

HISTORY
OF THE
BUREAU OF STUDENT LOANS AND SCHOLARSHIPS

August, 1954

Introduction

The Bureau of Student Loans and Scholarships operates as a functional departmental unit within the Office of the Dean of Students. Delegated to it is the responsibility of coordinating its financial counseling and aid program with those of other student personnel agencies within the structural unit of that office, with administrative offices and faculties of various colleges, with student organizations and with non-university organizations, foundations and individuals concerned with the personal needs of students.

The broad purpose of this office is to assist students make necessary financial adjustments while they are attending the University. More often than not, counselors in the Bureau find that a student's money problems are not solved simply by financial assistance in the form of loans or scholarships. A great deal of time and effort is expended by the staff in counseling the student with respect to planning and budgeting, helping him to spend his money judiciously, and advising him in procuring resources for continuing his education. As might be expected, matters not directly related to the student's financial situation are often found to be important enough to be of concern to the counselor so that other university resources, non-university agencies and individuals, as well as parents, must often be contacted. Thus, the administration of student financial aids is thought of as a personnel rather than as a fiscal function.

This office administers all student loan funds. Loan assistance is generally available to any registered student who is making satisfactory progress toward an educational objective. A loan may be obtained to meet any expense related to the student's attendance at the University. Except for emergencies, a student must have satisfactorily completed two quarters of academic work at the University before attaining eligibility for loan assistance. For students in all colleges other than Medicine, Dentistry and Veterinary Medicine, the limits are \$300 in any one academic year with \$600 as the total loan aid obtainable. For students in the three colleges mentioned above, these respective limits are \$500 and \$750. Interest rates are nominal and vary by fund. The University does not require cosigners or collateral security on loan obligations.

The Bureau's services are used in the administration of most of the scholarships available at the University. It either administers such funds directly or coordinates the work of special scholarship committees which function in the various colleges and departments. It is the central office through which the state-wide freshman scholarship program, sponsored jointly by the University and the Minnesota Alumni Association, is conducted.

Too, the Bureau functions as a liaison between students needing financial help and those individuals, organizations and philanthropies which can offer such help. Through referrals to such contacts it has been possible to obtain considerable financial help for students who otherwise would not have obtained such benefits.

In addition to direct assistance to our students, the office staff is continuously searching for ways and means to make our services more effective and to operate more efficiently. Staff conferences are held, findings of research workers at other institutions are utilized and original research is carried on by the Bureau to this end.

The Early Years

Although the University of Minnesota was chartered in 1851, it was not until fifty years later that students were given the opportunity to borrow money through the facilities of the University to help meet expenses directly related to their efforts to obtain higher educational training.

On February 8, 1901, John B. Gilfillan of Minneapolis, Minnesota, conveyed by deed to the University of Minnesota the sum of \$50,000 for the purpose of establishing the Gilfillan Trust, the income from which would be available to students for loan purposes. He said:

Actuated by my own experience from early life, I have had in mind for some time the establishing of a fund in trust, the income from which might be used in aid of such deserving youth of our state as might be found struggling for an education beyond their own means of obtaining. . . . The income of the said fund shall be subject to the use and disposal of the said Board of Regents for the educational purposes herein before specified, either in the form of a gift or temporary loan as the said Regents may deem best, the beneficiaries to be and continue to be within the following limitations, that is to say:

First, they must be youths of the state of Minnesota, without regard to sex.

Second, they must be and continue of unblemished moral character, and of temperate and industrious habits.

Third, they must be such as by examination and trial shall evince and maintain a taste, habit, and aptitude for study.

Fourth, the aid herein provided may be bestowed upon students in any of the departments of the state University, or in schools preparatory thereto.

The foregoing provisions shall be strictly construed, and as to any student who shall fail to come, or shall cease to be, within the set conditions as so construed, shall forfeit all claim to the benefits of such fund.

It will be seen that the spirit of this benefaction is to aid and encourage such as are worthy, susceptible and willing to help themselves; none other may share its benefits.¹

¹ John B. Gilfillan, Letter to the Board of Regents of the University of Minnesota, February 8, 1901. Approved by the Board of Regents April 4, 1901, December 10, 1901, and September 8, 1922. Business office files, University of Minnesota, Minneapolis.

A similar expression of appreciation was made by John D. Ludden of St. Paul, Minnesota, on October 2, 1902, when he stated in an indenture with the Board of Regents of the University,

...that the party of the first part, equally impressed with the value of an education in practical agriculture in the School of Agriculture of the University of Minnesota, and desirous of aiding some worthy student or students to obtain the advantages of such an education, to whom it would be difficult of attainment without financial aid, thus, in consideration of the premises, hereby assign, transfer and donate to the party of the second part, its successors and assigns forever, the sum of five thousand dollars as a perpetual fund to be held, invested,

and reinvested by the party of the second part, through its Board of Regents, subject only to the conditions as respects its first investment hereinafter contained, and the income thereof to be collected, received and applied by the said Board of Regents, as a gift, to the financial assistance of some worthy student of either sex in the said School of Agriculture, provided that the benefaction may be divided between two or more students, if the said Board of Regents, or its executive committee, shall deem it a more useful expenditure of said income, and shall so from time to time determine. ¹

¹ John D. Ludden, and University of Minnesota. Indenture dated October 2, 1902. Approved by the Board of Regents October 2, 1902. Business office files, University of Minnesota, Minneapolis.

These were the beginnings of what was to become an enlightened and everbroadening social consciousness. The old philosophy that education was for only those who could buy it was dying, and in its place came acceptance of the Jeffersonian philosophy of education for the masses which is based on democratic principles. With the establishment of student aid funds, the ability of a student to place the money on the barrelhead ceased to be a selection factor in admission policy.

Accompanying the steady growth of enrollment at the University of Minnesota was the tendency for an ever-increasing proportion of this enrollment to be drawn from the middle and lower socio-economic classes. More readily available financial aids made this possible. Opening the door of opportunity to the able but needy student helped to reduce the tremendous waste of our greatest natural resource - the intelligence of the people.

Much remains to be accomplished. Although 95 per cent of the boys and girls of fifth-grade age are enrolled in our schools, the fact is that with each succeeding grade, the percentage falls. For every 1000 students in the fifth grade, 600 are lost to education before the end of high school has been reached, and only 72 continue formal education through four years of college.¹

¹ Vannover Bush, Science, the Endless Frontier, A report to the President of the United States. Washington, D.C.: U. S. Government Printing Office, 1945. pp 158-68.

In the years following this generous expression of interest in broadening educational opportunities for youth of the state by Messrs. Gilfillan and Ludden, additional loan, prize and scholarship funds were established at the University. Expansion of student financial aids was relatively slow until the years immediately following World War I, when a rekindling of the earlier spark of social consciousness became apparent. Up to this time administration of the various loan and other student aid funds had been diversified, each handled by a particular department of the University. Student loans then available were cleared through the bursar's office in a business-like, but perfunctory manner. There is no evidence that any central office of the University was singularly concerned with broadening student aid opportunities.

The Transition Period

On June 13, 1917, the Office of the Dean of Student Affairs was established by action of the Board of Regents. Edward E. Nicholson,

then instructor in chemistry, was named the first Dean of Student Affairs. It is reasonable to assume that Dean Nicholson who "Had a generous-minded and unselfish interest in the welfare of students,"¹ was somewhat responsible for provoking new interest in providing a helping hand to students through loans, scholarships, and part-time employment.

¹ James Gray, The University of Minnesota. Minneapolis: The University of Minnesota Press. pp 348-360.

Student aid funds continued to increase during the next two decades, particularly during the depression years of the thirties. Undoubtedly "the compulsion of President Coffman's determination to justify the big University by showing that it could be a thoughtful shepherd even of a huge flock"² had much to do with encouraging students to enter the University on a pay-as-you-go basis with the help of part-time employment, or on a pay-after-you-leave arrangement through student loans.

² Ibid. pp 348-360.

In 1934 the Josephine L. Merriam Trust Fund was established and this fund today provides the major support of our state-wide freshman scholarship program. The establishment of the Merriam trust fund provided aid to young men of the state of Minnesota and has since proven to be a significant contribution to the present and future welfare of the state.

When the Office of the Dean of Student Affairs was

created in 1917, the administration of student loan funds then handled by the business office was transferred to the Dean's office. This was the first indication that the administration of student loans was considered a personnel rather than fiscal function. Not all loan funds were thus centered, because some were administered independently by the Law School, one by Mines and Metallurgy, and others by the Dean of Women. The few scholarships and prizes which then existed were handled by individual departments and colleges on the campus. Student employment services were provided by the same office serving the employment needs of the regular University staff.

Reorganization of Student Personnel

Up until the year 1941, the administration of student financial aids had "grown like Topsy" and naturally this loose structure suffered from inconsistencies and duplications. Thus it was with other facets of student personnel work on the campus. It was at this time that the President of the University instructed the committee on administrative reorganization to study the over-all student personnel program at the University of Minnesota and make specific recommendations for appropriate modifications.

The report ¹ from the committee of seven stated:

...that the function of handling student loans and scholarships, and advising with respect to individual financial problems, is of outstanding importance, and one that can be enlarged and elaborated upon in the best interests of students at the University.

¹ W. C. Coffey, Chairman, Blegen, T. C., Peik, W. E., Tate, J. T., Diehl, H. S., Fraser, E., and Willey, M. M., A Report to the President from the Committee on Administrative Reorganization. Approved by the Board of Regents, May 9, 1941.

a. Every student financial problem has ramifications that extend beyond the mere application for a loan or other assistance. The committee therefore recommends that there be expansion of the program involving the financial needs of individual students. Such expansion involves among other things the development of new cooperative relationships with the Student Employment Bureau, to the end that work opportunities are multiplied.

b. It is recommended that the internal organization of the office as it relates to loans and finances be worked out by the Director in consultation with the Comptroller so that the maximum cooperation between the two offices is achieved.

c. It is recommended that present loan procedures be reviewed jointly by the Comptroller and the Director.

d. It is recommended that the staff member immediately responsible for the student financial program should also serve as a special coordinator of the many scholarship and loan committees of the University and the colleges. In this capacity he should collect and exchange data required for the efficient selection of students for loans and scholarships.

e. The staff member immediately responsible for the student financial program should work in close cooperation with the committee on Work-Relief (NYA).

f. This staff member should also assist counselors of the colleges and other University personnel departments in advising students regarding their personal financial problems.

When Dean Nicholson retired in 1941, a complete revision of student personnel services was made possible. A central univer-

sity division to assume responsibility for planning and supervision of all facets of student personnel work on the campus was the answer. Total expression of the Minnesota point of view¹ that the individual student must be treated "as a person" came into existence.

¹ E. G. Williamson, "Counseling and the Minnesota Point of View," Educational and Psychological Measurement, 7:141-55 (Spring 1947).

E. G. Williamson who had previously served as coordinator of student personnel services, and who had done much to stimulate the development and acceptance of this philosophy, was made Dean of Students. "It was appropriate that Williamson, who had worked so long toward the close coordination of the functions of counseling, should become the first Dean of Students." Under Williamson "all the welfare services were brought together. The Dean of Students took in charge most of the interests that had belonged previously to the Dean of Student Affairs and the Dean of Women: loans, scholarships, counseling, housing, student social life, including that of fraternities and sororities." ²

² James Gray; op. cit. p. 358.

Thus centralization of the administration of student financial aids gained strong support.

Financial Counseling

Through centralization of administration of financial aids and the adopting of the personnel point of view, ³ the

concept of financial counseling evolved.

³ American Council on Education, The Student Personnel Point of View. Clarence S. Marsh, Editor, Washington, D.C.: The Council, 1937. Pp. 14

This idea was relatively new in the field of higher education. Broadly speaking, this phase of financial aid may be stated as "a recognition of individual differences in assisting a student in orienting himself to the problem of financing his education, particularly in the direction of independence and a high order of personal responsibility." ¹ In order that this kind of

George B. Risty., "Financial Counseling," pp. 221-231 in E. G. Williamson's edition Trends in Student Personnel Work. Minneapolis: University of Minnesota Press, 1949.

student aid might be most effective, administration of student financial aids had to be placed in the hands of professionally trained counselors. Financial aid was no longer to be viewed primarily as one of pure and simple philanthropy. The point of view inherent in the term "financial counseling" recognizes the necessity of evaluating past practices in terms of their effect upon the individual student, the educational institution, and the aims of higher education. There are complex human problems involved in education. Therefore, it follows logically that the problem of financial aid should be one integrated with the broader problems of educational policies.

As Risty points out, the general function of financial counseling may be divided into its more specific phases:

1. In consultation with educational-vocational counselors, to help the student decide for himself whether he should make the necessary sacrifices of time and money to obtain college training. This involves analysis of objective test data of the student's intellectual and physical ability, special aptitudes and skills, interest and emotional adjustment as well as financial resources available to the student. He should be helped to gain a realistic appraisal of his chances for capitalizing on his educational investment. Indeed, no financial counseling worthy of consideration can be separated from educational, vocational, emotional, and social counseling.

2. To help the student plan his over-all financial program associated with college attendance in accordance with his earning capacity and other financial resources. The counselor should help the student determine and evaluate sources of financial assistance available to him from his family, friends and savings. A careful analysis should be made of all additional sources of aid in the form of loans, scholarships, and part-time employment available to supplement the other sources of assistance. The counselor should point out to the student the probability of obtaining such supplementary assistance during his years of college attendance. The counselor should lend his knowledge and experience in helping the student prepare an over-all yearly and monthly financial budget, making allowances for variation due to emergencies which might arise. The counselor should be cognizant of the tendency of a student to plan his budget too closely and protect him from making this error.

3. To counsel the student wisely in helping him meet financial emergencies and problems related to his needs. It is reasonable to assume that there will be occasions when the student will have emergency problems caused by accident, hospitalization, or unexpected travel, for example, as a result of illness in the family. The student should feel free when emergencies arise to seek the advice of an experienced counselor in these matters and know that emergency aids are available to him if necessary.

4. To help the student make and execute feasible plans for meeting his financial obligations incurred while in college. Part of the responsibility of financial administrators and counselors should be to grant loan assistance to a student in accordance with this potential ability to meet his obligations. A sense of personal responsibility can be strengthened or destroyed by the ability or lack of ability to meet current financial obligations. A good credit rating is of inestimable value to a student in the post-college period. Before separating from the institution, the student should be presented with a summary of his financial obligations, and helped in making a workable plan of repayment. This policy will pay dividends in keeping the institutional funds intact and in promoting additional contributions from alumni for the purpose of aiding other students.¹

¹ George B. Risty, and Sharpe, Russell T., et al., Financial Assistance for College Students, Washington, D.C.: American Council on Education, 1946. pp 39-40.

Thus we see that financial counseling bridges the gap between the various aspects of educational and vocational counseling. The financial counselor functions harmoniously with the instructional staff member, the clinical counselor, the activities program director, the health service staff member and others in assisting students to maximize returns on their educational investments.

Establishment of the Bureau

In August, 1943, the administration of student financial aids was physically separated from the Office of the Dean of Students to provide more adequate working space for the various functional divisions of the Dean's office. This division of the

Office of the Dean of Students was then given the label of the Bureau of Student Loans and Scholarships and has since operated under that title. Delegated to it was the responsibility of coordinating its financial counseling and aid program with those of other student personnel agencies within the structure of that office, with administrative offices and faculties of various colleges, with student organizations and with non-university organizations, foundations, and individuals concerned with the personal needs of students. Basic principles and practices thus found expression.

Cognizant that there were many students capable of benefiting from college training who were denied educational opportunities because of lack of funds,¹ the staff of the Bureau directed its efforts primarily toward expansion of educational opportunities for students who were qualified.

¹ G. L. Anderson, and Berning, E. J. "What Happens to High School Graduates?" Biennial Report of the Committee on Educational Research, 1938-40. Minneapolis: University of Minnesota, 1941. pp. 15-40.

The administration of student financial aid is thought of as a personnel rather than as a fiscal function and is conducted within the framework of financial counseling. Every student requesting financial assistance is interviewed by a counselor, who because of his professional training and broad background of experience, is better able to appreciate the uniqueness of the student's financial difficulties and to discern related problems not often manifest to the casual observer. The student gets personal attention and

most often a solution to his money problem is found. Through referrals to other student personnel departments help is obtained in solving other problems as well. The student is advised concerning sources of financial aid and opportunities for self-help, guided in making his own intelligent decisions and in planning and executing his financial program with due consideration of his capacities, interests, health, study habits and attitudes. The financial counselor assists the student in determining his needs, in planning his budget and to obtain thereby a realistic picture of his financial responsibilities and commitments in comparison with his earning capacity and his assets. The aid provided is in such form and under such terms as to contribute materially to the student's total educational experience. Within this framework, the administration of student financial aids is coordinated with other aspects of educational-vocational counseling.

This office administers all student loan funds. Loan assistance is generally available to any registered student who is making satisfactory progress toward an educational objective. A loan may be obtained to meet any expenses related to the student's attendance at the University. Except for emergencies a student must have satisfactorily completed two quarters of academic work at the University before attaining eligibility for loan assistance. For students in all colleges other than medicine, dentistry, and veterinary medicine, the maximum loan aid obtainable in any one academic year is \$300; total loan indebtedness may not exceed \$600. For students in the three colleges mentioned above, these limits are \$500 and \$750, respectively. Interest rates are nominal and vary by fund. The University does not require

cosigners or collateral security on loan obligations.

Loans

At the time of reorganizations of the Office of Dean of Students in July, 1941, student loans were the only type of financial assistance administered by that office. The following academic year saw the infamous attack on Pearl Harbor and the beginning of World War II. The resultant changes in the economic, academic and social activities of students and the public, significantly affected the demand for financial assistance.

In the spring of 1942, the Congress of the United States appropriated the sum of \$5,000,000 for the purpose of providing loan assistance to students in colleges throughout the United States who were registered in technical fields closely related to the war effort. The United States Office of Education was designated as the central agency for allotting these funds to participating students. E. G. Williamson, Dean of Students, was appointed by University officials to serve as institutional representative in requesting and administering the funds allotted to the University. Through his efforts, the University of Minnesota was allotted the sum of \$109,795.00 for the fiscal year 1942-43 to be used for loan assistance for students registered in six professional fields designated as vital to the promotion of the war effort; namely, medicine, dentistry, pharmacy, engineering, physics and chemistry. To be eligible for this loan assistance the student had to be registered in one of these six professional fields, be within twenty-four months of graduation

and agree to stay on the accelerated program until the completion of his training or entrance into military service.

The accelerated program can best be described as condensation of the regular four-year curricula into three-year programs through the conversion of intermediate summer sessions into regular school quarters. Formerly, many student borrowers devoted their summer vacations to outside work which enabled them to repay debts incurred during the previous academic sessions and to save money for the coming school year. In addition many students were forced to cut down their part-time work during the regular school year because of the strains of heavy academic programs and continued studies. With these sources of aid cut off, more students applied for greater financial assistance.

A second important factor in the increased demand for student aids was the decreased ability of parents, relatives and friends to help students finance their programs. The advent of payroll deductions for the purpose of bonds, the payment of increased income taxes, social security taxes, workman's compensation payments, and union dues, provided less available cash with which to help their children finance their educational training. Further out-of-pocket expenses were incurred by workers moving to new jobs -- costs of traveling and the moving of household goods. This migration of workers to over-populated war production centers resulted in higher rent and food costs, which further decreased the net dollar earnings of these workers. The immediate demand on dollar earnings was advanced by the uncertainty

of the future provoked by a war economy. Therefore, the parents, relatives, and friends of University students were less able to use current earnings and invest in savings for education.

Then, too, the decreased net dollar earnings available for educational expenses on the part of the students or those assisting them were affected materially by the deflated purchasing value of the dollar. Concurrent with the war economy came higher prices for food, clothing, books and other necessities. For the most part, however, neither students nor their outside helpers had wage changes commensurate with the increased cost of living.

The fiscal year 1942-43 was an unusual one, and marked a dividing point between student aid activity in the depression years and the war and post-war years. In that year 529 students borrowed the sum of \$51,653.57 from University trust funds. In addition 407 students obtained student war loan assistance totaling \$96,605.35.

During the next year, civilian enrollment at the University decreased tremendously. Consequently, the demand for student loan assistance was lessened. In that year, 186 loans were granted from University loan funds totaling \$11,295.25. The student war loans program was continued and a total of \$14,367.98 was granted to those students continued on the program.

Such a sharp decrease in the number of applications for financial assistance later in the war period may be attributed to four reasons: First, a large decrease in the number of male students enrolled caused by demands of the armed forces. Second, the tremendous increase of federal subsidization of both men and women

students; e.g., the army and navy program subsidized the majority of medical and dental students; the nurses cadet corps program under the terms of the Bolton Act subsidized the majority of students in nursing, nursing education, and public health nursing; subsidization of students by private institutions such as Pratt and Whitney Aircraft, W. K. Kellogg Foundation, etc. Third, increase in part-time job opportunities for students which made it possible for marginally needy students to supplement their other limited sources of income through self-support. Fourth, increase in family incomes in a war economy, which made it possible for parents to give a proportionately larger amount of aid to their children.¹

¹ George P. Risty, "Report of Activities and Services for the Year Ending June 30, 1943," (A report to E. G. Williamson, Dean of Students). pp. 1-34.

From 1944-45 to 1952-53, our loan applications increased from 195 to 1,048 which represents an increase of 437%. In terms of dollar aid granted, our University loan program moved from \$11,206.75 in 1944-45 to \$111,197.33 in 1952-53, or an increase of 892%.²

² See Tables 3 and 4 and Chart IV (Appendix)

This significant change in student loan volume is more readily discernible from Table 1.

TABLE I

COMPARISON OF LOAN ASSISTANCE TO STUDENTS AT THE UNIVERSITY
OF MINNESOTA BY YEAR, NUMBER OF STUDENTS AND
AMOUNT FOR THE PERIOD 1934 TO 1953

Year	Number of Students	Loan Aid Granted	Average Loan Per Student
1934-35	354	\$ 26,380.72	\$ 74.52
1935-36	408	31,734.78	77.78
1936-37	320	26,641.45	83.25
1937-38	476	37,352.23	78.47
1938-39	531	42,136.68	79.35
1939-40	498	38,640.97	77.59
1940-41	430	41,309.80	96.07
1941-42	816	67,791.10	83.08
1942-43	529 *	51,653.57 *	97.64
1943-44	208	25,663.23	123.38
1944-45	106	11,206.75	105.72
1945-46	147	13,609.15	92.58
1946-47	221	21,339.40	96.56
1947-48	434	49,414.00	113.86
1948-49	418	41,784.70	99.96
1949-50	509	52,951.53	104.03
1950-51	725	97,937.16	135.08
1951-52	732	98,365.07	134.38
1952-53	738	111,197.33	150.67

* Exclusive of student war loans which totaled \$96,605.35 to forty students.

Scholarships

When we look at our scholarship program, we note two things: not only is the increase in the number of scholarship applications significant, but so is the diversification of the scholarship program.

In 1942-43 the Office of the Dean of Students administered the U. S. Public Health Service Scholarship Program for

those in various fields of nursing. In that year 278 nursing students were granted scholarship assistance of \$31,816.74.

Because the special United States Public Health Service Scholarship Program for nurses and the special Pratt-Whitney Scholarships for engineering aids, both of temporary nature, were relatively large in numbers of students and in dollar volume of aid, total figures of scholarship assistance for that year were colored.

In addition to these special programs the Dean's office administered only twelve University scholarship funds from which a total of 69 students received scholarship assistance of \$8,978.05.

Because of the relative scarcity of scholarship funds up to this time, it is probably more significant to note the changes in the scholarship program which have taken place since the fiscal year 1944-45, the year in which the Bureau of Student Loans and Scholarships became a budgetary unit of the Office of the Dean of Students.

Scholarship applications increased from 282 in 1944-45 to 1,267 in 1952-53, or an increase of 349%. At the same time scholarship assistance increased from \$6,422.30 to \$122,479.08 or an increase of 1,807%. If this dual change had occurred with respect to one single scholarship program, the relative change would not have been so significant in terms of case load. But this tremendous increase in the number of scholarship applications as such, coming simultaneously with equally significant changes in the scope of our scholarship programs, increased considerably the total case load in the Bureau.¹

¹ See Tables 3 and 4 and Chart III (Appendix)

In contrast to the twelve scholarship funds administered by the Bureau in 1942-43, the office in 1953-54 is responsible for administration of 132 separate scholarship funds. The majority of these require special preparation of cases for committee consideration.

One significant improvement in scholarship opportunities for students at the University of Minnesota was initiated five years ago. Our state-wide freshman scholarship program, supported conjointly by funds provided by gifts from alumni and friends of the University through the Greater University Fund, and by the Josephine L. Merriam Trust Fund, now provides annually scholarship assistance to about 100 entering freshmen who are graduates of our state high schools. These awards, ranging from \$225 to \$500, materially improve the coverage of our total scholarship program at the University. Since it began, the number of applications annually have quadrupled.

It is the responsibility of the Bureau to prepare and mail all material pertinent to this program to all high schools, both public and private, in the state of Minnesota. The Bureau then keeps in touch with all high schools and district committees throughout the state during the period in which applications are being filed by high school seniors. After applications are received from the twenty-three district committees of the state in March, each application is carefully evaluated and the qualifications

of each applicant summarized in report form for each member of the University Scholarship committee. This careful documentation of 400 to 500 cases each year takes a considerable proportion of professional and clerical staff time.

Following the University Scholarship Committee's review and recommendations, it becomes the responsibility of the Bureau to designate the scholarship recipients from a preferred list, to determine the dollar amount of these scholarships, to inform all applicants of the committee's decision by personal letter, to report to all members of the respective district committees and high school officials concerned. Then, from the time of selection of recipients to the opening of fall quarter, it is the responsibility of the Bureau to keep in touch with recipients, to help them during the orientation-registration period and to clear scholarship appointments and pay the awards in accordance with terms.

Those not offered cash scholarships in this state-wide program are offered the opportunity to apply for a Regents work-scholarship. This program is administered in cooperation with the Student Employment Office. In the summer of 1953 the Bureau received requests for further information about these special job contracts from 73 students. Of these, 59 accepted the offer of help in job placement and 53 of them were assigned jobs under this special program. This cooperative venture is a significant adjunct to the total student financial aid services conducted by the Bureau.

Although there has been a substantial increase in the number of scholarship funds and in the number of individual scholar-

ships available to students at the University, opportunity for such aid is still relatively limited. Therefore, it has been necessary to maintain high critical levels for each of the selective factors considered in the evaluation of an applicant's qualifications. It is the policy of the University to grant scholarship assistance to those students who have demonstrated the ability to do superior academic work, who possess qualities of leadership, whose abilities, interests and aptitudes indicate strong potentialities for successful service to society, and whose educational opportunities may be bettered through financial aid.

To supplement the aid opportunities provided to the University directly, the Bureau functions as the liaison between students needing financial help and those individuals, organizations and philanthropies who can offer such help. Through referrals to such contacts it has been possible to obtain considerable financial help for students who otherwise would not have obtained such benefits. In this respect the staff of the Bureau welcomes the opportunity to confer with prospective donors of funds concerning possible ways of providing financial aid to students and to help plan appropriate terms for administering such aid.

Special Services to Veterans

In the year 1945-46 began the influx of thousands of veterans to the University campus, many who needed financial assistance in addition to that provided under Public Laws 16 and 346. New phases of financial counseling services and financial

aid programs began which should not be overlooked in the study of functions of this Bureau. The services of the Bureau changed both in nature and in volume. That year 26% of the total student interviews were with veterans who were granted 22% of the total assistance -- loans and scholarships -- 38% of total loan assistance was granted to veterans. These proportions increased greatly during the next two years.

Because requests for financial assistance from veterans were often of an emergency nature, it became necessary to speed the procedure for investigating a student's qualifications. Often it was necessary to provide a veteran with loan assistance the same day the application was filed in the Bureau. This necessitated waiving the usual procedure of written references and obtaining a basis for evaluation of a student's qualifications through phone interviews. Whenever it was necessary to meet the veteran's needs promptly the Bureau willingly adjusted its procedures as to serve the best interests of the student.

When the war was over and the young men and women in the armed forces were being returned to civilian life, they were understandably anxious to make the transition as quickly and painlessly as possible. Although the intent was to provide each dischargée with full and complete information concerning veterans' benefits, there was usually too much of this information to be digested, and therefore many obtained inadequate information concerning their National Service Life Insurance. Seeing the need of providing some assistance to the veteran returning to the campus with respect to insurance and other benefits, the staff of the

Bureau visited the Veterans Administration and obtained as full information as possible concerning some of these benefits so as to assist veterans more ably with their individual problems.

Veteran students were assisted in reaching a decision regarding conversion of N.S.L.I. from term insurance to ordinary life or to 20-to 30-pay life policies, on procedures for obtaining reinstatement of lapsed policies, application for waiver on premiums in case of disability, change in option of payment by the insured or by the beneficiary on claims for death benefits, etc. This advice to veterans on insurance matters was usually given in terms of the veteran's peculiar financial circumstances, taking into consideration family responsibilities, vocational plans, condition of health and other pertinent matters. Most of these interviews with veterans on insurance resulted from referrals by the staff of the Bureau of Veteran's Affairs. Hundreds of veterans were counseled and aided in planning a feasible insurance program. Insurance is a personal matter; counselors in the Bureau were careful to treat it as such. This special service required day-to-day attention to changes and developments in N.S.L.I. and insurance plans in general. Although this added service increased the complexity of the work of the counseling staff, it was considered a privilege to serve the veterans.

Layettes

In 1946-47 it became evident that there was a great need for special assistance to married veterans with families. It was

apparent to all of us that a veteran with one or more children could not possibly live on \$90 per month, the amount granted to him under terms of Public Law 346. Because job opportunities were relatively good, the majority of these veterans worked part-time while attending the University.

Because every bit of help that could be obtained was needed, the Bureau was successful in establishing liaison relationships with the American Legion Auxiliary, the sole purpose of which was to provide layettes for the new families. The responsibility of evaluating the qualifications of applicants for these layettes and approving such requests was left entirely to the Bureau. This new service added responsibility, but the staff was happy to carry on the program because of the definite need for it. To carry out the program effectively a redistribution of responsibilities to the several members of the counseling staff was made to serve the best interests of the veterans. During the first year of this program 140 layettes were obtained. Each layette was considered to have a marketable value of about \$35, based on current prices. This special service reached its peak in the year 1948-49, when 317 layettes were obtained.¹

¹ See Table 3 and Chart II (Appendix)

Grant-in-Aid

In the year 1947-48 the Bureau was delegated the responsibility of administering the special grant-in-aid program to

veterans receiving aid under Public Law 16 and Public Law 346. Eligibility for this assistance from the University was determined quarterly on an individual basis. This program added 1,363 applications for aid during that year, each requiring careful review and special authorization for payment. Case load under this grant-in-aid program has gradually decreased from that first year's peak to 315 applications this past year, 1952-53.¹

¹ See Tables 3 and 4 and Chart II (Appendix)

U. S. State Department Aid

In 1949-50 the Bureau was assigned the responsibility of administering the U. S. State Department Aid to Chinese Students conjointly with the Office of Foreign Student Advisor. Each application had to be reviewed carefully and after eligibility had been established, a special report on each case was prepared for the U. S. State Department. Monthly and quarterly payments under this program were cleared to each recipient. From a high of 102 applications, this program decreased to eleven cases for the year 1952-53.²

² See Tables 3 and 4 and Chart II (Appendix)

Staff and University Support

In looking at the total case load during the years from

1944-45 through 1952-53, one notes the broadening scope of financial counseling and student financial aid services, and the increasing volume in terms of individual cases and dollar aid.¹

¹ See Tables 2, 3, and 4 and Charts I, II, III and IV (Appendix)

This significant growth in case load and dollar volume has been achieved with relatively little change in clerical and professional staff.²

² See Tables 2 and 3 (Appendix)

Only recently, during the current year, was additional professional staff time made available to this Bureau, which will make it possible to re-assign responsibilities so as to carry out our peculiar functions with proper and more thorough emphasis on service to students.

The Coming Years

Considering the extent and complexity of the work of the Bureau, which has constantly undergone change from year to year, the adjustment to the changing nature of the work has been relatively smooth. There is every reason to believe that the trend of increasing volume of business will continue for the foreseeable future.

Unsettled conditions in the world have not permitted stabilization of our economy. Inflation and increasing tax burdens have taken their toll and made money more difficult to get. Under the present

conditions there is proportionately less money for education. Unless there is a material change in our tax structure, the proportion of family income available to buy higher educational training for children will not be significant.

Reports of the University administration indicate that student enrollment is expected to increase annually for some time to come. This portends more business for the Bureau.

Our economy has enjoyed a period of relatively full employment during recent years. But if we can follow the signs of the times, we can expect a decrease in employment opportunities within the next year. Cutbacks in defense production may not be replaced immediately with production of consumer goods. Consequently, because of employment pressures, it will be relatively more difficult for students to obtain part-time jobs to help support themselves while in school. This may be true also with respect to summer employment. It is reasonable to expect, therefore, that a decrease in employment opportunities combined with an increase in enrollment will affect demands for student financial aids.

These observations, together with the fact that the Bureau's student financial aid program is receiving more and more public acceptance, all point to an increasing volume of business activity during the next few years. The office is in a good position to handle this expected increase in demand for loan assistance. It is not so fortunate with respect to scholarship aid. However, this past year has been one of encouragement because many industrial organizations, individuals, and social groups have expressed sincere interest in the needs of students

by sponsoring special scholarship programs. With the assistance of the Greater University Fund this office hopes to continue to encourage expansion of scholarship aid opportunities. Recently the emphasis has been on juniors or seniors in the arts and social areas and on fourth and fifth year students in technical fields. If it is possible to expand our present freshman scholarship program, we will be relatively effective in extending a helping hand to entering students from high schools within the economic area served by the University.

We have two weaknesses in our program: 1) A complete lack of scholarship opportunity for highly qualified non-residents, who wish to enter the University either as freshmen or as transfer students; 2) We have nothing to offer sophomores, either to those we brought in on our freshman program, or to any others who may have proven their ability to do superior academic work, but who do not have the means to continue their training. This is generally considered a critical stage in college work, and it is extremely important to encourage students to complete at least the first two years without incurring a sizeable debt. After that, employment opportunities and student loan assistance will generally help them achieve their educational objectives. This is one of the many facets of the Bureau's total program which will continue to receive attention during ensuing years.

TABLE 2

OFFICE LOAD FOR THE YEARS 1944-53

Year	Number of Students	Number of Interviews with Students, Staff and Others	number of Conferences, Committee and Board Meetings with Student Groups, Staff, Others	Traffic Count ^s . Number of Office Visits by Students Staff & Others
1952-53	2815	5426 *	120	10,278
1951-52	2673	5787	150	8,361
1950-51	2749	7294	188	8,070
1949-50	2235	5221	194	5,891 **
1948-49	2067	4940	206	8,307
1947-48	1793	4832	169	6,781
1946-47	885	2128	169	3,258
1945-46	508	1770	202	No Record
1944-45	399	1369	297	No Record

* Because of time factor, we eliminated quarterly follow-up interviews with regular scholarship holders—Alumni, Merriam, Sears, Williams, Morse, etc., which accounts, in part, for decrease in interviews relative to office visits.

** This is presumed to be inaccurate. It is a counting figure, and sometimes, particularly during peak loads and change of clerical help, an accurate count of visitors was not tabulated.

TABLE 3

CASE LOAD FOR THE YEARS 1944-53

Year	Counseling Cases	Layette* Applications	Grant-in-** Aid Applications	U.S.State*** Dept. Aid Cases	Loan Applications	Scholarship Applications	Total
1952-53	622	70	315	11	1048	1267	3333
1951-52	743	76	639	33	1041	1178	3710
1950-51	716	130	849	49	1012	1013	3769
1949-50	570	164	975	102	712	536	3059
1948-49	525	317	1013	---	606	513	2974
1947-48	262	206	1363	---	659	312	2802
1946-47	322	140	---	---	338	208	1008
1945-46	143	---	---	---	243	212	598
1944-45	104	---	---	---	195	282	581

* This office accepts and evaluates applications for complete layettes, which are provided for qualified veterans by the American Legion Auxiliary upon our recommendation.

** Special University aid to veterans in specific professional colleges to supplement aid received under Public Law 16 and Public Law 346.

*** U. S. State Department Aid to Chinese Students. Applications are reviewed jointly by Office of Foreign Student Adviser and payment of grants cleared through this office.

TABLE 4

DOLLAR VOLUME OF FINANCIAL AID FOR THE YEARS 1944-53

Year	Grant-in-Aid	U.S. State Department Aid	Loans		Scholarships		Total
			University	Referrals	University	Referrals	
1952-53	\$ 13,715.73	\$ 7,691.00	\$ 111,197.33	\$ 5,110.00	\$ 122,479.08	\$ 1,240.00	\$ 261,433.14
1951-52	26,096.04	16,328.00	98,365.07	4,475.00	100,316.14	1,100.00	246,680.25
1950-51	20,660.64	26,168.75	97,937.16	3,350.00	63,043.75	950.00	212,110.30
1949-50	19,239.25	33,710.00	52,951.53	1,755.00	59,819.28	1,500.00	167,610.06
1948-49	15,118.05	---	41,784.70	1,150.00	39,894.30	1,450.00	99,397.05
1947-48	29,265.60	---	49,414.00	1,250.00	28,931.26	2,270.00	111,190.86
1946-47	---	---	21,339.40	702.00	7,995.75	1,756.00	31,793.15
1945-46	---	---	13,609.15	925.00	9,027.61	1,960.00	25,521.76
1944-45	---	---	11,206.75	400.00	6,422.30	2,030.05	20,059.10

TABLE 5

COMPARISON OF AVAILABLE STAFF AND LABOR HOURS BY YEAR

Year	Administrative & Professional	Staff Fellows	Clerical*	Labor Hours Per Week	Index**
1952-53	2	2-AH50	2.1	205	137
1951-52	2	2-AH50	1.9-	195	130
1950-51	2	2-AH50	1.7-	185	123
1949-50	2	2-AH50	1.5	180	120
1948-49	2	2-AH50	1	160	107
1947-48	2	1-AH75	1	150	100
1946-47	2	1-AH75	1	150	100
1945-46	2	1-AH75	1	150	100
1944-45	2	1-AH75	1	150	100

* Includes Miscellaneous Payroll

** Amount of change translated into standard units of measure, using year 1944-45 as base.

TABLE 6

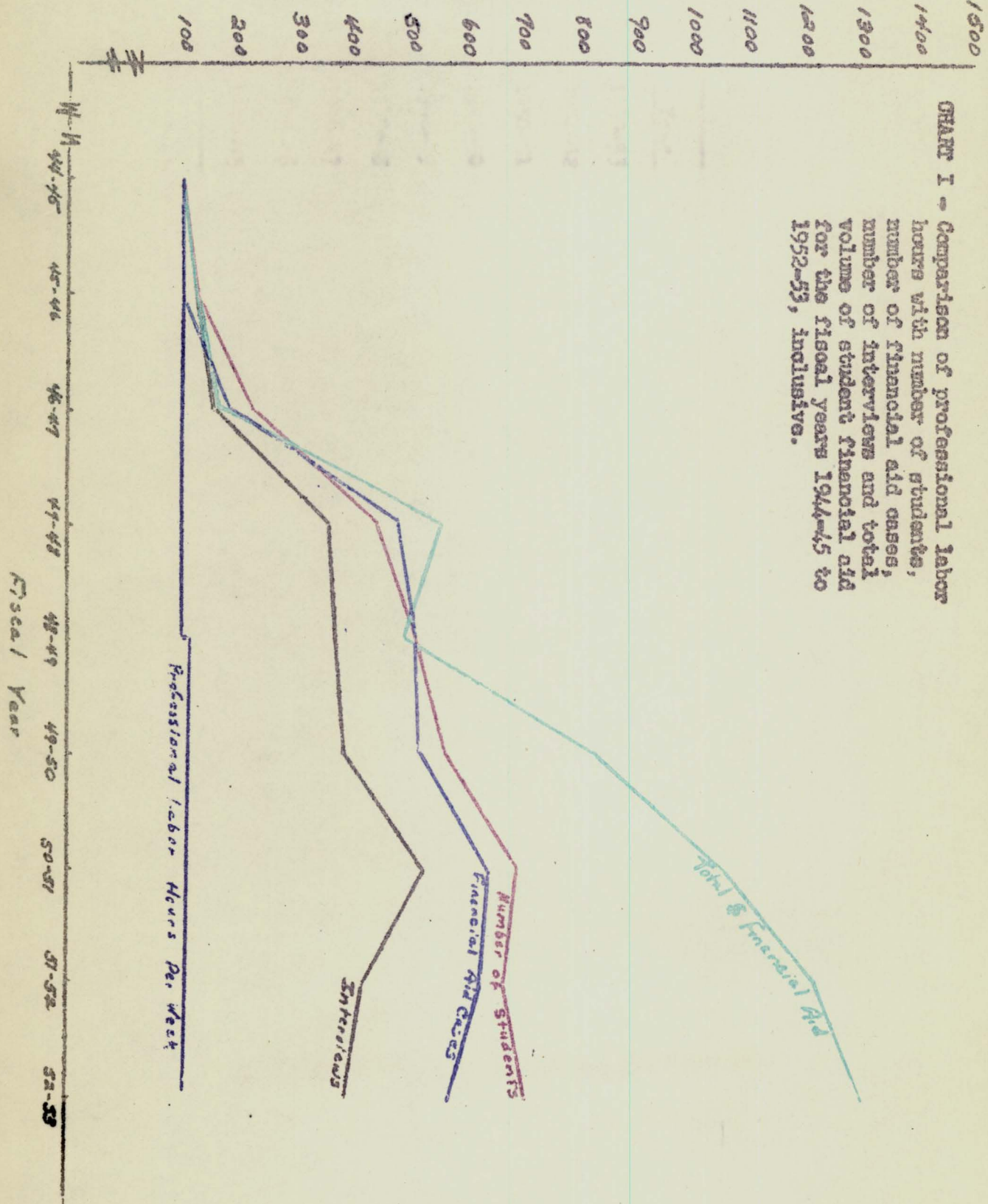
COMPARISON OF THE AMOUNT OF FINANCIAL SUPPORT BY YEAR

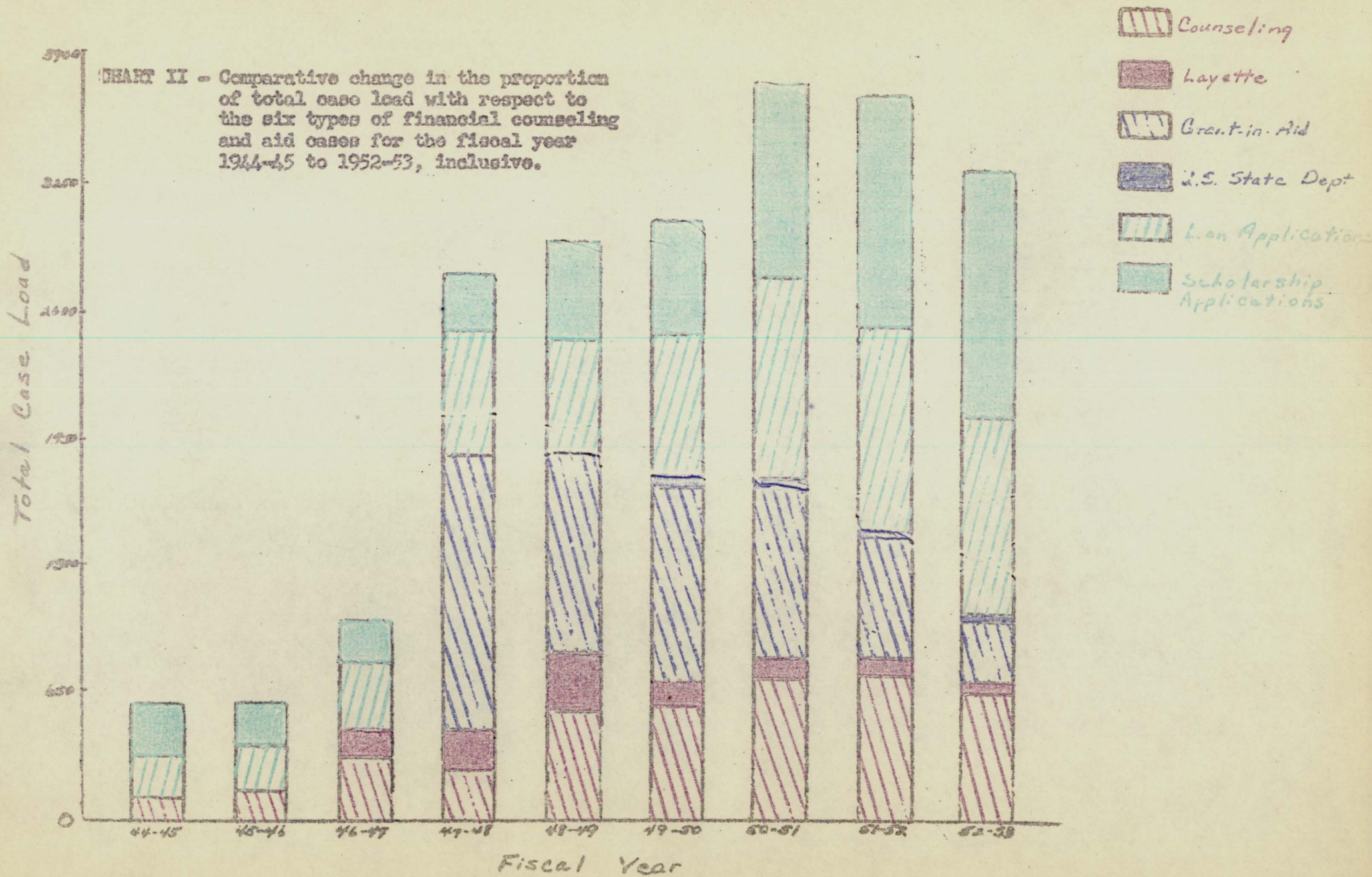
Year	Salaries *	Supplies	Total	Index
1952-53	\$ 16,859.00	\$ 1309.00	\$ 18,168.00	220
1951-52	16,896.35	1309.00	18,205.35	223
1950-51	13,918.00	1190.00	15,108.00	183
1949-50	13,618.00	1190.00	14,808.00	179
1948-49	12,408.00	390.00	12,798.00	155
1947-48	11,256.00	300.00	11,556.00	140
1946-47	9,403.00	300.00	9,703.00	118
1945-46	9,055.00	250.00	9,305.00	113
1944-45	7,995.00	250.00	8,245.00	100

* Includes special allotments to miscellaneous payroll during the year.

Index: Base Year 1944-45 = 100

CHART I - Comparison of professional labor hours with number of students, number of financial aid cases, number of interviews and total volume of student financial aid for the fiscal years 1944-45 to 1952-53, inclusive.

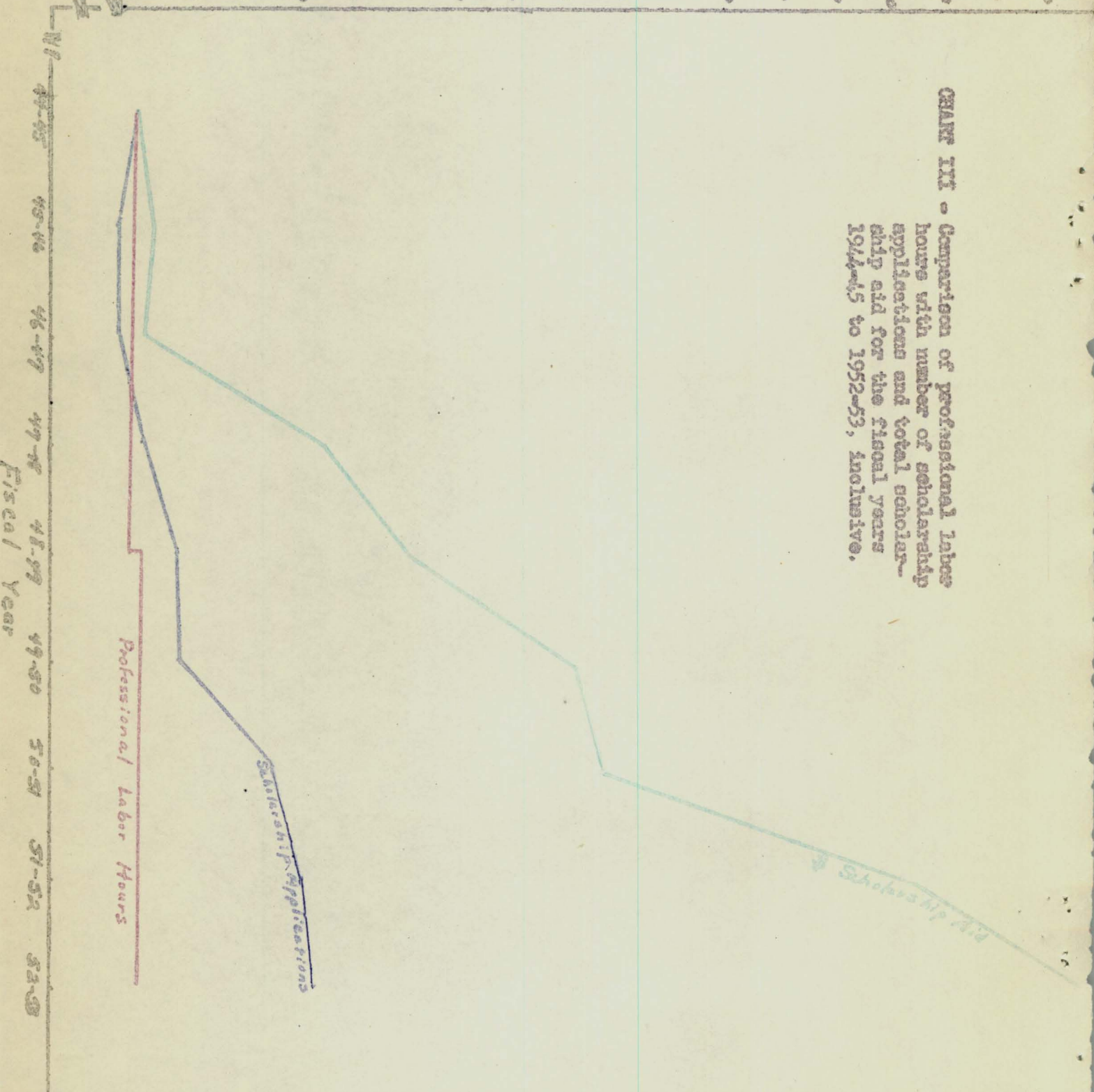




Index: Base Year 1944-45 = 100

1800
1700
1600
1500
1400
1300
1200
1100
1000
900
800
700
600
500
400
300
200
100

CHART III - Comparison of professional labor hours with number of scholarship applications and total scholarship aid for the fiscal years 1944-45 to 1952-53, inclusive.



Fiscal Year

44-45 45-46 46-47 47-48 48-49 49-50 50-51 51-52 52-53

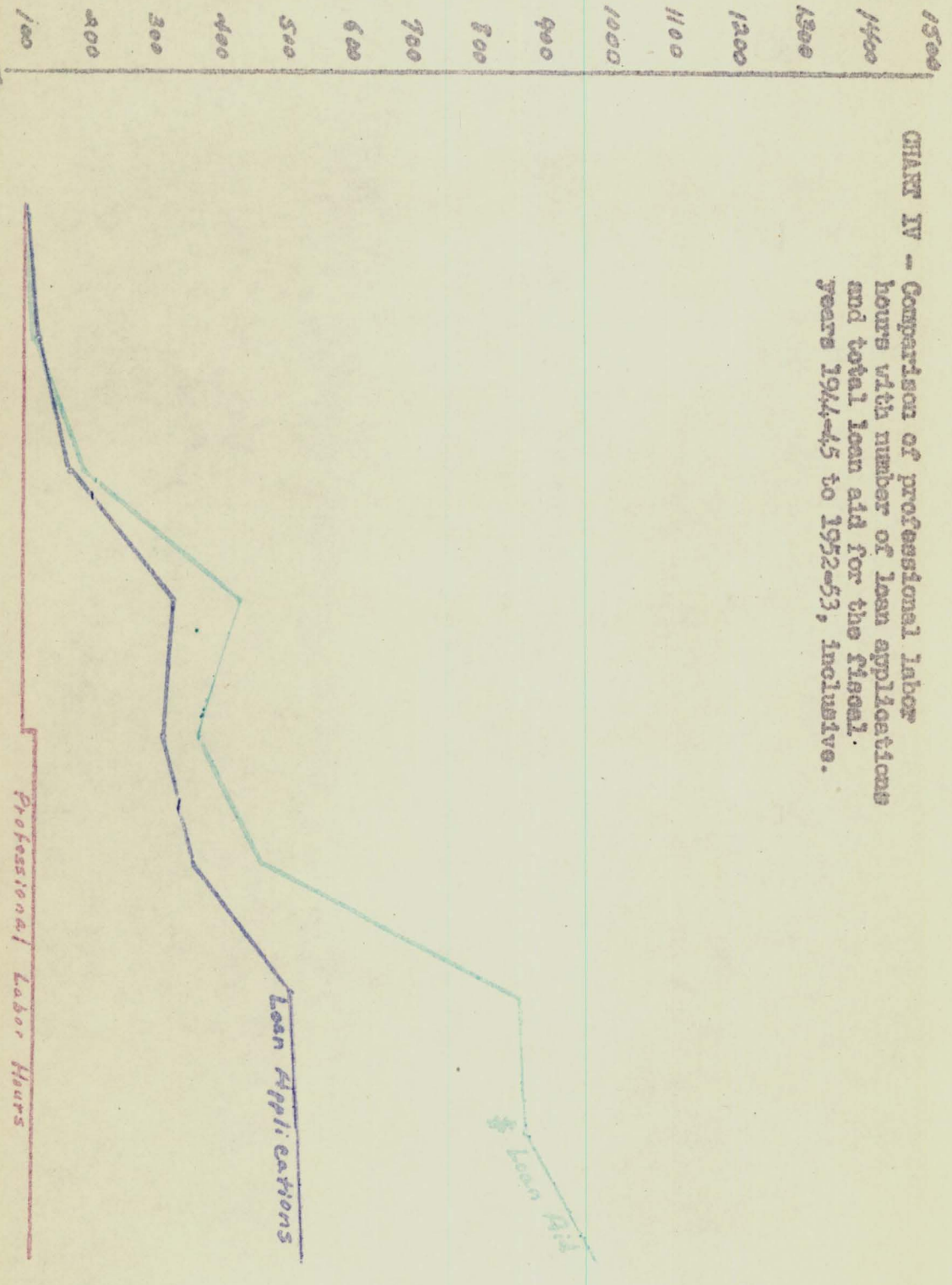
Professional Labor Hours

Scholarship Applications

Scholarship Aid

Index; Base Year 1944-45 = 100

CHART IV - Comparison of professional labor hours with number of loan applications and total loan aid for the fiscal years 1944-45 to 1952-53, inclusive.



Fiscal Year

44-45 45-46 46-47 47-48 48-49 49-50 50-51 51-52 52-53