

RECOMMENDATIONS

Scholarships and Fellowships

1. A scholarship should be awarded as an honor to one who gives promise of scholastic ability.

2. A fellowship should be awarded as an honor for proven scholastic ability with an indication of greater development of that ability for useful work.

3. Financial consideration should accompany such honors only in cases where scholars or fellows need such assistance in order to do their best work.

4. If the study undertaken has an economic value, financial assistance should be given in the form of a loan; when the training received has not this value, needed assistance should be given in the form of a scholarship or fellowship allowance at stated periods during the year.

5. A scholarship or fellowship should be held only so long as the recipient makes specific contribution to the advancement of knowledge or its co-ordination.

Loans

1. *Revolving Fund.*—A revolving fund, where principal as well as interest is loaned, serves many more students as compared with the restricted fund.

2. *Department of Administration.*—Loan funds should be administered in the business office of the institution under the direct supervision of the business officer. He should have final authority in granting or rejecting loans, as well as the responsibility for collections.

3. *Selection of Risks.*—Present need, past performance as an indication of future ability and willingness to repay should be the deciding factors. Preference should be given to former borrowers from the same loan fund after a careful study of their budgets, the principle being to assist them to the point where they can more readily repay.

4. *Amount of Loan.*—The amount of the loan should be decided only after a careful investigation of the individual applicant, taking into consideration his personal budget, opportunities for self-help, his scholastic rating, general health, and the average yearly cost per student at the institution. Usually, total loans of not more than \$1,000 should be granted.