust No. 2**, 5311 Burningtrees Dr., Orlando, FL 32811. (305) 423-0314. *Limited to Protestant residents of St. Lucie or Okeechobee counties, FL.*
- San Antonio Area Foundation**, 808 Travis Building, 405 North st. Mary's, San Antonio, TX 78205. (512) 225-2243. *Limited to residents of San Antonio, TX, area.*
- Santa Barbara Foundation**, 15 East Carillo St., Santa Barbara, CA 93101. (805) 963-1873. *Limited to residents of Santa Barbara County, CA.*
- Sapelo Island Research Foundation, Inc.**, 1425 21st St. N.W., Washington, D.C. 20036. (202) 822-9193. *Limited to residents of GA.*
- Schenectady Foundation**, P. O. Box 380, Schenectady, NY 12301. (518) 372-4761. *Limited to Schenectady County, NY, students entering the teaching profession.*
- Schepp (Leopold) Foundation**, 15 East 26th St., Suite 1900, New York, NY 10010. (212) 889-9737. *Limited to those with insufficient means to complete their education.*
- Scott (Olin) Fund, Inc.**, 100 South St., P. O. Box 1208, Bennington, VT 05201. (802) 447-1096. *Loans limited to young men of Bennington County, VT.*
- Scripps-Howard Foundation**, P. O. Box 5380, Cincinnati, OH 45201. (513) 977-3035. *Limited to students pursuing careers in communications (as it pertains to print or broadcast media) primarily in areas of company operations.*
- Seibel (The Abe & Annie) Foundation**, c/o The United States National Bank, P. O. box 179, Galveston, TX 77550. (409) 763-1211. *Interest-free loans limited to graduates of TX high schools attending TX colleges and universities.*
- Shanor (The M. L.) Foundation**, P. O. Box 7522, Wichita Falls, TX 76307. (817) 761-2401. *Primarily limited to residents of TX, with emphasis on Cherokee, Midland, Wichita, and Wilbarger counties.*
- Shinnick (William M.) Educational Fund**, 534 Market St., Zanesville, OH 43701. (614) 452-2273. *Limited to residents of Muskingum, OH.*
- Slemp Foundation**, c/o First National Bank of Cincinnati, P. O. Box 1118, Cincinnati, OH 45201. (513) 632-4585. *Limited to residents of Lee & Wise counties, VA.*
- Smyth (Marion C.) Trust**, 875 Elm St., R. 615, Manchester, NH 03101. (603)

- 623-3420. *Limited to residents of Manchester, NH, and adjacent towns for musical education.*
- Snayberger (Harry E. & Florence W.) Memorial Foundation**, c/o Pennsylvania National Bank & Trust, 1 South Centre St., Pottsville, PA 17901-3003. (717) 622-4200. *Limited to residents of Schuylkill County, PA.*
- Society for the Increase of the Ministry**, 120 Sigourney St., Hartford, CT 06105. *Limited to those preparing for Episcopal ordination.*
- Sordoni Foundation, Inc.**, c/o Warren E. Myers, R.D. 5, Box 148, Elmcrest Drive, Dallas, PA 18612. (717) 675-5730. *Limited to residents of Luzerne County, PA.*
- Southwest Florida Community Foundation, Inc.**, Drawer LL, Fort Myers, FL 33902. (813) 332-3315. *Primarily limited to residents of southwest FL.*
- Speas (Victor E.) Foundation**, c/o The First National Bank of Kansas City, 14 West 10th St., Kansas City, MO 64183. (816) 221-2800. *Limited to medical students at the University of Missouri at Kansas City.*
- Spokane Inland Northwest Community Foundation**, 926 Paulsen Building, Spokane, WA 99201-0402. (509) 624-2606. *Limited to residents of inland Northwest.*
- Springs Foundation, Inc.**, P. O. Drawer 460, Lancaster, SC 29720. (803) 286-2196. *Loans primarily limited to residents of Lancaster County and/or the townships of Fort Mills and Chester, SC.*
- Stark County Foundation**, United Bank Building, Suite 1180, 220 Market Avenue South, Canton, OH 44702. (216) 454-3426. *Limited to residents of Stark County, OH.*
- Stark (Donald A. and Jane C.) Charitable Trust**, c/o B. Wade White, Trustee, 5036 Willow Leaf Way, Sarasota, FL 33583. *No known restrictions.*
- Stark (Nelda C. and H. J. Lutcher) Foundation**, 602 West Main St., P. O. Box 909, Orange, TX 77631-0909. (409) 883-3513. *Limited to residents of TX.*
- Starr Foundation**, 70 Pine St., New York, NY 10270. (212) 770-6882. *No known restrictions.*
- Steele-Reese Foundation**, Lydia Schofield, Scholarship Dir. for Idaho, Box 922, Salmon, ID 83467. (202) 756-2829. *Limited to students of Lemhi and Custer counties, ID.*
- Sternberger (Sigmund) Foundation, Inc.**, P. O. Box 3111, Greensboro, NC 27402. (919) 378-1791. *Limited to children of members of the Revolution Masonic Lodge.*
- Stewart (J. C.) Memorial Trust**, 8901 Annapolis Rd., Lanham, MD 20706. (301) 459-4200. *Primarily limited to residents of MD.*
- Stock (Paul) Foundation**, 1130 Rumsey Ave., P. O. Box 2020, Cody, WY 82414. (307) 587-5275. *Primarily limited to residents of WY.*
- Stokes (Ann Bradshaw) Foundation**, P. O. Box 878, Lake Dallas, TX 75065. (214) 528-1929. *Limited to residents of TX.*
- Stone (Albert H. & Reuben S.) Fund**, c/o Nichols & Stone, 232 Logan St., Gardner, MA 01440. *Limited to residents of Gardner, MA.*
- Stonemason Foundation, Inc.**, 300 Dallas St., Spindale, NC 28160. (704) 286-2341. *Loans limited to residents of local area.*
- Stony Wold-Herbert Fund, Inc.**, 136 East 57th St., Rm. 1705, New York, NY

10022. (212) 753-6565. *Primarily limited to NY students with respiratory ailments.*
- Straub (Gertrude S.) Trust Estate**, c/o Hawaiian Trust Co., Ltd., P. O. Box 3170, Honolulu, HI 96802. (808) 525-6512. *Limited to HI high school graduates to attend mainland colleges and major in subjects relating to world peace.*
- Strong (Hattie M.) Foundation**, Cafritz Bldg., Suite 409, 1625 I St. N.W., Washington, D.C. 20006. (202) 331-1619. *Noninterest-bearing loans limited to students within 1 year of their degree and to students within the metropolitan Washington, D.C., area who are enrolled in vocational schools.*
- Stump (Jacob, Jr. & Clara) Memorial Scholarship Fund**, c/o Central National Bank of Mattoon, Broadway & Charleston at 14th St., Mattoon, IL 61938. (217) 234-6434. *Limited to residents of Coles, Cumberland, Douglas, and Moultrie counties attending state-supported colleges and universities in IL.*
- Sudbury Foundation**, c/o Mechanics Bank Trust Dept., P. O. Box 987, Worcester, MA 01613. (617) 798-6467. *Primarily limited to residents of Sudbury, MA.*
- Sullivan (Ray H. & Pauline) Foundation**, c/o Connecticut National Bank, 250 Captain's Walk, New London, CT 06320. (203) 447-6102. *Primarily limited to the diocese of Norwich, CT.*
- Sunnyside, Inc.**, 8609 N. W. Plaza Dr., Suite 201, Dallas, TX 75225. (214) 692-5686. *Limited to needy students.*
- Sussman (Otto) Trust**, c/o Sullivan & Cromwell, 125 Broad St., New York, NY 10004. *Limited to persons in need due to death or illness in their immediate families from NY, NJ, OK & PA.*
- Swiss Benevolent Society of Chicago**, Dr. Felix Gauz, Chicago Musical College of Roosevelt University, 430 South Michigan Ave., Chicago, IL 60605-1394. *Limited to individuals of Swiss descent in the Midwest, with emphasis on IL.*
- Tartt (Hope Pierce) Scholarship Fund**, P. O. Box 1964, Marshall, TX 75670. (214) 938-6622. *Limited to east TX students attending private institutions.*
- Thatcher Foundation**, Charlene Burkhard, c/o Minnequa Bank of Pueblo, Pueblo, CO 81004. (303) 544-3565. *Limited to residents of Pueblo County, CO.*
- Thomson (Frank) Scholarship Trust**, c/o Fidelity Bank, 135 South Broad St., Philadelphia, PA 19109. *Limited to sons of employees of Conrail, Amtrak, and Penn Central prior to 1976.*
- Thomson (John Edgar) Foundation**, The Rittenhouse Claridge, Suite 318, Philadelphia, PA 19103. (215) 545-6083. *Limited to daughters of deceased railroad employees.*
- Tilles (Rosalie) Nonsectarian Charity Fund**, 705 Olive St., Suite 906, St. Louis, MO 63101. (314) 231-1721. *Limited to residents of St. Louis City and St. Louis County, MO.*
- Tiscornia Foundation, Inc.**, P. O. Box 8787, 2303 Pipestone Rd., Benton Harbor, MI 49022-8787. (616) 926-0812. *Limited to Northern Berrien County high school students.*
- Tozer Foundation, Inc.**, c/o First Trust Co. of St. Paul, P. O. Box 64704, St. Paul, MN 55164. (612) 291-5134. *Primarily limited to residents of MN.*

- Trinity Foundation**, P. O. Box 7008, Pine Bluff, AR 71611. (501) 534-7120. *Primarily limited to residents of AR.*
- Tucson Community Foundation**, 6842 East Tanque Verde, Tucson, AZ 85715. (602) 772-1707. *Limited to the Tucson, AZ, metropolitan area.*
- Tyson Foundation, Inc.**, P. O. Drawer E, Springdale, AR 72764. *No known restrictions.*
- Urann Foundation**, P. O. Box 1788, Brockton, MA 02403. (617) 588-7744. *Limited to members of MA families engaged in cranberry production.*
- Van Buren Foundation, Inc.**, c/o Farmers State Bank, Keosauqua, IA 52565. (319) 293-3794. *Limited to residents of Van Buren County, IA.*
- Van Wert County Foundation**, 101^{1/2} East Main St., Van Wert, OH 45891. (419) 238-1743. *Limited to residents of Van Wert County, OH.*
- Vecellio (The Enrico) Family Foundation, Inc.**, c/o Raleigh County National Bank, 129 Main St., Beckley, WV 25801. *Primarily limited to residents of WV.*
- Viele (Frances S.) Scholastic Trust**, 626 Wilshire Blvd., #804, Los Angeles, CA 90017. (213) 629-3571. *Limited to members of Sigma Phi Society.*
- Vincent (Anna M.) Trust**, R. McKernan, c/o Mellon Bank, 3 Mellon Bank Center, 2nd Fl., Philadelphia, PA 19102. (215) 585-3208. *Limited to residents of Delaware Valley, PA, area.*
- Wagnalls Memorial**, 150 East Columbus St., Lithopolis, OH 43136. (614) 837-4765. *Limited to residents of Lithopolis, OH, area.*
- Wagner (Edward) and George Hosser Scholarship Fund Trust**, c/o Amoskeag Bank, P. O. Box 150, Manchester, NH 03105. (603) 624-3614. *Limited to young men of Manchester, NH.*
- Walker (W. E.) Foundation**, 3800 I-55 North, Jackson, MS 39206. (601) 981-7171. *Limited to local residents.*
- Warren Foundation**, c/o Warren National Bank, P. O. Drawer 69, Warren, PA 16365. *Limited to residents of Warren County, PA.*
- Watertown Foundation, Inc.**, 216 Washington Street, Chase Lincoln First Bank Building, Watertown, NY 13601. (315) 782-7110. *Limited to residents of Watertown & Jefferson counties, NY.*
- Welch (George T.) Testamentary Trust**, c/o Baker-Boyer National Bank, P. O. Box 1796, Walla Walla, WA 99362. (509) 525-2000. *Limited to residents of Walla Walla County, WA.*
- Weller Foundation, Inc.**, East Highway 20, P. O. Box 636, Atkinson, NE 68713. (402) 925-2803. *Limited to students attending Technical Community Colleges in NE or pursuing other vocational education.*
- Wellons Foundation, Inc.**, P. O. Box 1254, Dunn, NC 28334. (919) 892-3123. *No known restrictions for student loans.*
- Wells (Fred W.) Trust Fund**, Bank of New England-West, Trust Dept., One Federal St., Greenfield, MA 01301. (413) 772-0281. *Limited to residents of Greenfield, Deerfield, Shelburne, Ashfield, Montague, Buckland, Charlemont, Heath, Leyden, Gill, Northfield, Conway, Bernardston, Hawley, Rowe, and Monroe, MA.*
- West (W. F. & Blanche E.) Educational Fund**, c/o First Interstate Bank of Washington, Trust Dept., 473 North Market Blvd., P. O. Box 180, Chehalis,

- WA 98532. *Limited to graduates of Chehalis, WA, high school who have been residents of Lewis County, WA, for at least 2 years.*
- Westend Foundation, Inc.**, American National Bank & Trust Co., 736 Market St., Chattanooga, TN 37402. (615) 265-8881. *Primarily limited to residents of Chattanooga, TN, area.*
- Westlake (James L. & Nellie M.) Scholarship Fund**, c/o Mercantile Trust Co., P. O. Box 387, St. Louis, MO 63166. (314) 725-6410. *Limited to residents of MO.*
- Wheelwright Scientific School**, c/o Chase & Lunt, 47 State St., Newburyport, MA 01950. (617) 462-4434. *Limited to young Protestant men of Newburyport, MA, pursuing a scientific education.*
- Whiteley (The John & Elizabeth) Foundation**, c/o First of America Bank-Central, 101 South Washington Square, Lansing, MI 48933. (517) 374-5291. *Limited to residents of Ingham County, MI.*
- Whiteside (Robert B. and Sophia) Scholarship Fund**, c/o First Bank of Duluth, 130 West Superior St., Duluth, MN 55801. (218) 723-2888. *Limited to individuals from the top 10 percent of high school graduating classes of Duluth, MN.*
- Whitney Benefits, Inc.**, P. O. Box 691, Sheridan, WY 82801. (307) 674-7303. *Interest-free loans limited to graduates of Sheridan County, WY, high schools.*
- Williams (Arthur Ashley) Foundation**, 345 Union Ave., P. O. Box 665, Framingham, MA 01701. (617) 429-1149. *No known restrictions.*
- Williams Family Foundation**, P. O. Box 597, Fort Morgan, CO 80701. (303) 867-5621. *Limited to Morgan County high school graduates.*
- Windham Foundation, Inc.**, P. O. Box 70, Grafton, VT 05146. (802) 843-2211. *Limited to residents of VT, with emphasis on Windham County.*
- Winkler (Mark and Catherine) Foundation**, 1900 North Beauregard St., Alexandria, VA 22311. (703) 998-0400. *Primarily limited to residents of VA.*
- Winship Memorial Scholarship Foundation**, c/o Comerica Bank-Battle Creek, Trust Division, 25 West Michigan Mall, Battle Creek, MI 49016. (616) 966-6340. *Limited to graduates of Battle Creek, MI, area high schools.*
- Winston-Salem Foundation**, 229 First Union National Bank Building, Winston-Salem, NC 27101. (919) 725-2382. *Primarily limited to bona fide residents of NC.*
- Winter Park Community Trust Fund**, Mrs. Kelly Pflug, 1430 Alabama Dr., Winter Park, FL 32789. *Limited to residents of central FL.*
- Wisconsin Public Service Foundation, Inc.**, 700 North Adams St., P. O. Box 19001, Green Bay, WI 54307. (414) 433-1465. *Limited to residents of WI and upper MI.*
- Wolf (Benjamin & Fredora K.) Foundation**, Park Towne Place — North Building 1205, Philadelphia, PA 19130. (215) 787-6079. *Primarily limited to Philadelphia, PA, area.*
- Woltman (B. M.) Foundation**, c/o Frederick Boden, Exec. Dir., Lutheran Church-Synod, 7900 U.S. 290 East, Austin, TX 78724. *Limited to residents of TX preparing for the Lutheran ministry.*
- Woman's Seamen's Friend Society of Connecticut**, 74 Forbes Avenue, New Haven, CT 06502. (203) 467-3887. *Limited to CT students majoring in marine science.*

Women's Aid Society of 1844, Inc., 150 East 45th St., New York, NY 10017.

Limited to needy students.

Youngstown Foundation, c/o The Dollar Savings & Trust Co., P. O. Box 450, Youngstown, OH 44501. (216) 744-9000. *Loans limited to residents of the Youngstown, OH, area.*

Youth Foundation, Inc., 36 West 44th St., New York, NY 10036. *Limited to students who have demonstrated need as well as ability.*